

# **Pupils Absence Insurance Scheme (PAIS) or the Fees Refund Scheme (FRS): Questions and Answers**

Effective from Winter Term 2023

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**Not sure what the key differences are between the Fees Refund Scheme (FRS) and the Pupil Absence Insurance Scheme (PAIS)? This simple FAQ will help provide insight as to why it might be time for your school to offer the PAIS option to your school's parents/fee payers.**

**1. How does providing your school fee payers with Marsh's Pupil Absence Insurance Scheme protect your school?**

The contract between the school and parents ensures parents are responsible to pay fees. When combined with this contract, the Pupil Absence Insurance Scheme (PAIS) gives the parents the option to claim a refund of fees from an insurer when their child is absent from school due to sickness or injury.

**2. Who benefits from the PAIS covers?**

All covers under PAIS benefit parents only – not the school.

**3. How else does PAIS protect parents?**

Parents – the end “consumer” of the PAIS product – are protected as it enables them to make a formal complaint if they are unhappy with the insurance cover and/or service they receive. If they are not satisfied with the response, they will be advised of their rights to take the complaint to the Financial Ombudsman Service.

**4. How does PAIS protect the school?**

PAIS is a group insurance policy; therefore, it does not put schools in scope under the stake holder definition of recent FCA (financial conduct authority) regulations.

**5. Some of our pupils have existing health conditions – how would a switch from FRS to PAIS impact them?**

If an existing FRS pupil transfers to PAIS the pre-existing exclusion will take effect from the date the pupil joined the FRS. It will not start from the transfer to PAIS.

**6. If the school switches from FRS to PAIS are the pupils on the FRS schemes automatically transferred?**

No, existing FRS pupils will not automatically be transferred to PAIS as it is a

new policy contract. All existing pupils will need to complete a new PAIS application.

**7. Can the school continue to offer FRS to existing members of the scheme but also offer PAIS to new pupils?**

Yes, the school can operate the two schemes until the FRS ends in 2026. Thereafter, any existing pupils on the FRS will then need to apply for PAIS.

**8. Will PAIS generate lots of questions from parents? PAIS is a group insurance policy and is very straightforward for schools and parents to understand. Any queries from schools or parents will be directed to Marsh. This is unlike FRS which is the school's policy and therefore, communication is between the parents and the school. Marsh is unable to deal directly with a Fees Refund parent.**

**9. Are there lots of product variations to PAIS?**

No. The school takes out PAIS as a group insurance policy and chooses either the four day or eight franchise period for all pupils (boarder and days).

**10. Does the PAIS cost more than the FRS?**

No. It is a lower premium rate to any parent that decides to join the group policy.

**11. Does the school have to get involved in claims?**

Yes. Only to confirm the pupil is on cover and is absent from the School register. Payment of Claims can be made direct to the parent.

**12. What happens if the fee payer dies?**

School fees are covered for six terms in the case of accidental death of the fee payer (up to the age of 80).

**13. Is there cover for psychiatric and psychotherapy costs under PAIS?**

Yes:

- up to £ 150 for an initial consultation and diagnosis following referral from the Fee Payer's and/or Pupil's Doctor;
- up to £ 5000 for additional consultations.
- a maximum per insured person of £500 per diagnosis:
- a maximum of £500 in any 12-month period from the date of the diagnosis being made.

**14. Are there any other benefits with the PAIS policy?**

There is a £50 Doctor's fee extension for absence exceeding 14 consecutive days.



**For further information please contact us at:**

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Please read and retain all supplied documents as they provide details of your policy and important contact details.

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