

INSURANCE FOR SENIOR CITIZENS MUST

Health and home insurance are two products that elders must take under all circumstances

SASIKUMAR ADIDAMU

INDIA is one of the youngest countries with 45% of its population aged less than 24 years, indicating strong emerging economy, at the same time close to 12% of our population is nearing 60 years or is above it. At present, a number of reforms have been introduced for senior citizens offering them improved healthcare amenities coupled with tax relaxation benefits. However, the challenge for senior citizens is to derive the best from the offered facilities. Cognisance towards such initiatives, including insurance, at present is dismal in India.

RISKS FACED BY ELDERS

The nature of risks faced by senior citizens has changed in the recent past, ranging from being susceptible to a host of illnesses and expensive healthcare to being soft targets for burglary and assaults.

During last decade, family demographics have been changing while shifting more towards the concept of nuclear family. In this scenario, the closed relationships that were enjoyed earlier are gradually blurring, partially isolating the senior citizens and leaving a significant percentage of them to fend for themselves. Therefore, it is quintessential for senior citizens to be well covered against the risks that they are vulnerable to.

Few months ago, I was travelling to Kolkata and besides me was a gentleman in his late 60s, a retiree from an esteemed organisation.

During the course of conversation, I told him about my work and further about insurance and its relevance. He averred that there could not be a suitable insurance solution for him or someone at that age. I informed him about the various options that could cover and address his healthcare needs and other risks since he travelled abroad frequently to meet his son, surprisingly, this information was an absolute revelation for him. Needless to say that majority of senior citizens in India are not well versed with the insurance buying process and guidelines.

I believe health and home insurance are two products that senior citizens must be equipped with under all circumstances of living and earning.

years. To address the medical exigencies that may arise anytime, a basic health insurance plan can be very helpful and can prevent loss of the hard-earned savings.

For general hospital admissions such as fever and infection the medical bills go beyond the range of just a few thousands while for a major procedure such as a heart or joint surgery the medical costs may run into lakhs. Without insurance coverage, one may have to compromise on facilities such as quality of hospitals, rooms and treatment as well. As per Indian government's welfare scheme for the aged person, senior citizens are eligible for tax deduction under Section 80D and Section 80DDB of the Income Tax Act in order to keep a health insurance in force. You can cover yourself with a good insurance cover at a nominal amount. However, it is imperative to know details about what you are choosing.

Due diligence should be paid at the time of filling the proposal form.

It is advised to be transparent about your current health conditions, especially the pre-existing conditions in order to avoid any claim rejection. Look for the health insurance plans that match your expectations of quality care and costs. A minimum health insurance plan should be a sum insured of Rs 5 lakh. Along with a base plan you can also opt for a super top-up, for emergencies involving higher hospital bills at a comparatively affordable premium. Details like the list and number of cashless hospitals empanelled in your city are important. Plans offering low or no co-payment are helpful in case of emergencies, when non-network hospitals are contacted for treatment.

HOME INSURANCE

In addition to a good home security system or a burglary alarm system that one ensures getting installed at home, buying a comprehensive home insurance policy is equally wise decision. Contrary to the popular belief, a home insurance policy is affordable and one can buy it for a period of up to 20 years, there are insurers that offer discounts on long term home insurance policies. Home insurance policies can protect you from any risk that

BASIC HEALTH COVER

Given the growing incidences of infective, epidemic diseases and lifestyle disorders, health conditions at any age are highly unpredictable, more so when one is above 60

your home is prone to by covering both its structure and contents. Additionally, you can cover your white goods and portable equipment. Always opt for a "new for old" cover, and one with a worldwide coverage. You can also insure your jewellery kept in your house and locker; some insurers offer worldwide cover for jewellery as well.

The conversation with that gentleman propelled me to think that for this segment, suitable options covering the entire gamut of risks faced by them are far more crucial than a perfect solution. These days customised housing societies, townships are gradually picking up in India for bringing in ease of domestic activities and enhancing experience of community living. All these facilities can be availed if our elders are in strong financial condition with good savings in place. Insurance can be instrumental in ensuring that these savings are intact and used for the purpose they are planned for.

How the senior citizens safeguard the assets built with life-long hard work, how they ensure to get timely help in case of any mishap - the right answer is insurance, and that too adequate and accurate insurance. With this they can definitely lead a healthier, happier and secure life.

The writer is Chief Technical Officer - Non-Motor, Bajaj Allianz General Insurance Company. The views expressed in this article are his own

