



# KSI CONSULTING, LLC

*“The Specialty Insurance Professionals”*

## Primary Insurance Products for Student-Athletes

So your institution has made the decision to require primary insurance coverage for all student-athletes? Congratulations! There is no greater way to protect a secondary athletic accident insurance program than requiring primary insurance coverage.

The challenge your institution has faced or is facing is finding suitable insurance products that will protect your athletic accident insurance plan and be affordable for the student-athlete. It is so difficult to navigate through the individual insurance matrix. What may look like an incredible value or a significant benefit are all too often disguises to hide various limitations.

KSI Consulting has spent years researching and exploring numerous primary accident plans and is happy to share its opinions on what we believe are the best programs available as well as plans you should avoid:

### **THE BEST:**

While buying a comprehensive health insurance plan is always the best option, these plans can be unaffordable for a full-time college student that participates in intercollegiate sports. The next best option is an individual intercollegiate sports accident only plan. These types of plans should include the following:

- \$0 Deductible
- No Co-payments
- Medical Maximum Benefit of \$5,000 or higher for intercollegiate sports accidents only
- Two-year benefit period
- Benefit payable at first dollar of expense and will not allow expenses to hit the secondary plan until full benefit is exhausted
- Ability to bind and effect coverage within 24-hours
- Seamless claims management between primary plan and secondary athletic accident plan
- Ability to obtain network discounts at first dollar

Usually plans that are straight-forward and easy to understand are the best products. KSI Consulting has developed a primary accident plan that includes all the features listed above. A couple items of note regarding this product's availability - an institution must mandate that all student-athletes have primary insurance coverage to participate in intercollegiate sports AND an institution must purchase a fully-insured secondary athletic accident plan with the same insurance carrier that is providing the aforementioned primary accident plan. **Total cost per uninsured student-athlete for a \$5,000 medical maximum plan is \$595.** For more information about KSI Consulting's primary accident plan please feel free to review the following web link [HERE](#).

*4701 Shore Drive #103-423 Virginia Beach, VA 23455*

*Phone - 770-310-1181; Facsimile - 888-392-7719; E-mail - [steve@ksiconsulting.net](mailto:steve@ksiconsulting.net)*



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## **What to Avoid:**

**Short-term Medical Plans:** STM's can be an attractive option at first glance because of the promises of healthcare benefits as well as accident coverage however; they are typically not a good fit for uninsured student-athletes. STM plans are designed to serve as a type of “insurance gap” until an individual can obtain a comprehensive health insurance plan. STM's were never designed to cover a student-athlete for four years while participating in intercollegiate sports.

The biggest concern we have with most STM plans deals with the coverage period and exclusion of pre-existing conditions. Most STM plans offer a limited intercollegiate sports accident benefit (if any) with a maximum duration of six months. These plans are usually not renewable. Most collegiate sports playing seasons are within a six month period but typically there are pre-season and post-season practices and/or conditioning where injuries could still occur. These plans would leave your student-athletes uninsured unless another plan is re-written.

Even if a plan is re-written either consecutively or annually, there is a time period when expenses will no longer be eligible. There is a chance that coverage could lapse before a student-athlete has been fully treated. For example, if a basketball player purchased a six month STM plan on September 1 but was injured in late February some or all of the expenses would be denied beginning March 1. This would leave your intercollegiate sports insurance plan at risk. Since the STM plan is not renewable and does not cover pre-existing conditions then there would be no coverage available to offset expenses even if you purchased a new plan.

**Primary Plans with Deductibles and Co-Payments:** The purpose of a primary accident plan is to deflect as much expense away from the secondary athletic accident policy as possible. When a student-athlete purchases a primary plan with a deductible and/or co-payments then these are dollars that will ultimately hit your secondary plan. Be especially careful with companies offering large medical maximum benefits but state they will pay the first (X) % of the first (X) amount of incurred expenses. This is just a confusing way to say there is a co-payment included and significant expense will be directed to your secondary plan.

**Plans with benefit periods less than one year:** Institution's should only refer products that provide an appropriate period of time for an injury to be treated. There are times when a student-athlete may have an injury but choose to delay a treatment like surgery until the end of a sports season. Benefit periods that are less than one year can leave your secondary plan susceptible.

**“Too Good To Be True” Plans:** This old adage still holds true today that when something looks “too good to be true” it probably is. Be wary of plans that offer high benefits at a low cost. Many times these plans are either heavily allocated, have various loopholes that put the secondary plan at risk or have ridiculous benefit periods. For example, we see plans that offer a great medical maximum benefit for a limited premium only to find out that the benefit period is only 21 days.

To obtain a formal proposal for both a secondary athletic accident insurance plan and primary accident plan please contact KSI Consulting.

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