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BUDGET EXPECTATIONS

General insurers seek more sops for health insurance, reduction in GST

GNAGASRIDHAR

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Increase in health insurance premium exemption level, boost to mass insurance schemes, and reduction in GST are the key points that general insurers would like to see in Union Budget 2019-20. "Providing health insurance for employees can also be made mandatory for employers," Tapan Singhel, MD and CEO, Bajaj Allianz General Insurance, told BusinessLine on his expectations from the Budget. While referring to the likelihood of a vote-on-account Budget, Singhel said the expectations could still be met outside the Budget the way regulations on

long-term motor insurance policy and compulsory personal accident cover of ₹15 lakh were introduced. The government could introduce a home insurance scheme in association with insurance companies that covers loss to property due to catastrophic events, he added. There is an expectation that PMJAY might get more funds and thrust towards broader implementation.

According to Praveen Gupta, MD and CEO, Raheja QBE General Insurance Company, tax deduction should be given not just on health insurance spend, but also on preventive care and full treatment expenditure.

"Limits, if any, should be re-

vised in line with annual health inflation," he said.

According to industry estimates, annual health inflation is pegged in the range of 15 to 20 per cent. Even if medical inflation is growing at 14-16 per cent every year, healthcare expenses of the average household can easily exceed the medical allowance limit of ₹15,000 per annum. "Companies usually cap the medical allowances at the tax-free limit of ₹15,000. If this limit is revised upwards, companies will also be encouraged to hike the allowance," said Shreeraj Deshpande, Principal Officer and Key Managerial Personnel, Future Generali India Insurance.