



QUERY CORNER INSURANCE

CRITICAL ILLNESS RIDERS ARE NOT REIMBURSEMENT PLANS LIKE MEDICLAIM

CLUBBING CRITICAL ILLNESS RIDERS

I have three policies of ₹1 lakh each, from three different companies. The policies have a critical illness rider. Now if one falls critically ill, with the recovery cost at around ₹3 lakh, can all the three policies be used to cover expenses? — RADHESHYAM SHARMA

In the event of diagnosis of any of the diseases covered under the critical illness rider, the amount payable shall be equal to the sum assured chosen under the policy. In your case, if the said disease is covered under all these three policies, you will be entitled to receive an amount equal to the sum assured in all policies. It is important to understand that critical illness riders are not reimbursement plans like mediclaim.

MULTIPLE MEDICLAIM POLICIES

My wife and I have a mediclaim of ₹3 lakh each from NIC, since 2001. My son's employer also provided a medical floater policy of ₹5 lakh for the family. Recently, my wife had a surgery for brain aneurysm, for which we used the cashless facility from my son's employer. The total cost of the surgery was around ₹3.25 lakh, of which, we paid ₹20,000 as co-payment. We submitted all the bills with the hospital's certificate to our own insurer, NIC's TPA Vipul, for reimbursement of ₹20,000 as co-payment. However, they have verbally rejected to reimburse the co-payment. What should we do? — RAJESH SHAH

When one person is covered under multiple policies, the principle of contribution applies. Thus, in your case, each insurance company should bear the expenses in proportion to the amount of cover with the respective insurer. If the co-payment clause is part of the policy contract between the company and the insurer, then NIC is justified in deducting the same and the other company shall not reimburse the co-payment. In fact, as per principle of contribution, you should have got your medical reimbursement proportionately from both the companies.

DETERMINING DESIRED INSURANCE COVER

I am bank officer with a net salary of ₹22,000. I want to buy a term insurance plan of ₹25-30 lakh. Is it sufficient as my employer provides me an insurance of ₹5 lakh. Should I opt for a traditional money back plan or buy a term insurance and invest the rest of my savings into other avenues? – KUNDAN KHAWARE

You should start with a term insurance plan for yourself to get the de-sired insurance cover. After securing your life, draw a list of your short-, medium- and long-term financial goals. A traditional plan or a Ulip should be added for your long-term goals. The choice between a traditional plan and a Ulip should be on the basis of your risk and return expectations. Mutual funds help to achieve short, medium and long-term financial goals. Systematic investment plans (SIP) are a preferred investment choice.

BUYING INSURANCE ONLINE

I want a term insurance of ₹25-50 lakh for 10 years. My date of birth is 13.5.1959. I am a non-smoker. Please suggest a company that would offer me a cheap and good policy. Are there any hidden glitches in purchasing the policy online? – UMESH SHARMA

There are mainly two term insurance policies available online. The premium cost for your age in ICICI Pru's iprotect term insurance is ₹21,950 for a ₹50 lakh cover and for a ₹25 lakh cover, it is ₹13,263. Religare Aegon iTerm Plan will cost you ₹20,571 for a ₹50-lakh cover and ₹16,848 for a ₹25-lakh cover. There were reports of delay in document collection and getting the medical done, but now since the products have become popular, companies must have taken due care of the same.



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