

# A guide for buying health insurance

Take your pick depending on finances and need

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An adequate health insurance cover plays a critical role in taking care of medical expenses and ensures that you get good quality treatment. With the steep increase in medical costs, hospitalisation without health insurance can derail your finances and burn a huge hole in your pocket.

However, irrespective of how important it is to have a health cover, there are very few who have an appropriate insurance policy that fits their needs.

Additionally, majority of the people are a part of Group Medical Cover (GMC) offered by the employers and don't have a standalone policy, which can be a disadvantage as if you leave the job you will be left with no cover. Hence, it's crucial to have a standalone health insurance policy as it not only safeguards you from medical exigencies but is also better suited to your needs.

Below are a few points that will help in understanding the types of health insurance, what it covers and its benefits.

Types of health insurance plans:

## Individual health insurance policy

It is an indemnity based plan and provides medical coverage for each person against an annual premium. It can also be extended to the family wherein the sum insured will be separate for each family member.

## Family Floater health plan

This plan safeguards the health of your loved ones for a fixed sum insured against a single annual premium. The sum insured under this policy floats amongst all the members covered in the policy. It usually covers an individual, spouse and kids.

## Personal accident cover

An accident may cause, total or partial disability, which may lead to your inability to earn, in turn hampering the interests of your family members. Personal Accident cover is a benefit policy which covers you against death or disability due to an accident.



## Critical illness cover

This is a benefit policy which covers list of specific critical illnesses mentioned in the policy. A lump sum amount is paid to the insured on diagnosis of one of the listed critical illness subject to the policy terms and conditions.

## Super top-up

Super Top Up health insurance plans are added protection in scenarios when the maximum payout from a basic health policy gets exhausted. Under this plan, a customer can choose a specific limit/deductible amount that they will have to bear before the insurance policy starts paying out at the time of claim.

## Type of claims

**Cashless:** This facility is available in the empanelled hospitals of an insurance company and allows the policyholder to avail medical treatment without paying to the hospital. The insurance company settles claim directly to the hospital/nursing home based on terms and conditions of the policy.

**Reimbursement:** Under this type of claim, the policyholder chooses to pay hospitalization expenses upfront at the time of discharge and then make a request to the insurance company to pay the claim by sharing necessary documents.

Some benefits that insurers provide:

**Free health check-up:** Some insurers provide free health check-up at the end of claim free years. It not just helps you keep a track of your health, but also aids you in determining adequate health coverage

**Cumulative bonus:** This bonus can be availed by the policyholder at the time of renewal for not filing a claim during the previous policy period. Details of the way the cumulative bonus is offered is mentioned in the policy document. Some insurance companies offer this bonus either by increasing the sum insured or reducing the premium in the next policy period.

**Pre-existing ailment cover:** Some insurers provide cover for pre-existing ailments within the policy itself. Based on the declaration made by the policyholder the insurer is aware about these ailments and provides coverage for treatment related to it.

Considering the above-mentioned advantages, it is advisable to have a standalone health insurance policy as it provides you an option to buy one depending on your personal needs and budget. Understand various kind of policies available, see if it matches your requirement and go through policy terms and conditions thoroughly before buying one. Make an informed decision.

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