

# OVERSEAS STUDENT HEALTH COVER

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## ISSUES PAPER OUTCOMES

### INTRODUCTION

The Overseas Students Ombudsman (OSO) investigates complaints about the actions of private registered education providers in connection with intending, current or former overseas students. We have investigated several complaints from overseas students concerning the actions of private education providers in relation to the students' Overseas Student Health Cover (OSHC).

In August 2014, we published an OSHC issues paper<sup>1</sup>, which discussed these issues and made a number of recommendations for the Department of Education (DE), the Department of Immigration and Border Protection (DIBP) and the Department of health (DH) to consider. This paper provides an update on the outcome of those recommendations.

### BACKGROUND

While overseas students can arrange their own OSHC, many rely on their education providers to do so. In 2013-2014, we identified problems with some providers indicating in the Provider Registration and International Student Management System (PRISMS) that they had purchased OSHC for students when they had not.

This left the students without health cover and put them in breach of their student visa condition relating to health cover. It also meant DIBP granted the student a visa when they did not actually meet the requirement to have health cover in place, a requirement for the grant of a student visa.

We also found some education providers were incorrectly starting the student's OSHC from the day their course commenced, meaning the student was entering the country before this without health cover in place.

### RECOMMENDATIONS

We made the following recommendations aimed at addressing these issues:

1. DE consider revising para (k) of Regulation 3.01 of the *Education Services for Overseas Students Regulations 2001* to include OSHC start and end dates in the prescribed information that education providers must provide, to better align these requirements with the existing PRISMS fields and the information that DIBP needs to assess whether student visa applicants have adequate arrangements in place for OSHC during their intended stay in Australia.

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<sup>1</sup> See: [www.oso.gov.au/publications-and-media/reports/issues-papers/](http://www.oso.gov.au/publications-and-media/reports/issues-papers/)

2. DE consider consulting with education providers and agents to identify ways for providers and agents to substantiate in PRISMS that the provider or agent has arranged OSHC for a student.
3. that the DH and DIBP work together to identify ways to ensure that a student's OSHC commences on the day that the student arrives in Australia.

In addition, the OSO undertook to:

1. liaise with the Council for International Students (CISA) to raise awareness amongst overseas students of their right to:
  - receive their OSHC membership card as proof of their OSHC and;
  - complain to their education provider in the first instance if they believe their education provider or education agent has failed to arrange their OSHC on their behalf, and;
  - complain to the relevant Ombudsman if they are not happy with their education provider's response to their complaint.
2. continue to investigate complaints about OSHC not being arranged as promised by private education providers or their education agents
3. report any private education providers or education agents found to have received OSHC fees, but failed to arrange OSHC for an overseas student, to the relevant regulator.

## **ACTION TAKEN IN RESPONSE TO OUR RECOMMENDATIONS**

In February 2015, we wrote to DE, DIBP and DH asking them to advise what action they had taken in response to our recommendations. The departments responded in March and April 2015 with the following advice.

DIBP advised it has developed a fact sheet in consultation with DE and DH, which it distributed to education providers in November 2014<sup>2</sup>, which emphasises education provider's obligations when arranging OSHC for overseas students, including the importance of ensuring that OSHC begins when the student enters Australia.

DIBP advised it has also amended the information it provides to international students when it grants a student visa, to give students clear guidance on the health insurance requirements. This correspondence now includes a statement advising students that they must not enter Australia before their health cover commences.

DIBP also published an online blog<sup>3</sup> directed at prospective and current student visa holders titled 'Did you know you need to have health insurance to study in Australia?' DIBP advised that through cross-promotion on its social media platforms and the Study in Australia (Austrade) website<sup>4</sup>, the blog post has achieved considerable international reach, with the majority of views coming from individuals located in Australia, India, the Philippines, United States and Pakistan.

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<sup>2</sup> Available at [www.immi.gov.au/Business/Pages/education-providers/roles-responsibilities.aspx](http://www.immi.gov.au/Business/Pages/education-providers/roles-responsibilities.aspx)

<sup>3</sup> Available at [www.migrationblog.immi.gov.au](http://www.migrationblog.immi.gov.au)

<sup>4</sup> [www.studyinaustralia.gov.au](http://www.studyinaustralia.gov.au)

DIBP and DH advised they discussed revising the OSHC Deed of Agreement to require health insurance providers to cover students from when they arrive in Australia. However, they agreed that an active communication strategy, as described above, was a better approach to ensuring that students and education providers understand their obligations in relation to OSHC and that student visa holders do not enter Australia before their health cover commences.

DH added that OSHC insurers can only refund OSHC premiums in specific circumstances and must see proof of these changes in circumstances, for example, where a student does not end up coming to Australia or where the student is granted permanent residence and no longer requires OSHC. DH further stated that insurers can only reasonably be expected to amend the length of coverage of an OSHC policy if the student (or their intermediary) advises that the anticipated length of the student's stay in Australia has changed from that originally advised (for example, they arrive earlier than expected).

DE advised it did not intend to amend the ESOS Regulations at this stage to require providers to enter the start and end dates of OSHC cover in PRISMS, as it did not want to increase the regulatory burden on providers by increasing data input requirements. DE stated it viewed the education campaign undertaken by DIBP to raise awareness amongst providers of OSHC requirements as a better alternative.

The OSO has discussed the issues we identified with OSHC with CISA. CISA has recently appointed an education officer who will be working on a 'know your rights' education campaign for international students in Australia. The campaign will cover a number of areas and could include raising awareness of students' right to receive their OSHC membership card from their provider (where the provider arranged the OSHC cover) and their right to complain to the relevant Ombudsman if there are any problems they are unable to resolve with the provider.

## **CONCLUSION**

The OSO has not received any new complaints about OSHC since we published our OSHC issues paper. Therefore, we have not had cause to report any providers to the regulator for receiving OSHC fees but failing to arrange the cover for the student. However, we will continue to monitor these issues through any future complaints we may receive.