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## INSURANCEQUERY.



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I currently have a health insurance policy with a sum insured of ₹15 lakh. However, my yearly premium has significantly increased due to a price hike from my current insurance company. Consequently, I'm considering porting my policy to another insurer. Could you please guide me through the process of porting my policy smoothly?

Sia

Before you decide to port from your current insurer, you should be aware of the factors that affect your health insurance premium. One significant reason for your recent experience could be medical inflation, which increases every year. However, insurance companies adjust their premiums only once every three years to account for this inflation. Any changes to premiums by insurance

providers require approval from the IRDAI, since we are a regulated industry. Policyholders seek better options when they face unsatisfactory claim settlement experiences. Hence, assessing your requirements and determining if your current insurer meets all your needs is essential. If they don't, switching to an insurer that offers services you specifically require is a wise choice.

It is advisable for you to understand the difference between buying a new policy and porting the existing one. Porting allows policyholders to carry the benefits of their old policy into a new one, ensuring that you don't lose the benefits you had accrued with your old policy. A significant concern for many when considering porting their policy is whether the waiting periods will reset or continue. This is a crucial difference between buying a new policy and porting an existing one to another insurer. Porting ensures a seamless transition, carrying over your existing waiting periods and other benefits.

To port your policy, you



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should send a portability request, initiated 45 days before renewal. This request will typically be accompanied with submitting a new proposal and portability forms.

Once the new insurer receives your portability request, they will approach the existing insurer to verify your medical and claims history. Following verification, the new insurer might accept, propose restricted covers or reject the request based on their underwriting guidelines.

Before porting your policy, review the policy terms and conditions, and coverage details of new policy thoroughly. Look for a policy without too many restrictions on coverage.

Many people switch insurers because the second insurer offers a lower premium, but this lower premium usually comes at the cost of restricted coverage. It is imperative to understand the coverage extended by the new insurer, including the limits and sub-limits capped by the insurer. This will help avoid confusion during claims.

When you move from insurer A to insurer B, you get to port the benefits accrued, if any, but not the specific features of the policy. Every insurance product has some unique features, so it's essential to clearly understand the policies' features to know what you are leaving behind and what additional benefits you will be acquiring. You must correctly disclose all the details about your medical and claims history, too, to avoid any hassles of non-disclosure.

In a recent circular, the IRDAI has allowed policyholders to port their policies within specified timelines. Both the acquiring and existing insurers are responsible for seamlessly transferring all your details and claim history.

As a policyholder, you are

entitled to transfer the credits you have earned, including the sum insured, no-claim bonus, specific waiting periods, waiting periods for pre-existing diseases, and the moratorium period, from your existing insurer to the acquiring insurer in your new policy.

However, frequent porting of your policy could be a cumbersome task. Hence, it's essential to identify the problems you faced and try to clarify your exact requirements with your insurer.

But once you have decided to port your policy, do a thorough research on insurers including their offerings, claims service history, their hospital network, whether they meet your product and service expectations, and overall reputation of the insurer. This will help you opt for the insurer that best suits your exact requirements.

Making an informed decision always helps avoid surprises later.

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