



QUERY CORNER

INSURANCE



AMIT SURI

CFP, AUM FINANCIAL PLANNERS

► OUR EXPERT OFFERS TIPS ON THE BEST INSURANCE PRODUCTS AVAILABLE IN THE MARKET. EMAIL TO etqueryins@indiatimes.com

Q I have bought individual medicaid policies from New India Insurance for each of my family members. We have been paying premiums for the past five years. Is it possible to change my medicaid policy? I wish to change to Apollo Munich and want to avail of the maternity benefits.

A BHATIA

A Apollo Munich Health Insurance Co offers complete continuity benefits on renewal of policies from different companies. This renewal will entitle you for continuous benefits including cumulative bonus too. However you must note maternity benefits shall be covered after four years of continuous renewals with Apollo Munich.

Q If I want to buy term insurance, is LIC the best as it has less claim rejection ratio and a sound financial standing? Is it even worth comparing LIC and other players in the private sector if I intend to buy a pure term plan? Private sector players offer term plans at very competitive premiums, so is it possible for them to settle death claims with that amount? What are your views on latest term plans offered online by Religare Aegon and ICICI Prudential?

HIMANSHU DESHMUKH

A The life expectancy in India is rising which means that on an average we will have a longer life span than our parents. Mortality rates are calculated based on this. Since the longevity of life is increasing mortality rates are coming down. Term

insurance premiums primarily are a result of Mortality rates and then administrative and distribution costs. Most private sector life insurance companies are owned by established business houses of India in joint venture with some of the biggest insurance companies of the world. Most of them also have claim settlement track record for all to see. Some of the online insurance term plans like Religare iTerm and ICICI Prudential's iProtect are the cheapest options available.

Q We are a married couple aged 27. While my spouse has a life insurance and medical insurance cover, I only have medical insurance, which my employer provides. What kind of insurance cover should I take and which companies should I look for?

RAHUL

A You should always buy a good medicaid policy for you and your family even if your employers offer you a medical insurance. Your health insurance from your employer is subject to your employment with the company and will cease with change in employer or even a change in companies policy on medical insurance. Further, any adverse happening with your health might render you incapable for the job as well as the said medical coverage. Hence, it is advisable that you have a policy in addition to that provided by your employer. You should also buy life coverage for both of you individually. Ideally, your coverage should be 8-10 times your annual income.