



QUERY CORNER INSURANCE

HEALTH INSURANCE PREMIUMS ARE NOT REGULATED BY IRDA



HIKE IN PREMIUM FOR POLICY RENEWAL

I have a Reliance Gold medicaid policy. For the past three years, I have not claimed anything and during the current renewal, the company has increased the premium more than 350%. Initially, the Gold Plan was launched with a very low premium of around ₹4,000 and suddenly during the fourth renewal it was increased to around ₹16,000-18,000. Can I appeal to Irda about this? — JOHN VARGHESE

Health insurance premiums are non-tariff products. Under the non-tariff regime, an insurance company can offer its own premium rates which are decided on the basis of the past claim ratios, future expectations and so on. Reliance General Insurance started its health insurance segment by offering cheaper premiums in the market. But now based on its claim experience, it has steeply revised premiums on the upside. Being a non-tariff product, Irda cannot ask any company to reduce or increase premium rates. However, since you are not satisfied with the premium, you have the option of renewing your policy with another company that offers you continuity and other benefits.

SECURING FUTURE NEEDS VIA LIFE, HEALTH COVER

I am 33 and earn ₹50,000 a month. As I am getting married next year, can you suggest some insurance policies that will cover me as well as my wife.

—INDER CHAUDHARY

You should buy a personal accidental insurance cover policy for both, if both of you are working. You both should also buy health insurance of at least ₹3-5 lakh. Also, invest in a life insurance policy for you and your wife, if she is working. For this, you have the options of term plans, unit-linked insurance plans (Ulipis) and endowment-based plans. You may take the help of a good investment advisor or a financial planner to help you choose the right plans and combinations. Critical illness cover should also be considered by you for covering extraordinary expenses in case of any such event.

COVER FOR OLD AGE ILLNESSES

I'm 67. I want to know of a policy that will cover my medical expenses. My wife is 60 and has under gone a bypass surgery. Is any medicaid policy possible for her? — RS PODDAR

You don't have too many options to choose from for your medical insurance at this age. That is why it is always better to start your health insurance policy at an early age and keep renewing the same till your golden years. You can approach the following companies for your health insurance — National Insurance Varistha mediclaim, where you can be covered for Rs 11 lakh each and another ₹2 lakh each for reimbursements for critical illnesses. Any pre-existing disease shall be covered only after four continuous claim-free years of the health insurance. Secondly, Star Health-Senior Citizens Red Carpet health insurance plan offers a coverage up to Rs 2 lakh. Pre-existing diseases are also covered after two continuous claim-free years of health insurance.

COVER FOR DEATH DUE TO WAR, TERRORIST ACTS

I am 36 and in good health. Can you please suggest good term-plan insurance options from ICICI, Kotak and Max New York Life. Does the ICICI plan include a terrorist cover? — KAVINDRA SALUNKE

It's a wise decision to add term insurance to your portfolio for providing a cover to your family. The most important factor in deciding on a particular company is the cost of premium. ICICI Prudential Life, Kotak Life & Religare Aegon Life are a few companies offering competitive premium rates. If you wish to take all the hassles on your own, then ICICI Prudential Life and Religare Aegon Life also offer online term insurance plans that are cheaper. ICICI Prudential term plan covers death due to a terrorist act, civil war or any other instance of mass destruction for an assured basic sum.

HEALTH POLICY FOR DIABETES

My friend has two daughters. The elder daughter (10) was recently diagnosed with Type 1 diabetes (juvenile diabetes). What type of health/critical insurance policies are available in the market for her. He is afraid that his second child (6) may also get diabetes. What type of policies can he take for the younger daughter? — BHISHMA

Your friend can buy the National Insurance Parivar policy, which is a floater plan and will give medical insurance coverage to all his family members. They will have to make an additional 10% premium payment for covering diabetes too. Since the additional 10% premium is on the total premium, not just the elder daughter, all other members are also covered under the same. The insured shall have to bear 10% of any admissible claim, if he is suffering from diabetes. This provision is applicable only for claims arising out of diabetes.

LOW-COST LIFE INSURANCE POLICY

I am 52 and have a total life insurance cover of Rs 7 lakh. One of my insurance policies will mature next month. Should I go for another policy to increase my insurance cover? If yes, please advise which policy should I buy? — SANDESH KUMAR

As age and income advances with time, your insurance needs keeps increasing. One should increase life insurance coverage on regular intervals that can keep you adequately covered till your financially-productive years of life. Now, you need to calculate your insurance requirements in terms of the amount and the number of years and accordingly buy a life insurance cover. You can buy plain-vanilla term insurance that gives you a cover with low-cost premium. You can add critical illness plans to that as well.



AMIT SURI

CFP, AUM FINANCIAL PLANNERS

Our expert guides you in matters relating to insurance. Email to etqueryins@indiatimes.com

