

RELIGARE HEALTH INSURANCE-5th September, 2016

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BEST HEALTH PLANS FOR YOU

How do you buy a health insurance plan? If you just settle with the plan your agent sells or are happy knowing you have bought the cheapest plan, there is a bit of unlearning and a lot of learning in store for you. A health insurance policy packs in several features and caveats. To give you a ready comparison, we designed Mint SecureNow Mediclaim Ratings (MSMR). The full ratings along with the methodology can be seen here: <http://www.livemint.com/medratings>.

In the ratings, for family floater plans, we have considered two sum insured amounts (₹10 lakh and ₹20 lakh) and three age categories in each—eldest insured member is 35, 45 or 65 years old. For individual plans, the sum assured amounts are ₹5 lakh, ₹10 lakh and ₹20 lakh. The ages covered are 35, 45, 65 and 70 years.

This week, we spotlight individual policies with sum assured ₹5 lakh, where the person is 35 years old. We also explain some of the important aspects that one should look at while choosing a policy.



Let's look at no-claim bonus.

Health insurance plans are usually annual contracts that you renew every year. Each year you can make a claim on your policy up till the sum insured. The insurer would prefer if you didn't make a claim and, therefore, would reward a no-claim year by, usually, increasing your sum insured for free. Keep in mind that an increase in sum insured does not alter any other features of the policy. So, if there is co-pay or sub-limits in the policy, the same would apply even on the increased sum insured.

Insurers, typically, increase the sum insured by 5% every year up to a maximum of 50%, but if you make a claim, it could proportionately decrease the extra sum insured. But the base sum assured doesn't get reduced. No-claim bonus is nice to have as it could also serve as a cushion against inflation. But given that medical inflation is over 10%, an increase of 5% may not be sufficient. In MMR, no-claim bonus has been assigned a weightage of 7.5%. *By Deepthi Bhaskaran/Mint*

35 years: ₹5 LAKH

Ratings and disclosures as on Aug 2016

Insurer	Product	Total points (in %)	Overall rating	Premium (₹)
Religare Health	Care	70	A	5,283
ICICI Lombard General	Complete Health Insurance	70	A	6,340
Royal Sundaram General	Lifeline Supreme	67	A	6,381
Apollo Munich Health	Easy Health Standard	67	A	6,282
Max Bupa Health	Health Companion	67	A	7,004
Apollo Munich Health	Optima Restore	65	A	7,470
Reliance General	Health Gain	62	B	6,756
HDFC Ergo General	Health Suraksha Silver	60	B	5,714
HDFC Ergo General	Health Suraksha Regain- Silver	60	B	6,142
Iffco Tokio General	Individual Health Protector	59	B	7,400
Universal Sompco General	Complete Health Care- Essential	59	B	6,357
L&T General	MediSure Classic	58	B	5,153
Cigna TTK Health	Pro Health Protect	56	B	6,244
Bharti Axa General	Smart Health Optimum Plan	55	B	5,885
Star Health	Star Mediclassic Individual	55	B	6,268
Liberty Videocon General	Health Connect-Basic	55	B	7,259
Universal Sompco General	Individual Health	54	B	5,195
Tata-ALG General	Medi Prime	53	B	6,361
Future Generali General	Health Suraksha Gold	50	B	7,151
United India	Health- Platinum	49	B	5,923
Future Generali General	Health Total - Vital Plan	48	B	7,750
Max Bupa Health	Heartbeat Individual-Gold	46	B	9,747
Bajaj Allianz General	Health Guard	45	B	7,080
SBI General	Health Insurance Plan A	45	B	7,197
HDFC Ergo General	Health Suraksha Regain- Gold	45	B	7,274
National Insurance	National Mediclaim Policy	44	C	5,986
Apollo Munich Health	Easy Health Exclusive	44	C	7,531
Bajaj Allianz General	Health Care Supreme	40	C	12,693
New India Insurance	Individual Mediclaim 2012	39	C	7,130
Star Health	Star Comprehensive	38	C	8,067
Cholamandalam MS General	Enrich Healthline	35	C	10,540
Cholamandalam MS General	Freedom Healthline	30	C	8,056
Oriental Insurance	Individual Mediclaim Policy	26	C	7,579
Cholamandalam MS General	Individual Healthline- Standard	14	C	8,743

Reliance General Health Gain: For ₹6 lakh sum assured; Cigna TTK Health Pro Health Protect: For ₹45 lakh sum assured.

METHODOLOGY

Pricing: Lower pricing gets the highest weightage, but don't look at pricing in isolation. Low premium could mean that several important features are not included. So, look at all features and the overall rating.

Benefit: Health insurance you buy the assurance that your hospital bills will be paid for. But there are some important caveats and features. We pick out six such features and rate them.

