

[Should You Go For OPD Insurance?](#)

A regular health insurance policy only covers hospitalisation, for all other expenses, you may need OPD insurance.



Meghna Maiti

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The covid pandemic helped many learn the importance of taking a health insurance policy. While a regular health insurance policy covers you only when you are hospitalised, medical conditions could entail various other costs. For example, doctors' consultation and expenses on medicines and other treatments.

All these expenses need to be borne by the patient even if he or she has regular health insurance. One of the ways to get around the problem is to take OPD (out-patient department) insurance.

"As much as 62 per cent of total healthcare spend in India is an out-of-pocket expense and 65 per cent of this out-of-pocket is OPD. This shows the significance of OPD insurance requirement," says Ravi Chandra, co-founder and chief executive officer of MedPay, a tech startup that connects healthcare service providers with insurance companies.

He says that unlike hospitalization incidents, OPD incidents are more frequent for all age groups for different specialities like medicine, paediatrician, orthopaedics, and so on. Having OPD coverage from an early age helps the insured person to take preventive measures for

staying healthy which also reduces the number of hospitalisation incidents over a period of time.

In fact, a FICCI report, dated December 2015, states that “44.3 per cent of hospitalization cases could have been prevented by early detection and simple preventive action that can be covered under OPD.”

“This strongly indicates the requirement of OPD coverage to be packaged with every health insurance policy,” he adds.

What Does It Cover?

OPD insurance covers a lot of costs that do not generally get included under a regular health policy. “OPD cover helps cover the additional cost of specialist consultations, investigations related to the illness or injury, as prescribed by the specialist, medicines related to the illness or injury, as prescribed by the specialist, dental procedures (root canal treatment, extractions), and even consultations for psychiatric disorders,” says Gurdeep Singh Batra, head, retail underwriting, Bajaj Allianz General Insurance.

Hence, he says it is advisable to take such a cover, irrespective of the age, considering that these days we see many who are affected by lifestyle-related diseases early in life too.

What Does It Cost?

“Premiums are decided based on a number of parameters such as age group, coverage type, medical history and utilization. However, Since OPD is highly unorganized, insurers today do not have access to all the required OPD data to price the product better. Henceforth, most of the products that exist in the market are priced based on assumptions and are expensive,” says Chandra.

Some health insurance plans may have an in-built OPD cover or you can consider it as an add-on. For example, Bajaj Allianz General Insurance’s Health Care Supreme policy has an in-built cover for OPD expenses for physiotherapy from Rs 5,000 to Rs 50,000 and other OPD expenses from Rs 2,500 to Rs 25,000, based on the plan opted under this product.

However, certain expenses or services may have a cap in terms of coverage. “When going for an OPD cover, check the services covered and the respective capping. Availability of an extensive network for hyperlocal service providers is also required. Plus, there should be cashless experience on a real-time basis,” says Chandra.

Ask questions and check all the relevant details before going for an OPD insurance cover.