Comparative Study on Critical Illness Insurance Plans in India

By

Chidambra Makker

Dissertation submitted in partial fulfillment of the requirements of the degree

MBA Hospital and Health Management

Academic year, 2018-2020

The IIHMR University, Jaipur

1, Prabhu Dayal Marg, Sanganer, Airport
Jaipur 302029, Rajasthan
Ph: 0141 3924700, Fax: 3924738
Website: **www.iihmr.edu.in**

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Ph: 0141 3924700, Fax: 3924738
Website: **www.iihmr.edu.in**

Reinsurance

Date: 18th May 2020

TO WHOM IT MAY CONCERN

The certificate is awarded to **Dr. Chidambra Makker,** Management Trainee in the Claims and Investigation Department at AXA France Vie – India Reinsurance Branch in recognition of having successfully completed his dissertation from February 3rd, 2020 to May 3rd, 2020.

She has successfully completed his Project on **"A Comparative study on Critical Illness Insurance plans in India."**

During the period of his dissertation programme, she was found punctual, hardworking, committed, sincere & diligent person who has a strong drive and zeal for learning.

We wish her all the best for future endeavors.

For and on behalf of **AXA France Vie – India Reinsurance Branch**

Anijhawan

Ankur Nijhawan
Chief Executive Officer

AXA France Vie-India Reinsurance Branch

AXA FRANCE VIE - INDIA REINSURANCE BRANCH, Branch Office : 5th Floor, Office Tower, Select City Walk, Plot No. A-3, District Center, Saket, New Delhi-110017, India; Tel- + 91 116623-2500; Fax: +91 116623-2501 - FCRN: F06245; IRDAI Reg. No: FRB/009 - Head Office: 313, Terrasses De L'Arche. 92727 Nanterre Cedex, France - www.axa.com - (Liabilaty of the members of AXA France Vie is limited)

Abstract

A Comparative Study on Critical Illnesses Insurance plans in India

Introduction

Around the globe, 7.8 billion people resides, and they die around 17.8 million die every year due to occurrence of chronic diseases and in India, approximately 53% of all the deaths each year are due to chronic illnesses. It is observed that about one million deaths occur annually due to cancer as India accounts for around 8% of worldwide cancer cases. Approximately 2.8 million deaths in India occurs due to Cardiovascular diseases. Treating these illnesses lead to high out of pocket expenditure hence, increasing burden on the sufferer's family. As per a study, the out-of-pocket expenses values for 65% of the overall healthcare spends. Consistent raise in healthcare cost in India has raised the need to buy health insurance which provides financial backup for medical emergencies; however, the health insurance does not cover major ailments like critical illnesses.

Critical illness refers to illness, disease or a sickness which requires critical care; generally characterized by higher length of stay in hospitals and having increased chances of mortality. Cancer, Coronary Artery Bypass surgery (CABG), Myocardial Infraction (heart attack), Heart Valve Surgery, Major Organ Transplantation, Multiple Sclerosis, Primary Pulmonary Arterial Hypertension, Aorta graft surgery, Paralysis, Coma, Total Blindness, Kidney failure and Stroke are certain examples of critical illnesses.

The health insurance (indemnity cover) available in the market have higher premium; covers hospitalization expenses; pre and post healthcare cost by providing reimbursement of bills.

On the other hand, the critical illness cover protects against serious illnesses like cancer, whose treatment are expensive and complicated. A lumpsum amount in provided to the insured post diagnosis of the disease to prevent the family undergoing catastrophic damage.

Literature Review

The global Critical illness market is growing at a compound annual growth rate (CAGR) of 16.4% and is projected to reach USD 63,700 million market by the year 2024. South Africa became pioneer in the field of critical illness cover in 1983 followed by which many countries

have worked in the development of this market. At present, largest critical illness market is of China which accounts for around $15 billion. In India, critical illness market size penetration is only 8% and are sold as both rider benefit and stand alone.

There are 57 insurance organizations in India which are divided into 24 general insurers (Non-life) and 33 life insurance companies. Health insurance falls under the category of general insurance.

The General insurance organizations in India provide minimum cover for basic five critical conditions i.e., cancer, Heart attack, CABG, kidney failure and stroke; albeit, on an average 8-15 critical illnesses are covered by many insurers. Aditya Birla covers up to 64 critical illnesses while ICICI Lombard and Starhealth provides coverage for only 9 critical illnesses.

Objective

To determine features of critical illness policies offered by various insurance organizations in India and to provide recommendation for critical illness product with respect to Indian market.

Methodology

Study Design: Descriptive cross- sectional study

Data collection method: Secondary data collected between the year 2010 to 2020 from 15-20 articles;7-8 reports; 4-5 research paper;17 insurance organization and IRDA websites; and their brochures.

Data Type: Mixed data (Qualitative and Quantitative Data)

Sample size: 26 Critical illness insurance plans provided by 17 Indian insurance organizations.

Sampling Technique: Non-probability convenient sampling

Analysis Plan

- Comparative analysis of critical illness plan provided by Public, standalone and private Indian insurance companies.

Acknowledgements:

I would like to express my gratitude to the management of **AXA France Vie- India Reinsurance Branch** who helped me gain cognizance during my internship period. I am thankful to **Mr. Anil Kumar** (Head of claims and Investigation), **Dr. Amit Rajoria (Assistant vice-president of claims and investigations)** and **Mr. Rishi Dua (vice-president of business development)** who gave me the golden opportunity to do this wonderful project on “A Comparative Study on Critical Illness Insurance Plan in India”.

My special word of thanks to my guide **Dr. S. D. Gupta** (Chairman IIHRM University) for providing continuous motivation and guidance since the beginning.

Regards to my IIHMR University, Jaipur for providing me a platform for such exposure and knowledge.

In the end, I would also like to thank my teachers, family, and friends who always stood beside me when in need.

Thank you,

Dr. Chidambra

Table of Contents

List of Figures

List of Figures

Abbreviations

PSU	Public Sector Unit
CI	Critical Illness
IRDAI	Insurance Regulatory and Development Authority of India
SI	Sum Insured
CABG	coronary artery bypass graft
NA	Not applicable
SECC	Socio-Economic Caste Census

1.1 Introduction

India is the seventh-largest country in the world with more than 1.3 billion people residing in the country due to which, it is numbered second on basis of population. Out of the overall population, 0.71 billion are male and 0.66 billion are female. It is forecasted that around the year 2026, India will surpass China's population and will achieve the first position (31). The Literacy rate achieved is 74.04% and India stands at 129 positions in the World's Human Development Index (HDI) out of 189 countries, which is based on life expectancy, expected, mean years of schooling, and gross national income. The life expectancy at birth accounts for 70.4 years and the mean age is 29 years; although, by 2021, there will be 95 million citizens above the age of 65 (32). As time is progressing, the health conditions of India is also changing. We are drifting from communicable to non-communicable disease country. As per World Health Organization (WHO), nearly 5.8 million people die every year in the country due to Non-communicable diseases like cardiovascular conditions, pulmonary disorders, cancer, and diabetes which mean 1 out of 4 Indians have a risk of dying from non-communicable disease before achieving the determined life expectancy (i.e., 70.4 years) (33). More than 2.1 million people die due to cardiovascular conditions every year (number one cause of death in India) and around 1.6 lakh people were diagnosed with cancer in 2019. These diseases are known as critical illnesses which are generally characterized by a higher length of stay in hospitals and having increased chances of mortality. Cancer, Coronary Artery Bypass Surgery (CABG), Myocardial Infarction (heart attack), Heart Valve Surgery, Major Organ Transplantation, Multiple Sclerosis, Primary Pulmonary Arterial Hypertension, Aorta graft surgery, Paralysis, Coma, Total Blindness, Kidney failure, and Stroke are certain examples of critical illnesses. Their cost of treatment is also very high. CABG in India costs around INR 2 lakhs to INR 6 lakhs; organ transplant (Kidney, liver, lungs, and heart) starts from INR 3,00,000 to INR 35 Lakhs with the liver being most expensive transplant; per cycle of chemotherapy and radiotherapy cost from INR 63,000 to INR 1.2 Lakhs and INR 3 Lakhs to 4 Lakhs respectively. Hence, these issues lead to an increase in out of pocket healthcare expenses thus, drifting the family below the poverty line. At present, 70% of the healthcare expenses are met by out of pocket spending due to which every year about 7% of Indian gets pushed below the line of poverty (34).

At present, India is one of the least insured countries around the globe with an insurance market share of about 20%. Although, in 2018, Ayushman Bharat; a health insurance scheme was launched by the government of India to cater to specific categories of families from SECC (Socio-Economic Caste Census) data who cannot afford expensive secondary and tertiary procedures. Several insurance organizations also provide a health insurance Mediclaim plan which mostly covers pre-hospitalization, during hospitalization, and post-hospitalization cost and provides reimbursement of bills; however, they do not cover almost all the critical illnesses which are highly expensive (4,35). Back in the 17th century, this critical illness insurance was introduced first time in the world in Africa followed by which many organizations around the globe started offering myriad benefits to people opting for this service. In a critical illness plan, a lumpsum amount is provided to the individual family post-diagnosis of a critical illness which is defined in the policy of the insurance company which could be used for the treatment of the health condition and other expenses related to it. Mostly 8 to 20 critical illnesses (CI) are covered by insurers in the CI plan in India; albeit, single critical illness plans are also available like only for cancer or heart conditions which covers all stages of it; heart Mediclaim covers around 16 critical conditions of the heart.

1.2 Objective

To determine features of critical illness policies offered by various insurance organizations in India and to provide recommendation for critical illness product with respect to Indian market.

1.3 Literature Review

1.3.1 Overview of Indian Insurance market

The Indian insurance sector is divided into life insurance and general insurance. Life insurance provides assurance of life if the insurer undergoes premature demise. An amount is provided to the insurer family for financial independence. While on the other hand, general insurance caters to protection of non-life assets like health, home, vehicle, travel, crops etc (1).

By the end of March 2019, 70 insurance organizations were registered under Insurance Regulatory and Development Authority of India (IRDAI) out of which 24 are life insurers; general insurers are 27; 7 are standalone and 12 out of all are reinsurance companies (foreign and Indian). Standalone insurance provides cover to specific type of risk or cost. There are 62 private insurers and only 8 are public entities in India (2).

These life and non-life organizations are enlisted below in Table 1.1 and 1.2

Table 1.1: Insurers Operating in India- Life insurers	
Public Sector	Private sector
1. Life insurance Corporation of India	1. Aditya Birla Sun Life Insurance Co. Ltd 2. Aegon Life Insurance Co. Ltd 3. Aviva Life Insurance Co. Ltd 4. Bajaj Allianz Life Insurance Co. Ltd 5. Bharti AXA Life Insurance Co. Ltd 6. Canara HSBC OBC Life Insurance Co. Ltd 7. DHFL Pramerica Life Insurance Co. Ltd 8. Edelweiss Tokio Life Insurance Co. Ltd 9. Exide Life Insurance Co. Ltd 10. Future Generali Life Insurance Co. Ltd 11. HDFC Life Insurance Co. Ltd 12. ICICI Prudential Life Insurance Co. Ltd 13. IDBI Federal Life Insurance Co. Ltd 14. India First Life Insurance Co. Ltd 15. Kotak Mahindra Life Insurance Co. Ltd 16. Max Life Insurance Co. Ltd 17. PNB Met Life Insurance Co. Ltd 18. Reliance Nippon Life Insurance Co. Ltd 19. SBI Life Insurance Co. Ltd 20.Sahara Life Insurance Co. Ltd 21. Shriram Life Insurance Co. Ltd 22. Start Union Dai-ichi Life Insurance Co. Ltd 23. Tata AIA Life Insurance Co. Ltd
Source: IRDAI annual report 2018-19	

Table 1.2: Insurers Operating in India- General insurers	
Public Sector	Private sector
1. National Insurance Co. Ltd 2. The New India Assurance Co. Ltd 3. The Oriental Insurance Co. Ltd 4. United India Insurance Co. Ltd	1. Bajaj Allianz General Insurance Co. Ltd 2. Bharti AXA General Insurance Co. Ltd 3. Cholamandalam MS General Insurance Co. Ltd 4. Future Generali India Insurance Co. Ltd 5. HDFC ERGO General Insurance Co. Ltd 6. ICICI Lombard General Insurance Co. Ltd 7. IFFCO Tokio General Insurance Co. Ltd 8.Liberty Videocon General Insurance Co. Ltd 9.Magma HDI General Insurance Co. Ltd 10. Raheja QBE General Insurance Co. Ltd 11. Reliance General Insurance Co. Ltd 12. Royal Sundaram General Insurance Co. Ltd 13. SBI General Insurance Co. Ltd 14. Shriram General Insurance Co. Ltd 15. Tata AIG General Insurance Co. Ltd 16. Universal Sompo General Insurance Co. Ltd 17. Kotak Mahindra General Insurance Co. Ltd 18. DHLF General Insurance Co. Ltd 19. Acko General Insurance Co. Ltd 20.Godigit General Insurance Co. Ltd

Continuation of table 1.2

	21. Edelweiss General Insurance Co. Ltd
Specialised Insurers	
1. Agriculture Insurance Co. of India Ltd 2. Export Credit Guarantee Corporation of India Ltd	
Standalone Health Insurers	
	1. Apollo Munich Health Insurance Co. Ltd (Now HDFC) 2. Cigna TTK Health Insurance o. Ltd 3. Max Bupa Health Insurance Co. Ltd 4. Religare Health Insurance Co. Ltd 5. Star Health and Allied Insurance Co. Ltd 6. Aditya Birla Health Insurance Co. Ltd 7. Reliance Health Insurance Co. Ltd
Source: IRDAI Annual Report 2018-19	

In the year 2019, it was noticed that, the public sector has higher share in the market in life insurance segment while on the other hand, private sector dominates the non-life (general) insurance segment. This could be seen in Figure 1.1 and 1.2.

