

[Want to increase your health insurance cover at low cost? Buy a top-up or super top-up policy](#)

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The ever-increasing medical inflation has made it necessary to have comprehensive, wide, and well-designed health insurance. Buying a base health insurance policy with an adequate sum insured is just the first step towards prudent financial planning. And, to ensure that you are adequately covered during the time of need, you must consider options that bolster your insurance plan. Today, the insurance market provides two low-cost options: top-up and super top-up plans. While both these options are economical and offer a higher sum insured, there is a basic difference.

Add-ons in health insurance

To understand the difference, you must first know about the concept of threshold limit or deductible in a top-up or super top-up. The deductible is the limit, up to which the claim cost has to be borne by you or your base insurance policy; both these plans will trigger only after the claim amount exceeds the pre-decided deductible. To give an example, if your top-up/super top-up deductible is ₹ 5 lakh; then the plan will become active once the claim amount exceeds 5 lakh. The cost up to ₹ 5 lakh will either be borne by the base policy or by the insured. It is recommended to choose the top-up/super top-up threshold limit that is equal to the sum insured of your base policy to ensure proper protection. Also, to attain a

seamless cover and benefit under the policy, it is prudent to align the top-up/super top-up policy period with the base policy period.

Now coming to the difference, in a top-up cover, the deductible applies per claim basis; this means that deductible is applied to each claim separately, and each claim must cross the deductible limit to trigger top-up cover. On the contrary, in a super top-up plan, the claims made within a single policy year are considered on an aggregate basis, which means that super top-up sum insured can be used for more than one claim. A super top-up will trigger once the overall claim value in the policy year crosses the pre-decided threshold limit. I will elaborate on this difference with the help of a few scenarios.

Assume that the sum insured (SI) for your base policy is ₹ 3 lakh. If you take a top-up or a super top-up of ₹ 10 lakh with a deductible of ₹ 3 lakh, let's see how the claims will be paid in both options.

Scenario	Top-up plan	Super Top-up plan
One claim of ₹ 5 lakh	The base plan will pay ₹ 3 lakh, and the top-up plan will pay the remaining ₹ 2 lakh.	The base plan will pay ₹ 3 lakh, and the super top-up plan will pay the remaining ₹ 2 lakh.
Two claims of ₹ 2 lakh each	The base plan will pay ₹ 2 lakh for the first claim and ₹ 1 lakh for the second claim. The top-up plan will not trigger since the individual amount of the claims didn't exceed the threshold limit of ₹ 3 lakh. Base policy SI exhausted now too after these two claims.	The base plan will pay ₹ 2 lakh for the first claim and ₹ 1 lakh for the second claim. The super top-up will pay the remaining ₹ 1 lakh because the aggregate amount of the claims crossed the threshold limit of ₹ 3 lakh. Base policy SI exhausted now too after these two claims.
First claim of ₹ 5 lakh and Second claim of ₹ 2 lakh	The base plan will pay ₹ 3 lakh, and the top-up will pay the remaining ₹ 2 lakh in the first claim. Top-up won't pay anything for the second claim since it does not cross the deductible limit. Base policy SI already exhausted in first claim	The base plan will pay ₹ 3 lakh, and the super top-up will pay the remaining ₹ 2 lakh in the first claim. The super top-up will pay ₹ 2 lakh for the second claim. Base policy SI already exhausted in first claim

Now that you understand the difference between both plans, how do you decide on the correct plan? Both the plans help you get a higher sum insured at a very nominal price and have their benefits. However, in case you may suffer from a medical condition that requires frequent hospitalization, the super top-up is the right fit for you. If you don't suffer from any ailment which requires recurring medical help, then a top-up plan will suit you better.

These covers become especially relevant today when a lot of organizations are giving base health insurance coverage to their employees, a top-up or super top-up plan adds an additional layer of protection to this base plan. These plans will also come in handy, with various States now running Pradhan Mantri Jan Arogya Yojana, where the scheme provides health cover till a certain limit and these plans can help get a wider cover. Also, it is not mandatory to have a base policy. One can avail a top-up/super top-up policy even without

any base cover; the only point here would be if you don't have a base policy, the amount of deductible opted in top-up/super top-up policy will have to be borne by the insured.

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