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## Only indemnity-based health insurance plans to cover coronavirus claims

FE BUREAU  
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**A DAY AFTER** WHO declared Covid-19 as a pandemic, general insurance players on Thursday said the claims arising out of defined benefit health insurance plans won't be applicable as this disease is not included in such policies. But claims arising out of indemnity-based health insurance plans will be honoured by the insurance firms.

Under indemnity health insurance plans, insurers cover the cost of medical expenses during hospitalisation, while in defined benefit, health plans a lump-sum is paid irrespective of the actual hospital expense.

Gurdeep Singh Batra, head-  
retail underwriting at Bajaj  
Allianz General Insurance, said:  
"As far as Bajaj Allianz General  
Insurance is concerned, we do  
not have any restrictions on any  
endemic or pandemic which has  
been declared in our indemnity  
health products. Different  
insurance players have different  
clauses and under our indem-  
nity health plans, endemic or  
pandemic is not an exclusion  
and we cover the novel coron-  
avirus claims in our policies."

Market participants also said the novel coronavirus will not be excluded in most of the indemnity health insurance plans. "If a policyholder has a fixed benefit plan and he comes with a claim for the novel coronavirus, there are chances that it may get rejected," a marketing officer of a general insurance company said. Typically, fixed benefit plans cover critical illnesses such as cancer and stroke paralysis.

General insurance players also said the advisory issued by the Irdai will push insurers to settle the claims quickly. Aditya

Birla Health Insurance CEO Mayank Bathwal said, "A health insurance policy covers all infections, and the novel coronavirus

is one such infection. The coverage will be available in all indemnity products that offer hospitalisation covers."