Figure 1.1: Life insurance segment- share of public and private in 2019 (%)

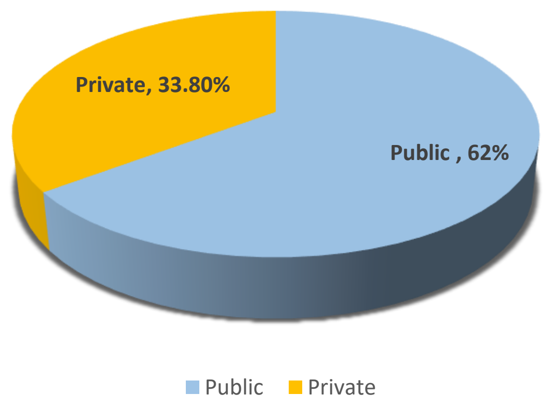
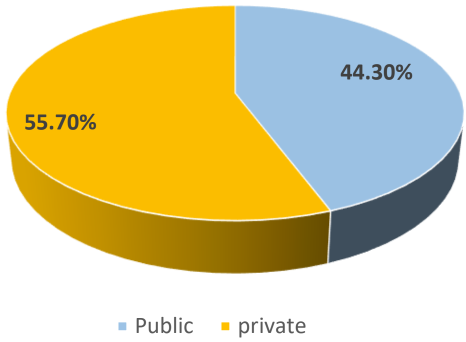


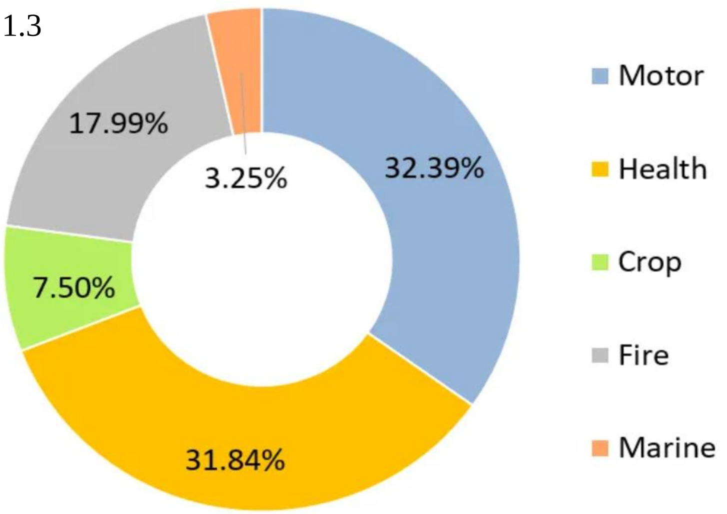
Figure 1.2: General insurance segment- share of public and private Upto April 2019 (%)



India received a gross written premium of INR 5,78,000 Cr. (USD 82.8 billion) in the Financial year 2019 with maximum share achieved from life insurance which was INR 4,08,000 Cr. (USD 58.5 billion) and INR 1,69,000 Cr. (USD 24.3 billion) from non-life insurance (4). Motor dominates the general insurance segment as has a market share of 32.39% which is followed by health that accounts for 31.84% share of General insurance segment.

Non-Life Insurance Gross Direct Premiums (FY20) Up to April-19

Figure 1.3



Source: India’s Insurance Sector Analysis – Share Review. April 2019.

The incurred claim ratio is an important factor to explains if the policy provided by the company is earning profit or loss. The ideal claim ratio must be ranging from 50 to 100. More than 100 depicts loss and less than 50 explains huge profits earned by either higher premium charged, higher rejection of claims or maybe having a higher pool of individuals insured under it. Claim ratio between 50 and 100 depicts that the company is not only making profit but has also worked in the development of a product which reaches the correct customers/ consumers easily plus the beneficiaries are aware when to use the plan properly. The formula for claim ratio is total claims paid to the total premium received over a period of time (22).

The net earned premium, incurred claim ratio of private sector are mentioned in give below table 1.3:

Table 1.3: Incurred claim Ratio			
Insurance Company	Net Earned Premium in Crores	Claims Incurred in Crores	Incurred Claim Ratio Year 2016-17 in %
Public sector			
National	4021	5105.82	126.98
New India	6129.59	6309.68	102.94
Oriental	3109.63	3676.4	118.23
United	4575.93	6338.24	138.51
Total	**17836.15**	**21430.14**	**120.15**
Private Sector			
Bajaj Allianz	1015.03	796.76	78.5
ICICI Lombard	1335.34	1204.7	90.22
Reliance	333.31	328.29	98.49
Bharti AXA	81.62	62.75	76.88
TATA AIG	343.94	196.74	57.2
Future Generali	174.31	137.59	78.93
HDFC Ergo	517.36	262.61	50.76
Cholamandalam	271.95	108.97	40.07
L&T	222.53	92.29	41.47
IFFCO Lombard	513.26	535.34	104.3
Kotak Mahindra	3.52	1.81	51.42
Liberty Videocon	73.4	54.58	74.36
Magma	1.63	2.95	180.98
Raheja QBE	0.9	0.11	122.22
Royal Sundaram	226.22	140.46	62.09
SBI	548.34	293	53.43
Shriram	2.23	0.86	38.57

Continuation of table 1.3

Universal Sompo	13731	11681	85.07
Total	**19395.08**	**15900.81**	**74.6**

Source: Yadnya Investment Academy Incurred Claim Ratio and Claim settlement Ratio- Health Insurance in India | ICR Vs CSR. February 8, 2018.

India is ranked 10th among 88 countries for life insurance business and 15th for non-life (general) insurance business; although, penetration still remains low. In 2018, the insurance industry penetration accounted for 3.7 % with 2.74% of life insurance and 0.97% of non-life insurance. Thus, a reduction by 2.15% of industry penetration was noticed over a period of 10 years and India's share in global life insurance market was 2.61% during the year 2018.

Table 1.4: Insurance Penetration in India (2008 to 2018)

	Life penetration (%)	Non-life penetration (%)	Industry penetration (%)
2008	4	0.6	4.6
2009	4.6	0.6	5.2
2010	4.4	0.71	5.1
2011	3.4	0.7	4.1
2012	3.17	0.78	3.96
2013	3.1	0.8	3.9
2014	2.6	0.7	3.3
2015	2.72	0.72	3.44
2016	2.72	0.77	3.49
2017	2.76	0.93	3.69
2018	2.74	0.97	3.7

Source: IRDAI annual report

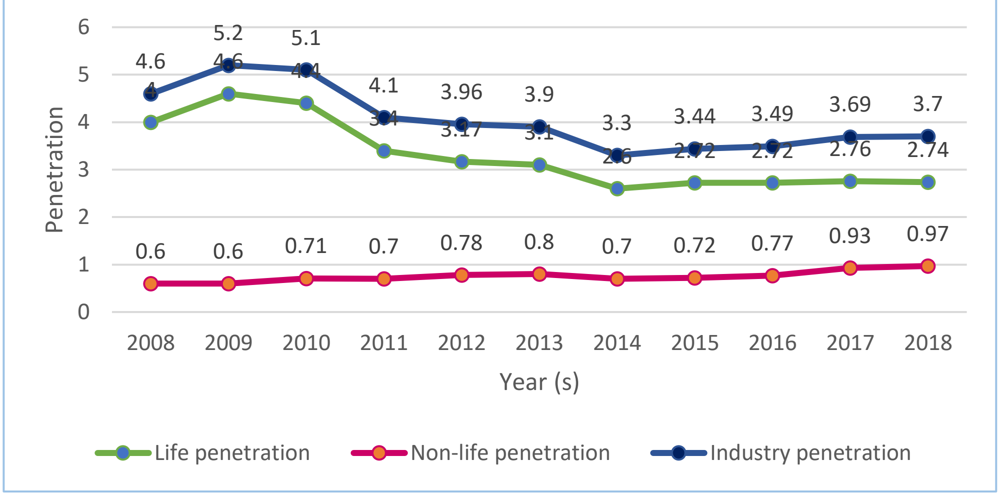


Figure 1.4: Insurance Penetration in India (2008-2018)

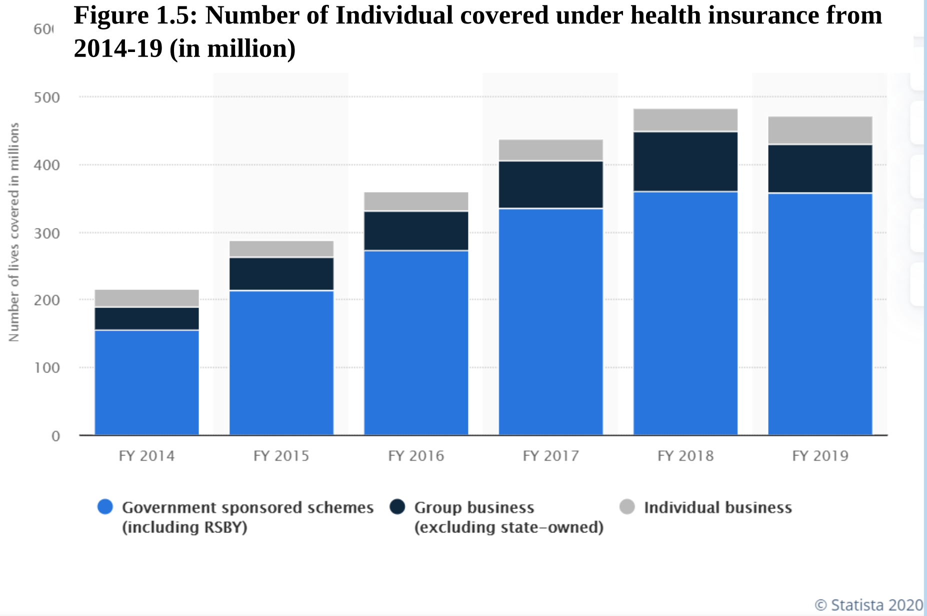
Out of the whole non-life insurance sector, the health insurance segment is the fastest-growing section which registered a CAGR (compound annual growth Rate) of 23% over 10 years. One of the key factors in growth is due to launch of the myriad scheme by the government in the past, for example, the launch of Mukhyamantri Amrutum Yojana by the government of Gujarat which promises to provide health cover of INR 3 Lakhs to poor families such that they can receive treatment at various hospitals; Central Government Health Scheme (CGHS) which is one of the oldest scheme (launched in 1954) for government employees (examples: railway employees, supreme court judges, etc.); Bhamashah Swastya Bima Yojana launched by Government of Rajasthan grants coverage for general as well as critical illnesses; although, later it was incorporated under Ayushman Bharat (30,31). Ayushman Bharat is an intriguing health insurance scheme launched in September 2018 that provides health cover of INR 5 Lakhs to around 107 million families. It provides the benefit of a cashless facility for around 1,393 procedures under 23 specialties. Pre- hospitalization of a minimum of 3 days to post-hospitalization expenses up to 5 days are covered. Biometric identification with ID verification is done to identify beneficiaries enlisted under Socio-Economic Caste Census 2011 (SECC 2011) as deprivation or based on their occupation (5,6). The premium is paid by both Central and state governments on a 60:40 ratio; however, in the case of Union territories and Northern-Eastern states, the ratio of central to state is 90:10. As this cover provides cover for the wast population, it also opens the door for frauds. False marriage certificates are prepared by the beneficiaries; hospitals entering incorrect data to receive higher claims than actual. In Maharashtra last year, action against 63 hospitals were taken about INR 63 Lakhs was the amount recovered from them, Jharkhand punished 29 hospitals and recovered INR 21 lakhs. Before the introduction of Ayushman Bharat, about 8.9% people in urban areas and 12.9% of those in rural were covered under any insurance scheme by central government (4).

As per the National Survey Office (NSO), the rural region of India has 14.1% of the population having health insurance while on the other hand, 19.1% of people are covered with any health scheme in urban regions. By the end of the year 2019, it was observed that more than 0.47 billion individuals across the country were enrolled under a health insurance scheme out of which the highest share of coverage noticed to be the government-sponsored (32,33).

Table 1.5 : Individual covered under health insurance from 2014-19 (in million)

	2014	2015	2016	2017	2018	2019	CAGR 2014-19
Government Sponsored schemes	155.3	214.3	273.3	335	359.3	357.1	18%
Group business	33.7	48.3	57	70.5	89.4	72.9	17%
Individual Business	27.2	25.4	28.7	32	33.3	42.1	9%

Figure 1.5: Number of Individual covered under health insurance from 2014-19 (in million)



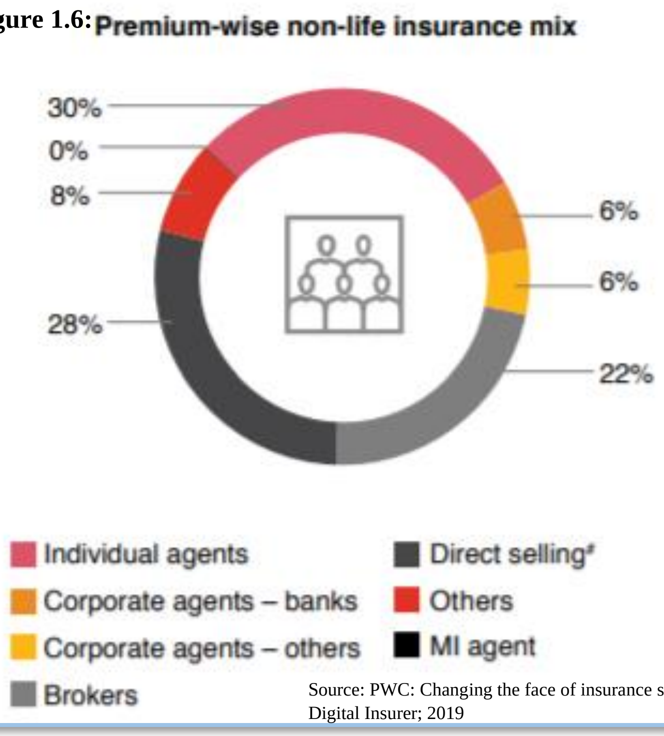
In 2019, it was forecasted that the health insurance market is going to grow with a CAGR of 19% until the year 2024.

