

Date: 11.7.2020

Publication: Business Standard

Page no.: 6

Edition: Ahmedabad | Bengaluru | Bhubaneswar |
Chennai | Hyderabad | Kolkata | Mumbai | New Delhi

29 insurers get nod for Covid cover

Indemnity-based Corona Kavach to also cover the treatment of co-morbidities

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Mumbai, 10 July

The Insurance Regulatory and Development Authority of India (Irdai) has allowed 29 general and health insurers to market the standard Covid-19 cover, Corona Kavach. It had set a July 10 deadline for insurers to come out with such a product, but firms required regulatory clearance for its pricing.

As of now, insurers have been asked to offer indemnity-based Corona Kavach to consumers; the benefit-based standard policy, Corona Rakshak, would be launched later.

Last month, the insurance regulator had issued final guidelines for the two standard products specifically designed for Covid-19 cases.

Though policy wording and product structure are supposed to be identical for insurers, they have the liberty to price it according to their risk assessment, claim experience, and health portfolio.

"The premium for the base cover ranges between ₹447 and ₹5,630, excluding GST, depending on the age of the person, the sum insured, the policy period. Similarly, for an optional hospital daily cash cover on a benefit basis, the premium is between of ₹3 and ₹620, excluding GST, which varies according to the age of the person, the sum insured, and the policy period," said Bajaj Allianz General Insurance in a note.

"For instance, if a person up to 35-year old wants to opt for a base cover with a sum insured of ₹50,000 for three and a half months, he/she needs to pay



While policy wording and product structure is supposed to be identical for all insurers, price can vary. The minimum sum insured will be ₹50,000, which can go up to ₹5 lakh

₹447, excluding GST," it said.

"The Corona Kavach plan from Max Bupa is competitively priced. The premium for a ₹2.5-lakh cover for an adult (31-55 years age group) is around ₹2,200 and for two adults (in the same age group) and children, it is around ₹4,700," said Krishnan Ramachandran, MD & CEO, Max Bupa Health Insurance.

The CEO of a private general insurer said: "The premium for the product will be according to the claim experience. Ideally, it will be around 3-4 per cent of the sum insured but will vary depending on the age of the consumer. For young people, it will be cheaper."

The Corona Kavach policy will cover hospitalisation expenses for the treatment of Covid-19.

All costs relating to room, boarding, nursing, medical consultation, including telemedicine, consumables, such as PPE kits, and intensive care unit will be

covered. It will also include the cost of treating co-morbidities, including pre-existing comorbid conditions, along with Covid-19 treatment.

The regulator has not set a ceiling on the cost of room and ICU in the policy. However, a maximum of ₹2,000 will be covered as far as the expense on the ambulance is concerned.

Home care treatment will also be covered by insurers, in case the insured person avails treatment at home for up to 14 days. It also has an optional cover, which if subscribed, will pay 0.5 per cent of the sum insured per day for every 24 hours of continuous hospitalisation for treatment of Covid-19 following an admissible hospitalisation claim under this policy. The benefit shall be payable for up to 15 days during a policy period.

The minimum sum insured for Corona Kavach will be ₹50,000, which can go up to ₹5 lakh.