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### [Reasons Why It's Good To Have A Critical Illness Cover In Addition To Your Health Insurance Policy](#)



A critical illness cover provides financial protection if the insured person is diagnosed with a critical illness, such as cancer, heart attack, or stroke. It pays a lump sum amount upon diagnosis of critical illnesses as listed in the policy. This can be used to cover medical costs and take time off from work for treatment and recovery without draining one's savings.

Says Bhaskar Nerurkar, head, health administration team, Bajaj Allianz General Insurance: "Critical illnesses like heart attack, cancer, permanent paralysis, etc., can translate into substantial medical costs which may go beyond the existing sum insured available on your health insurance policy. This could affect your family's financial health. Hence, everyone should have a critical illness insurance cover in addition to their comprehensive health insurance policy. Under a critical illness insurance policy, a policyholder is eligible for a claim if s/he is diagnosed with the ailment which is listed as a part of the policy. This list of ailments varies from insurer to insurer."

While a comprehensive health insurance policy takes care of hospitalisation expenses, a critical illness insurance policy provides a lump sum amount as benefit as prescribed by the sum insured limit, if one is diagnosed with the illness listed in the policy. Hence, this policy is known as a benefit only policy, too.

Adds Nerurkar: “For instance, if a policyholder, who has a critical illness policy with a sum insured of Rs 10 lakh is diagnosed with cancer and the hospitalisation expenses come down to Rs 5 lakh, the policyholder will be given Rs 10 lakh by the insurer, irrespective of the hospitalisation costs, if cancer is a listed ailment under the policy. In fact, it is not mandatory for the policyholder to be hospitalised to make a claim. It is up to the policyholder to use the amount as per his/her discretion.”

#### Key Features To Look For During Purchase

The customer can choose a waiting period of either 120 days or 180 days, along with the survival period post diagnosis of nil days, 7 days or 15 days. This policy is available on an individual basis and can be taken for a period of one, two and three years. The premium on this policy varies depending on the member's age, sum insured opted for, critical illness 'section' opted for, waiting period, and survival period. The customer can also avail of additional benefits which are in-built in the policy up to the limit defined in the policy. These benefits include cancer reconstructive surgery, cardiac nursing, dialysis care, physiotherapy care, and sensory care.

Says Rakesh Goyal, director, Probus Insurance Broker: “In addition to lump sum payout, critical illness policies may offer health check-up benefits, recovery benefits to support living expenses, and waiver off premium during the claim period, along with rehabilitation benefits. Many insurers also offer additional riders that can be purchased along with the base critical illness policy to enhance the coverage even further.”

The entry age for adults is 18-65 years, and for children, it's three months to 30 years. There is no exit age under critical care, and the renewal is applicable for lifetime. Self, spouse, dependent children and grandchildren, parents and parents-in-law, sister, brother, aunt, and uncle can be covered under the policy. The premium of this policy can be paid in instalments, and discounts for wellness, long-term, and online purchase are applicable as defined in the policy.

#### Common Exclusions

Every insurance policy comes with its own set of terms and conditions, and critical illness insurance plans are no exception. Some conditions listed below are excluded from the plan. As such, make sure to thoroughly review the policy document to understand the specific conditions that could lead to a denial on your health insurance claim. Here are some of the common exclusions:

Self-inflicted injury leading to a critical illness

Critical illnesses resulting from the use, misuse or abuse of intoxicating substances

Contracting human immunodeficiency virus (HIV) infection

Critical illness caused by cosmetic, aesthetic, and obesity-related treatments

Critical illnesses related to congenital diseases

#### Things To Keep In Mind While Buying A Critical Illness Insurance Plan

Like any other policy, while buying a critical illness insurance policy, go through its terms and conditions. Understand the list of ailments that are covered under the policy and whether or not any pre-policy medical examination is required.

Remember, this policy is available on an annual and long-term basis, depending on the options available with the respective insurer. Insurers also have a condition of survival period, wherein the insured needs to survive for a specific number of days after being diagnosed with a listed ailment to make a claim. However, this condition varies from insurer to insurer. The claim processing for critical illness policy is quite easy. All a policyholder has to do is produce the diagnosis report for the listed ailment to the insurer.

Adds Goyal: “Carefully check the list of illnesses covered, maximum entry age, sum insured amount, policy terms, conditions, and exclusions as per individual needs. Having adequate coverage amount is important for effective financial protection.”