

Proposal for uniform health insurance plan

OUR SPECIAL CORRESPONDENT

Mumbai: A recent directive of the Insurance Regulatory and Development Authority of India (Irdai) on a standard health product for all is expected to increase the reach of insurance in the country's lower- and middle-income segments.

The regulator had the issued guidelines on a standard individual health insurance where it asked the insurers to offer a standardised product that will take care of the basic health needs of customers with a maximum sum insured of Rs 5 lakh and a minimum of 1 lakh.

Called Arogya Sanjeevani Policy, the product can be followed with just the insurance company's name.

The mandatory covers under the product include hospitalisation expenses, other expenses such as cataract subject to sub-limits, dental treatment and plastic surgery necessitated because of disease or injury, all daycare treatments and expenses on road

ambulance, subject to a maximum of Rs 2,000 per hospitalisation.

Individuals who are confused by the numerous products on offer will have one set of features to choose from.

"The health insurance

Funds prop likely

New Delhi: Finance minister Nirmala Sitharaman may announce a second round of capital infusion for public sector general insurance companies in the upcoming budget to improve their financial health.

The government had infused Rs 2,500 crore in three insurers — National Insurance, Oriental Insurance and United India Insurance — through first supplementary demands for grants for 2019-20 last month. However, these companies would require Rs 10,000-12,000 crore more to meet the prescribed solvency margin, sources said. ■

market is having a number of individual health insurance products. Each product has unique features and the insuring public may find it a challenge to choose an appropriate product. Therefore, the authority has decided to mandate all general and health insurers to offer a standard individual health insurance product," the regulator said.

No add-ons or optional covers can be offered along with the standard product. However, the insurer may determine the price keeping in view the covers proposed to be offered, subject to complying with the guidelines.

"It is a welcome move to increase penetration in the lower middle income segment as this will come with a facility of paying premium in instalments," said Gurdeep Singh Batra, head of retail underwriting at Bajaj Allianz General Insurance.

Mayank Bathwal, CEO of Aditya Birla Health Insurance, said the Irdai guidelines aim to provide maximum coverage to the under-covered so that they get access to better medical facilities.