

Only specific health insurance policies to cover vaccination

Disha Sanghvi
disha.s@livemint.com
MUMBAI



Cost of vaccination for covid is a concern for many. AP

With at least three covid-19 vaccine candidates entering late-stage clinical trials, the world sees a ray of hope to emerge out of the pandemic, but the one question that may be a concern for scores of Indians is the cost of vaccination.

And, if you are worried that the vaccine may burn a hole in your pocket and think that your health insurance policy will come to your rescue, you could be mistaken, considering that only specific health insurance policies cover the cost for covid-19 vaccines.

“One is the procedure cost, where an infected patient is hospitalized and covid-19 medicines or vaccines are administered. These costs will be covered by all health insurance policies. However, if it’s a vaccine that’s being provided on the out-patient department (OPD) basis, then only policies that pay for OPD expenses will cover it subject to being prescribed by the medical practitioner,” said Prasun Sikdar, MD and CEO, Manipal-Cigna Health Insurance Co. Ltd.

Typically, all vaccines are covered if one has an OPD cover, and insurers said the same will apply to the covid-19 vaccine as well. Health insurance policies that come with an OPD cover are generally quite expensive and experts said this is one reason why the category hasn’t picked up. Premiums for OPD policies are high because the probability of claims is higher than hospitalization and the chance of fraud is also high.

Sikdar said the only way to

If a vaccine is provided on the out-patient department basis, then only policies that pay for OPD costs will cover it

have OPD cover premiums under control is to have network providers for OPD expenses, but since that is not easy to achieve pan-India, the OPD insurance products come at a high premium. Furthermore, even if you have a policy with an OPD cover, there are chances of not getting the full vaccine cost because it could come with sub-limits. For example, if the vaccine costs ₹1,200 and the sub-limit on vaccines in the OPD cover is ₹800, then you will have to shell out ₹400 from your own pocket.

Dr. Rashmi Nandargi, head, retail health underwriting, Bajaj Allianz General Insurance

Co. Ltd, said it is also important to check whether your OPD cover pays for vaccines or not.

Note that just because policies with an OPD cover may pay for vaccination, doesn’t mean you must buy one. “At an industry level, there are no standalone OPD covers and even the ones that come with indemnity policies, the premiums are quite high because OPD utilization would be higher than hospitalization. This is why most people prefer paying for OPD expenses by themselves,” said Nandargi.