



by Riju Mehta

While both top-up and super top-up plans have long been considered a good way to enhance health insurance at low cost, super top-ups were regarded primarily for senior citizens or those with conditions requiring frequent hospitalisation. However, in the past couple of years, super top-ups have gained prominence, with most insurers phasing out top-up plans and retaining the super top-ups. While some insurers like the New India Assurance and Royal Sundaram offer top-up plans, others like Niva Bupa, Reliance and Care only offer super top-ups, and some like Liberty offer both. So, does it make sense for you to buy these plans?

How super top-ups work

"Traditionally, top-up plans are for a single, catastrophic, high-cost event, while super top-ups are for getting additional sum insured for multiple events that may not be catastrophic," says Dr. Bhabatosh Mishra, Director, Underwriting, Products Claims, Niva Bupa Health Insurance.

Both these plans work on the premise that a deductible limit has to be crossed for these to be activated. So, if you have a super top-up plan of ₹20 lakh with a deductible limit of ₹5 lakh, you will have to pay ₹5 lakh either from your own pocket or through a base cover, before the super top-up can be used. In a top-up plan, you need to cross the deductible limit in a single hospitalisation, while for a super top-up, multiple hospitalisation bills in a policy year can be added to calculate the deductible limit. So if you incur two hospital bills of ₹4 lakh and ₹7 lakh in a policy year, a top-up plan will not pay the first claim, only the second one. In a super top-up, both the claims will be

Cut costs by combining base plan & super top-up plan

Individual health plan	Cover	Annual premium
Base plan	₹5 lakh	₹8,102
Super top-up plan	₹25 lakh with ₹5 lakh deductible	₹1,646
Base plan + super top-up plan	₹5 lakh + ₹25 lakh	₹9,748
Higher base plan	₹25 lakh*	₹14,626
Insurer's combo of base plan + super top-up plan	₹30 lakh	₹10,201

Source: Niva Bupa Health Insurance. For 35-year-old male in Delhi, without discounts. * Option for ₹30 lakh not available.

covered as the combined bill of ₹11 lakh in a year exceeds the ₹5 lakh limit.

If you buy a super top-up...

The surging medical inflation and hospitalisation costs in the past two years mean that more than one episode requiring hospitalisation can drain you financially. Super top-ups offer a good strategy to enhance health cover since these are low-cost plans available up to ₹1 crore sum insured. "Their premium is low not just due to high deductible, but also because the underwriting may vary and the plans may lack features like OPD cover, wellness benefits, cumulative bonus, etc.," says Dr. Mishra.

These should be bought with a low base plan, so that the latter can take care of the deductible amount. So you can buy a ₹3-5 lakh base plan and a ₹25-30 lakh super top-up plan, instead of a high base plan of ₹30-35 lakh which will cost more (see table). However, make sure you don't buy a very small base plan just to cut costs because most of the benefits and discounts are linked

to the base plan, not the super top-up plan.

It's also important to buy both the base and super top-up plans from the same insurer to ensure cashless reimbursement. "Hospitals will only consider the base plan for cashless reimbursement. If the super top-up is from the same company, it will be considered as a single claim," says Bhaskar Nerurkar, Head, Health Administration Team, Bajaj Allianz General Insurance.

Pick the base and super top-up plans from a company that has similar features for both because you may end up with a super top-up that doesn't cover all the services, forcing you to pay from your pocket. A family floater plan may also be a good pick, especially if a member suffers from a chronic illness, but don't include your parents as it will raise the premium. The cost depends on age, city, size of cover and deductible amount. The higher the deductible, the lower the premium. If you choose a 2- or 3-year plan, instead of a one-year plan, you will not only get a discount, but the aggregate claims for 2/3 years will be considered for the deductible limit.



SUPER TOP-UP: ON THE FLIP SIDE

It may be the best option to enhance your health cover, but keep in mind the following limitations.

Reconsider if base plan has restore option

If you have a big base plan, with the sum insured fully restored in a policy year, reconsider the size of the super top-up cover you should buy, or whether you should buy it at all. The restore benefit can easily provide an optimum cover size and also come at a lesser cost. Check, however, that the restore benefit applies to recurrence of same illnesses. If the base plan is small, do buy a larger top-up plan.

No cashless with different insurers

If you have a base plan from one insurer and super top-up from another, the hospital will consider only the base plan for cashless reimbursement. If this amount gets exhausted, you will have to pay from your pocket for the remaining amount and have it reimbursed later. If both base and super top-up plans are from the same insurer, the entire bill can be paid in a cashless manner.

Despite employer cover, buy both independently

If you only have a base plan from your employer, don't buy a super top-up plan from another or even the same insurer independently. This is because if you change jobs and your base cover lapses, you will end up paying the deductible amount from your pocket to be able to use the top-up plan. So even if you have a base and top-up from your employer, buy another set independently.

Don't buy a very small base plan

Most insurers link benefits such as cumulative bonus, renewal discounts, etc., to base plan, not the top-up plan. So make sure you don't have too small a base cover or the accrued benefits will be negligible too.

Fewer features

Try to pick a super top-up plan that has similar features to the base plan as the latter may not be as comprehensive: waiting period for pre-existing diseases may be longer, it may have room rent limits, or may not offer OPD cover.