



Know your health policy

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Which health insurance policy should one buy to ensure that unforeseen health expenses are duly taken care of?

Though there is no handbook that would give the perfect advice, there is a set of questions one should answer to identify the best possible health insurance plan.

Top it up

One, what is the cover? This is an obvious question. But remember that medical costs rise each year. So, it is important to revisit the cover you have chosen every five years or so. If need be, top up the existing plan.

Two, what are the limits? Limits may be in the form of per day hospitalisation limit of room rent or sub-limits under different disease categories. To keep its cost under control, the insurance company would certainly want this information.

Three, what is the maximum renewal age? Though most policies these days offer lifelong renewal guarantee, they cannot be taken for granted.

Four, what is the record of the insurer and the overall claims? Basic research about the insurer you have shortlisted should help in the long run. A brief enquiry with people who have bought a plan (online forums offer these aplenty) can help. You may also seek the claims settlement ratios of these insurers from your agent or the company itself. The higher the ratio, the better.

Five, what is the waiting period and exclusions? Look at the period that has been put down as waiting time before the insurer starts covering any pre-existing disease. A good look into the exclusions part will also give one an idea about the red areas that the policy does not cover.

Six, how do premiums compare with similar policies? Compare the premiums of the shortlisted companies. If all the features and coverage are similar, then choose the policy that is the cheapest.

Cashless facility

Finally, how do you claim the benefits? After buying the health plan or, for that matter, any insurance plan, it's important to know how one claims the benefit. If wrongly done, it may result in rejection and defeat the purpose of buying insurance. To this end, make sure you know your plan thoroughly. Check out which hospitals around you have cashless facility with the insurer, whether there are co-pay conditions, and so on.

Cashless claim can only be made in network hospitals and require pre-authorization from the insurer. A reimbursement claim can be made in any hospital but you must first pay for the treatment, which will later be reimbursed by the insurance company. Keep all documents — in original — in order.

Documents that are generally required are the discharge summary of the patient, bills, receipts, prescriptions, and all diagnostic and test reports.

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