

Insurers call for health database

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Calcutta: An effective pricing of premiums requires a central repository of medical records of individuals, and the life insurance industry is looking for government support to build the database.

Vibha Padalkar, managing director and CEO of HDFC Life Insurance, said this would be a game-changer as the insurer's would be effectively able to underwrite risk based on more granular data and offer a better premium quote to individuals.

While banks and non-bank finance companies have access to centralised databases that can be used to understand the repayment capabilities of individuals, insurers to a large extent rely on the self-declaration of past medical records from prospective policy buyers before underwriting a policy.

While financial data and its availability have seen a fair bit of evolution over the last 7-8 years, aggregation of

health data is still at a nascent stage. "There is a lot of ground to cover especially on health data," Padalkar said.

In the absence of in-depth data, a healthy individual may end up paying

the same premium as one not having made a full disclosure.

However, insurers can offer better quotes if individuals share their medical records to a centralised repository

that has proper data protection rules and can be accessed by the insurers.

"If an individual is willing to share his medical data and signs up for sharing data with some central repository, and supposing an insurer is able to tap into those repository, based on consent of the prospective customer, and if regulation permit a wider range of price nuanced quote, then policies can be better priced," said Padalkar.

She said this would encourage a pickup in life cover, particularly among the younger population as life insurance is a long term product and unlike other variants of insurance cannot be repriced easily.

Sustainable growth

According to data compiled by the Life Insurance Council, the industry posted nearly 45 per cent growth in new business premium in April. The 24 life insurers, including LIC, collected Rs 9,738.79 crore in April 2021 compared with Rs 6,727.74 crore a year ago.

Cover for black fungus

STAFF REPORTER

Calcutta: General insurers have said they will settle claims on the health policies of individuals undergoing treatment for mucormycosis or black fungus.

Individuals with comprehensive health covers that include pre and post hospitalisation expenses, critical illness covers, preventive health checkups among other benefits, will stand to benefit from the policy. With cases of the fungal disease shooting up during the pandemic, policy holders are worried whether their health cover would include or exclude the treatment of the disease.

"All our health indemnity policies cover hospitalisation expenses arising out of various infections. mucormycosis, which is also known as black fungus, is one such infection which is covered under our health policies. In fact, we have settled claims pertaining to this condition. We have been working towards swiftly settling such claims," said Bhaskar Nerurkar, head - health claims, Bajaj Allianz General Insurance.