Pre-existing exclusion: The insurer will not pay for any claims arising out of a pre-existing ailment for up to four years. Some insurers have a lower waiting period. The lower, the better.

Sub-limits on room: Insurers also tend to cap expenses for lodging. Policies with no sub-limits get full marks.

No-claim bonus: Some insurers increase sum insured by 5%, and some by 10%. Policies that give at least 10% gets full marks and others zero.

Disease waiting period: You sometimes need to wait for specific ailments to be covered. Insurers that have waived the waiting period get full score.

Co-pay: When you make a claim, the insurer will ask you to bear a certain portion of that claim amount. We prefer no co-pay plans.

Disease-wise capping: Insurers restrict the amount of money they will pay on specified ailments. So, even if the sum insured is ₹3 lakh, it may cap its liability to ₹1 lakh for some ailments. Policies that don't cap, get full marks.

Claims: Claims settled is calculated as claims settled/(claims settled + claims rejected + claims closed). Insurers with settlement ratio of at least 95% gets the highest score. Higher the number of claims pending for more than 6 months, lower the score. Segregated data related to health insurance complaints is not available for non-life insurance companies. We have looked at overall claim complaints through claim complaints per 10,000 claims registered as on 31 December 2015. Insurers with lesser than 30 complaints gets the highest score.

Overall Rating	A	B	C
Overall Rating	≥ 65%	64-45%	< 45%
Rating scale	Points	Weightage	(in %)
Pricing			
Premium	30%		
Top quartile	1.00	30.00	
2nd quartile	0.75	22.50	
3rd quartile	0.50	15.00	
4th quartile	0.00	0.00	
Product Structure			
Pre-existing exclusion (years)	15%		
1 year or less	1.00	15.00	
2 years	0.75	11.25	
3 years	0.50	7.50	
4 years	0.25	3.75	
Over 4 years	0.00	0.00	
Sub-limits on room	14%		
No	1.00	14.00	
Yes	0.00	0.00	
No-claim bonus*	5.50%		
If no-claim bonus ≥ 15%	1.00	5.50	
If no-claim bonus < 15%	0.00	0.00	
Disease waiting period	5.50%		
No	1.00	5.50	
Yes	0.00	0.00	
Co-pay	2.50%		
No	1.00	2.50	
Yes	0.00	0.00	
Disease-wise capping	2.50%		
No	1.00	2.50	
Yes	0.00	0.00	
Claim Performance			
Claims settled	15%		
95% and higher	1.00	15.00	
85%-95%	0.50	7.50	
<85%	0.00	0.00	
Claims pending for over 6 months	5%		
<5%	1.00	5.00	
5%-15%	0.50	2.50	
>15%	0.00	0.00	
Claim complaints per 10,000 claims	5%		
<30%	1.00	5.00	
30%-60%	0.50	2.50	
>60%	0.00	0.00	
Total	100.00		

UNDER THE LENS

We look at five individual policies and see how they score on various parameters.

INDIVIDUAL : ₹5 LAKH

Person's age: 35 years

MAXIMUM POSSIBLE WHEN TOTAL SCORE IS 100

Premium	Pre-existing disease exclusion	Room sub-limits	No-claim bonus	Disease waiting period	Co-pay	Disease-wise capping	Claims settled	Claims pending 6+ months	Claims complaints /10,000 claims
30	15	14	5.5	5.5	2.5	2.5	15	5	5

HDFC Ergo General

Product	Premium (₹ including service tax)	Total points	Overall rating
Health Suraksha Regain- Gold	7,274	45%	B

Score									
Premium	Pre-existing disease exclusion	Room sub-limits	No-claim bonus	Disease waiting period	Co-pay	Disease-wise capping	Claims settled	Claims pending for over 6 months	Claims complaints /10,000 claims
15	4	14	0	0	3	3	0	5	3

National Insurance

Product	Premium (₹ including service tax)	Total points	Overall rating
National Mediclaim Policy	5,986	44%	C

Score									
Premium	Pre-existing disease exclusion	Room sub-limits	No-claim bonus	Disease waiting period	Co-pay	Disease-wise capping	Claims settled	Claims pending for over 6 months	Claims complaints /10,000 claims
30	4	0	0	0	3	3	0	0	5

Apollo Munich Health

Product	Premium (₹ including service tax)	Total points	Overall rating
Easy Health Exclusive	7,531	44%	C

Score									
Premium	Pre-existing disease exclusion	Room sub-limits	No-claim bonus	Disease waiting period	Co-pay	Disease-wise capping	Claims settled	Claims pending for over 6 months	Claims complaints /10,000 claims
0	8	14	0	0	3	3	8	5	5

