

2018 COLLEGE CONFIDENCE INDEX

EXECUTIVE SUMMARY

To identify and track important trends in how current and prospective college students and parents view key issues around their higher education experience, Allianz Tuition Insurance is pleased to share the results of the 2018 College Confidence Index,* our 2nd annual survey of this kind.

As an Index, this annual survey enables users to follow important trends over time and know what the most important issues are for students and parents. This year's Index was in alignment with last year's results: most parents and students are unprepared for the financial responsibility of a 4-year college education, and they doubt their ability to pay before the student even starts their academic journey.

2018 KEY INSIGHTS

Parents are saving less for college, while students are saving more. Neither group is saving enough to cover the cost of a four-year degree. Sources other than parents and students are expected to fund about 40% of balance, which is significantly more than in 2017.

Parents are less confident in 2018 than in 2017 that their child/student will finish college without having to withdraw – temporarily or permanently.

The majority of parents (73%) and students (69%) do not recall seeing their school's refund policy. This question was new to the Index this year.

90% of parents and students thought access to 24/7/365 assistance services would be valuable. This question was new to the Index this year.

More than 8 in 10 Americans agree that the financial repercussions of withdrawing could be severe. This insight was the same in 2017.

Please see other side for a brief analysis of implications and a proposed solution.

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of parents and students thought access to 24/7/365 assistance services would be valuable.

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IMPLICATIONS

Colleges and universities are smart to consider how to strengthen the confidence of parents and students who choose to enroll in their institution.

With families already facing a College Savings Gap, it may not be possible for them to fund additional semesters if a withdrawal takes place.

Stressed students and worried parents do not, typically, have a fulfilling and successful college experience.

Tuition insurance that includes Student Life Assistance is very likely to increase students' and families' confidence levels around overcoming unexpected events that may disrupt a semester.

NEXT STEPS

- Evaluate the enrollment management practices and how they build confidence in students and their families.
- Financial Aid and other programs build confidence and demonstrate a commitment to student success.
- Evaluate what school sponsored student benefit programs are provided on a voluntary basis to students that demonstrate a commitment to student success (i.e. student assistance, student health and tuition insurance programs).
- School sponsored student benefit programs cost less and provide enhanced coverage features.
- Distinguish your college or university through careful decision design and transparent institutional policies.
- If your college or university does not refund 100% of tuition and academic fees for student medical withdrawals, provide "notice" of your refund policy to each tuition payer.

It's imperative that you are as direct and transparent as possible in communicating your school's tuition refund policies. If your policy has limitations, it's highly advisable to offer families the opportunity to purchase tuition insurance.

SOLUTION: ALLIANZ TUITION INSURANCE

Allianz Tuition Insurance can reimburse families for up to 100% of tuition and fees if a covered student withdraws mid-semester for any covered reason, regardless of your refund policy – **at no cost to your school.**

Allianz Tuition Insurance gives parents peace of mind. It helps parents feel more secure in the decision to invest in their child's academic future. It also reduces some of the pressure students face—letting them worry less about the financial impact on their parents if the student has to discontinue their education for a covered reason.

To request a personal presentation of these insights and conclusions, please go to AllianzTuitionInsurance.com/ Partner or call **1-866-887-9934**.

**Ipsos Research conducted this survey in April 2018 on behalf of Allianz Tuition Insurance. For the survey, a total sample of n=2,000 Americans (college students age 17-25, prospective n=500, current, n=500; and parents of prospective students 17-25, n=500, and of current students n= 500) were interviewed online.*

85%

of students and parents agree that the financial repercussions of withdrawing could be severe

Terms, conditions, and exclusions apply.

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