The Indian health insurance market is broadly divided into public, private and standalone health insurers. Another division is segments wise like types of scheme which could be voluntary, mandatory, community based or employer based; type of coverage provided i.e., family floater or individual cover; based on the term period of coverage which is for short-term or lifetime; based on demographics which could be based on age or gender. It is also segmented based on product type offering i.e., medical protection (Mediclaim), covering diseases (critical illness cover providing cover for specific disease or covering many diseases).

Distribution of General Insurance

The distribution channels for Non-life insurance sector are shown in the Figure 5 below

Figure 1.6:



Source: PWC: Changing the face of insurance sales India: The Digital Insurer; 2019

1.3.2 Critical Illness Insurance market

Critical illness (CI) insurance also known as dread disease policy is an insurance product where the insurer provides a lump sum cash payment if the policyholder (insured) is diagnosed with one of the specific illnesses mentioned on a predetermined list in the insurance policy.

The global critical illness market in 2018 accounted for a value of USD 24.93 billion and is expected to grow at a CAGR of 15.35% between the year 2019 to 2025. Around the globe, America holds the highest share of critical illness insurance market while cancer is the biggest stockholder by holding market share of 57.09% (7). In Asia, China has the highest share for the market of critical illness (8).

As per a report, there is 8% penetration of critical illness cover out of overall health insurance market. This critical illness plan are sold either as a insurance endorsement (rider benefit) or as standalone.

1.3.2 a) Types of Critical Illness insurane

Three types of critcial illness plans that is, accelerated, additional and standalone are available.

Accelerated critical illness: In this, the payout amount is shared with death benefit which means both mortality and the CI plan competes for claim payment.

Additional Critical illness cover: This plan provides additional benefit without affecting the mortality sum insured of main life insurance. This plan is also known as rider benefit or Insurance endorsement which is an add-on to the basic insurance plan and mostly adds extra benefit (9).

Standalone means that a policy provides comprehensive coverage for any illness. Standalone may be more beneficial than rider plan as it provides coverage for higher number of illness while rider may cover less number of illnesses. In this amount is paid out once (10).

1.3.2 b) Components of critical illness cover

Survival period – A specified period post diagnosis during which the policy holder needs to survive before achieving the benefit from the policy taken. If the individual suffering from the critical ailment survives a particular time frame mentioned in the policy, the lumpsum amount as calculated and mentioned in the policy will be provided. While on the other side, if the insured dies within the survival period, no lumpsum would be provided for the health condition for which he/she was covered. Mostly, the survival period is for 30 days from the diagnosis of a critical condition (12).

Waiting period- Waiting period is time period post purchase of any health insurance during which the policy holder is not qualified to receive any benefits. This time period may sometimes be also known as elimination period.

Three types of waiting period exists for an insurance coverage:

a) Initial waiting period- It starts as soon as an insurance plan is bought hence, no claim can be made during this time frame for any critical illness.
b) Pre-existing waiting period- Individuals suffering from any health condition prior to purchase of the critical illness cover can also be covered by the policy; however, need to wait for certain time period before making any claim else, the claim would be rejected. Generally, this waiting period accounts for around 4 years.
c) Disease specific waiting period- Is disease sensitive time period in which certain diseases are listed by the insurer having waiting period more than expected initial waiting period (12,13).

Waiting period exists to avoid any fraudulent activities by the policyholder.

Free-look up period- Is a time frame provide to the policyholder to review the policy and within this period, he/she can request for cancellation of the plan followed by which will be provided by a refund amount (Minimal amount would deducted for getting the policy cancelled). Generally free-look up period is of 15 days (14).

Tax Benefit- Mostly people in India purchase any health insurance due to presence of tax benefit. Tax benefit on premium is provided according to income tax act 1961.

Second Opinion- Many insurance organizations offer second opinion where the policyholder is eligible to get reassurance regarding treatment, surgery or diagnosis.

1.3.2 c) Certain benefits of critical illness

Premium Waiver

As the name suggests, future premium of the policyholder is waived off got the basic policy. This could be temporary example, when diagnosed with critical illness, premium waiver benefit could be provided for few months or could be permanent for example, when the policyholder dies.

Buy-Back Options

This option is mostly sold in combination with accelerated CI benefit, where the fixed percentages of their death cover is restored by the policyholder at a particular time frame after the claim of CI has been taken. This buyback option is famous is Australia (11).

Reinstatement of CI Cover

Reinstatement means restoring the plan taken after being utilised once. This cover is used in case the policyholder was diagnosed with critical illness and claimed for it and in later years suffers from another critical illness which is not related to the previous one. This plan is expensive as can be renewed again. Mostly seen in UK and South Africa. AXA Hong Kong also provides reinstatement of critical illness cover (11, 23)

Target population

Critical ailment can either be a hereditary condition or might be developed later during the life hence, this cover caters to a wider population such as individuals residing with or without dependents; homemakers; people who are employed in an organization or those being self-employed; breadwinner pursuing any loan and mortgages. Companies to reduce risk of losing employee would also be a customer for the same. Although,

This plan was least successful in past when sold in group (11).

1.3.2 d) Drivers for future growth in critical illness policy

i) Literacy rate and awareness

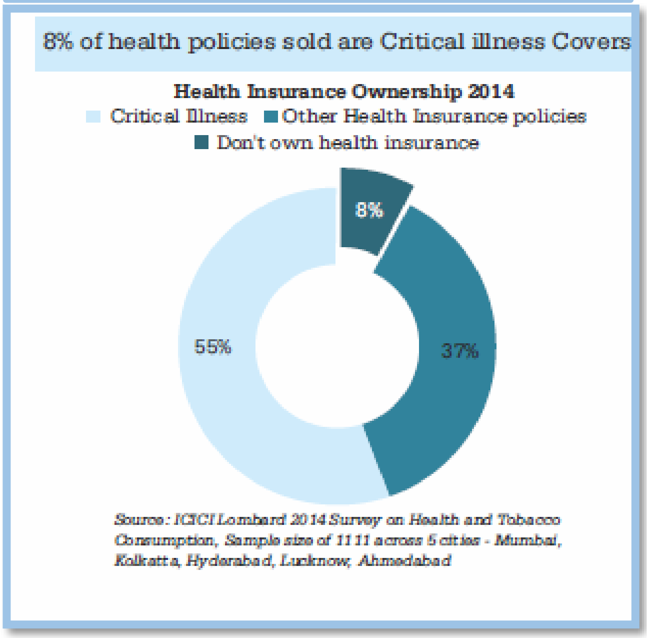
America have 99% as their literacy rate which is the biggest market of critical illness insurance. China being the largest market in the Asian continent has 96.8% of literacy rate. At present India stays at 74.6% and lacks awareness about different health conditions, insurance and about this specific type of insurance plan. Delhi, Mumbai, Kolkata, Hyderabad and Ahmedabad have literacy rates as 86.34%, 89.73%, 86.31%, 82.96% and 89.62% respectively and revealed highest sale of critical illness in 2014 (Refer Figure 1.7 and 1.8) (24-28).

ii) Increase in the burdern of healthcare conditions

1 out of 4 Indians have risk of dying from non-communicable disease at present. More than 2.1 million people die every year due to cardiovascular

conditions, around 1.6 lakh people were diagnosed with cancer in 2019. Every one in ten are estimated to suffer from Chronic Kidney Disorder (CKD) and around 1.75 Lakh individuals every year suffer from stage five Chronic Kidney Disorder kidney i.e., Kidney failure hence requiring dialysis and kidney transplantation. Higher the complication, higher is the expenses to cater the healthcare needs. In 2014 under critical illness insurance, around 24 lakh claim payment was done for kidney failure followed by for cancer of amount INR 20 lakhs. These two were succeeded by heart attack and for stroke. The disease burdern in India is increasing Year on year basis hence, best way to secure life is by transfering risk (see figure 1.9) (18).

Figure 1.7: Health insurance ownership 2014



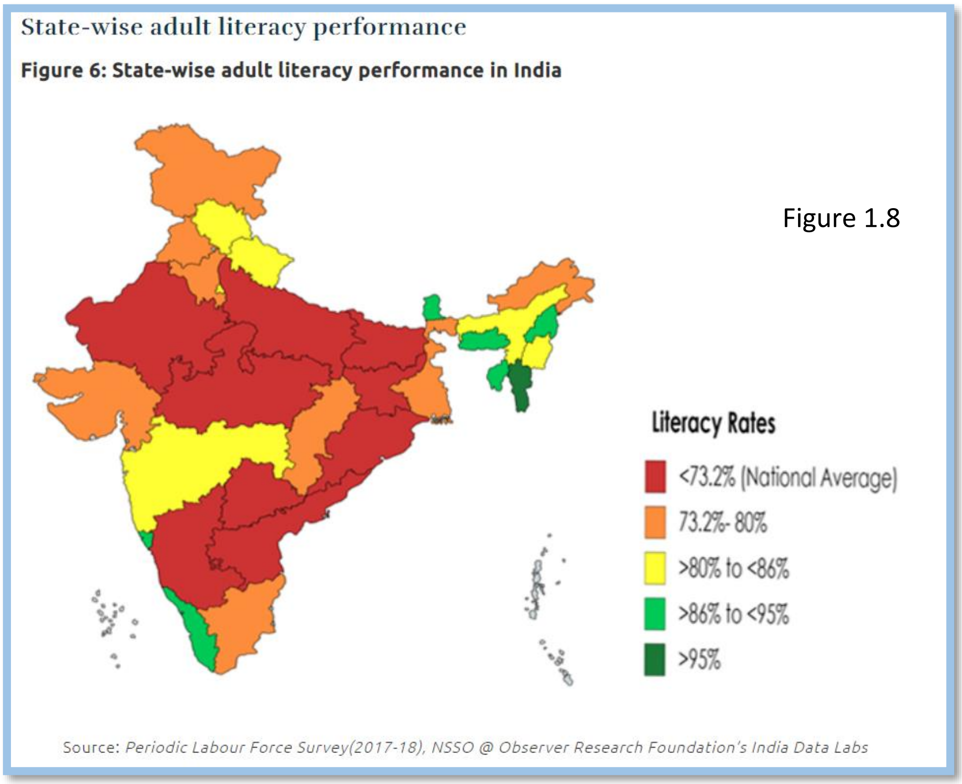


Figure 1.8

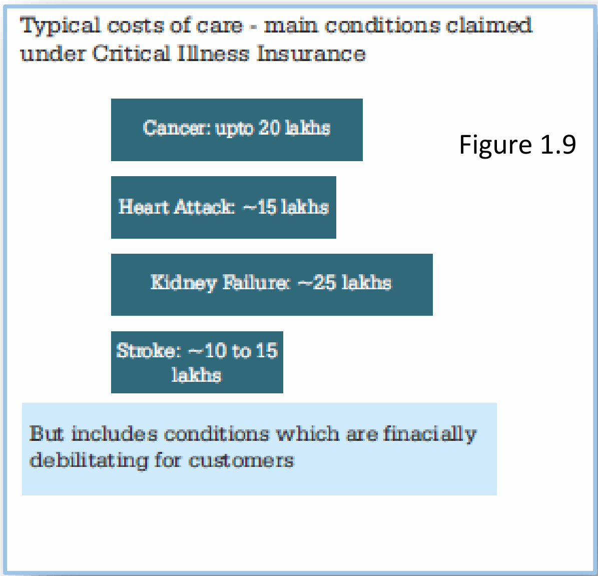


Figure 1.9

iii) <u>Digitalization</u>

As per a report by Telecom Regulatory Authority of India (TRAI) in 2018, around 1,026.37 million active mobile users of internet are present in country. Not only this, India upholds third largest smartphone market in the world due to which digitalization could be a driver in the growth of market penetration and density of the cover (17).

iv) <u>Demographics and population</u>

India being second most populous country in the world has a population of 1.3 billion and 464 per sq km as population density due to which has high potential in future for growth and development of CI market.

v) Medical and healthcare inflation

Increase in the inflation in either cost, demand or change in government policies leads to increase in the cost. The healthcare inflation has been increasing steadily since few years and has shown retail healthcare inflation of 7.14% out of which Medicine inflation has the highest weight in causing inflation in FY2018-19 Not only this, it was noticed that higher inflation rate was in rural India which accounted for CPI 14% as compared to Urban area with inflation of 8% (15,16).

1.3.2 e) Distribution channels

Generally critical illness is a service for which up-selling or cross-selling is done, more than 50% of the CI plans are sold with other policies.

