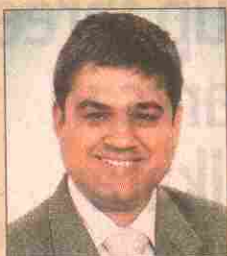




QUERY CORNER INSURANCE



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 am 61 years old and retired. All these years there was no need for me to buy a medical insurance as my employer (Tata Group) reimbursed me all expenses in connection with any medical treatment. Though I and my wife are free from any ailment and ready to undergo any medical check-up, I find that no insurance company is offering medical insurance policy for a person who has crossed the age of 60. Could you please advise me in this connection.

RAMANI BS

A You have two options available for you viz. National Insurance Varistha mediclaim where you can be covered for Rs 1 lakh mediclaim and another Rs 2 lakh exclusively for reimbursements of critical illnesses. Star Health-Senior Citizens Red Carpet health insurance plan offers a coverage up to Rs 2 lakh. Pre-existing diseases are also covered from 2nd year onwards.

Q I am 35 years old and have taken ICICI Prudential's LifeTime Pension ULIP Plan with annual premium of Rs 15,000 without any life cover. I took this 5 years ago and paid all premiums till now. Now, I feel this may be inadequate for my pension. Should I take a new ULIP pension policy or add top-ups to this existing plan?

SEETHARAMAN K

A A cost-effective way would be to keep making additional top-ups in the plan. Considering your age and the passage of

time, I am pretty sure, your insurance requirements would have also gone up during this period. In that case, I would want you to look at buying either a term insurance and do top-ups in the existing pension plan or buy another ULIP or ULIP pension product with maximum available Life Insurance Coverage in that premium. This way, you would have taken care of your present life insurance needs as well as your retirement needs.

Q I am a senior citizen of 65 years. I joined MetLife's

Metsmartplus Plan (Accelerator) and have paid 3 annual instalments, each of Rs 50,000/- which gives me an option to stop paying instalments in future if I decide not to pay. I do not have any other insurance cover except Mediclaim policy which is quite different than the being referred herewith. MetLife's units under the said plan have not appreciated much and that forces me to rethink on my future options. What should I do?

R N AWASTHI

A You should be looking at contributing to this plan even beyond the said 3 years, for at least 8-10 years to fully enjoy the fruits of the policy. Generally, in ULIPs, allocation and other charges in the initial years are higher than in the later years. When you continue the premium payments beyond the minimum stipulated term, you bring down the average allocation charges, resulting in better returns and also insurance coverage for a longer period of time. These plans should not be bought for the minimum stipulated term only.