

**AN ADRENALINE RUSH SHOULDN'T BE A COSTLY GUSH** Insurance for adventure sports is an absolutely new thing here with only one offer on table

# Adventure Sports Get a Cover. Is it any Good?

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**Bengaluru:** Lying on the beach with a cocktail in hand and a book in the other is not everybody's idea of a perfect holiday. Some of you may want to climb a mountain or go bungee jumping. Whether for purely an adrenaline rush or as a part of your fitness regime, adventure or extreme sports holidays are increasingly popular. Not just weekend getaways, people are planning full-fledged vacations where they get a chance to try their hand at challenging activities. However, till the other day, neither your travel insurance plan nor the personal accident plan covered this risk. Last week, Bajaj Allianz General Insurance launched an add-on adventure sports cover with its Global Personal Accident Plan to fill this gap becoming the only Indian insurer to do so.

"The traditional products available in the market are 40-year-old and fail to cover the new-age risks associated with the changing lifestyle requirements of Indian customers. The new personal accident insurance plan is trying to break the traditional norm of a one-size-fits-all product strategy by allowing the customer the flexibility to choose the terms of their policies based on their requirements," says Abhijeet Ghosh, head, health administration, Bajaj Allianz General Insurance. Apart from adventure sports coverage, the plan offers other unconventional add-ons such as fracture care, EMI payment cover and loan protector cover for an accident.

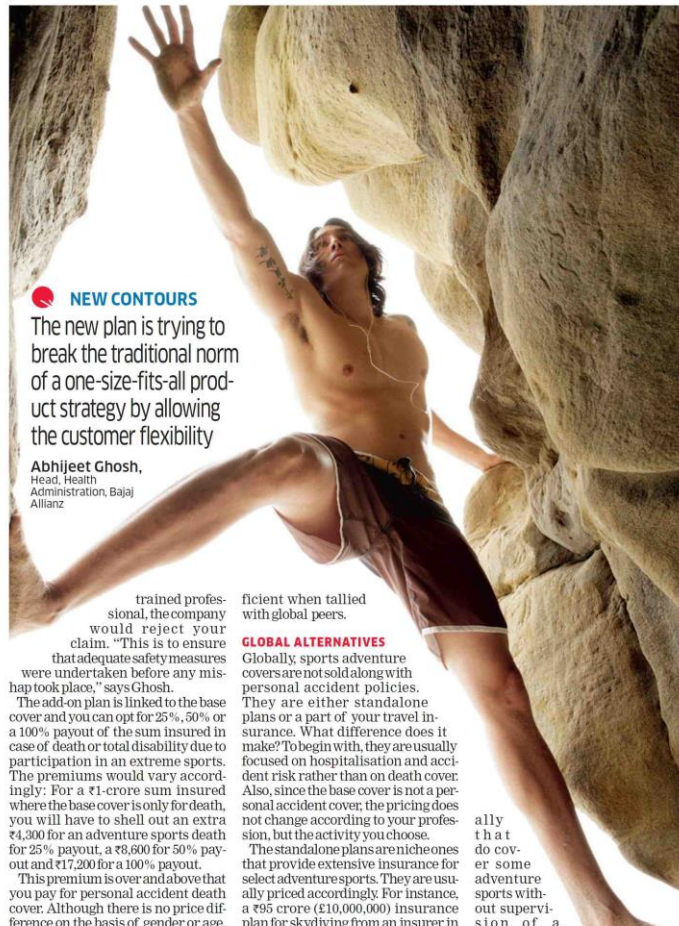
Being the first to offer this cover has an inherent advantage - no competition. If you are trying out any of these extreme sports in India, Bajaj Allianz is your only insurance option. However, globally an adventure sports cover is not new and quite popular. So, if you are going on a foreign vacation, there are other plans to compare this product with. Here is a lowdown on what this new plan has to offer and how does this plan compare if you are traveling overseas.

