

Covid cover: Patients under home isolation caught in a bind

Expenses may not be reimbursed if they are not hospitalised subsequently

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As Covid-19 cases continue to surge, increasing the burden on hospitals and making home treatment a viable option, there is a rising dilemma over health insurance claims.

In the treatment guidelines issued on May 10, the Ministry of Health and Family Welfare had recommended home isolation/quarantine for mild Covid-19 infections without hospitalisation. Amid a spike in cases, States such as Telangana are already recommending home treatment for relatively mild cases.

The FAQs on Covid-19 cover, hosted on the portals of health insurers, indicate that expenses incurred on home isolation may not be reimbursed because they may not need subsequent hospitalisation. Under the norms, pre-hospitalisation expenses are covered by health policies when, subsequently, hospitalisation is involved, but not otherwise.

"I have confirmed this point with my insurer as well as agent and found that claims on expenses incurred during home isolation are unlikely to be covered and there is a scope for interpretation," Kannan Santhanam, who has bought a health cover from a standalone health insurer, told *BusinessLine*.

Economic hit

This puts the insured in a quandary. "They are (already) tense on account of the pandemic; in addition, they are now tense on account of the economic consequences of bearing

the cost of treatment, especially when incomes are already adversely affected," Santhanam said.

Another Covid-19 recovered patient from Hyderabad, who did not wish to be named, said a private general insurer had rejected his claim on the grounds of non-hospitalisation. He plans to approach the insurance ombudsman for 'justice'.

BusinessLine queried half-a-dozen private insurers on the issue, but there was little clarity in the replies. While some refused to respond, a few said it will be decided on a case-to-case basis.

"We will support treatment from home for Covid-19 as a special case considering the situation related to the availability of hospital beds in the area

of the insured. Such claims will be entertained only on the verification of a Covid-19 positive report from government-authorised and reputed diagnostic labs," said Bhaskar Nerurkar, Head, Health Claims, Bajaj Allianz General Insurance.

"We will keep a close tab on the providers of such treatment services to ensure the authenticity of the claims," he added.

In its guidelines on Covid-19 claims, the Insurance Regulatory and Development Authority of India (IRDAI) said the costs of admissible medical expenses during the course of treatment, including the treatment during the quarantine period, should be settled by the insurers. All the claims should be thoroughly reviewed before repudiating the claims, it added.

The IRDAI has been proactive in its response to the pandemic challenge, but its guidelines were released before home treatment began to gain ground. However, according to sources, the regulator is 'keeping close tabs' on the developments and is soon likely to come up with more comprehensive norms.

