

INSURANCE QUERY.



TAPAN SINGHEL

I take care of elderly parents and my child, and am the sole breadwinner of the family. I am a single mother. Recently, the relationship manager from my bank informed me about a personal accident cover with affordable premium. I want to know about the benefits of such policies. In case I choose this policy from the bank, will I get the same benefits as offered by insurance companies?

Renuka

Life has its challenges and undesired surprises arise at the most inconvenient times, even if you have a steady career and a healthy income. What is alarming is how uncertain life has become and the increasing number of accidents that leave families in financially volatile situations. As a thumb rule, I cannot stress enough how essential it is to not just have comprehensive health insurance but also a Personal Accident cover, Home Insurance cover, and Cyber Insurance cover.

Typically, the purchasing decision of an insurance product depends heavily on price but I always advise that one must choose an insurance product depending on one's requirement. Look up the literature on what covers are available, understand what they offer and accordingly find the best fit for your needs.

To give you an understanding of a personal accident policy, it is typically a benefit policy offered with affordable premiums. In the event of an unexpected event that results in bodily injury, death caused by the accident, permanent total disability, temporary total disability, or permanent partial disability, you and your loved ones will be protected financially by a personal accident policy. In case of unfortunate death of policyholder, the policy provides replacement of income, assuring financial security to the insured's family.

In case of accidents, if the insured already has a health insurance policy, it will primarily cover hospitalisation costs but not compensate for a loss of income in the event of the insured person's dismissal from job, disability, or during their recovery period following the accident. This policy also helps cover any out-of-pocket costs caused by an accident that is not provided for by basic health insurance policies. An additional feature under a personal accident cover is that the insured is entitled to a "children's education bonus," which pays for the insured children's educational expenses up to the policy's specified limits and for a specified time period opted.

This policy can be taken annually or on a long-term basis where the coverage starts from day one, with no waiting periods. The sum insured will depend on the coverage and income of the insured. However, when deciding on personal accident policy, it is important to do an assessment of the number of breadwinners in the house as well as the number of dependents. If your requirement is to provide financial support to your family and children, then you can choose the coverage that is most appropriate as per your needs but also taking into consideration the nature of your work. If you wish to undertake this policy, you can easily get it from your trusted bank, from any other distributor, or from any insurance company. Your distributor must be adept at knowing your requirements. Ask relevant questions and assess if your distributor understands your needs. Go with a distributor who has a proven track record and shows willingness to serve you well. Go with the distributor who meets all your criteria.

Since we have gone back to our normal routines, many of us also commute to work using our personal vehicles or undertake frequent work-related travel or travel for leisure, thus exposing us to a higher risk. Accidents may leave you totally or partially disabled, and can impact your earning potential as well. Life is full of unknowns and hence everyone should obtain a personal accident insurance cover in order to be financially protected and live a life of dignity.

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