

A host of innovations including cover for adventure sports, treatment abroad, cover restore benefit, differential premiums based on city of residence and longer policy tenures have found their way into India

INSURANCE GOES ADVENTUROUS

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Health insurance policies in India have come a long way from the days of medical claim policies. Insurers have recently widened their platter with products which are indicative of their willingness to venture further into uncharted territories.

Traditionally, insurers have shied away from covering adventure sports, but now Bajaj Allianz has launched a personal accident policy that pays for claims stemming from this.

Earlier, Apollo Munich rolled out a critical illness rider that holds good outside the country too, while Cigna TTK Health Insurance came up with a product in April covering out-of-pocket medical expenses, in addition to hospitalisation costs. Under several health insurance policies, one can pay the yearly premium in installments, a feature that was hitherto available with life insurance policies alone.

But before falling for the novelty plans, ensure you gauge the utility value, exclusions and other restrictions.

Adventure cover

Adventure sports always find a mention in the standard list of exclusions in any health or personal accident policy, though

it is covered under travel policies of Cholamandalam and Bajaj Allianz. Now, the latter's freshly-minted global personal accident policy has brought adventure under its ambit of coverage. This optional adventure sports add-on cover, offering a maximum sum insured of Rs 1 crore, attracts additional premium, insuring policyholders against accidental death, permanent and total or partial disabilities.

"The traditional personal accident and disability cover available in the market is nearly 40 years old. Today, we need to create insurance solutions that cover the new-age risks associated with the changing lifestyle requirements of Indian customers," says Tapen Singhel, MD & CEO, Bajaj Allianz.

Moreover, the claim under the adventure sports cover will be paid out only in case of death or permanent total disability. Also, if such activities are performed without any professional supervision, you will not be entitled to the claim.

Worldwide Insurance

Often in a case of serious illnesses, seeking treatment abroad is the only resort. However, regular health policies typically limit the coverage to domestic hospitalisation. But over the last couple of years, some new-age standalone insurers have done away with this barrier. While Reli-



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abroad for treatment, constraining its utility given that such situations are bound to be rare. Other insurers offer the facility typically with high-end product variants where the minimum sum insured is Rs 10 lakh.

OPD plans

While the primary purpose of health insurance is to take care of medical emergencies and hospitalisation, many individuals are not convinced of its utility. Since it does not cover their regular medical expenses such as the cost of medicines, consultation fees, dentist charges, etc, many treat the annual premium outgo as an avoidable expense.

To bring such individuals into the insurance net, insurers like ICICI Lombard, Apollo Munich and more recently Cigna TTK have come up with products and add-ons that cover such out-of-pocket or outpatient department expenses. The latter also augments the unutilised OPD component by 5% every year as a bonus to policyholders. The obvious attraction that such plans hold notwithstanding, you must remember that the OPD cover is limited - Rs 20,000 in the case of Cigna's product, which is the highest amongst such products - and they charge nearly double the premium compared to regular policies.

Therefore, they are largely seen as tools to maximise tax benefits available under section 80D on health insurance premiums paid.

Another product of relevance in this context, though not from the insurance stable, is ICICI Prudential Savings Fund that allows investors to use their corpus to pay for outpatient and hospitalisation expenses on a cashless basis. You get to use your own savings to foot your medical bills, but without going through the hassle of redeeming the units in times of crisis and depositing cash or cheque at the hospital.

are Health and Max Bupa cover planned hospitalisation for certain critical ailments, Cigna TTK's plan comes into play in case of medical emergencies overseas.

More recently, Apollo Munich launched its critical illness rider benefit which undertakes to reimburse treatment costs incurred abroad for eight grave illnesses - cancer, bypass surgery and liver transplant, among others, apart from covering the companion's travel and accommodation costs.

Policyholders can choose between two variants which offer covers of \$250,000 and \$500,000. For a 40-year-old, the premiums are in the region of Rs 12,000-13,000. On the flip side, the cover will come into play only if the insured has to travel