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Hospital Daily Cash Cover: How it complements your health insurance

In the ever-evolving landscape of health insurance, insurers constantly keep designing products and services that address the needs of customers and provide them with wider protection. However, many times, customers are not aware of such valuable covers or add-ons. One such product is 'Hospital Daily Cash,' which adds a layer of protection during medical emergencies. Let's try to understand what it means, its nuances, and its advantages.

What exactly is this cover?

As the name suggests, it is a supplementary health insurance cover designed to provide a fixed amount for each day of hospitalisation. Unlike traditional health insurance covers that reimburse actual expenses, this cover offers a predetermined daily allowance unaffected by the incurred charges, which makes it a benefit policy. For instance, if you opt for a cover offering Rs. 500 per day of

hospitalisation, regardless of whether your hospital daily expenses amount to Rs. 800 or Rs. 400, you'll receive a fixed benefit of Rs. 500 for each day spent in the hospital.

Hospital Daily Cash can be a stand-alone product or an in-built cover. If the cover is built into the policy, the daily cash limit can be a percentage of the sum insured or can have fixed amount options on a per day basis. Like a typical health insurance policy, this cover also has life-long renewability in most cases. This is quite a pocket-friendly cover and is available at a nominal premium.

Understanding the coverage

The daily allowance limit varies from insurer to insurer, and you can choose the amount from the given option while opting for the cover. This allowance typically ranges from Rs. 500 (per day) onwards and can go up to a few thousand rupees. Additionally, in case of a critical issue, if hospitalisation necessitates



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ICU admission, the daily cash allowance is often doubled for a certain number of days, as the policy specifies.

Navigating the conditions

Similar to conventional health insurance coverages, hospital daily cash coverages come with certain conditions with waiting periods. Hospitalisation must exceed a minimum duration of 24 hours to qualify for the allowance. Day-care procedures fall outside the cover's scope for now. The other point to keep in mind is that typically, there is a maximum cap on the number of hospitalisation days eligible for the allowance within a policy year, commonly ranging from 30 to 90 days; the same will be specified in the policy.

The benefits

Covering additional expenses: While your regular health insurance may cover hospitalisation expenses, certain out-of-pocket costs

like surgical accessories or expenses for accompanying family members, like food or transportation, are not covered. A Hospital Daily Cash Cover provides a lump sum amount that can be utilised at your discretion, easing the burden of these additional expenses. You have the freedom to use this money as you may wish.

Handling extra hospital bills: If a claim exceeds the sum insured by your health insurance, a Hospital Daily Cash Cover acts as a safety net, bridging the gap to some extent and ensuring you're not left with hefty out-of-pocket expenses.

You can see Hospital Daily Cash Cover as a complement to your existing health insurance plan. By integrating this cover with your primary health coverage, you can effectively manage various unforeseen expenses pertaining to hospitalisation and enjoy comprehensive protection against the uncertainties of healthcare costs.