

## Consumer Affairs Agencies

*Division of Banks*

*Division of Insurance*

*Division of Professional Licensure*

*Department of  
Telecommunications and Cable*

*Division of Standards*

*State Racing Commission*

Massachusetts Office of Consumer Affairs & Business Regulation

# CONSUMER ADVISORY

## College Insurance Needs

Preparing to send your student off to college is a challenging task – so is understanding your new insurance needs. To help parents find the right coverage, the Massachusetts Division of Insurance offers these tips for reviewing and updating insurance policies for their college student.

### Health Insurance

#### *Know your policy*

If you have a fully-insured health benefit plan that was purchased in Massachusetts, you can cover your dependents (including students) up until either their 26<sup>th</sup> birthday or 2 years after the last time they qualified as a dependent on your federal income tax. However, if you or your employer purchased a policy in another state, or if your employer has a “self-funded plan” (one for which the employer takes risk), the dependent eligibility may be different. Check with your health insurer or benefits provider to see how the policy defines the maximum age of coverage.

While attending college, your student may travel outside of your health plan’s network service area. Coverage will vary between policies but here are some general tips:

- HMO (Health Maintenance Organization) – Although your student will likely be covered for emergency care, routine coverage may require traveling to a physician or hospital within the HMO service area.
- Preferred Provider Plan – Your student’s benefits may be paid at out-of-network levels. Check with your insurer to know what levels of benefits are provided by your policy.
- Student Health Insurance – If your student is in college in Massachusetts, the school will require the student to enroll in the school’s health plan or to otherwise show that he or she has health coverage. As the school’s health plan may be limited, you should consider whether you want to keep your student on your health plan. If your student is attending college in another state, he or she may be limited by your health plan’s network service area. The student may be able to get a health plan through an insurer that contracts with the college to cover students. In general, school policies have limited benefits and more exclusions. For example, they usually exclude routine exams and injuries sustained under the influence of alcohol or drugs.

Before your student leaves home, be sure to copy all relevant insurance cards and make sure they know how to obtain referrals and approvals (if necessary) before seeking treatment.

### Renter’s Insurance

#### *Take an inventory before you pack*

Many students bring thousands of dollars worth of personal items with them to school. Whether your student will be living on or off campus, it is important to create a comprehensive list of the possessions they will take before packing. This detailed inventory – including purchase prices and model and serial numbers – will help determine how much renter’s insurance to purchase (if needed) and assist in filing an insurance claim if a

**Daniel C. Crane**  
**Undersecretary**

10 Park Plaza  
Suite 5170  
Boston, MA 02116

Hotline:  
617-973-3787  
888-283-3757

[www.mass.gov/consumer](http://www.mass.gov/consumer)

disaster occurs. Parents and students should take pictures or videos of the possessions and store copies in an off-site, secure location. To download a home inventory checklist and get more tips about disaster preparedness, visit [www.naic.org/index\\_disaster\\_section.htm](http://www.naic.org/index_disaster_section.htm).

### *Does your student need renter's insurance?*

If your student is under the age of 26, enrolled in classes and lives on-campus, your homeowners coverage will most likely extend to their belongings. Ask your agent if they will be covered on-campus and if your homeowners policy will insure your student's personal items while traveling to campus.

If your student is living off-campus, you may want to consider purchasing renter's insurance if your homeowners policy will not apply to the rented property. Also, check with an agent to see if the renter's policy extends to the belongings during the move. If not, ask your insurance agent about a separate rider in case of accident or theft.

## **Auto Insurance**

Your student can have a large impact on your auto insurance policy if they are going to school away from home. If your student is taking a car to school, be sure to check the rates for the college's city and state before changing your family's auto policy. If your student is not taking a car to school, check for possible rate adjustments. Also, inform your auto insurance company if your student maintains a good G.P.A. – some companies offer discounts for good grades.

## **Identity Theft Insurance**

Annually, victims in the United States suffer more than \$5 billion in identity theft costs. Unfortunately, college students are generally more vulnerable to identity theft because they are unprepared to protect themselves as they begin receiving a steady stream of requests for personal information.

Identity theft insurance does not protect against identity theft nor does it cover direct monetary losses incurred as a result of identity theft. Instead, it covers the costs associated with reclaiming one's identity – such as the costs of making phone calls and copies, mailing documents, lost wages and hiring an attorney.

If your homeowners policy includes identity theft insurance, ask your insurance agent if it extends to students living away from the primary residence. For students living off-campus, renter's insurance may also include identity theft insurance. Identity theft insurance can also be purchased separately from a different insurer, bank or credit card company.

## **For More Information on Identity Theft**

For tips on protecting your student from identity theft, visit [www.naic.org/documents/consumer\\_alert\\_college\\_id\\_theft.htm](http://www.naic.org/documents/consumer_alert_college_id_theft.htm).

For more information on what to do if either of you becomes a victim, visit the Federal Trade Commission <http://www.ftc.gov/bcp/edu/microsites/idtheft/> or the U.S. Department of Education <http://www.ed.gov/about/offices/list/oig/misused/idtheft.html>.

## **Your Insurance Options**

For more information about auto, home, life and health insurance options, as well as tips for choosing the coverage that is right for you and your family, visit [www.mass.gov/doi](http://www.mass.gov/doi).