

First-time buyers may opt for Arogya Sanjeevani

If you already have an insurance policy, opt for super top-up to enhance the sum insured

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The Insurance Regulatory and Development Authority of India (IRDAI) has asked all general and health insurance companies to offer a standard health cover called Arogya Sanjeevani. Says Gurdeep Singh Batra, head-retail underwriting, Bajaj Allianz General Insurance, "It's a straightforward policy, has easy wording, is easy to understand, and comes with a good coverage at a reasonable price."

This policy offers standard coverage, exclusions and limitations across companies. Only pricing, based on the claim ratios of various companies, will be different.

Building trust among customers: Experts believe this is an excellent initiative by the regulator that will help bridge the trust deficit between policyholders and insurers. Often policyholders don't have a clear idea of what is covered and what is not by their policy, and this often leads to conflict. In the case of Arogya Sanjeevani, since the policy wordings will be the same across insurers, there will be much less

room for disputes. Says Amit Chhabra, head-health insurance, Policybazaar.com: "There is a trust deficit because often policyholders don't understand what they have bought. But with the launch of this standardised policy, things will become simpler for policyholders."

Who can buy: Anyone aged between 18 and 65 years is eligible to buy this policy. It can be bought as an individual cover or as a family floater plan that includes two dependent children aged between three months and 15 years.

Besides husband, wife and two children, a family-floater Arogya Sanjeevani Plan can also cover parents and parents-in-law.

Independent children above the age of 18 cannot be covered by the family policy; they will have to buy an individual plan of their own.

The policy offers lifelong renewability. Says Jayesh Gadekar, head-health & benefits, innovative solutions at Global Insurance Brokers: "Existing policies can be renewed even after a policyholder crosses the age of 65, but one cannot buy a fresh policy after 65."

A basic, no-frills policy: Arogya

UNIFORM POLICY, VARIABLE PRICING		
Insurers	Individual premium (₹)	Family floater premium (₹)
Go Digit General	3,263	7,194
Star Health & Allied	4,170	9,255
Universal Sampo General	4,164	9,304
Max Bupa Health	4,723	11,044
SBI General	4,501	11,721
Kotak General	5,842	13,473
Bajaj Allianz General	5,950	13,510
Future General General	5,996	14,089

The individual policy premium is for a 30-year-old male. The family floater premium is for a family where the eldest member is 35 years old, and which has two adults and two dependent children.
Source: Policybazaar.com



Sanjeevani provides a decent cover ranging from ₹1 lakh to ₹5 lakh. Policyholders can get a cumulative bonus of 5 per cent of the sum insured if they do not raise a claim in a particular policy year. This can go up to a maximum of 50 per cent of sum insured.

The policy will cover the expenses for hospitalisation for a minimum 24 hours, along with pre- and post-hospitalisation expenses. Even day care procedures, AYUSH and expenses incurred on treatment of cataract (subject to a cap of 25 per cent of sum insured or ₹10,000, whichever is lower) are covered. Expenses incurred on dental treatment, plastic surgery (provided it is necessitated by disease or injury) and ambulance charges are also

covered by this policy. It also offers coverage for Covid-19. (For that matter, all the other health insurance—hospitalisation, reimbursement type policies—sold by insurers today also cover Covid-19.) Clarifying the confusion that prevails on this issue, Chhabra says: "Yes, Covid-19 will be covered under Arogya Sanjeevani. It even covers OPD and ambulance expenses, should one seek treatment for Covid-19. As an infection caused due to Covid-19 does not fall under the pre-existing disease category, claims will be covered for this illness from day one." He adds that in the past as well, hospitalisation due to conditions arising from H1N1 and Ebola were covered by health policies.

A few limitations and exclusions: Two key limitations of this policy relate to room rent and co-pay. Room rent up to two per cent of sum insured subject to a maximum of ₹5,000 per day is permitted. Intensive Care Unit (ICU)/Intensive Cardiac Care Unit (ICCU) up to 5 per cent of sum insured subject to a maximum of ₹10,000 per day is allowed. The second limitation pertains to co-payment. Every claim under the policy will be subject to a co-payment of five per cent. This portion of the claim amount will have to be paid by the insured out of his own pocket. Arogya Sanjeevani also comes with a few exclusions. It will not cover expenses such as maternity

treatment, weight loss, unproven and experimental treatments, sterility and infertility, gender change, hazardous adventure sports, and injuries caused by breach of law or war.

Even though the coverage offered by this policy is the same for all insurers, the premium rates can vary from one to another. The premium for a 30-year-old with no health conditions can range from ₹3,000 plus GST to ₹5,100 plus GST for a sum insured of ₹5 lakh. The buyer should factor in both the premium and reputation for customer service while choosing his insurer," says Gadekar. Chhabra adds that customers should look for a player that offers cashless benefit and has a good settlement track record.

Buy now, top-up later: This policy with its affordable premium rates is suited for those who do not have their own health insurance cover yet. Says Singh: "Those who do not have a personal health policy should get themselves covered under this plan." As the ongoing spate of job losses has highlighted, one cannot depend on the health insurance cover provided by the office. As soon as one is out of a job, that cover vanishes. Hence, everyone needs a personal health plan.

If you are single and a first-time health insurance buyer, Arogya Sanjeevani, which offers a cover of up to ₹5 lakh will suffice. But as a person's family expands, he grows older, and medical inflation takes a toll, he may feel the need for a higher sum insured. He should then supplement his Arogya Sanjeevani cover with a super top-up policy. Says Singh: "Buy Arogya Sanjeevani as a base cover with ₹5 lakh as sum insured. Once you want to expand your sum insured beyond this level, go for a floater super top-up policy so that your family is covered, come what may."

Those who already have a health insurance policy (a basic hospitalisation reimbursement cover) should not buy Arogya Sanjeevani for additional coverage. It is always better to buy a super top-up to enhance the level of sum insured. "Buying Arogya Sanjeevani, which is also a base policy, will be costlier than buying a super top-up," says Singh.