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Headline :- Robotic Surgeries Gain Ground, But Insurance Coverage Hits Hurdles

UNEXPECTED LIMITATIONS faced during claims, say policyholders; sub-limits needed to make premiums affordable, say insurers

Robotic Surgeries Gain Ground, But Insurance Coverage Hits Hurdles

Shilpy.Sinha@timesgroup.com

Mumbai: Artificial intelligence (AI) and robotics may be transforming most industries, but insurance claims for surgeries remain untouched.

When Arun Jain, a 66-year-old retiree, opted for a robotic radical prostatectomy, he had expectations of a precision surgery and quick hospital discharge. Little did he know that the costs of the procedure, although much less elaborate than a traditional surgery, would leave him in shock. After submitting his claims, Jain was told by his insurer, the National Insurance Company, that it would only cover 25% of the sum assured.

"I felt deprived and cheated when the insurance company did not pay the claim at the time of need," said Jain, a resident of Noida, Uttar Pradesh. "I felt shortchanged and helpless for choosing the technologically advanced option as suggested by the doctor for faster and better recovery."

Jain, however, isn't an isolated case wherein the insured has been left disappointed by the insurer. While robotic surgical technology is gaining popularity for its minimally invasive approach and faster healing times, policyholders often find themselves facing unexpected limitations while submitting claims.

A spokesperson for the National Insurance Company did not respond to a request for comment.

Robotic surgery involves the use of a robotic surgical system, which assists a surgeon in performing precise and minimally invasive procedures and is commonly used for intricate surgeries such as those involving tissue removal around the brain, large blood vessels, heart surgeries, joint replacements, cancer removal and treatments for critical organ-related cancers, among others.

"We offer 50-100% of the sum assured in robotic surgery in retail health insurance and 100% in group health insurance as the use of robotics in treatments is new and still evolving," said Anup Rau, CEO of Future Generali General Insurance. "We are evaluating the situation and depending upon our experience will increase the cap."

Insurers are mandated to cover robotic surgeries as modern treatments, either with or without sub-limits, according to the Insurance Regulatory and Development Authority of India (IRDAI) Health Regulations, 2019.

Insurers Dispose

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However, health insurance policies are not as straightforward as they seem. There are some that limit the claim a policyholder can have and there are some which claim they don't have any such limits, leaving the policyholder at the mercy of companies.

Currently, robotic surgery doesn't comprise a major part of insurance claim data due to its emerging status. The caps, many say, are because there is not much data to assess the potential liabilities for various types of surgeries, exposing them to unpredictable claims.

"The rationale behind these caps is the uncertainty surrounding the costs of such emerging technology," explained Prasun Sarkar, chief actuary at ICICI Lombard General Insurance. "By imposing such limits, insurance companies are looking to provide policyholders affordable premiums with cost certainty for this evolving landscape of robotic surgery expenses. Though many companies like ICICI Lombard do not have such sub-limits against such surgery expenses."

Insurers say that placing caps brings certainty to the costs associated with robotic surgeries, which can vary significantly across hospitals.

Meanwhile, insurers are also continuing to modify product offerings as they gain experience.

"We have updated our policy and currently do not have capping or sub-limits applicable to robotic surgeries within our policies," said Bhaskar Nerurkar, head-health administration team, Bajaj Allianz General Insurance.