

### [How to benefit from health insurance portability?](#)

With portability, the policyholder can benefit by choosing to go for enhanced product with a good serving insurer.

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The Insurance Regulatory and Development Authority of India (IRDAI) launched the feature of health insurance portability in 2011. This was done with the intention to give policyholders the freedom to choose an insurance provider of their preference. If a customer is unhappy with the existing policy for whatever reasons and wants to port it to another company, they must follow the terms and conditions for porting the plan and be able to do it comfortably.

Anyone can apply to port their policy at the time of renewal only if the policy was maintained without any breaks during the tenure. The policyholder must submit a written application to the existing insurer 45 days prior to the date of policy renewal and also mention the new insurer to which one would like to port the policy. But before all this, you must understand the core purpose of opting for this facility. The reason for porting an insurance policy should be very clear to be able to gain maximum benefit of the facility.

## **Purpose of porting health insurance**

“The primary goal of portability is to allow the insured to avail continuity benefits for the current cover while envisaging to renew into better product and services or shifting to an affordable product as per needs, from one insurer to another insurer. A better product may be looked from an angle of enhanced coverages, more bonus for no-claims, lesser premium, better claim servicing & support and so on,” said Gurdeep Singh Batra, head – retail underwriting at Bajaj Allianz General Insurance.

Customers can port their policy via online as well as offline modes. They can even port their policy from a group plan to an individual plan provided by the same insurer. When the insurer receives the insurance portability application from your end, it will provide you with a proposal and portability form that should be duly filled to take it forward. While porting a policy takes the same time as the issuance of a new policy once customer verification is completed, one may wonder if they should actually port their policy or buy a new one instead?

## **Porting vs. new policy**

“When you port a policy, the benefits you have generated with your existing insurer like No Claim Bonus (NCB) or cumulative bonus, or other time-bound benefits can get transferred to the new insurer. With a new policy, you will be unable to carry forward such benefits. In a new policy, the waiting period applies afresh as per product features. A policyholder’s existing policy will have time-bound waiting periods which are generally defined for some ailments or waiting periods after purchasing a policy,” Batra pointed.

When the policyholder ports his policy to a new insurer, the waiting period which he has served in the previous policies in continuity will be applicable and passed on or considered under the renewed policy on porting. Say for example, in the existing policy, the waiting period for an ailment A is 3 years which the policyholder has fulfilled or completed with the earlier insurer. After porting the policy, the waiting period of that ailment A with the new insurer is say 4 years. The policyholder in this case will not be subjected to the 4 years waiting period but 1 year only thereafter as policyholder has already fulfilled 3 years waiting period with the previous insurer.

## **Benefits of porting health insurance**

Porting allows the existing insurer to share the details of the policyholder with the new insurer through a common IRDAI portal that is exclusively meant for sharing customer data. Once the new insurer gets the desired details, the ball is in their court about underwriting the insurance policy or not. The decision, however, must be taken within 15 days. Failing to respond within the stipulated time will, in fact, force the insurer to accept the portability application.

To avail overall benefits of porting, you must submit all the required documents including original policy document of previous years, the latest notice of renewal and other details, fully filled proposal form and portability form, in case of no claim self-declaration, investigation report, discharge summary and other documents if there’s been a case of past claim records.

## **Watchouts**

“With portability, the policyholder can benefit by choosing to go for enhanced product with a good serving insurer. The policyholder can customize his policy to an extent by choosing add-ons, or other coverage as per the offering from the insurer,” Batra concluded.

The option of porting a health insurance plan makes it possible for you to avail benefits offered by some other insurer. Be it premium cost reduction for the exact same sum-insured or better services like faster claim settlement, wide network hospitals and easy cashless network too. But it’s important to produce all the desired documents asked by the new insurer within the time otherwise it can simply reject your request.