



Health Insurance Policy for Senior Citizens Choose Better with Ease

With medical inflation growing at 15 per cent per year, the cost of procedures like angiography and gall bladder removal has increased tremendously, a report released by KPMG and Assocham noted. Around 38 per cent of the elderly respondents to the survey in India ranked health and financial insecurity among the key fears. Low insurance penetration in India means many senior citizens lack the resources to fund treatment. While this is a harsh fact in India, lack of knowledge in choosing the best health insurance works as a lacuna. To provide our readers with the best information on the health insurance policy for senior citizens, we made a product comparison of 6 Health Insurance Companies. We reviewed their service charges, treatment and disease cover among others and identified the best one. The following comparison report will prove a ready-reference for those looking for suitable health insurance to safeguard old-age medical treatment.

Subas Tiwari & Gopal Ravi Kumar

Homogenous products offered by Health Insurance Companies are chosen based on the information being made available in their websites/customer care helpline numbers and the product is analyzed based on consumer perception/ feedback on variables which affect them as being most/more important and most/more beneficial from the consumer-user point of view. Points are then assigned on a scale to differentiate the quality of the product offered to arrive at the best-structured product.

Justification for Assigning Points for the Chosen Variables

Once the product structure is in place, then we assess the service aspect and the quality offered by them based on the QoS Matrix and based on the consumer feedback received on a structured questionnaire which is obtained from senior citizens at large and product users, after which points are assigned to differentiate the quality of the service. Thereafter both the product-points and service-points are collated to find out whose offering is the best in the market for the information and future use by the senior citizens.

CV Weightage (criteria) Points 100	Health Insurance For Senior Citizen	Manipal Cigna/ Pro-Health	Apollo Munich/ Optima Senior	ICICI Lombard/ Complete Health	Religare Health/ Care Freedom 1	Star Health/ Senior Citizens Red Carpet	Bajaj Allianz/ Silver Health
5	Sum Insured (Min Rs. in lakhs)	3.00 (2)	2.00 (3)	3.00 (2)	2.00 (3)	1.00 (4)	0.50 (5)
10	Sum Insured (Max Rs. in lakhs)	50.00 (10)	5.00 (3)	50.00 (10)	5.00 (3)	7.50 (5)	5.00 (3)
14	The premium for Rs.3 lacs for 70 Yrs (Rs.)	*31815(27270) (2)	19201 (10)	**39588(23752) (5)	20866 (10)	12900 (15)	21006 (10)
5	Max Entry Age (Yrs)	Any (5)	Any (5)	Any (5)	Any (5)	75 (3)	70 (1)
5	Co-Paymentt (Min in %)	20 (3)	15 (5)	NS (0)	20 (3)	30 (1)	20 (3)
5	PED Waiting Period (in Yrs)	4 (1)	3 (3)	2 (5)	2 (5)	2 (5)	4 (1)
6	Pre-hospitalization	60 D (6)	30 D (3)	30 D (3)	375K (4)	30 D (3)	15K (1)
6	Post-hospitalization	90 D (6)	60 D (6)	60 D (6)	375K (4)	5K (1)	15K (1)
5	Day-care coverage	Any (5)	Limited (2)	Any (5)	Any (5)	Any (5)	Limited (2)
5	Organ Donor exp	Covered (5)	Covered (5)	Covered (5)	NS (0)	NS (0)	NS (0)
8	Domicillary Treatment	Covered (8)	Covered (8)	NS (0)	50K (2)	NS (0)	NS (0)
5	Emergency Ambulance (in Rs.)	2K (5)	2K (5)	1.5K (4)	1K (3)	1.2K (3)	1K (3)
5	Restoration of Sum Insured Available	Yes (5)	No (0)	Yes (5)	Yes (5)	No (0)	No (0)
15	Consumer Feedback	9	11	3	1	5	10
Total	72	69	58	53	50	40	

NOTE -

- Information given here has been resourced from the website/brochures/customer care as of 05.12.2019.
- Sum Assured and premium are dependent upon individual covers opted, a period of insurance and risk-bearing criteria.
- We have selected for this study only those insurance companies which offer Senior Citizen Health Insurance Policy Age of 70 years and above
- *SI 3.5 lakhs- Prorata premium calculated for Rs. 3 lakhs (indicative)
- ** 5 lakhs- Prorata premium calculated for Rs. 3 lakhs (Indicative)
- D- Days, K- 000's

CV Recommendation

Best Buy Manipal Cigna - Pro Health

Senior Citizen Health Insurance: A Necessity

Senior citizen health insurance is a necessity especially when you are planning to retire or already retired and carry on life on a pension or interest income from savings. A sudden medical emergency can result in a financial crisis other than health setbacks. To avoid this, it is prudent to take a comprehensive senior citizen medi-claim policy.

According to the guidelines by IRDA, every health insurance provider has to mandatorily offer health coverage to individuals up to 65 years of age. However, most of the Health Insurance Companies are offering health coverage to senior citizens aged more than 65 years and even up to their platinum years. These guidelines will not only help individuals to get coverage at later stages of their life but will also allow them to shift insurers

(portability) in case they are not satisfied with their current health insurance provider.

