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Why Arogya Sanjeevani has the potential to be a game-changer in health insurance sector

Experts hail policy, say it will address the basic health needs of consumers

ANALYSIS

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The most baffling aspects a customer faces while buying health cover are the nature of disorders covered, lack of clarity and high premium. What makes Arogya Sanjeevani significant is the solution it provides to these key challenges.

The IRDAI, on Friday, issued guidelines for a standard health cover policy to be offered by all general insurers and standalone health insurers from April 1.

The industry has also welcomed the policy as the regulator has incorporated many points from the feedback given by insurers on the

guidelines. According to Ashish Mehrotra, MD and CEO, Max Bupa Health Insurance, Arogya Sanjeevani is a "welcome step that will allow more people to come into the ambit of health insurance, making it more pervasive in the country".

It will also increase awareness and penetration among the lower middle-income segment as it comes with the facility to pay premium in instalments.

"Thus, it is an attractive avenue for people as it will not only be easy on their pocket but also give them enhanced coverage," Gurdeep Singh Batra, Head - Retail Underwriting, Bajaj Allianz General Insurance, told *Business Line*.

Moreover, since all insurers have been directed to have

the same coverage and exclusions, it will be simpler for customer to understand.

The norms related to migration under health insurance policy provide clarity on how one could migrate from group policy to an individual policy, underwriting guidelines for the insurer, and waiting period applicable.

An interesting point about the guidelines is that it will be beneficial for customers who are migrating from one individual policy to another individual policy for the same sum insured as medical underwriting may not be required.

Another advantage is that it will help build more trust among customers who may not have a full understanding of the various co-pays and sub-limits from different insurers.

As observed by Prasun Sik-



Users can enhance benefits with customised coverage to suit their changing lifestyle and health needs

dar, Managing Director and Chief Executive Officer, ManipalCigna Health Insurance Company, Arogya Sanjeevani will offer a health cover that is likely to address the basic health needs of consumers.

Customers can enhance their benefits with custom-

ised coverage that meet their changing lifestyle and health needs. Overall, this move has the potential to address the issue of reach, simplicity and meet the basic needs of the uninsured so that customers are heard and understood.

This can provide a further boost to health insurance

portfolio. During FY2018-19, general and health insurance companies collected ₹44,873 crore as health insurance premium, registered a growth of 21.2 per cent over the previous year.

For the last four years, it has been growing at more than 20 per cent per annum.