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Corona Kavach a big draw for millennials

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The rapid spread of the covid-19 pandemic has sparked a rush for Corona Kavach insurance to pay for the potential costs of hospitalization, home treatment and related expenses, with the millennial population showing maximum interest in the new product.

In July, the insurance regulator directed general and health insurance companies to offer the insurance product tailored for covid-19 treatment, even as regular health plans continue to cover the cost of hospitalization.

State-run general insurer New India Assurance Co. Ltd said it sold about 60,000 such policies to individuals and fam-



Some companies are looking to cover their employees specifically for covid-19.

ilies between 10 and 30 July, with the western zone recording maximum sales. Manipal-Cigna Health Insurance Co. Ltd said it sold about 150 policies with the most preferred sum assured of ₹4-5 lakh, most of them from tier-II and -III cities.

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Millennials buy corona insurance

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Max Bupa Health Insurance said it sold nearly 8,000 Corona Kavach policies, 80% of which were for 9.5 months. 90% of buyers chose the ₹5 lakh sum insured, the maximum allowed under Corona Kavach. "So far, the highest purchase for Max Bupa Corona Kavach plan is by millennials, as 43% of buyers are in the age group of 18-30 years. The trend shows there is a demand for short-term covid-specific covers, especially among first-time buyers of health insurance," said Krishnan Ramachandran, managing director and CEO, Max Bupa Health Insurance.

Bajaj Allianz General Insurance Co. Ltd, too, reported demand for the new product from the younger generation. "Corona Kavach has seen a positive uptake from custom-



ers, especially from individuals up to 45 years. We have witnessed higher inquiries for sum insured falling between ₹2-5 lakh, considering treatment expenses for covid-19. Policy period of six-and-a-half months and nine-and-a-half months have seen a higher demand. We have seen major uptake from the western part of the country, with contribution from Maharashtra and Gujarat, followed by the south

and east," said Gurdeep Singh Batra, head of retail underwriting, Bajaj Allianz General Insurance.

Online insurance aggregator Policybazaar said it is selling around 1,000 policies a day and 85% of the buyers picked Corona Kavach, whereas the remaining 15% opted for Corona Rakshak, a benefit-based product that pays 100% of the sum insured if the policyholder is hospitalized for 72 hours on positive diagnosis.

Some firms, too, are looking to cover their staff specifically for covid. "We saw substantial demand at the onset of covid from firms for additional coverage for staff. Many have already bought supplementary coverage for covid. The demand from firms for group coverage is now relatively less," said Abhishek Bondia, managing director and principal officer of Secure-Now.in, an insurance broker.