

WHY YOU SHOULD BUY THE NEW CORONA SPECIFIC INSURANCE POLICIES?



After the fear of real pandemic of Covid-19, the stories of hugely high cost of treatment of corona in private hospitals has created another pandemic of fear amongst almost all the persons specially those who presently do not have any health insurance. In order to help such persons to get at least financially secured against the high cost of treatment of corona, **the Insurance Regulator has introduced two standard insurance products**. The first product, called Corona Kavach, is basically an indemnity policy which will indemnify you cost incurred by you for treatment of Covid-19. The Second product is called Corona Rakshak and will work like critical illness policy where you get fixed sum irrespective of money spent by you in treatment. Let us understand both these products.

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WHAT IS CORONA KAVACH?

This is main policy being introduced specifically for meeting the costs incurred for treatment of Corona in India whether in hospital or at home if so advised by the doctors. IRDA has mandated that all the insurance companies offering health insurance policies have to offer this policy. Since this is a standard insurance policy you should buy it from the insurance company which offers the lowest premium. This policy can either be bought as individual plan or as a family floater. However, as this disease is contagious and the probability of all the family members getting infected and needing treatment is very high you should buy individual plans for all your family members.

This policy has sum assured starting from rupees fifty thousand to up to five lakhs. Though procedure for treatment of Corona is not standardised but looking at the huge amount of bills which many patients have received, I would advise you to buy the policy for the maximum sum available for each member of the family. Like other regular health insurance policies, this policy will also cover the medical expenses incurred by you during 15 days prior to hospitalisation and those incurred after 30 days of hospitalisation. Though there is no restriction as to the number of days treatment is covered under this policy for hospitalisation but the home care treatment is covered for Maximum up to 14 days.

In addition to actual expenses incurred by you for treatment of corona the policy also covers ambulance charges up to Rs 2,000 per hospitalization. This policy covers the cost of PPE Kit, gloves, mask and such other similar expenses incurred during the treatment which constitute significant proportion of the overall cost of treatment of Corona.

Corona Kavach also covers the cost of treatment of pre-existing disease during treatment of Corona. Under the normal health insurance policy cost of such treatment are covered after initial waiting period of 3-4 years.

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In addition to the reimbursement for actual expenses incurred you have an option to choose a small component as benefit plan under which you will get 0.50% of the sum insured per day restricted to maximum for 15 days. This portion will cover your other incidental expenses during hospitalisation.

WHAT IS CORONA RAKSHAK?

Corona Rakshak is benefit plan under which the insurance company pays you the sum assured if you are diagnosed with Corona and have been hospitalised for a minimum period of 72 hours against the requirement of only 24 hours of hospitalisation which is applicable for Corona Kavach. This policy is available for sum assured between fifty thousand rupees to two and half lakhs. The sum assured under this policy is payable to the insured irrespective of the amount spent by you in a hospital. So in case you get admitted in a government hospital where the treatment is free, you will still get the sum assured if you have stayed in the hospital for minimum 72 hours.

WHAT IS COMMON BETWEEN CORONA KAVACH & CORONA RAKSHAK POLICIES?

Both the policies have a waiting period of 15 days during which if you need treatment of corona, the claim is not admissible. Likewise, both the policies offer you cover for three different time periods, 3.5 months, 6.5 months and 9.5 months. Since no one has any idea as to when this pandemic will leave us and as there is no visibility of any vaccine becoming available in near future, I would advise you to buy this policy for the maximum time period offered. Though there is no restriction on you buying a policy for smaller tenure and then buying it again, in my opinion this is not advisable due to the hassle involved and the fresh waiting period applicable when you buy the policy again second time. Both these policies are single premium policy and are not renewable but there is no restriction on you buying a fresh policy on expiry of the first policy.

A person who has completed 18 years and yet to complete 65 can buy any of these policies. The cover under both the policies cannot be purchased by or for a person who has completed 65 years of age. In addition to yourself, spouse and children, you can buy these cover for your parents and parents in law

WHAT SHOULD YOU DO?

There has been lots of confusion about whether the existing policy covers Corona treatment. All the existing health insurance policies cover the cost of treatment of corona in the hospital but these policies do not cover various other costs which constitute significant proportion in the overall cost of corona treatment. These include cost of PPE Kit, gloves, mask and such other similar expenses incurred during the treatment. Though your policy partly covers the cost of hospitalisation, your insurance provider will not pay for these consumables so in order to cover cost of such items you can buy Corona Rakshak for the available value of two lakhs and fifty thousand. This pandemic is a lesson for those who do not have regular health insurance cover. Corona will eventually leave us but other diseases and need for emergency treatment are here to stay. So buy a regular health insurance policy as soon as it is possible.

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