

## Personal Finance

### HERE'S HOW HEALTH INSURANCE POLICIES WILL CHANGE FROM TODAY

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- From October 1, a lot of changes may kick in the health insurance sector to help consumers in buying insurance, in a way making it easier to understand the terms and conditions.
- The definition of pre-existing disease (PED) is being modified to cater to the needs and requirements of customers.



A lot of changes kick in the health insurance sector from today to help consumers in buying insurance, in a way making it easier to understand the terms and conditions.

According to Pankaj Arora, managing director and chief executive officer, Raheja QBE General Insurance, the general and health insurance industry is keeping pace with the advancement in technologies that are taking place in the health care industry.

"With the increase in the number of health insurance products in the market, it has been desired that the industry adopts a uniform approach while incorporating exclusions in the health insurance products," he opines.

The new guidelines require insurance companies to make three major changes in their policies:

#### Standardization of products

Health insurance products will become more inclusive, less complicated, and more attractive to customers from October 1 by incorporating these amendments:

##### Coverage for uncovered ailments

According to IRDAI's guideline, insurance companies cannot exclude diseases like mental illness, stress or psychological disorder, illness contracted due to hazardous activity, treatment like age-related disorder, internal congenital disease, genetic disease, or disorder.

Hence, coverage for these diseases which are excluded or are not covered in health insurance products so far will be covered from October 2020 by all insurance companies.

##### New pre-existing disease (PED) Definition

The definition of pre-existing disease (PED) is being modified to cater to the needs and requirements of customers.

In accordance with the issued guidelines, any disease/s or ailment/s that is/are diagnosed by a physician 48 months before the issuance of the health cover will be classified under PED. Also, any disease/s or ailment/s for which any type of medical advice or treatment was recommended by a qualified doctor 48 months before the issuance of the policy will also be qualified under PED, according to Arora.

Further, any condition whose symptoms or signs have resulted within three months of the issuance of the policy will also be classified under PED.

To ensure that policyholders suffering from pre-existing diseases get adequate health insurance coverage, IRDAI has mandated that insurers include permanent exclusions only after due consent of the customers apart from a list issued by the IRDAI, no other exclusions will be allowed in the health insurance plans," explains Arora.

##### Coverage for mordent treatments and advancement in Technologies

Insurance companies will not be able to deny health insurance coverage to modern treatment methods like Robotic Surgeries, Uterine Artery Embolization and HIFU, Balloon Sinuplasty, Deep brain stimulation, Oral Chemotherapy, Intravitreal injection, etc, however, they can put the sub-limits for the mention coverages.

##### Moratorium period

Insurance companies cannot reject a claim after completion of eight years of continuous coverage except for proven frauds and permanent exclusions.

##### Shorter waiting period for lifestyle disease

Waiting period for lifestyle diseases like diabetes, hypertension, cardiac condition will be allowed only up to 90 days.

##### Coverage for oral chemotherapy and peritoneal dialysis

Insurance companies cannot deny claims for oral chemotherapy where chemo is covered and peritoneal dialysis where dialysis is covered subject to product design.

"Standardisation of health will make things easier for customers and will provide clarity on what the health insurance company is covering under the chosen plan. With this in mind, it will be easier for customers to compare and get the most suited plan for themselves. This might lead to a slight price increase in the health insurance plans, but overall it is a good move for the customer," says Naval Goel, CEO, PolicyX.

##### Ensuring insurance coverage for telemedicine

Telemedicine would be liable to get the required coverage under health insurance wherever medical consultation is allowed. Usually plans with OPD covers would benefit under these guidelines.

Given the current situation, teleconsultation is likely to replace physical consultation in a big way.

"It is a win-win for both customers as well as companies as customers will be able to get this facility and companies will be able to save some cost as teleconsultation is much cheaper compared to physical consultation and also services can be standardised and controlled," opines Goel.