Certain modes of distributing Critical illness insurance are:

i) Bancassurance

It is mode of selling insurance products by collaboration with banks (19).

ii) Aggregator Model

To provide financial Security to its customers, Paytm joined hands with ICICI Pru to sell iProtect Smart plan with added benefits of critical illness and personal accident covers with option to provide health cover against 34 critical illnesses.

iii) Brokers and Agents

At present they have one of the biggest share in selling of any healthcare product in India. As per IRDAI, there are 468 brokers and more than 9 Lakh agents in the Country

iv) Mortgage insurance

Mortgage loan (home loan) can be bought with CI plan to convert it into protection Plan. This is available in several countries

1.3.2 f) Challenges for selling CI plan

- Lack of understanding regarding the product- The brokers and agent contributes the major chunk for selling health insurance products; however, when it comes to selling CI to customers, they lack awareness about variious diseases and are unable to explain difference between many health conditions due to which are unable to convince the customers

- Seen as tax-saving benefit and not a necessity
- Limited trust
- High cost of insurance
- Complexity of purchase process

1.4 Methodology

Study Design: Descriptive cross- sectional study

Data collection method: Secondary data collected between the year 2010 to 2020 from 15-20 articles; 7-8 reports; 4-5 research paper;17 insurance organization and IRDA websites; and their brochures.

Data Type: Mixed data (Qualitative and Quantitative Data)

Sample size: 26 Critical illness insurance plans provided by 17 Indian insurance organizations.

Sampling Technique: Non-probability convenient sampling

Below are tables of Critical illness plans offered by PSUs, Standalone and Private insurance organizations

Table 1.6: Critical Illness plans provided by Public Sector Units (PSUs)

PSU	New India	National insurance Critical illness policy		United India
		Plan A	Plan B	UNI Criticare Health Insurance Plan
Sum Insured (SI)	INR 2 Lakhs, INR 3 Lakhs, INR 5 Lakhs and INR 8 Lakhs	INR 1Lakhs to INR75 Lakhs	INR 1Lakhs to INR75 Lakhs	INR 1Lakhs, INR 3 Lakhs, INR 5 Lakhs and INR 10 Lakhs

Area of Cover	**Continuation of table 1.6**			
No. of Critically Diseases Covered (Mention all)	11 critical illness covered 1. Cancer 2. First Heart attack of specified severity 3. Open chest Coronary Artery Bypass Graft Surgery (CABG) 4. Open Heart replacement or repair of Heart valves 5. Coma of specified severity 6. Kidney failure requiring regular dialysis 7. Stroke resulting in permanent symptoms 8. Major organ / bone marrow transplant 9. Permanent paralysis of limbs 10. Motor neurone disease with permanent symptoms 11. Multiple sclerosis with persisting symptoms	Covers 11 critical illnesses: 1. Cancer of Specified Severity 2. Myocardial Infarction (First Heart Attack of Specified Severity) 3. Open Chest Coronary Artery Bypass Graft Surgery (CABG) 4. Open Heart Replacement or Repair of Heart Valves 5. Coma of Specified Severity 6. Kidney Failure requiring Regular Dialysis 7. Stroke Resulting in Permanent Symptoms 8. Major Organ/Bone Marrow Transplant 9. Permanent Paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis with Persisting Symptoms	Covers 37 illnesses: 1. Cancer of Specified Severity 2. First Heart Attack 3. Open Chest CABG 4. Open Heart Replacement or Repair of Heart Valves 5. Coma of Specified Severity 6. Kidney Failure requiring Regular Dialysis 7. Stroke 8. Major Organ/Bone Marrow Transplant 9. Permanent Paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis 12. End Stage Liver Failure 13. Third Degree Burns 14. Goodpasture's Syndrome 15. Apallic Syndrome 16. Aplastic Anaemia 17. Systemic Lupus Erythematous with Lupus Nephritis 18. Bacterial Meningitis 19. Multiple System Atrophy 20. Progressive Scleroderma 21. Aorta Graft Surgery 22. Pneumonectomy 23. Primary (Idiopathic) Pulmonary Hypertension 24. Primary Parkinson's Disease 25. Alzheimer's Disease 26. Benign Brain Tumour 27. Cardiomyopathy 28. End Stage Lung Failure 29. Brain Surgery 30. Progressive Supranuclear Palsy 31. Creutzfeldt-Jakob Disease (CJD) 32. Major Head Trauma	11 critical illnesses covered: 1. Cancer of specified severity 2. First heart attack 3. Coma of specified severity 4. Kidney failure 5. Heart valve replacement 6. Open chest CABG 7. Stroke resulting in permanent symptoms 8. Multiple sclerosis 9. Major organ or bone marrow transplant 10. Permanent paralysis of limbs 11. Motor neuron disease with permanent symptoms

Continuation of table 1.6

			33. Encephalitis 34. Blindness 35. Deafness 36. Loss of Speech 37. Loss of Limbs	
Plan Details	1. Room Rent / Boarding/ Nursing Expenses and other expenses as specified in policy up to 1% of sum insured per day (Also includes Nursing Care, RMO Charges, IV Fluids / Blood Transfusion / Injection administration charges but, does not include cost of materials). 2. ICU charges: Up to 2% of SI per day. 3. Surgeon, Anaesthetist, Medical Practitioner, Consultants, Specialists Fees 4. Anaesthetist, Blood, Oxygen, Operation Theatre Charges, surgical appliances, Medicines & Drugs, Diagnostic	1. Entry age from 18 to 65 years 2. For open chest CABG, 20% of sum insured will be provided.	1. Entry age from 18 to 65 years 2. Survival period of 60 days, 90 days and 6 months for specific critical illnesses 3. For open chest CABG, 20% of sum insured will be provided.	1. Entry age: 21 year to 65 years 2. Lifetime renewability option

Continuation of table 1.6

	Materials and X-ray, Dialysis, Chemotherapy, Radiotherapy, Artificial Limbs, cost of prosthetic devices implanted during surgical procedure like Pacemaker, relevant laboratory diagnostic tests. 5. All Hospitalisation Expenses incurred for donor in respect of Organ transplant (excluding cost of organ, if any). 6. For cataract: 10% of Sum Insured or Rs. 50000 whichever less, for each eye. 7. There are various day-care procedures also included in this package. 8. Post hospitalization expense included 9. Room rent: 0.1% of SI			

Continuation of table 1.6

Exclusion(s)	a) Cataract and age related eye ailments b) Benign prostate hypertrophy c) Benign ENT disorders d) Treatment for Menorrhagia/Fibro myoma, Myoma and Prolapsed uterus e) Hernia f) Piles, Fissures and Fistula in anus g) Stones in Urinary system h) All internal and external benign tumours, cysts, polyps of any kind, i) Gastric/ Duodenal Ulcer j) Hydrocele k) Diabetes Mellitus l) Pilonidal sinus, Sinusitis and related disorders m) Non-Infective Arthritis n) Gout and Rheumatism o) Prolapse inter Vertebral Disc and Spinal Diseases unless arising from accident p) Skin Disorders q) Varicose Veins and Varicose Ulcers r) Hypertension	a) Claim occurring due to uptake of 40 or more cigarettes or tobacco b) critical illnesses arising due to: - i) Not prescribed drugs ii) Drug addiction iii) suicide iv) HIV AIDS v) Radioactivity vi) War group perils	a) Claim occurring due to uptake of 40 or more cigarettes or tobacco b) critical illnesses arising due to: - i) Not prescribed drugs ii) Drug addiction iii) suicide iv) HIV AIDS v) Radioactivity vi) War group perils	a) CI arising due to Drug or alcohol addiction. v) HIV/AIDS and related diseases. vi) Smoking more than 40 cigarettes a day. vii) Attempted suicide or self-inflicted injury. viii) Conditions arising out of war, invasion. ix) Ionizing radiation or contamination by radiation issues.
Coverage Type (Individual / Floater)	Family floater	Family floater	Family floater	Individual
Pre-Existing Illness covered	Yes, only after 48 months of waiting period	Yes, on paying extra premium	Yes, on paying extra premium	No

Continuation of table 1.6

Waiting period	2 to 4 years	90 Days	90 Days	90 days
Survival period	30 days survival period	Survival period of 60 days, 90 days and 6 months for specific critical illnesses	Survival period of 60 days, 90 days and 6 months for specific critical illnesses	30 days
Whether Second Opinion available	No	No	No	No
Premium - INR 10 L (36-40) Yrs	INR 8,700 per annum (at 8 Lakhs sum insured)	INR 5,834 per annum	INR 9,062 per annum	INR 5,300 per annum

Source: Policy wording and brochures of respective companies (link provided in the end)

Table 1.7 : Standalone Critical illness coveres

	Reliance	Starhealth	Aditya Birla Health Insurance Co. Ltd			Manipal Signa- life style protection- critical care		Religare assure
		Criticare plus Insurance	Activ Secure **Plan 1**	Activ Secure **Plan 2**	Activ Secure **Plan 3**	Basic	Enhance	
Sum Insured (SI)	INR 5 Lakhs, INR 7 Lakhs and INR 10 Lakhs	1.2 Lakhs to 2 Lakhs	1Lakh to 1 Crore	1Lakh to 1 Crore	1Lakh to 1 Crore	INR 1 Lakh to 3 Crore	INR 1 Lakh to 3 Crore	INR 5 Lakhs to 1 Crore
Area of Cover	India	India	India	India	India	Worldwide	worldwide	India
No. of Critically Diseases Covered (Mention all)	10 Critical illnesses covered: 1. Cancer 2. Major Organ Transplant 3. Multiple Sclerosis 4. Third Degree Burns 5. Aorta Graft Surgery 6. Heart Valve Replacement or repair 7. Coma of Specified Severity 8. Coma Quadriplegia (persisting more than 90 days post diagnosis without any significant recovery) 9. Total Blindness 10. End Stage Renal Disease requiring regular dialysis	9 critical illness covered- 1. First diagnosis of Cancer, 2. Chronic kidney Disease 3. Brain Tumour 4. Major organ Transplant for first time. 5. Cerebro Vascular stroke causing Hemiplegia 6. Acute Myocardial Infarction resulting in left Ventricular Ejection Fraction of < 25% 7. Established irreversible coma 8. Established irreversible paraplegia 9. Established irreversible Quadriplegia	Covers 20 critical illnesses 1. Cancer of Specified Severity 2. First Heart Attack 3. Open Chest CABG 4. Open Heart Replacement or Repair of Heart Valves 5. Kidney Failure Requiring Regular Dialysis 6. Stroke Resulting in Permanent Symptoms 7. Major Organ / Bone Marrow Transplant 8. Permanent Paralysis of Limbs 9. Multiple Sclerosis 10. Coma of Specified Severity 11. Motor Neuron Disease with Permanent Symptoms 12.Third Degree Burns 13. Deafness 14. Loss of Speech 15. Aplastic Anaemia 16. End Stage Liver Failure	covers 50 Critical illnesses 1. Cancer of Specified Severity 2. First Heart Attack 3. Open Chest CABG 4. Open Heart valve Replacement or Repair 5. Kidney Failure Requiring Regular Dialysis 6. Stroke Resulting in Permanent Symptoms 7. Major Organ / Bone Marrow Transplant 8. Permanent Paralysis of Limbs 9. Multiple Sclerosis 10. Coma of Specified Severity 11. Motor Neuron Disease with Permanent Symptoms 12.Third Degree Burns 13. Deafness	covers 64 critical illnesses 1. Cancer of Specified Severity 2. First Heart Attack 3. Open Chest CABG 4. Open Heart valve Replacement or Repair 5. Kidney Failure Requiring Regular Dialysis 6. Stroke Resulting in Permanent Symptoms 7. Major Organ / Bone Marrow Transplant 8. Permanent Paralysis of Limbs 9. Multiple Sclerosis with Persisting Symptoms 10. Coma of Specified Severity 11. Motor Neuron Disease with Permanent Symptoms 12.Third Degree	15 Critical Illnesses covered 1. Cancer of Specific Severity 2. First Heart Attack of Specific Severity 3. Open Chest CABG 4. Open Heart Replacement or Repair of Heart Valves 5. Coma of Specified Severity 6. Kidney Failure Requiring Regular Dialysis 7. Stroke Resulting in Permanent Symptoms 8. Major Organ / Bone Marrow Transplant 9. Permanent Paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis with Persisting Symptoms 12. Primary Pulmonary	Covers 30 critical illnesses: - 1. cancer of specified severity 2. First heart attack 3. Open chest CABG 4. Open heart replacement 5. Coma of specified severity 6. Kidney failure requiring regular dialysis 7. Stroke resulting permanent symptoms 8. Major organ or bone marrow transplant 9. Permanent paralysis of Limbs 10. Motor neuron disease with permanent symptoms 11. multiple sclerosis with persisting symptoms 12. primary pulmonary hypertension 13. Aorta graft surgery 14. Loss of hearing 15. Loss of sight 16. Coronary Artery Disease	20 critical illness covered: - 1. Cancer 2. Stroke 3. Paralysis 4. End stage renal failure 5. Major Organ Transplant 6. Coronary artery bypass graft surgery 7. Heart valve replacement surgery 8. Multiple sclerosis 9. Benign brain tumour 10. Motor neuron disorder 11. End stage lung disease 12. Myocardial infraction 13. Major burns 14. Coma 15. Blindness 16. Parkinson's disease before age of 50 years 17. Alzheimer's disease before the age of 50 18. End stage liner disease 19. Bacterial meningitis 20. Aplastic anaemia