Consumer Voice readers might be aware of the fact that it carried out a story on the same subject in May 2014. We at the BFSI Desk of CV wanted updated information as there have been subtle changes brought out by the Health Insurance Companies under the regulatory control of IRDAI.

Group Insurance Scheme

Senior citizens must get health cover to evade health problems and avoid financial shock. Many aged individuals are worried about the spiraling cost of healthcare and what havoc it could do to their financial security. The need for a health insurance cover is all the more necessary for those who enjoyed the health cover under the 'Group Insurance Scheme' floated by the insurance companies under a tie-up with their organization (both government-owned and private sector companies). Till their retirement, the employees/officers were covered under this Scheme, but the cover ceases abruptly immediately after their superannuation. Then the employee gets the 'senior citizen' tag and

with it comes the financial limitation to live off his pensionary benefits and the sudden 'disappearance' of his health cover causing him anxiety.

We have also come across many instances of serving employees not bothering to take any





sort of health cover during their service years especially in the unorganized sector and under the self-employed category.

Sum Insured (health insurance cover)

Based on the financial capacity/affordability of the insured, we have opted for a Rs.3, 00,000 health insurance policy, as market indices indicate that an average man/woman above 60 years of age would be able to meet his medical treatment (excluding major lifelong diseases) within this amount if he does not suffer from any serious medical complication at the time of taking a health insurance policy.

Major Inclusions in a Senior Citizens Health Insurance Policy

- **In-patient Treatment**
Covers medical expenses for hospitalization due to an illness or accident.
- **Hospitalization Cover**
Expenses incurred as a patient after admission for more than 24 hrs. The expenses include room charges, doctor fees, minor surgery cost, cost of medicine and drugs, etc.
- **Day Care**
Expenses that arise from the use of special types of equipment or procedures like chemotherapy, dialysis, etc.
- **Pre and Post Hospitalization**
Medical expenses for the pre and post-

hospitalization period, however, the number of days it is made available before/ after hospitalization will vary across insurers.

- **Domiciliary Treatment**

The medical expenses incurred by an insured for availing medical treatment at his/her home which would otherwise have required hospitalization (non-admission due to non-availability of beds or that the patient cannot be moved due to his poor medical condition duly certified by the hospital).

- **Organ Donation**

These are medical expenses on harvesting the organ from the donor at the time of such organ transplants but do not cover the cost of the organ itself.

- **Co-payment**

This term means that this is a cost-sharing requirement where the policyholder/ insured will bear a specified percentage of the admissible claim amount. However, this does not reduce the sum insured. It's a kind of margin money the patient brings in while getting admitted for cashless treatment. This is often resorted to by health insurance companies as the cost of treatment for senior citizens could be high and this clause ensures that at least a part of the cost is picked up by the insured.

- **Tax Benefits To Senior Citizens (60-80 Years Of Age) On Health Insurance**

Under Section 80 (D)

This deduction is exclusive of other income tax deductions available to the senior citizen. This section offers deduction from the total income of up to Rs.25,000 each assessment year for a premium paid on a health insurance policy. The claim can also be eligible for an Annual Health check-up up to Rs.5, 000.

However, for senior citizens, the exemption goes up to Rs.50, 000.

Under Section 80 (DDB)

Any expenditure incurred by a senior citizen for medical treatment of self and suffering from terminal diseases like Cancer, AIDS, Renal Failure, etc is available up to Rs.60,000.

Tax Benefits for Very Senior Citizens (80+ Years) Section 80 D

Income tax exemptions for very senior citizens are available up to Rs.30,000 per assessment year.

Section 80 DDB

For the treatment of specified illnesses, very senior citizens can get income tax exemption up to Rs.80, 000.

Major exclusions in the policy

- Cosmetic surgery.
- Dental treatment.
- Aesthetic treatment.
- Plastic surgery.
- Weight reduction procedures.
- AIDS/ Sexually Transmitted Diseases (STD).
- Stem cell procedures.
- Robotic surgery

Here's how to understand difficult terminologies related to health insurance policies for senior citizens.

- **Restoration of Sum Assured**
In case of hospitalization, once your claim for a particular disease/ailment is fully exhausted, then you can invoke this basic cover for any other ailment within the same policy period.
- **Day Care Cover**
They are important for the consumer as it reduces his cost or covers additional medical expenses but is not going to alter



his options in a major way while the senior citizen chooses a policy.

- **Domiciliary Treatment**
These are the expenses incurred in case a patient is being treated at home due to the non-availability of beds in the hospital or if the patient is not in a medical condition to be moved to a hospital.

What Attracts a Senior Citizen in a Policy?

- To make it an attractive buy, the health insurance companies can tinker with the Pre Existing Disease waiting period to 1-year minimum, as at their age, it is foolish to expect a very robust health profile and most of them would be carrying some ailment or the other on them, which would be as a result of the age factor and the nature's way of decay.
- **Out Patient treatment (OPD)** of ailments not categorized as lifelong diseases and also not requiring hospitalization could be included as one of the basic covers or add-on covers with additional premium.

Important Takeaways

- Go for the minimum waiting period for PED.
- Go for minimum co-payment.
- Go for top-up policy within the same insurance policy or a different insurer for lifestyle diseases.