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[Health Insurance Premiums Are Rising: Here Is How To Stay Covered](#)



Another useful option is to consider top-up policies, which provide additional coverage at a lower premium, complementing your base policy to secure a higher sum insured, especially for significant or unexpected medical expense rising Health Insurance Premiums.

With the rising cost of healthcare, health insurance is essential. The absence of or inadequate health insurance can wreak havoc with one's finances. Health insurance is still affordable, but in recent years, it has been rising.

"The average rise in health insurance premiums has varied across insurers, typically ranging between 10 per cent and 20 per cent, influenced by factors such as medical inflation, expanded coverage options, and increased claims post-pandemic," says Bhaskar Nerurkar, head – health administration team, Bajaj Allianz General Insurance.

Generally, insurers review and adjust health insurance premiums approximately every three years, primarily to account for medical inflation. These revisions are subject to approval by the Insurance Regulatory Development Authority of India (Irdai).

However, even with a rise in premiums, one must stay adequately covered. Here is how to ensure adequate coverage at lower premiums.

Consider Co-Payment And Deductibles One effective strategy to manage rising health insurance premiums is to review your policy thoroughly and understand its core coverage benefits. “Focus on plans that cover essential needs and consider options like co-payments or deductibles, which can help reduce premium costs without significantly affecting coverage,” says Nerukar.

Also, co-payments and deductibles can help reduce premiums. “Policies with voluntary co-payment can be purchased which reduces the premium. Another option is to buy an insurance plan with a set deductible limit,” says Niharika Singh, ED marketing, IFFCO Tokio General Insurance Company.

Let us say a policy has a 20 percent co-payment. If the hospital bill is Rs 1 lakh, you have to pay Rs 20,000 from your pocket, while the insurance company will pay the rest.

In the case of deductibles, if a policy has a deductible of Rs 3 lakh and your hospital bill is Rs 2.5 lakh, you have to pay it from your pocket. However, if the bill is Rs 5.5 lakh, you pay Rs lakh while the insurance company pays the remaining Rs 2.5 lakh. However, remember that in both cases, there will be some out-of-pocket expenditure that needs to be taken care of.

Consider Top-up Policies And Choose Sum Insured With A Restoration Benefit

It's also beneficial to periodically compare policies across insurers and reassess your coverage based on current health needs, ensuring your plan continues to meet your personal and family requirements.

Another useful option is to consider top-up policies, which offer additional coverage at a lower premium. These plans work alongside your base policy, helping you secure a higher sum insured, especially for larger or unforeseen medical expenses. Top-up policies provide a financial safety net, ensuring that you and your family remain adequately protected while keeping premium costs manageable.

“Additionally, choosing a higher sum insured with a “restoration benefit”—where your sum insured is reinstated once it's exhausted—can help manage costs while still ensuring sufficient coverage in case of major hospitalization,” says Nerukar.