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Study abroad insurance

What students must know

University health plans won't cover everything. Here's what a separate Indian travel policy adds, and where it falls short.

by Yasmin Hussain

A flight cancelled because of conflict in the region. A connecting route suddenly suspended. An emergency that demands evacuation to the nearest safe country, not home to India, but wherever the situation permits. For Indian students abroad, these are no longer hypothetical situations. In several parts of the world today, families are quietly factoring this into their plans. This is why the fine print in a student's overseas travel insurance policy deserves much more attention than it usually gets.

Beyond hospital bills

Even when a university-provided insurance policy is mandatory, an additional student travel policy from India can still be relevant. University insurance is largely designed around medical treatment within a local network, which makes access to care easier but also limits its scope.

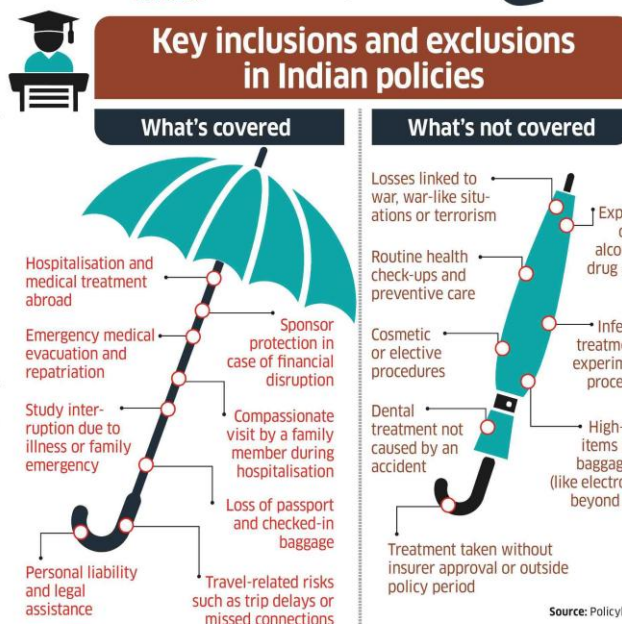
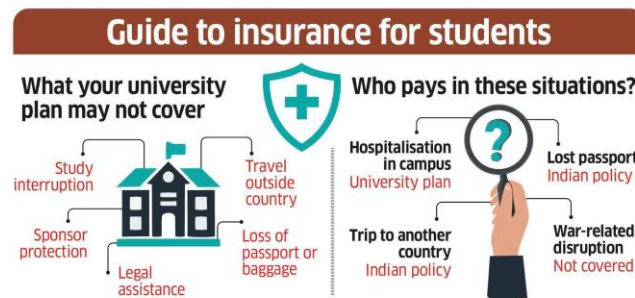
"University-mandated health insurance focuses mainly on medical treatment," says Amarnath Saxena, Chief Technical Officer-Commercial, Bajaj General Insurance. "Indian student travel insurance policies go beyond healthcare and cover travel-related and financial risks too."

The broader coverage becomes relevant in situations that fall outside hospital care. For instance, if a student has to interrupt studies due to illness or a family emergency, or faces issues such as the loss of a passport, baggage, or legal complications abroad, these may not be fully addressed by university plans.

"A robust student travel insurance policy extends beyond medical coverage to safeguard academic, emotional, and legal interests," says Chandrakant Said, Vice President-Consumer Underwriting, TATA AIG General Insurance.

Insurers position these policies as a supplement rather than a replacement. Meet Kapadia of Policybazaar explains that student travel plans from India can work "as a smart supplement to university plans," as they include protection against risks such as baggage or passport loss, study interruptions, and even damage or loss of electronic devices like laptops and tablets. "A comprehensive plan provides all-round protection, reducing financial and emotional stress in unfamiliar environments. It also includes key non-medical benefits such as study interruption, sponsor protection, personal liability, bail bond, and coverage during travel to other countries."

Sponsor protection applies if the student's financial sponsor, typically a parent



or guardian, is unable to continue funding due to death, disability, or a sudden loss of income. In such cases, the policy steps in to cover remaining tuition fees, preventing disruption to the student's education.

In terms of coverage, most student policies typically offer a sum insured ranging from \$100,000 to \$500,000, with some plans going up to \$1 million, especially for destinations like the US, where healthcare costs are significantly higher.

In that sense, the two types of policies serve different purposes. One ensures access to treatment within the country of study,

while the other serves as a broader financial safety net for the risks that come with living and travelling abroad.

What the policy won't pay

The policy documents make it clear that the coverage has strict boundaries. For one, Indian insurers' overseas student travel policies will not pay for any injury or evacuation due to war-like situations, like the one in West Asia. Routine health check-ups, preventive care, and general examinations are not included. The policy wording across in-

surers clearly excludes "routine physicals or other examinations" where no illness is involved. Cosmetic procedures and elective treatments are also not covered unless they are required due to an accident.

While university health plans typically cover routine check-ups, preventive care, and general examinations within their network, they also exclude non-essential treatments such as cosmetic procedures, similar to Indian insurers. Dental care is another area with limitations. It is usually covered only if the treatment is required because of an injury, not for regular dental problems.

Even non-medical benefits come with conditions. For instance, bag-

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gage loss is covered only in specific situations and may exclude or place limits on high-value items such as electronics, depending on the policy terms. There are also caps on the amount that can be reimbursed, and claims must meet strict documentation requirements. This is important for students because they tend to carry such items with them. If such items are lost, standard baggage cover may not fully compensate the loss due to sub-limits or exclusions, leaving students to bear a significant portion of the cost. Another important detail is timing. Coverage applies only during the policy period, and in many cases, expenses must be pre-approved by the insurer. If treatment is taken without authorisation or after the policy expires, claims may not be paid.

These exclusions are not always obvious at the time of purchase. "Students and parents should carefully evaluate exclusions to avoid surprises at the time of claim," says Said.

Cost versus coverage

Indian policies are significantly cheaper than university plans, which can run into lakhs annually. For instance, Cornell University health plan can cost somewhere between ₹3-3.5 lakh, annually, whereas Indian policies like Tata AIG can cost up to ₹33,151 for the US.

Experts say price should not be the only consideration. The real question is whether the policy covers the risks students are likely to face. What may seem like an unnecessary expense at first can become a critical financial buffer once they are on their own abroad.

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