Purpose of this Handout
It is designed for J-1 Exchange Visitors and their dependents. It outlines the minimum provisions of the coverage required as of 1 September, 1994 of every visitor in J status.

The Requirement
As an Exchange Visitor in the United States you must carry health insurance for yourself and your J-2 dependents for the duration of your J program. Government regulations stipulate that if, after that date, you willfully fail to carry the required health insurance for yourself and your dependents, your J-1 sponsor must terminate your program and report the termination to the United States Information Agency (USIA) in Washington, D.C. –22 CFR 514.14 (h) (i).

The Reason for the Requirement
It is dangerous to be in the United States without health insurance. Although in many countries the government bears the expenses of health care for its citizens, and sometimes even for visitors, individuals and families in the United States are responsible for these costs themselves. A single day of hospitalization and medical treatment can cost thousands of dollars, and many hospitals and doctors refuse to treat uninsured patients except in life-threatening emergencies. Most Americans rely on insurance and you should do the same.

How Medical Insurance Works
When you purchase health coverage, the money you pay (premium) is combined with the premiums of others to form a pool of money. That money is then used to pay the medical bills of those participants who need medical care. Your coverage remains valid only as long as you pay your insurance premiums.

Once you purchase insurance, the company will provide you with an insurance identification card for use as proof of coverage when you seek medical help at a hospital or doctor’s office. The company will also provide written instructions for reporting and documenting medical expenses (filing a claim). The company will evaluate any claim that you file and make the appropriate payment for coverage.
under your particular policy. In some cases the company pays the hospital or doctor directly while in others the company reimburses the policy holder after he/she has paid the bills.

Choosing an Insurance Policy

Your J-1 sponsor may include coverage as part of sponsorship without further charge to you, or your sponsor may have selected and approved a specific policy for all its Exchange Visitors and may require you to buy that insurance as soon as you arrive in the United States. In many cases, you will be required to select and purchase your own insurance coverage. In choosing an insurance policy, you should consider the following factors:

1. The reliability of the company
2. Deductible amounts
3. Co-Insurance
4. The policy might pay 80% and the remaining 20% which you would have to pay is called the co-insurance (or co-payment)
5. Specific limits as to what the insurance will pay for particular services
6. Lifetime per occurrence maximums
7. Exclusions
8. Most insurance companies exclude coverage for certain conditions

REQUIRED INSURANCE SPECIFICATIONS (22 CFR 514.14)

1. A deductible of no more than $500 per accident or illness
2. Medical benefits of at least $50,000 per accident or illness
3. Repatriation or remains in the amount of $7,500
4. Medical evaluation to home country in the amount of $10,000
5. May require a reasonable waiting period for pre-existing conditions
6. May require 25% co-insurance per accident or illness
7. Shall not unreasonable exclude coverage of perils inherent to the activities of the exchange program
8. Must be underwritten by an insurance corporation having:
   a. an A.M. Best rating of A- or above
   b. an insurance solvency international (ISI) rating of A- or above
   c. a Weiss Research, Inc. Rating of B+ or above
   d. a Standard & Poor’s claim paying ability rating of A- or above

Where to Find Insurance Information
If you need information about purchasing insurance, ask our office about approved insurance policies available to Exchange Visitors in the United States.

Insurance Agents
When working with an insurance agent you should feel free to ask questions and take the time to learn about and understand several choices before you make a decision. If you are uncertain or confused, don’t sign anything.

IMPORTANT NOTICE
An Exchange Visitor who willfully fails to maintain the insurance coverage set forth above while a participant in an Exchange Visitor Program or who makes a material misrepresentation to the sponsor concerning such coverage shall be subject to termination as a participant.