

Mother's day Special: Should mothers give more attention to health insurance

FE Online

Guess what's the most preferred investment of mothers? And which important financial investment they avoid the most?

A recent survey by Bajaj Allianz General Insurance of 1,100 mothers has come up with the finding that the most popular investment choice were fixed deposits (47%), followed by Gold (44%) and Life insurance (29%). The other popular savings instruments were Public Provident Fund (26%) and mutual funds/SIPs (25%).

However, health insurance does not find prominence in the financial planning of Indian mothers with only 15 per cent mothers having invested in a health insurance cover. Only 5 per cent of them had a women-specific health plan or a rider in their existing policy that catered to women's health care requirements.

Out of the 1,100 mother's surveyed, 35 per cent are working mothers, 35 per cent are self-employed mothers (35%) and 30 per cent housewives.

Bajaj Allianz said the survey was conducted to understand the spending, saving and investment patterns of Indian mothers.

The most common reason cited by the women for not having a health cover was not feeling the need to invest in health insurance (40%), others being poor awareness about the plans available (25%), already being part of a policy (20%), their families not being insured (10%) and cost of the products (5%).

According to the mothers, preventive health check-ups (36%), cover for maternity expenses and related benefits (33%) as well as covers related to lifestyle diseases (28%) should be the three must-have features in a women-specific health insurance plan.

Commenting on this trend, Mr Tapan Singhel, MD and CEO, Bajaj Allianz General Insurance, says, “While mothers are heavily invest in common financial instruments of banks or purchase gold, they do not attach importance to their own health care needs. Looking at the rising health care risks among women of all age groups as well as the increasing medical inflation, it is imperative for them to include an individual health insurance plan in their financial planning as well as actively take part in health insurance-related decisions of their families.”

The survey further revealed that of their monthly income, a mother’s highest spends were on household expenses (30%), savings (29%) followed by EMI/Loan repayment (21%), shopping/recreational activities (16%) and the lowest towards their own health care and wellness (4%).

The women’s investment decisions were largely influenced by recommendations from family (35%), family’s long term goals (25%) and returns on investment (25%), followed by income tax benefits (10%) and risk appetite (5%).

It also revealed that women-centric covers (33%), health care and wellness benefits (23%) and discounted premiums (20%) were the top three criteria for women that would propel them to go for an individual health plan, followed by simpler purchase mechanisms (17%) and more awareness on the health insurance products (16%).