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# Why you need to arm yourself with critical illness insurance

In today's fast-paced lifestyle, health often takes a back seat; the pursuit of ambitious professional goals has led to heightened stress levels amongst the population. India is witnessing an alarming increase in non-communicable/lifestyle diseases (NCDs) like heart disease, diabetes, hypertension, and chronic respiratory disorders, to name a few. As per a recent report by The Lancet Diabetes & Endocrinology journal, about 11% of Indians have diabetes, and over 35% suffer from hypertension. To reverse this worrying trend, there is a growing impetus on wellness and preventive health care. However, given the rise of NCDs in the country, just having a wellness rider might not suffice; it is prudent to have a policy that covers critical illness.

What is a critical illness cover? As the

name implies, the policy covers serious and life-threatening ailments like cardiovascular diseases, cancer, neuro conditions, and related issues, to name a few.

**Unique features:** Critical illness insurance is a benefit policy, unlike a typical health insurance cover, which is an indemnity policy. When the insured is diagnosed with a critical illness, as per the policy terms, a lump-sum pay-out is made by the insurer. It is important to note that the lump-sum payment does not necessitate hospitalisation; being diagnosed with the disease is sufficient. This amount can be used for treatment and meeting other expenses during the course of the recovery. During the critical illness phase, the income may be disrupted, or decrease substantially, and this benefit amount can be used to bridge



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the income gap to some extent. The other crucial point to keep in mind is that this policy comes with a 'survival period' clause; the insured should survive a certain number of days after being diagnosed with the ailment (as per the policy) to avail policy benefits. The survival period varies from insurer to insurer and may range from a couple of weeks to a month or so; the shorter the survival period, the better for the insured.

**A few important details:** The list of ailments covered in the policy may vary from insurer to insurer, and it is advisable to go through the ailment list while buying the cover to avoid surprises later. The policy typically offers a wide range of sum insured, starting from a few lakh to a couple of crore, the insured can opt for the sum insured according to their requirement. The policy

premium will vary as per the sum insured opted and the number of ailments covered; however, overall this policy comes at a reasonable premium. With the ever-rising increase of critical illness in the country, it is highly recommended for everyone to have this coverage. However, it is a must-have for anyone with a family history of such ailments.

To sum it up, Critical illness insurance provides a crucial financial safety net during challenging times, offering reassurance and peace of mind. It shields individuals and families from the financial strain that often accompanies serious illnesses. The cover ensures that during times of need, your focus remains on recovery rather than worrying about the financial repercussions, fostering a sense of security and stability.