Continuation of Table 1.7

			17. End Stage Lung Failure 18. Bacterial Meningitis 19. Fulminant Hepatitis 20. Muscular Dystrophy	14. Loss of Speech 15. Aplastic Anaemia 16. End Stage Liver Failure 17. End Stage Lung Failure 18. Bacterial Meningitis 19. Fulminant Hepatitis 20. Myelofibrosis 21. Muscular Dystrophy 22. Parkinson's disease 23. Benign Brain tumour 24. Alzheimer's Disease 25. Aorta Graft Surgery 26. Loss of Limbs 27. Blindness 28. Primary (Idiopathic) Pulmonary Hypertension 29. Apallic Syndrome or Persistent Vegetative State (PVS) 30. Encephalitis 31. Chronic Relapsing	Burns 13. Deafness 14. Loss of Speech 15. Aplastic Anaemia 16. End Stage Liver Failure 17. End Stage Lung Failure 18. Bacterial Meningitis 19. Fulminant Hepatitis 20. Myelofibrosis 21. Muscular Dystrophy 22. Parkinson's disease 23. Benign Brain Tumor 24. Alzheimer's Disease 25. Aorta Graft Surgery 26. Loss of Limbs 27. Blindness 28. Primary (Idiopathic) Pulmonary Hypertension 29. Apallic Syndrome or Persistent Vegetative State (PVS) 30. Encephalitis	Hypertension 13. Aorta Graft Surgery 14. Loss of Hearing 15. Loss of Sight	17. Aplastic Anaemia 18. End stage lung Disease 19. End stage Liver Failure 20. Major Burns 21. Fulminant Hepatitis 22. Alzheimer's Disease 23. Bacterial Meningitis 24. Benign brain tumour 25. Apallic syndrome 26. Parkinson's Disease 27. Medullary cystic Disease 28. Muscular dystrophy 29. Loss of speech 30. Systemic Lupus Erythematous	
				Pancreatitis 32. Major Head Trauma 33. Medullary Cystic Disease 34. Poliomyelitis 35. Systemic Lupus Erythematous 36. Brain Surgery 37. Severe Rheumatoid Arthritis 38. Creutzfeldt-Jakob disease 39. Hemiplegia 40. Tuberculosis Meningitis 41. Dissecting Aortic aneurysm 42. Progressive Supranuclear Palsy – resulting in permanent symptoms 43. Myasthenia Gravis 44. Infective Endocarditis 45. Pheochromocytoma 46. Eisenmenger's Syndrome 47. Chronic Adrenal	31. Chronic Relapsing Pancreatitis 32. Major Head Trauma 33. Medullary Cystic Disease 34. Poliomyelitis 35. Systemic Lupus Erythematous 36. Brain Surgery 37. Severe Rheumatoid Arthritis 38. Creutzfeldt-Jakob disease 39. Hemiplegia 40. Tuberculosis Meningitis 41. Dissecting Aortic aneurysm 42. Progressive Supranuclear Palsy – resulting in permanent symptoms 43. Myasthenia Gravis 44. Infective Endocarditis 45. Pheochromocytoma 46. Eisenmenger's Syndrome			

Continuation of Table 1.7

				Insufficiency 48. Progressive Scleroderma 49. Elephantiasis 50. Cardiomyopathy	47. Chronic Adrenal Insufficiency 48. Progressive Scleroderma 49. Elephantiasis 50. Cardiomyopathy – of specified severity 51. Angioplasty 52. Pericardiectomy 53. Ovarian tumour of borderline malignancy/low malignant potential – with surgical removal of an ovary 54. Keyhole Coronary Surgery 55. Severe Crohn's disease – surgically treated 56. Cardiac Defibrillator insertion or Cardiac Pacemaker insertion 57. Carcinoma in-situ of the cervix uteri – requiring			
					treatment with hysterectomy 58. Carcinoma in-situ of the urinary bladder 59. Carotid Artery Surgery 60. Ductal or Lobular carcinoma in-situ of the breast – with specified treatment 61. Small Bowel Transplant 62. Severe ulcerative colitis – with operation to remove the entire large bowel 63. Testicular carcinoma in situ – requiring surgery to remove at least one testicle 64. Surgical removal of an eyeball			

Continuation of Table 1.7

Plan Details	1. Offers tax benefits under section 80D 2. Policy period for 1 year and 3 year	1. Hospitalisation expenses for a minimum of 24 hrs. Medical Practitioner, Consultants, Specialist Fees, Cost of Medicines and Drugs also included. 2. Ambulance charges of upto INR 1500 per policy period. 3. Pre-Hospitalization expenses up to 30 days. 4. Post-hospitalisation lump-sum: 7% of SI upto INR 5,000 5. Specific day-care procedures covered. 6. Non allopathic treatment: 25% of SI Upto INR 25,000 per policy period. 7. Co-payment available- 30% for every claim for person above 60 years	1. 100% lumpsum on diagnosis 2. Minimum entry age criteria- 5 years 3. Wellness coach available	1. 100% lumpsum on diagnosis 2. Minimum entry age criteria- 5 years 3. Wellness coach available	1. Minimum entry age criteria- 18 years 2. Wellness coach available	1. Covering Age: - 18 to 65 2. 25% of the sum Insured paid in lump sum; 75% and additional 10 % of sum insured paid in 60 equated monthly instalments 4. Contains customised wellness programs like lifestyle management and Health Risk assessment	1. Covering Age: - 18 to 65 2. 25% of the sum Insured paid in lump sum; 75% and additional 10 % of sum insured paid in 60 equated monthly instalments 4. Contains customised wellness programs like lifestyle management and Health Risk assessment	1. Child education cover- 10% of sum insured paid for education if specified critical illness or unfortunate accident occurs leading to death 2. health check-up once every policy year 3. Entry age from 18 to 65 years 4. policy tenure is 1/2/3 years 5. Personal accident (Accidental death, permanent total disability)- 100% sum insured provided
Exclusion (s)	1. Any critical illness arising from congenital Illness or condition or disorder 2. Critical illness/condition resulted, aggravated or prolonged by childbirth or pregnancy 3. Any CI due to alcohol, smoking, other tobacco intake or drug abuse. 4. Any treatment/surgery for change of sex or any cosmetic surgery or treatment/surgery/ complications/ illness arising therefore thereof. 5. HIV AIDS and CI arising from it. 6. Intentional self-injury, suicide or attempted suicide. 7. Any critical illness arising from any breach of law or felony, riot, crime, misdemeanour or civil commotion. 8. War, Terrorism	1. Expenses on treatment Cataract, Hysterectomy for Menorrhagia or Fibromyoma, treatment for knee or joint (other than caused by an accident) Prolapse of intervertebral disc (other than caused by accident), varicose veins and varicose ulcers in the first 2 years of policy 2. Treatment of Benign Prostate Hypertrophy, Hernia, Hydrocele, Fistula in anus, Piles, Sinusitis and related disorders, treatment for gallstones and renal stone within 1 year of policy. 3. Circumcision unless necessary for treatment of a disease or inoculation or change of life or cosmetic or aesthetic treatment of any description, plastic surgery other than due to an accident or as a part of any illness.	i. Sexually transmitted disease or HIV/ AIDS ii. Influence of intoxicating liquor or drugs iii. Suicide or attempted suicide, intentional self-injury- iv. Congenital external diseases, defects or anomalies v. Insured person committing any breach of law	i. Sexually transmitted disease or HIV/ AIDS ii. Influence of intoxicating liquor or drugs iii. Suicide or attempted suicide, intentional self-injury- iv. Congenital external diseases, defects or anomalies v. Insured person committing any breach of law	i. Sexually transmitted disease or HIV/ AIDS ii. Influence of intoxicating liquor or drugs iii. Suicide or attempted suicide, intentional self-injury- iv. Congenital external diseases, defects or anomalies v. Insured person committing any breach of law	1. Any Critical Illness due to Human T-call Lymph Tropic Virus Type III (HTLV-III or IITLB-III) or Lymphadenopathy Associated Virus (LAV), AIDS 2. Sexually transmitted disease 3. Any Critical Illness arising out of use, abuse or consequence or influence of any substance, intoxicant, drug, alcohol or hallucinogen; narcotics (except prescribed by a registered Medical Practitioner), 4. Any Critical Illness due to intentional self-injury, suicide or attempted suicide 5. CI due to foreign invasion, act of foreign enemies, hostilities, warlike	1. Any Critical Illness due to Human T-call Lymph Tropic Virus Type III (HTLV-III or IITLB-III) or Lymphadenopathy Associated Virus (LAV), AIDS 2. Sexually transmitted disease 3. Any Critical Illness arising out of use, abuse or consequence or influence of any substance, intoxicant, drug, alcohol or hallucinogen; narcotics (except prescribed by a registered Medical Practitioner), 4. Any Critical Illness due to intentional self-injury, suicide or attempted suicide 5. CI due to foreign invasion, act of foreign enemies, hostilities, warlike operations (whether war be declared or not or while performing	i) pre-existing illness ii) Any diagnosis of disease/ undergoing of surgery/ occurrence of event within 90 days of commencement of policy iii) Due to self-inflicted injury iv) Expenses arising out of or attributable to alcohol or drug use/ abuse/ misuse v) Medical expenses for treatment of AIDS vi) Treatment arising from traceable to pregnancy and childbirth, miscarriage, abortion and its consequences vii)congenital diseases viii) war, riots, strike, nuclear weapons induced hospitalisation

Continuation of Table 1.7

	induced Critical Illness/Surgery or caused by nuclear weapons.					operations (whether war be declared or not or while performing duties in the armed forces of any country during war or at peace time), civil war, public defence, rebellion, revolution, insurrection, military or usurped power; 6. Any Critical Illness caused by ionising radiation or contamination by radioactivity from any nuclear fuel (explosive or hazardous form) or from any nuclear waste from the combustion of nuclear fuel, nuclear, chemical or biological attack. 7. Working in underground mines, tunnelling or involving electrical installations with high tension	duties in the armed forces of any country during war or at peace time), civil war, public defence, rebellion, revolution, insurrection, military or usurped power; 6. Any Critical Illness caused by ionising radiation or contamination by radioactivity from any nuclear fuel (explosive or hazardous form) or from any nuclear waste from the combustion of nuclear fuel, nuclear, chemical or biological attack. 7. Working in underground mines, tunnelling or involving electrical installations with high tension supply, or as jockeys or circus personnel; 8. Congenital Anomalies, inherited disorders	
						supply, or as jockeys or circus personnel; 8. Congenital Anomalies, inherited disorders or any complications or conditions arising there from including any developmental conditions 9. Conditions due to adventurous sports or any sports 10. Participation by the Insured person in any flying activity, except as a bona fide, fare-paying passenger of a recognized airline on regular routes and on a scheduled timetable. 11. Any condition aggravated or prolonged by childbirth or from pregnancy; miscarriage, caesarean. This exclusion will not apply to	or any complications or conditions arising there from including any developmental conditions 9. Conditions due to adventurous sports or any sports 10. Participation by the Insured person in any flying activity, except as a bona fide, fare-paying passenger of a recognized airline on regular routes and on a scheduled timetable. 11. Any condition aggravated or prolonged by childbirth or from pregnancy; miscarriage, caesarean. This exclusion will not apply to ectopic pregnancy. 12. Any treatment/surgery for change of sex, cosmetic or plastic surgery or any elective surgery or cosmetic procedure	

Continuation of Table 1.7

						ectopic pregnancy. 12. Any treatment/surgery for change of sex, cosmetic or plastic surgery or any elective surgery or cosmetic procedure that improve physical appearance, surgical and non-surgical treatment of obesity, including morbid obesity (unless certified to be life-threatening) and weight control programs, or treatment of an optional nature including complications/illness arising as a consequence thereof; 13. Any Critical Illness arising or resulting from the Insured person committing any breach of law or participating in an actual or attempted felony, riot, crime, misdemeanour or civil commotion with criminal intent; 14. Failure to seek or follow Medical Advice. 15. Birth control procedures and hormone replacement therapy.	that improve physical appearance, surgical and non-surgical treatment of obesity, including morbid obesity (unless certified to be life-threatening) and weight control programs, or treatment of an optional nature including complications/illness arising as a consequence thereof; 13. Any Critical Illness arising or resulting from the Insured person committing any breach of law or participating in an actual or attempted felony, riot, crime, misdemeanour or civil commotion with criminal intent; 14. Failure to seek or follow Medical Advice. 15. Birth control procedures and hormone replacement therapy.	
Coverage Type (Individual / Floater)	Individual	Individual	Family floater (Spouse, upto 4 children, 2 parents, 2 parents-in-laws)	Family floater (Spouse, upto 4 children, 2 parents, 2 parents-in-laws)	Family floater (Spouse, upto 4 children, 2 parents, 2 parents-in-laws)	Family floater	Family floater	Individual

Continuation of Table 1.7

Pre-Existing Illness covered	No	Yes, but after 48months of continuous Insurance without break with any Indian Insurance Company.	No	No	No	No	No	
Waiting period for Critical Illness	30 days	90 days	90 days	90 days	90 days/ 180 days	90 days	90 days	90 days
Other waiting Periods	30 -90 days	30 days survival period	15 days survival period	15 days survival period	15 days survival period	30 days survival period	30 days survival period	no survival period
Second Opinion available	No	No	yes	yes	yes	Yes	Yes	Yes
Premium - INR 10 L (36-40) Yrs.	Not available	INR 16,100 per annum	Not available	Not available	Not available	Male: 4,304, Female: 4618	Male: 5,194, Female: 6,010	Not available

Source: Policy wording and brochures of respective companies (link provided in the end)

