



What's On Offer For COVID-19 Patients?

Two new policies Corona Rakshak and Kavach can help cover hospitalisation and domiciliary expenses

By **Rajat Mishra**

The insurance regulator, Insurance Regulatory and Development Authority of India (IRDAI), has suggested two new policies specific to the COVID-19 pandemic and issued guidelines to insurers.

One of them - Corona Rakshak - is a single-premium cover that will pay 100 per cent as lump-sum to the policyholder on being tested positive and need hospitalisation for 72 hours or more. This plan does not have any deductible. Another plan - Corona Kavach - is a single-premium indemnity health policy that covers hospitalisation as well as domiciliary expenses.

Who should buy and why?

Firstly, there are three segments of people who should buy it. One, those who don't have any other

health policy and COVID-19 leads to complications or attack of the heart. People suffering from salary cuts and layoffs can also avail of it. Thirdly, you may supplement your existing policies with Corona Kavach policy as this would protect you with additional sums insured.

Dr Shreeraj Deshpande, Chief Operating Officer, Future Generali India Insurance debunks certain misconceptions that have emerged about this policy. "This Kavach policy covers home care treatment up to 14 days for COVID-19 cases, whereas normal health insurance policies do not cover it. The policy also comes with an optional hospital daily cash cover in which the insurer will pay up to 0.5 per cent of the sum insured for every 24 hours of hospitalisation."

Premium and other features

These indemnity-based policy is available on individual and family

floater with sum insured ranging between ₹50,000 and ₹5 lakh. It is available for three and half months, six and half months and nine and half months including the waiting period. The single mode of premium payment varies from insurer to insurer.

The premium of Corona Kavach policy for 30-year-old individual for six and half months for a sum insured of ₹50,000 sum by Bajaj Allianz is ₹1,056, the premium of Corona Kavach with same features by United India is ₹1,140, for Oriental Insurance ₹1,039, for IFFCO Tokio ₹1,324.

"This is based on actuarial modeling for estimated prices using current experience of COVID and earlier experience of infectious claims. Also, a few future presumptions on claims/ frequency development are considered using information available from public

domain. Hence, prices differ from insurer to insurer,” says Gurdeep Singh Batra, Head-Retail Underwriting, and Bajaj Allianz General Insurance.

Is the policy good enough to bear the cost of COVID-19 treatment?

“The coverage of up to 5 lakh is good enough from my perspective. Bills above ₹5 lakh are exceptions. Since 95 per cent of the bills do not exceed ₹5 lakh figure, why should we unnecessarily tax policyholder?” questions Dr S Prakash, MD, Star Health and Allied Insurance while talking about the coverage of the policy.

Dr Prakash feels it is very easy to criticise but is very difficult to frame a policy, particularly in the case of corona because there is a lot of uncertainty. “Even after eight months of this outbreak, we are still learning and unsure of many things. Few months back we used to say it is spread by droplet now we are saying it is airborne. We are seeing a lot of uncertainty. I think the government and the regulator have really done what is required. The government has framed uniform rules for each one of us from state owned insurers to private insurers,” he explains.

Clamour for normal health cover?

The treatment can go on for 10 days, 20 days and in some critical cases for over a month. Customers need to choose a policy to suit their needs. Some insurance companies are pushing for ₹1 crore health insurance covers. There is a growing sense that a ₹5 lakh cover will not be enough.

Paying for hospital consumables

There is little clarity even in normal health covers as to the extent of consumables and home care are covered. Amit Chhabra, Health Business Head, Policybazaar.com says, “Although as per T&C, PPE kits are non payables, several insurers are

helping the customers by sharing the cost of PPE. Max Bupa is helping by sharing the cost of PPE kits up to ₹5,000 per day for ICU and up to ₹3,000 per day for non-ICU room. Aditya Birla Health Insurance is covering, considering a reasonable expense towards it and are sharing cost up to ₹2,500 per day for wards and ₹5,000 per day for ICU. Bharti Axa is sharing cost up to ₹1,500 per day for COVID-19 cases only and is not paying in non-COVID-19 related claims.”

Some insurers are covering the cost of home care. Max Bupa is covering home care if the case of COVID-19 is severe enough to warrant hospitalisation (after 30 days of waiting period is over), if beds are not available in hospital

These indemnity-based policies range between ₹50,000 and ₹5 lakh

and they certify the same, and if the policy has domiciliary hospitalisation cover. On the flip side, Bharti Axa is not covering home care. However, insurers like Religare Health Insurance is covering home care as a part of domiciliary hospitalisation benefit if available in the policy. The specific terms and conditions and sub-limit are applicable.

However, in another move IRDAI has announced that treatment at make-shift or temporary hospitals are eligible for claim settlement. In order to bring in more clarity, the regulator said that if anyone is diagnosed with COVID-19 and is admitted to a make-shift or temporary hospital, permitted by central and state government, then the treatment cost shall be settled by the insurer. It also added that if any network provider has set up a make-shift or temporary hospital it shall be regarded as an extension of the

network and that cashless facility will be made available.

Cashless treatment

Taking cognisance of reports that some hospitals are not granting cashless facility for treatment of COVID-19 despite such arrangements with the insurers. IRDAI has reiterated that the policyholder is fully entitled to cashless facility at all network of hospitals with which insurance company has entered into an agreement. It is also brought to the notice of the authority that some of these hospitals are also demanding cash deposits from the policyholders.

In order to provide a sigh of relief to customers, IRDAI has asked policyholders to file a complaint to grievance redressal officer of the concerned insurance company if a hospital denies cashless facility to any person. The details of grievance redressal officer would be notified on the company's website. If a complaint is received from a policyholder on denial of cashless facility, IRDAI will ask the insurance company to take an appropriate action against such hospital. It also directed all insurance companies to put in place continuous communication channel with all the network providers for prompt resolution of the grievances of policyholders.

“These are some momentary reaction of some hospitals which is not fair. I want those hospitals which are denying cashless treatment to announce it upfront. If this problem comes to us I am going to write to the hospitals to give me in writing that the hospital is not going to participate in any insurance. I would suggest there be a hospital regulator as well to bring the whole industry into a discipline mode,” says Dr Prakash. ■

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