

◆ InsureIntelligence ◆

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Insurance Education Seminars

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COLLEGE GRADUATION?

TIME FOR HEALTH

INSURANCE

Every college diploma should come with the following warning:

“Upon receipt of this college diploma, your group medical insurance is terminated. You are now responsible for all medical bills from sickness or accident.”

Generally, college students are protected under their family’s personal or group medical insurance policy while they are a “full time college student and under the age of 24.” This language appears in most group insurance contracts. However, each contract could be different, so you need to consult with your medical insurance company to be certain.

Other problems can arise with the definition of “full-time college student.” What if your college student has completed two years of college and decides to travel or work for 6 months. Are they still considered to be covered under your medical insurance policy? Or, if your college student decides to take less than a “full load” for several quarters will the college classify them as “part-time.?” If they do, your medical insurance carrier may not cover any medical bills during that time.

What are your alternatives? What is the intelligent

About 90 days prior to college graduation, contact a life and health insurance agent on behalf of your son or daughter. After giving the agent the student’s date of birth, ask for the following proposals:

1. An **annual** major medical insurance policy with a minimum of \$1,000,000 of lifetime medical protection. Ask for deductible options of \$250, \$500, and \$1,000. to help you decide what is the best use of your dollars.
2. A **short-term** major medical insurance policy with a minimum of \$1,000,000 of lifetime medical protection. Select a deductible of \$250, \$500, or \$1,000. Decide on 30, 60, 90, 120, 150, or 180 days of **short-term** coverage.

With these proposals for coverage you must now decide how long it will be before your college student will be covered by an employer sponsored medical plan. Many companies require a 30, 60 or even 90 day waiting period before a new employee is covered. If your student does not have a job waiting for them you may have to purchase an **annual** policy while they search for employment.

If there is a known date for employment, then you may be able to choose a **short-term policy** to keep them covered.

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