Table 1.8: General Insurance Critical Illness plans

	Bajaj Allianz Critical Illness-Extended security	TATA AIG critical care plan	HDFC ERGO- Critical illness policy		
			Silver	Gold	Platinum
Sum Insured (Maximum Coverage)	INR 1 Lakh to INR 50 Lakhs	INR 2.5 Lakhs to INR 15 Lakhs	INR 1 Lakh to INR 50 Lakhs	INR 1 Lakh to INR 50 Lakhs	INR 1 Lakh to INR 50 Lakhs
Area of Cover	worldwide	India	India	India	India
No. of Critically Diseases Covered (Mention all)	10 Critical illness covered- 1. First Heart Attack (Myocardial Infarction) 2. Open Chest CABG (Coronary Artery Disease Requiring Surgery 3. Stroke Resulting in Permanent Symptoms 4. Cancer of Specified Severity 5. Kidney Failure Requiring Regular Dialysis 6. Major Organ Transplantation 7. Multiple Sclerosis with Persisting Symptoms 8. Surgery of Aorta 9. Primary Pulmonary Arterial Hypertension 10. Permanent Paralysis of Limbs	11 Critical illness covered- 1. First Heart Attack - of specified severity 2. Cancer of specified severity 3. Stroke resulting in Permanent Symptoms 4. Open Chest CABG 5. Kidney Failure Requiring Regular Dialysis 6. Major Organ / Bone Marrow Transplant 7. Total Blindness 8. Coma of specified severity 9. Major Burns 10. Multiple Sclerosis with persisting symptoms 11. Permanent Paralysis of Limbs	8 Critical illness covered under **silver** plan are: - 1. Heart attack (Myocardial Infraction) 2. Coronary Artery Bypass Surgery 3. stroke 4. Cancer 5. Kidney failure 6. Major organ transplant 7. Multiple sclerosis 8. Paralysis	11 Critical illnesses covered under Gold plan: - 1. Heart attack (Myocardial Infraction) 2. Coronary Artery Bypass Surgery 3. stroke 4. Cancer 5. Kidney failure 6. Major organ transplant 7. Multiple sclerosis 8. Paralysis 9. Aortic graft surgery 10. Primary Pulmonary Arterial Hypertension 11. Heart Valve Replacement	15 Critical illnesses covered under platinum package: - 1. Heart Attack (Myocardial Infarction) 2. Aorta Graft Surgery 3. Heart Valve Replacement 4. Benign Brain Tumor 5. Parkinson's Disease 6. Alzheimer's Disease 7. End Stage Liver Disease 8. Coronary Artery Bypass Surgery 9. Stroke 10. Cancer 11. Kidney Failure 12. Major Organ Transplantation 13. Multiple Sclerosis 14. Paralysis 15. Primary Pulmonary Arterial Hypertension
Plan Details		1. Policy period:1 year and is renewable. 2. Age criteria: 18 years to 65 years.	1. Age criteria: 5 to 65 years with lifetime renewable available.	1. Age criteria: 5 to 65 years with lifetime renewable available.	1. Age criteria: 5 to 65 years with lifetime renewable available.
Exclusion(s)	1. Pre-existing conditions 2. Any sexually transmitted diseases or any condition associated with Human T-Cell Lymphotropic Virus type III or Lymphadenopathy Associated Virus (LAV) or the Mutants Derivative or Variations Deficiency Syndrome or AIDS. 3. Treatment arising due to pregnancy, childbirth postpartum complications including but not limited to caesarean section, birth defects and congenital anomalies. 4. Occupational diseases. 5. War, invasion, act of foreign enemy, hostilities, civil war, insurrection, terrorism or terrorist acts or activities, rebellion, revolution, mutiny, military or usurped power, riot, strike, lockout, military or popular uprising, civil commotion, martial law or loot, sack or pillage in connection therewith, confiscation or destruction by any government or public authority	1. Congenital disorders, psychiatric, mental disorders, defects, genetic disorders or anomalies 2. Expenses for the treatment of STDs, HIV, AIDS-related illnesses 3. Treatment for self-inflicted injuries, attempts to commit suicide or the injury due to unlawful acts are not covered	1. War or any act of war, invasion, act of foreign enemy, war like operations, civil war, public defence, rebellion, revolution, insurrection, military or usurped acts, nuclear weapon/materials, chemical & biological weapons, radiation of any kind 2. Committing or attempting to commit a criminal or unlawful act, or intentional self-injury or attempted suicide 3. Any treatment arising from pregnancy (including voluntary termination), miscarriage, maternity or birth (including caesarean section), congenital internal and external diseases, defects or anomalies. 4. Participation or involvement in naval, military or air force operation, racing, diving, aviation, scuba diving, parachuting, hang-gliding, rock or mountain climbing or insane 5. Abuse or the consequences of the abuse of intoxicants or hallucinogenic substances such	1. War or any act of war, invasion, act of foreign enemy, war like operations, civil war, public defence, rebellion, revolution, insurrection, military or usurped acts, nuclear weapon/materials, chemical & biological weapons, radiation of any kind 2. Committing or attempting to commit a criminal or unlawful act, or intentional self-injury or attempted suicide 3. Any treatment arising from pregnancy (including voluntary termination), miscarriage, maternity or birth (including caesarean section), congenital internal and external diseases, defects or anomalies. 4. Participation or involvement in naval, military or air force operation, racing, diving, aviation, scuba diving, parachuting, hang-gliding, rock or mountain climbing or insane 5. Abuse or the consequences	1. War or any act of war, invasion, act of foreign enemy, war like operations, civil war, public defence, rebellion, revolution, insurrection, military or usurped acts, nuclear weapon/materials, chemical & biological weapons, radiation of any kind 2. Committing or attempting to commit a criminal or unlawful act, or intentional self-injury or attempted suicide 3. Any treatment arising from pregnancy (including voluntary termination), miscarriage, maternity or birth (including caesarean section), congenital internal and external diseases, defects or anomalies. 4. Participation or involvement in naval, military or air force operation, racing, diving, aviation, scuba diving, parachuting, hang-gliding,

Continuation of Table 1.8

	6. Operations requiring the use of arms or which are ordered by military authorities for combating		as drugs and alcohol, including smoking cessation programs and the treatment of nicotine addiction or any other substance abuse treatment or services, or supplies 6. Venereal disease, sexually transmitted disease or illness; AIDS and/or infection with HIV (Human immunodeficiency virus) including but not limited to conditions related to or arising out of HIV/AIDS, Lymphomas in brain, Kaposi's sarcoma, Tuberculosis	of the abuse of intoxicants or hallucinogenic substances such as drugs and alcohol, including smoking cessation programs and the treatment of nicotine addiction or any other substance abuse treatment or services, or supplies 6. Venereal disease, sexually transmitted disease or illness; AIDS and/or infection with HIV (Human immunodeficiency virus) including but not limited to conditions related to or arising out of HIV/AIDS, Lymphomas in brain, Kaposi's sarcoma, Tuberculosis	rock or mountain climbing or insane 5. Abuse or the consequences of the abuse of intoxicants or hallucinogenic substances such as drugs and alcohol, including smoking cessation programs and the treatment of nicotine addiction or any other substance abuse treatment or services, or supplies 6. Venereal disease, sexually transmitted disease or illness; AIDS and/or infection with HIV (Human immunodeficiency virus) including but not limited to conditions related to or arising out of HIV/AIDS, Lymphomas in brain, Kaposi's sarcoma, Tuberculosis
Coverage Type (Individual / Floater)	Individual	Family floater	Individual	Individual	Individual
Whether it covers Pre-Existing Illness	No	No	No	No	No
Waiting period for Critical Illness	90 days	90 days from the first inception of the Policy.	90 days	90 days	90 days
Other waiting Periods	30 days survival period	30 days or more from the date of diagnosis	30 days survival period	30 days	30 days survival period
Second Opinion available	No	Yes	No	No	No
Premium - INR 10 L (36-40) Yrs.	INR 5,500 per annum	INR 8,892 per annum	Not available	INR 5,000 per annum	INR 7,000

	ICICI Lombard- Critical care	Go Digit	Bharti AXA	SBI Health CI- Purna Suraksha scheme
Sum Insured	INR 3 Lakhs to INR 12 Lakhs	Minimum of INR 2 Lakhs	INR 2 Lakhs to INR 5 Lakhs	INR 20 Lakhs to INR 2.5 Crores
Area of Cover	India	India	India	India
No. of Critically Diseases Covered (Mention all)	Covers 9 critical illnesses: - 1. Cancer 2. Heart attack 3. Stroke 4. Paralysis 5. End stage renal failure 6. Major Organ Transplant 7. Coronary artery bypass graft surgery 8. Heart valve replacement surgery 9. Multiple sclerosis	Covers 20 Critical illnesses: 1. Cancer of Specified Severity 2. Myocardial Infarction 3. Open Heart Replacement or Repair of Heart Valve 4. Open Chest CABG 5. Kidney Failure Requiring Regular Dialysis 6. Multiple Sclerosis with Persisting Symptoms 7. Major Organ /Bone Marrow Transplant 8. Permanent Paralysis of Limbs 9. Surgery to Aorta 10.Primary Pulmonary hypertension 11.Benign Brain Tumor 12. End Stage Liver Failure 13. End Stage Lung Failure 14. Apallic Syndrome 15. Coma of Specified Severity 16. Major Head Trauma 17. Stroke Resulting in Permanent Symptoms 18. Motor Neuron Disease with Permanent Symptoms 19. Loss of Independent Existence 20. Aplastic Anaemia	20 Critical illnesses covered: - 1. Kidney Failure 2. Cancer 3. Stroke 4. Major Burns 5. 1st Heart attack 6. Coronary Artery Disease 7. Heart Valve Surgery 8. Aplastic Anaemia 9. Primary pulmonary hypertension 10. End stage lung disease 11. Major organ transplant 12. End stage liver failure 13. Coma 14. Multiple sclerosis 15. Terminal Illness 16. Surgery of Aorta 17. Bacterial Meningitis 18. Motor Neuron disease 19. Coronary Artery Bypass Surgery 20. Fulminant Hepatitis	36 critical illnesses covered: - 1. Cancer of Specified Severity 2. First Heart Attack of Specified Severity- Myocardial infraction 3. Open Chest replacement or Repair of heart valve 4. Coronary artery Bypass Graft 5. Coma of Specified Severity 6. Kidney Failure requiring Regular Dialysis 7. Stroke resulting in Permanent Symptoms 8. Major Organ/Bone Marrow Transplant 9. Permanent paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis with Persisting Symptoms 12. Benign brain tumour 13. Blindness 14. Deafness 15. End stage lung failure 16. End stage liver failure 17. Loss of speech 18. Loss of Limbs 19. Major head trauma 20. Primary (idiopathic) pulmonary hypertension 21. Third degree burn 22. Alzheimer's Disease 23. Aplastic anaemia 24. Medullary cystic kidney disease 25. Parkinson's Disease 26. Systemic Lupus Erythematous (SLE) with Lupus Nephritis 27. Apallic Syndrome 28. Major surgery of Aorta 29. Brain Surgery 30. Fulminant Viral hepatitis

Continuation of Table 1.8

				31. Cardiomyopathy 32. Muscular dystrophy 33. Poliomyelitis 34. Pneumonectomy 35. Severe Rheumatoid Arthritis 36. Progressive scleroderma
Plan Details	1. Covers upto 65 years age 2. Pre and post hospitalization covered	1. Age criteria: 1 year to 60 years 2. AYUSH treatment covered. 3. Covers expenses like health check-ups, doctor's consultation fees, pharmacy bills, diagnostic tests, dental treatment, etc when not hospitalised.	1. Age criteria: 3 months to 55 years 2. Pre and post hospitalisation expenses covered 3. Covers day care treatment 4. Home nursing allowance: INR 350 to INR 1000 per day for 10 days after the first 3 days. 5. Inpatient Physiotherapy: 2% of SI 6. Expenses of accompanying person: INR 250 for 10days after first three days. 7. Children education benefit: INR 5000 8. Carriage of mortal remains INR 1,000 to INR 2,000	1. Life Cover Sum Assured & CI Sum Assured in the proportion of 80:20 respectively.
Exclusion(s)	1.Claims arising out of sickness or illness 2. Self-injury or suicide 3. Engagement in dangerous activities 4. Mental disorder 5. Childbirth or pregnancy related illness 6. Pre-existing conditions 7. Self-medication 8. Diseases existing at birth (congenital)	1) Illness due to alcohol, tobacco or drugs 2) HIV AIDS 3) war, terrorism or military operations 4) Suicidal attempts and self-injuries	1. congenital internal disease 2. self-inflicting injury 3. Treatment traceable to childbirth on pregnancy 4. Unani treatment 5. Hospitalization following use of liquor and drugs 6. Treatment received outside India 7. Experimental Treatment 8. Involvement in any criminal activity 9. Neuropathy treatment 10. Mental disorder or stress related medications or treatment	1.Illness due to congenital defect or disease that has manifested or diagnosed before insured attains 18 years. 2. suicide or attempt or intentional self-inflicting injury 3. Abuse of any substances not registered by medical practioner. 4. war, invasion, hostilities, civil war, rebellion, terrorist activity, revolution, or taking part in a riot or civil commotion, strike or industrial action 5. Illness occurred by any sports activity 6. Failure to seek or follow medical advice, the Life assured has delayed medical treatment in order to circumvent the waiting period or other conditions and restriction applying to this policy. 7. Nuclear reaction, Biological, radioactive or chemical contamination due to nuclear accident. 8. Any other treatments other than Allopathy / western medicines 9. Pregnancy or childbirth or complications arising there from 10. Any treatment of a donor for the replacement of an organ 11. Diagnosis and treatment outside India.
Coverage Type (Individual / Floater)	Individual	Family floater	Family floater	Individual
Pre-Existing Illness covered	No	No	Yes, after completing 4 years	No
Waiting period	90 days	30 days	90 days	90 days
Survival Period	NA	30 days	30 days survival	14 days
Second Opinion	No	No	No	No
Premium - INR 10 L (36-40) Yrs.	INR 20,600 Per annum	Not available		The minimum premium INR 3,000 to INR 9,32,000 per annum (age wise not provided)

