

Taking Cover

A super top-up plan

Bajaj Allianz's Extra Care covers maternity and the waiting period for pre-existing diseases is just 12 months

RAJALAKSHMI NIRMAL

A life insurance cover is a must; equally important is a medi-claim cover, and it is essential that you are covered adequately. If you cannot afford the premium for a higher sum insured policy, consider a standalone top-up or a super top-up plan. It will get you the desired cover at a lower price.

A 'top-up' or a 'super top-up' health plan will cover you, once hospitalisation expenses exceed a certain limit called the 'deductible.'

'Deductible' is the portion of the hospital bill which you will have to fund from your pocket or from a medi-claim policy you own.

The top-up plan, however, may not be of help always. To use the top-up plan and make claims, the hospital bill should exceed the threshold limit every time.

Assume you have a total cover for ₹2 lakh in your base health plan and a top-up plan of ₹5 lakh with ₹2 lakh deductible. If you spend ₹1 lakh when you are hospitalised for the first time in a year, the base policy will pay ₹1 lakh. If you are hospitalised again in the same year and the bill is ₹2 lakh, your base policy will take care of the remaining ₹1



ISTOCK.COM|ALICE-PHOTO

lakh. But the top-up plan cannot be used because you didn't cross the minimum threshold of ₹2 lakh.

But if you have a super top-up plan, it will be worthwhile. Taking the same case, in your second claim, if the bill is ₹2 lakh, the base plan will pay for ₹1 lakh and the super top-up plan for the balance ₹1 lakh, as you have crossed the threshold of ₹2 lakh.

A look at Bajaj Allianz's super top-up plan - Extra Care Plus.

What's on offer?

The policy covers pre (60 days)/post-hospitalisation (90 days); hospitalisation and day-care expenses that are over and above the deductible amount.

The policy is open for indi-

viduals up to 80 years of age. There is no pre-policy medical test till the age of 55, if the individual has a clean medical history. Pre-existing diseases are covered after 12 months. Maternity expenses are also covered up to a maximum of two deliveries (after a 12-month waiting period).

At the end of every continuous period of three years, the policy also reimburses medical check-up expenses up to ₹1,000 (if it's a one-member policy; ₹2,000 if it covers more than one member).

In the first year of the policy, however, expenses for 21 conditions, including cataract, hernia of all types, cardiovascular disease, its complications and related disorders, hypertension, its complications and related disorders,

diabetes, its complications and related disorders and all joint replacement surgeries, are not covered.

Dental treatment or surgery of any kind, unless requiring hospitalisation, will not be covered under the policy.

Our take

Bajaj Allianz's Extra Care Plus is a good choice for a super top-up cover, the one-year waiting period for pre-existing diseases being the highlight. Most other similar plans in the market have a two to four-year waiting for pre-existing diseases.

The policy's offer to cover maternity expenses is, perhaps, first in the industry. But given that only expense over and above the deductible will

be covered and the minimum deductible under the policy is ₹2 lakh, the probability of you claiming maternity expenses is less.

The exclusions under the policy are only those that are commonly not included under top-up plans.

However, note that this plan cannot be converted to a full-fledged medi-claim plan.

If you are covered by your employer and want a top-up plan to make sure expenses do not pinch your pocket at any time, it's best to go for Royal Sundaram Lifeline, Cigna TTK's Pro Health or Apollo Munich Optima Super.

These plans are full-fledged, medi-claim policies with an option to sign up with a deductible. So, in case you lose your job, you have the option of converting the plans into full policies at the time of renewal.

In Apollo Munich's plan, the option to convert the plan to a full-fledged indemnity health insurance plan is available at renewal between 55 and 60 years (provided you had renewed the policy without break and had enrolled before 50 years).

On cost terms, Bajaj Allianz's super top-up plan is expensive.

For two adults aged 34 years and 32 years, a ₹5 lakh cover with ₹2 lakh deductible, the premium on a super top-up plan starts at around ₹3000. But the cost of Bajaj Allianz's plan is over ₹5,000.

The cost of a full-fledged medi-claim policy, however, will be much higher.



Key features

- For individuals up to 80 years
- Pre-existing diseases are covered after 12 months
- Minimum deductible is ₹2 lakh

What is it?

A super top-up plan will pay the full hospital bill once cumulative expenses exceed the threshold (deductible amount)