Bajaj Allianz General

Product	Premium (₹ including service tax)	Total points	Overall rating
Health Care Supreme	12,693	40%	C

Score									
Premium	Pre-existing disease exclusion	Room sub-limits	No-claim bonus	Disease waiting period	Co-pay	Disease-wise capping	Claims settled	Claims pending for over 6 months	Claims complaints /10,000 claims
0	11	14	0	0	3	3	0	5	5

New India Insurance

Product	Premium (₹ including service tax)	Total points	Overall rating
Individual Mediclaim 2012	7,130	39%	C

Score									
Premium	Pre-existing disease exclusion	Room sub-limits	No-claim bonus	Disease waiting period	Co-pay	Disease-wise capping	Claims settled	Claims pending for over 6 months	Claims complaints /10,000 claims
15	4	0	0	0	3	3	8	3	5

Some figures have been rounded off. For general and health insurers, claims and grievances are from public disclosures. In very few cases, such as Royal Sundaram and Ifico Tokio, we accepted modifications because the published data was obviously wrong. For New India Insurance and Oriental Insurance we have estimated grievance ratios from their disclosures. Claims data is for the nine months April 2015 to December 2015. Health products offered by life insurers have been excluded because the new health insurance guidelines require these products to be withdrawn from the market. Religare Health Insurance Co Ltd has launched a new version of their health insurance plan called Care today. For the purpose of the ratings, we have used the older version of Care and are in the process of updating and rating the new version. Claims settled is claims settled/(claims decisions taken, i.e., claims settled)/(claims settled + claims rejected + claims closed). Service tax is 15%. Products as on 1 June 2016. Entry level plans are considered. Top-ups and riders that require additional premium are excluded. All products available online and through the call centre have been included. If insurers have out-patient (OPD) and non-OPD plans, we have selected the non-OPD version. If premiums vary by location we have selected NCR as reference. Information is sourced from public sources except in a few cases such as Tata AIG Medi Senior and Ifico Tokio Insurances. If the only disease capping is on cataract, then we have considered the product to have no capping in the ratings. Co-pay is considered 'yes' only if it is payable in all claims. Premium discounts have not been considered as no-claim bonus only sum assured increases meet that bar. SBI General charges a 10% co-pay for non-network hospitals. We have factored no co-pay at the network hospitals into the rating. For Cigna TTK, we have used prices for ₹4.5 lakh and ₹15 lakh sum assured for the ₹5 lakh and ₹20 lakh categories since these are the closest match. For Max Bupa Family First - Silver sum assured of ₹10 lakh, we have assumed individual cover of ₹1 lakh and a floater of ₹10 lakh; for a sum assured of ₹20 lakh in Heartbeat Family First Gold Plan, we have assumed individual cover of ₹1 lakh and a floater of ₹20 lakh; for a sum assured of ₹20 lakh in Heartbeat Family First Silver Plan, we have assumed individual cover of ₹2 lakh and a floater of ₹15 lakh for ages 35 and 45; for New India Assurance Floater Mediclaim we have used sum assured rates of ₹8 lakh for the ₹10 lakh band since ₹8 lakh is the closest fit for Reliance General Health Gain sum assured of ₹6, 9 and 18 lakh is used for the ₹5, 10 and 20 lakh sum assured categories. Maternity cover is offered by these insurers. The waiting periods are: SBI Ananya Premier-9 months; Bajaj Health Care Supreme; Max Bupa Heartbeat, National Mediclaim Plus, Future General Health Total Viva-2 years; Apollo Easy Health Exclusive sum assured ₹20 lakh; Star Health Comprehensive, Universal Sompo-3 years; Apollo Easy Health Exclusive ₹5-10 lakh sum assured, Cigna TTK Pro Health Plus and Pro Health Preferred, HDFC Ergo Health Suraksha-Regain Gold, L&T Medicare Prime and Classic-4 years; Cholamandalam-5 years; Cigna TTK Pro Health Plus and Preferred offer overseas accident insurance cover. OPD costs are covered by the insurers mentioned here. Apollo Easy Health Premium for dental treatment up to 2% of sum assured subject to a cap of ₹5,000-7,500 depending on the sum assured. Cholamandalam dental costs up to 1% of sum assured capped at ₹5,000. Universal Sompo up to 1% of sum assured capped at ₹2,500-7,500 depending on product. Tata AIG only for accidental dental and post-bite vaccination up to ₹5,000. Star Comprehensive and Family Health Optima; for dental and ophthalmic needs: Star Senior Citizen Red Carpet up to ₹10,000. Cigna TTK up to ₹500-2,000 a year; Bajaj Allianz Health Care Supreme: ₹2,500-15,000; Future General Health Total Supreme: ₹3,000-10,000.