## SCOPE OF ADD-ON COVER

The adventure sports add-on from Bajaj Allianz is a lump sum benefit policy to cover the risk of accidents while taking part in adventure sports. You can get a cover of up to ₹1 crore under the plan to insure death or any permanent disability that the policyholder may be at risk of while taking part in the sports.

**It does not cover a partial disability or temporary injuries. Meaning, you won't get a claim for losing a toe or a finger; neither will your hospital bills be paid for. Moreover, if you already have a life insurance policy, the only additional risk this plan is covering is a total permanent disability.**

The cover is strictly for non-professional activities where the policyholder engages in a sports for leisure only. An important condition is that the activity should be performed under the presence of a trained professional for it to be an insurable risk. If you engage in any of the insured high-risk sports without the supervision of a



## NEW CONTOURS

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**Abhijeet Ghosh,**  
Head, Health  
Administration, Bajaj  
Allianz

trained professional, the company would reject your claim. "This is to ensure that adequate safety measures were undertaken before any mishap took place," says Ghosh.

The add-on plan is linked to the base cover and you can opt for 25%, 50% or a 100% payout of the sum insured in case of death or total disability due to participation in an extreme sports. The premiums would vary accordingly: For a ₹1-crore sum insured where the base cover is only for death, you will have to shell out an extra ₹4,300 for an adventure sports death for 25% payout, a ₹9,600 for 50% payout and ₹17,200 for a 100% payout.

This premium is over and above that you pay for personal accident death cover. Although there is no price difference on the basis of gender or age, since the plan is linked to the base-PA cover, your profession will determine your premium. For instance, a doctor is Risk Category I (less risky), a Mechanical Engineer is II and Electrical Engineer is III (very risky). While primary occupation and relative pricing may make sense in everyday personal accident cover, it is silly to differentiate on the basis of profession for adventure sports.

There is another limitation. The maximum payout under this plan is ₹1 crore. So, even if you have a ₹3-crore sum insured under the base policy and have opted for a 100% payout for the adventure sports cover, the claim payout will still be ₹1 crore in case of death or permanent disability.

Although this plan will give you a global coverage, it might seem insuffi-

cient when tallied with global peers.

## GLOBAL ALTERNATIVES

Globally, sports adventure covers are not sold along with personal accident policies. They are either standalone plans or a part of your travel insurance. What difference does it make? To begin with, they are usually focused on hospitalisation and accident risk rather than on death cover. Also, since the base cover is not a personal accident cover, the pricing does not change according to your profession, but the activity you choose.

The standalone plans are niche ones that provide extensive insurance for select adventure sports. They are usually priced accordingly. For instance, a ₹95 crore (£10,000,000) insurance plan for skydiving from an insurer in UK will cost you roughly £135.60. This plan would pay for any medical and emergency expenses (£10,000,000), personal accident (£5,000), personal liability (£20,000,000), search and rescue costs (£50,000), travel disruption (£1,000), loss of money & travel documents (£1,300), legal costs (£25,000) and much more.

The plans, which are extension of the travel covers, are equally extensive and similarly priced. The list of sports covered by global insurers is also much extensive. "Globally insurers offer coverage for even for piloting a non-commercial aircraft, combat and contact sports like rugby and mixed martial arts," says Sanjay Datta is chief, underwriting & claims, ICICI Lombard General Insurance. Also, there are plans available glob-

ally that do cover some adventure sports without supervision of a trained professional. "Global companies will cover medical expenses for accidents under professional sports," says Varun Dua, CEO, Coverfox.com.

Many would argue that global plans are much more expensive if you look at purely from a personal accident coverage perspective.

## WHAT YOU SHOULD CONSIDER

So, is the add-on plan worth buying? Since you have no other option in India, some protection is always better than no protection. But if you are going abroad, look for alternatives there. Inquire with the organisation that is facilitating the trip or sports. If you are going for a single type of sports a standalone cover is nice.

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