Continuation of Table 1.8

	Royal Sundaram		
	Lifeline Classic	Lifeline Supreme	Lifeline Elite
Sum Insured	INR 2/3/4 Lakhs	INR 5 Lakhs to INR 50 Lakhs	INR 25 Lakhs to INR 1.5 Crore
Area of Cover	India	worldwide	worldwide
No. of Critically Diseases Covered (Mention all)	11 critical illnesses covered: - 1. Cancer of Specified Severity 2. First Heart Attack of Specified Severity 3. Open Chest CABG 4. Open Heart Replacement or Repair of Heart Valves 5. Coma of Specified Severity 6. Kidney Failure requiring Regular Dialysis 7. Stroke resulting in Permanent Symptoms 8. Major Organ/Bone Marrow Transplant 9. Permanent paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis with Persisting Symptoms	11 critical illnesses covered: - 1. Cancer of Specified Severity 2. First Heart Attack of Specified Severity 3. Open Chest CABG 4. Open Heart Replacement or Repair of Heart Valves 5. Coma of Specified Severity 6. Kidney Failure requiring Regular Dialysis 7. Stroke resulting in Permanent Symptoms 8. Major Organ/Bone Marrow Transplant 9. Permanent paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis with Persisting Symptoms	11 critical illnesses covered: - 1. Cancer of Specified Severity 2. First Heart Attack of Specified Severity 3. Open Chest CABG 4. Open Heart Replacement or Repair of Heart Valves 5. Coma of Specified Severity 6. Kidney Failure requiring Regular Dialysis 7. Stroke resulting in Permanent Symptoms 8. Major Organ/Bone Marrow Transplant 9. Permanent paralysis of Limbs 10. Motor Neurone Disease with Permanent Symptoms 11. Multiple Sclerosis with Persisting Symptoms
Plan Details	1. Entry age: 18 years 2. OPD treatment not covered 3. Pre and Post-hospitalization expenses for 30 days and 60 days respectively 4. Ambulance cover up to INR 3,000 5. AYUSH Treatment - Inpatient hospitalization cover up to Sum Insured in Government Hospitals and up to INR 20,000 in other hospitals. 6. Covers Vaccination in case of animal bite up to INR 2,500	1. Pre and post-hospitalization expenses covered for 60 and 90 days, respectively. 2. Entry age: 18 years 3. OPD treatment not covered 4. Vaccination in case of animal bite - Expenses up to INR 5,000 covered 5. Ambulance cover of up to Rs. 5,000. 6. Emergency domestic evacuation cover of up to Rs. 1 lac.	1. Emergency domestic evacuation cover of up to INR 1 lac. 2. Entry age: 18 years 3. Maternity Benefit cover for up to 2 deliveries if taken family floater policy 4. OPD Treatment Cover of up to Rs.10,000 5. Covers all day care procedures. 6. International treatment of 11 specified critical illnesses including return airfare up to Rs.3 lacs. Base cover is excluding US and Canada. 7. AYUSH Treatment - Inpatient hospitalization cover up to Sum Insured in Government Hospitals and up to Rs.50,000 in other hospitals 8. Vaccination in case of animal bite - Expenses up to Rs.7,500 covered 9. Organ donor treatment available up to the amount of sum insured. 10. Annual Health Check-ups 11. Worldwide Emergency Hospitalization up to 50% of Sum Insured limited up to Rs.20 lacs. 12. Deductible of $1000 per claim is applicable.
Exclusion(s)	1. Medical cover availed due to Addictive Conditions and Disorders 2. Adventure or Hazardous Sports 3. Ageing and Puberty related conditions 4. Alternative Treatment (except AYUSH), 5. Artificial Life Maintenance 6. Circumcision 7. Conflict and Disaster, 8. Congenital Conditions 9. Convalescence and Rehabilitation 10. Cosmetic Surgery, Dental/Oral Treatment, Drugs and Dressing for OPD Treatment 11. Eyesight Treatment, Health Hydro's, Nature Cure, Wellness Clinics 12. HIV and AIDS 13. Hereditary Conditions 14. Hospitalization for Observation or Investigative purpose only 15. Psychiatric and Psychosomatic Conditions, Obesity, Preventive Care, Reproductive Medicine, Self-inflicted Injuries, Sexual problems and gender issues, 16. Sleep Disorders, Speech Disorders, Stem Cell Implantation, Treatment for Alopecia, Treatment for Developmental Problems, Treatment received outside India, 17. Unproven/Experimental Treatment, Treatment from Unrecognized Hospital or Physician, Unrelated Diagnostic, or Injury due to Unlawful Activity	1. Medical cover availed due to Addictive Conditions and Disorders 2. Adventure or Hazardous Sports 3. Ageing and Puberty related conditions 4. Alternative Treatment (except AYUSH), 5. Artificial Life Maintenance 6. Circumcision 7. Conflict and Disaster, 8. Congenital Conditions 9. Convalescence and Rehabilitation 10. Cosmetic Surgery, Dental/Oral Treatment, Drugs and Dressing for OPD Treatment 11. Eyesight Treatment, Health Hydro's, Nature Cure, Wellness Clinics 12. HIV and AIDS 13. Hereditary Conditions 14. Hospitalization for Observation or Investigative purpose only 15. Psychiatric and Psychosomatic Conditions, Obesity, Preventive Care, Reproductive Medicine, Self-inflicted Injuries, Sexual problems and gender issues, 16. Sleep Disorders, Speech Disorders, Stem Cell Implantation, Treatment for Alopecia, Treatment for Developmental Problems, Treatment received outside India, 17. Unproven/Experimental Treatment, Treatment from Unrecognized Hospital or Physician, Unrelated Diagnostic, or Injury due to Unlawful Activity	1. Medical cover availed due to Addictive Conditions and Disorders 2. Adventure or Hazardous Sports 3. Ageing and Puberty related conditions 4. Alternative Treatment (except AYUSH), 5. Artificial Life Maintenance 6. Circumcision 7. Conflict and Disaster, 8. Congenital Conditions 9. Convalescence and Rehabilitation 10. Cosmetic Surgery, Dental/Oral Treatment, Drugs and Dressing for OPD Treatment 11. Eyesight Treatment, Health Hydro's, Nature Cure, Wellness Clinics 12. HIV and AIDS 13. Hereditary Conditions 14. Hospitalization for Observation or Investigative purpose only 15. Psychiatric and Psychosomatic Conditions, Obesity, Preventive Care, Reproductive Medicine, Self-inflicted Injuries, Sexual problems and gender issues, 16. Sleep Disorders, Speech Disorders, Stem Cell Implantation, Treatment for Alopecia, Treatment for Developmental Problems, Treatment received outside India, 17. Unproven/Experimental Treatment, Treatment from Unrecognized Hospital or Physician, Unrelated Diagnostic, or Injury due to Unlawful Activity
Coverage Type (Individual / Floater)	Family floater	Family floater	Family floater
Pre-Existing Illness Covered	yes, after waiting for 48 months	yes, after waiting for 36 months	yes, after waiting for 24 months
Waiting period	90 days	90 days	90 days
Survival period	48 months	36 months	24 months
Second Opinion available	No	Yes	Yes
Premium - INR 10 L (36-40) Yrs.	Not available	Not available	Not available

Source: Policy wording and brochures of respective companies (link provided in the end)

1.5 Interpretation

Table 1.9: Major Critical Illnesses provided by Insurance organizations

	Cancer	Heart Attack	Coronary Artery Bypass Surgery	Stroke	Kidney failure	Major Organ Transplant	Benign Brain Tumour	Paralysis	Parkinson's Disease	Aorta Graft Surgery	Primary Pulmonary Arterial Hypertension	Heart Valve Replacement	Alzheimer's Disease	End Stage Liver Disease	Multiple Sclerosis
Bajaj	✓	✓	✓	✓	✓	✓	✗	✓	✗	✓	✓	✗	✗	✗	✓
HDFC Ergo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tata AIG	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✗	✗	✗	✓
Star Health	✓	✓	✗	✗	✓	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗
Reliance	✓	✗	✗	✗	✓	✓	✗	✗	✗	✓	✗	✓	✗	✗	✓
Aditya Birla	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ICICI	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓
Religare	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✓	✓	✓
Manipal Cigna	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Royal Sundaram	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓
Bharti AXA	✓	✓	✓	✓	✓	✓	✗	✗	✗	✓	✓	✓	✗	✓	✓
Cholamandalam	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✗	✗	✗	✓
SBI	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
United India	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓
National Insurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
New India	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓
Godigit	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✗	✓	✓

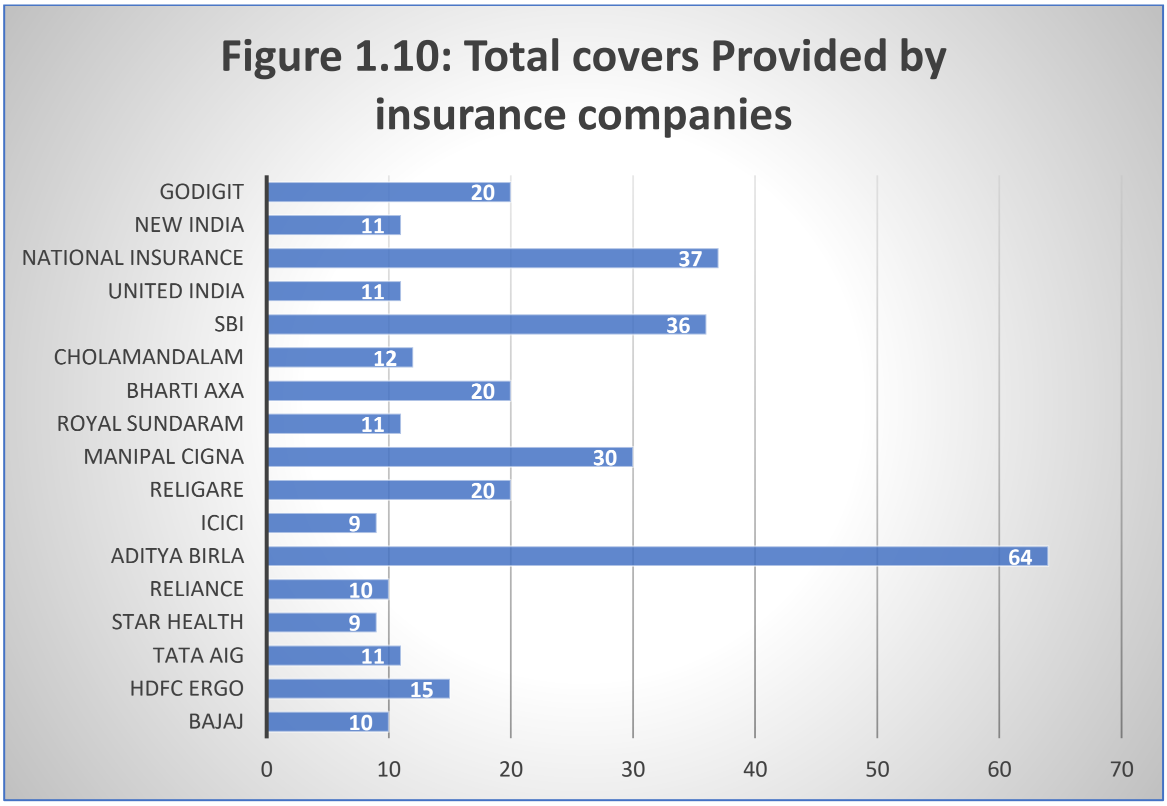


Figure 1.10: Total covers Provided by insurance companies
GODIGIT
NEW INDIA
NATIONAL INSURANCE
UNITED INDIA
SBI
CHOLAMANDALAM
BHARTI AXA
ROYAL SUNDARAM
MANIPAL CIGNA
RELIGARE
ICICI
ADITYA BIRLA
RELIANCE
STAR HEALTH
TATA AIG
HDFC ERGO
BAJAJ
20
11
37
11
36
12
20
11
30
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9
64
10
9
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15
10
0
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30
40
50
60
70

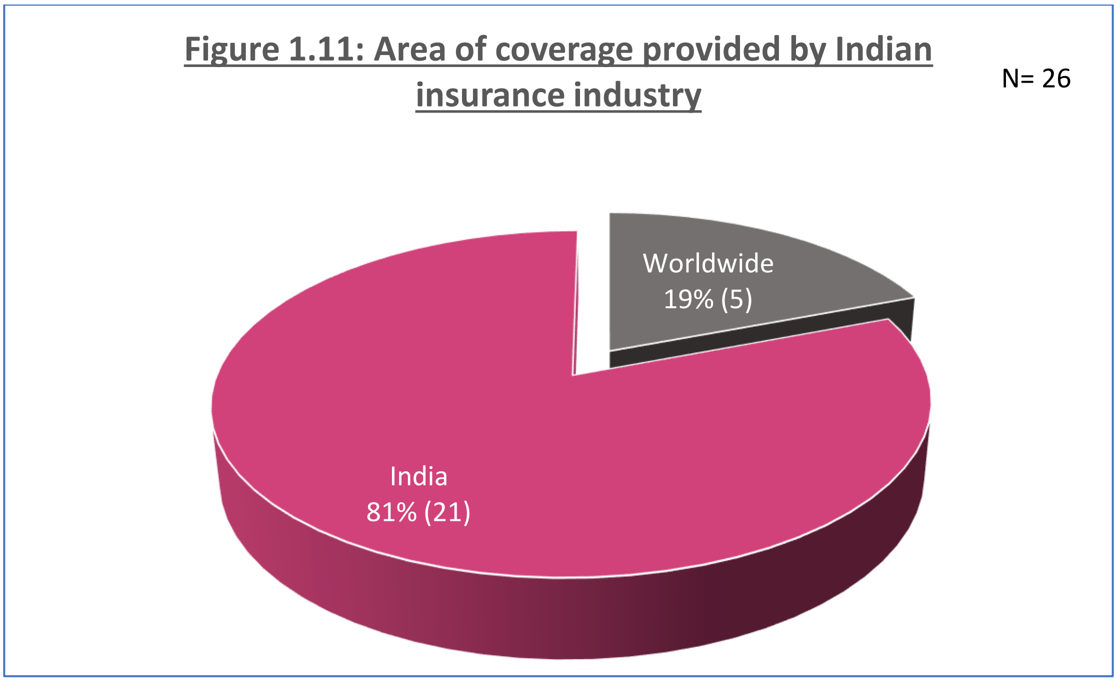


Figure 1.11: Area of coverage provided by Indian insurance industry
N= 26
Worldwide
19% (5)
India
81% (21)

