

Health cover to get better

BETTER COVER Get ready for fewer exclusions for your insurance cover as the regulator is set to bar insurers from excluding a host of diseases and items. Here's a quick lowdown on how it affects you

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MUMBAI: The insurance regulator Insurance Regulatory and Development Authority of India's (Irdai) has increased the purview of your health insurance policies by barring insurers from excluding a host of diseases and items. The regulator's draft calls for more coverage and fewer exclusions. "Considering there are 27 insurers in the market and 400-500 products, all with different exclusions and differently worded terms, the outcomes of all the products were different. This circular bringing in standardisation across products clears the confusion among all the stakeholders of a health policy," said Gurddeep Singh Batra, head, retail underwriting, Bajaj Allianz General Insurance. In a circular dated May 16, the regulator has introduced changes that expand the comprehensiveness of your health insurance policy.

Here's a quick snapshot and what it means for you:

CHANGE IN EXCLUSIONS

In any health insurance policy you will come across the word exclusion. Exclusions basically mean the list of illnesses not covered by your insurer. For instance, so far mental illness was excluded by most insurers in the health insurance policy. With the draft guide-

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lines, along with mental illness, around 11 other illnesses — such as illnesses related to hazardous activities, stress or psychological disorders, puberty and menopause-related disorders, behavioural and neuro-developmental disorders and genetic disorders — will be removed from the exclusion list. This means if you get any of these illnesses, you will get an insurance cover. "Currently some insurers cover these conditions and some don't. The regulator is just trying to bring some parity across all the insurers. For example, mental illness was planned to be included after the Mental Illness Act was passed last year," said Batra.

Exclusions such as contracting a disease after purchasing the policy and failure to seek or follow medical advice and treatment will also be removed. Hence, you will get cover for such diseases if the proposed regulation is approved. However, 17 diseases such as a condition of epilepsy, hepatitis B, Alzheimer's disease, Parkinson's disease, Acquired immune deficiency syndrome or acquired immunodeficiency syndrome (AIDS), Human Immunodeficiency Virus (HIV) and loss of hearing may be permanently excluded — you may not get an insurance cover for these diseases. "According to a 2016 regulation, only for these 17 diseases the insurers were asked to permanently exclude them but now the regulator is giving the insurers the option to decide if they want to exclude these diseases or not," he added.

STANDARDISED STRUCTURE
The regulator has made all the exclusions and definitions conform to one particular standard that all insurers have to

follow, bringing in industry-wide parity. For example, Irdai has said expenses related to the treatment of any illness within 30 days from the first policy commencement date will be excluded except claims arising due to an accident, provided the same are covered.

"Such conditions will be covered from the second year. This was being practised by a few insurers in the industry but the regulator here is just trying to standardise this practice across the insurers," said Batra. This means all insurers will have to follow the same structure.

MODERN TREATMENT AND DISEASES

The regulator has also ensured that you are not denied insurance coverage for modern treatment methods by listing such procedures which require the usage of advanced technology. Treatments such as oral chemotherapy and robotic surgeries will be covered if the proposed guidelines are approved.

"This change also differed across product designs and insurers, which have now been standardised by Irdai," said Batra.

Waiting period for lifestyle conditions namely, hypertension, diabetes and cardiac conditions is not allowed for more than 30 days except if these diseases are pre-existing and disclosed at the time of

underwriting.

"Some insurers were applying a mandatory waiting period of two years whether these conditions were pre-existing or not," said Batra.

CERTAIN NON-MEDICAL ITEMS TO BE COVERED

"The hospital billing pattern varies from one hospital to another. They may subsume some charges into the room rent charges and some may charge it separately," said Batra.

This too leads to a lot of discrepancy in billings, ultimately creating a chaotic claim process. The regulator has created four standardised lists of items. Baby

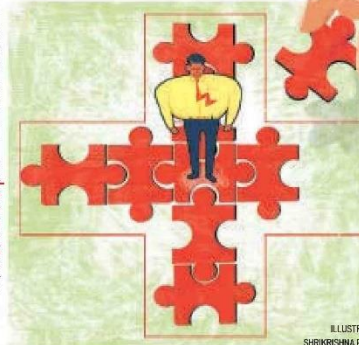


ILLUSTRATION:
SHRIKRISHNA PATKAR

INSURANCE PREMIUM TO GO UP?

If the proposed guidelines are approved, it will have an impact on your premiums. "The draft has removed ambiguity but this is bound to have some impact on premium as the scope of cover has gone up and we will have to see how it will impact pricing," said Prasun Sikdar, MD and chief executive officer, Oigna TTK Health Insurance Co. Ltd.

food, laundry charges, sanitary pads, ensal/internet charges, diapers among others are optional items and are left to the discretion of the insurer if they want to offer coverage. There are a few items that have to be subsumed into room charges including toothpaste, tissue paper, toothbrush and hand wash. There is also a list of items that are to be subsumed into procedure charges and into the cost of treatment. "Earlier there was only one list of non-medical items not payable by the insurer. With the proposed draft, Irdai has created clear demarcations of which items will be covered and which have been left to the freedom of the insurer," said Batra.