Figure 1.12: Waiting period

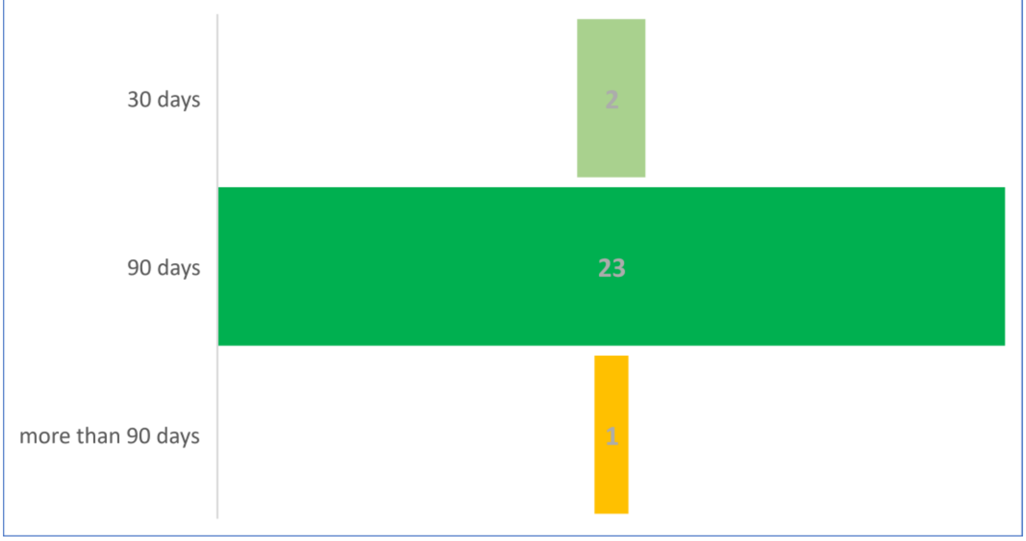


Figure 1.13: Survival period

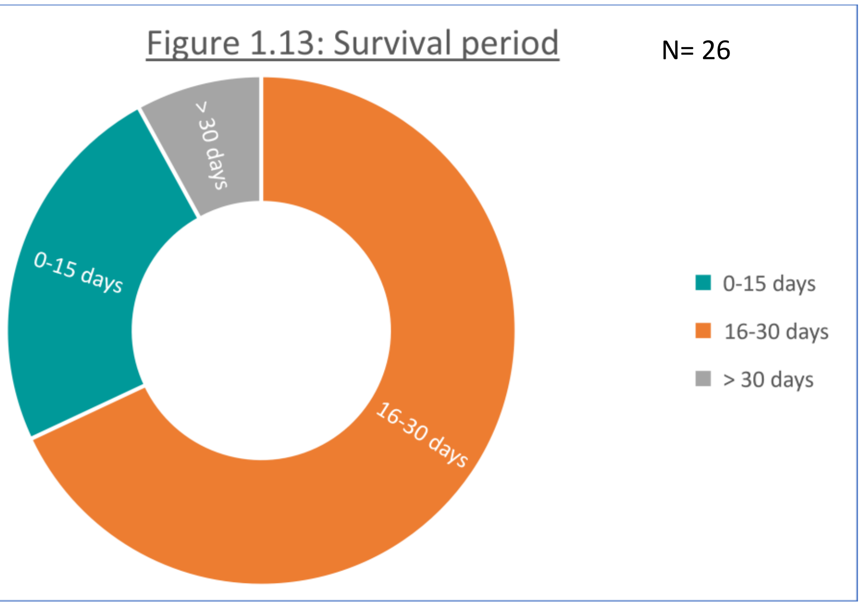


Figure 1.14: Second opinion offered with CI by companies

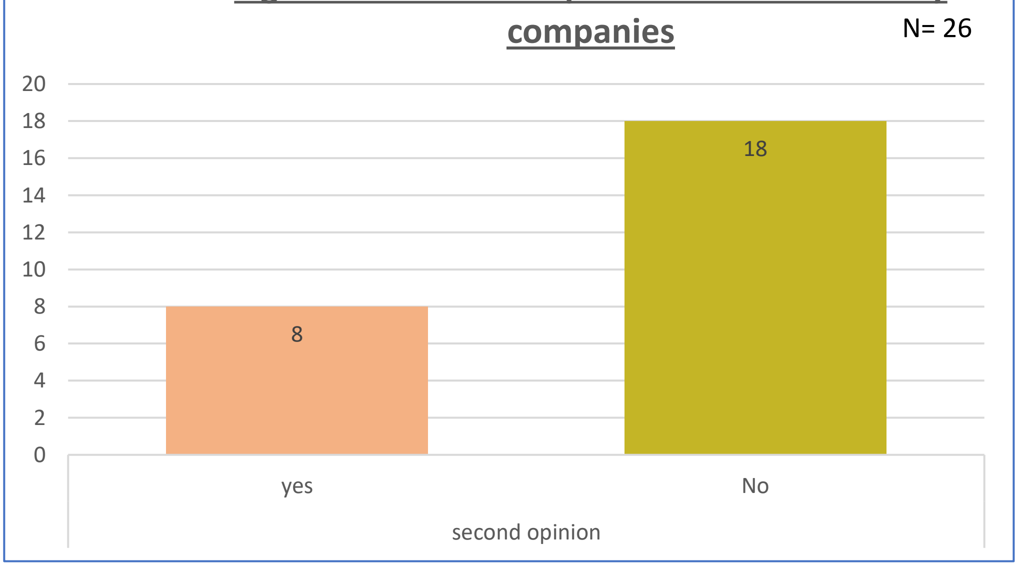


Figure 1.15: Pre-existing condition coverage provided with Critical illness

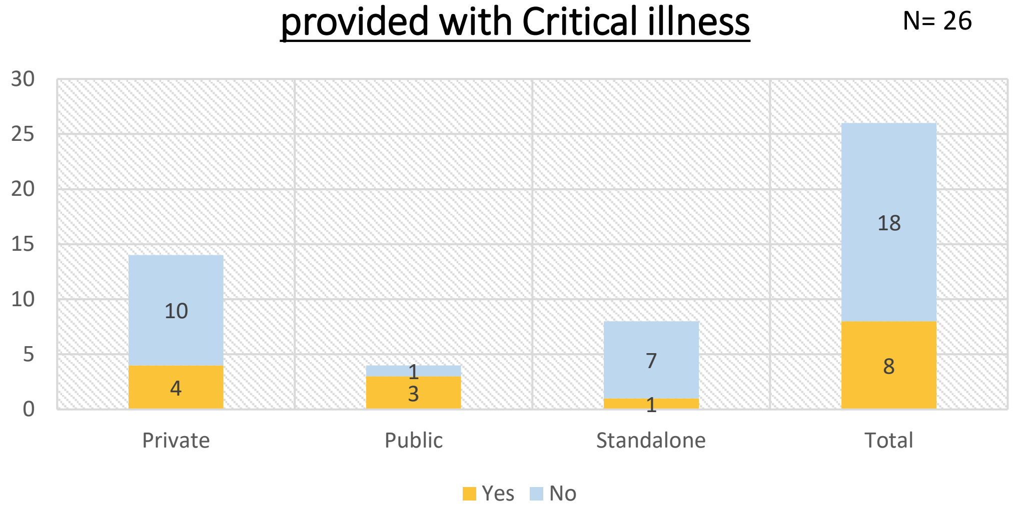
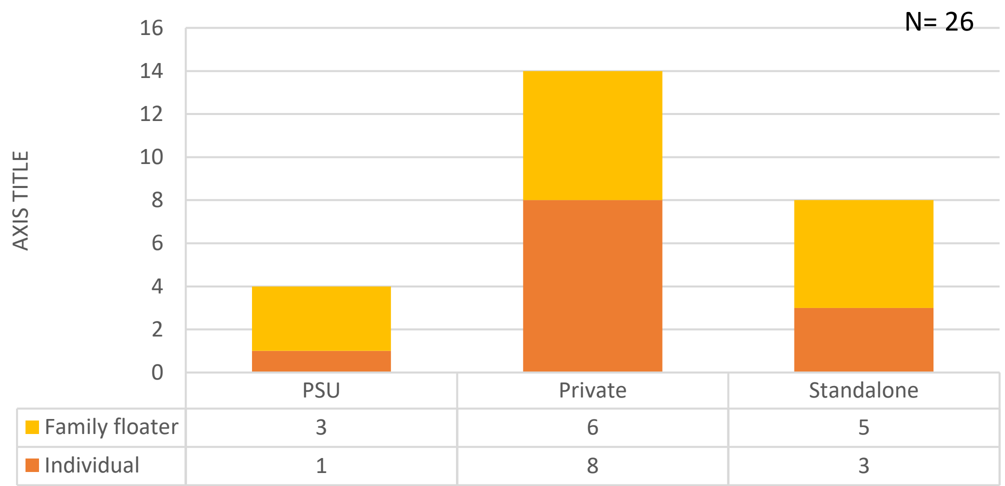


FIGURE 1.16: COVERAGE TYPE



1.6 Results

- Sum insure provided by PSU (Public sector units) begins with 1 Lakh to 75 Lakhs; although, in case of providing highest amount of benefit is provided by Manipal Cigna with 3 Crore.
- Minimum 8 to maximum 64 critical illness coverages are provided by various insurance companies having median and mode as 11. Activ secure provided by Aditya Birla Health Insurance company Ltd. Provides 3 type of plans- 1,2 and 3. Plan 3 provides coverage fir highest number of critical illnesses i.e., 64 and plan 2 provides second highest cover of critical illness i.e., 50.

- National Insurance provides coverage for 37 critical illness; highest in all the public sector companies and attains third highest cover among the 26 packages observed.
- Discrimination towards HIV AIDs patients is noticed as none of the insurance organization provides cover for them. Major exclusion noticed in all the plans.
- Diabetes Mellitus like pre-existing conditions cost high amount hence, mostly pre-existing conditions not covered; though, myriad companies cover previous health conditions post 2 years completion of policy term and at higer premium. Overall only 8 plans provide coverage of any pre-existing conditions and 18 plans have not included pre-existing coverage.
- The waiting time of most of the plan (23 plans) have 90 minutes and only 2 companies provide waiting period of 30 days. New India is the only company which has waiting period of 2-4 years.
- Most of the Critical illnesss insurance plans are to provide coverage in India and only 5 plans provides world wide coverage.
- United Insurance has the cheapest premium when considered coverage of 10 Lakh at the age interval of 36-40 years, with less survival period and waiting time as compared to other PSUs but, the plan could be bought only when individual achieves 21 years of age and is not available for full family coverage. Generally policies having family coverage also provides for individuals; although, 12 out of 26 plans are only obtainable by individuals.
- Mostly the survival period is of 30 days; 17 plans provide survival period between and equal to 16 to 30 days, 6 offers survival period less than 16 days. Only 2 plan out of 27 has survival period more than 30 days.
- The plan could be covering only an individual or providing coverage of whole family. 14 plans out of 26 provide cover on family floater basis while 12 cover only individual when suffering from chronic conditions.

1.7 Discussion

To my knowledge, this is the first broader comparative study between several critical illness plans available in the Indian market; however, not limited to 26 plans described above. The limitation faced in the study is due to the limited availability of data from various sites, brochures, and policy wording hence, certain information like premium charts of various organizations was not readily available. The study does not have any means of comparing insurance companies; albeit wishes to explore what parameters can be considered before preparing a new critical illness service for the Indian market and how the product could be outstanding in ways of future innovations. As major illness does not denounce before originating in our life hence, it is important to have a policy that caters to these chronic conditions in the prospective time. In a price-sensitive country like India, fewer plans are provided at a cheaper price; however, the coverage and benefits tend to decrease mostly on the same underwritten price. The insurance organizations generally require reinsurance firms to assist them in underwriting the cover for critical illness as a lot of perils is involved in insuring individuals than the Mediclaim while, TPA (Third party administrator) inbuilt unit or outsourced by the insurer which aid in managing the claims received from the insured (policyholder), providing reimbursement, assisting in lumpsum amount claim settlement before receiving treatment for the specific disease.

Before developing any Critical illness service, it is highly recommended to overview the needs of an attractive segment of the age group 36- 40 years. It was discussed in a paper written by Asghari M and Babu H. on ‘Service Quality Gap and its Impact on the performance of Indian Health Insurance Companies’, where 600 respondents were provided a questionnaire to determine their awareness of health insurance. Only 13% of the sample were aware of and preferred critical illness plans. In the Indian market, generally, CI is upsold and cross-sell without explaining the benefits of the package. Lack of awareness regarding the presence of this type of service, benefits in the future run is not explained properly. Henceforth, recommended to identify various awareness methods and to determine new ideas of distribution. Apart from this, digital distribution seems to be more promising for the growth of the critical illness market and promoting worldwide coverage for the plan could be intriguing for all.

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