

# A STUDY ON THE MEDICLAIM INSURANCE/POLICY IN INDIA.

**Arsheen Pirmohamed**

*BBA FS, School of Management, Ajeenkya DY Patil University, Pune 412105*

**Abstract** -*Unfortunately life's journey is not always as smooth as we want it to be. Unexpected events may trip us up in life or stop us from living every day to the fullest. For those events that could be expensive, insurance can cover the costs.*

*Insurance is key to be able to focus on the important things in life, because it will ensure financial security for you and your family should anything unfortunate happen. Therefore, it is prudent to cover yourself and your family against the risk of an unexpected hospitalization. After all, why risk a financial catastrophe when you can be immune to the exorbitant hospital bills. When large financial burdens like hospital bills or medical charges arise, insurance helps meet the costs, allowing you to pursue your dreams.*

## 1. INTRODUCTION

Medical insurance or 'Mediclaim' as it is commonly known in India provides financial cover to individuals for treatment of medical conditions, diseases and accidents.

Mediclaim is an insurance product that reimburses the expenses you incur in the event of hospitalization or domiciliary care. It can either reimburse your expenses when you submit relevant bills, or enable you to have an entirely cashless hospitalization where your insurer will directly deal with the

hospital – letting you focus on treatment and healing. Ever increasing cost of healthcare and lifestyle diseases has made it necessary for individuals to have health insurance in India. Mediclaim policy is health insurance policy that offers health cover up to the sum insured in the case of an illness or accident leading to hospitalization. Mediclaim policy in India is issued for a specific time period. The policy has to be renewed for continued benefits.

### 1.1 Mediclaim Insurance

Medical insurance or 'Mediclaim' as it is commonly known in India provides financial cover to individuals for treatment of medical conditions, diseases and accidents.

Mediclaim is an insurance product that reimburses the expenses you incur in the event of hospitalization or domiciliary care. It can either reimburse your expenses when you submit relevant bills, or enable you to have an entirely cashless hospitalization where your insurer will directly deal with the hospital – letting you focus on treatment and healing

Ever increasing cost of healthcare and lifestyle diseases has made it necessary for individuals to have health insurance in India. Mediclaim policy is health insurance policy that offers health cover up to the sum insured in the case of an illness or accident leading to hospitalisation. Mediclaim policy in India is issued for a specific time period. The policy has to be renewed for continued benefits.

## 1.2 Key Features

- Premiums – that are payable on Mediclaim policies differ between insurers but are based on certain criteria like age of the proposer, geographical area of treatment, sum insured, term of plan, etc.
- Age – of insured persons can range from 5 years to 80 years, although age criteria and range insurable varies between companies.
- Family cover – You can provide Mediclaim cover for your entire family with the payment of one master premium. This may also make you eligible for discounts on your premium, depending on your provider.
- Overseas Mediclaim Policies – A large number of insurance companies offer Mediclaim policies that cover you in India and overseas, subject to certain predetermined conditions.
- Claims – are administered largely through Third Party Administrators (TPAs) these days, but a few insurers deal with claims in-house.
- Types – Mediclaim policies are available in a range of types, depending on the need and the category of those to be insured. You can get individual policies, group policies, senior citizen

policies, critical illness policies and special maternity policies.

- Tax benefits – under Section 80D are available up to Rs.15, 000 on mediclaim premiums for yourself, spouse and dependent children. An additional Rs.15, 000 of tax exemption is available if you insure your parents, and the amount goes up to Rs.20, 000 if they are senior citizens.

## 1.3 Key Benefits

Mediclaim policies offer excellent benefits and coverage for a wide range of expenses, depending on your insurance provider. Mediclaim policies in general offer the following benefits and cover:

- Hospital charges – all direct charges that you incur as a result of hospitalization like OT charges, medicines, blood, oxygen, diagnostic material, x-rays, chemotherapy, radiotherapy, pacemakers, donor expenses during organ transplants, etc.
- Day-care treatment – expenses towards specified technologically-advanced treatments where 24-hour hospitalization is not needed.
- Pre and post-hospitalization expenses – for a period of 30 days before and up to 60 days after hospitalization and may include assistance in availing emergency services like ambulance, etc.

- Hospital accommodation charges – in regular wards or in ICUs are fully reimbursed, or taken care of with the cashless hospitalization facility.
- Medical professional's fees – like doctor's fees, nurse's fees, anesthetist's charges, etc.

#### 1.4 Objectives

To understand consumer preference and awareness about various company plans.

To study about insurance companies in detail.

To know the importance and value of health insurance amongst citizens.

## 2. INTRODUCTION TO COMPANIES

The top 5 companies chosen who provide mediclaim insurance are as follows:-

- ICICI Lombard.  
ICICI Lombard General Insurance Company Ltd. is one of the largest general insurance providers in the private sector. The insurance company has a website from where one can purchase and renew online policies. Once the policy is purchased online, it is issued immediately. The company aims to offer unmatched services to its customers and all efforts are

channelised to provide customer centric solutions within the insurer's product range.

NETWORK HOSPITALS- 4500+  
NUMBER OF POLICIES ISSUED- 8, 90,383

- Apollo Munich  
Apollo Munich Health Insurance, a standalone health insurance company, is a joint venture between the Apollo Hospitals Group and Munich Health, a world leader in the field of health insurance. Apollo Munich Health Insurance offers health insurance product and a range of other insurance products.  
Today, Apollo Munich Health Insurance is one of the most trusted and preferred health insurance brands in India. The statistics are impressive- Over 80% of Apollo Munich's existing customers renew their policies each year. No wonder, over 85% of Apollo Munich's customers respond positively when asked for a feedback.

- Bharti AXA  
Bharti AXA General Insurance Company Ltd is a joint venture between India-based Bharti Enterprises and AXA, which is a global insurance firm world leader in financial protection. The joint venture company has a 74% stake from Bharti and 26% stake of the AXA Group. The organization commenced national operations in August

2008 and currently has 59 branch offices across the country

- Reliance

Reliance General Insurance is one of the leading private general insurance companies of India. Reliance General Insurance offer an exhaustive and customized basket of insurance products that include motor, health, travel, student travel insurance etc. with over 94 customized insurance products catering to the corporate individual customers.

A leader in the private-sector of the Indian insurance industry, Reliance General Insurance Co. Ltd. brings to the market a range of protection solutions across varied lines including motor, travel, health, home etc. They are currently present in over 102 cities across India through various distribution channels viz. own-offices, websites, banc assurance partners, corporate alliances and brokers.

- HDFC

HDFC ERGO General Insurance Company Ltd. is a 74:26 joint venture between HDFC Ltd., India's premier Housing Finance Institution and ERGO International AG, the primary insurance entity of Munich Re Group. HDFC ERGO offers complete range of general insurance products ranging from Motor, Health, Travel, Home and Personal Accident in the retail space and customized products

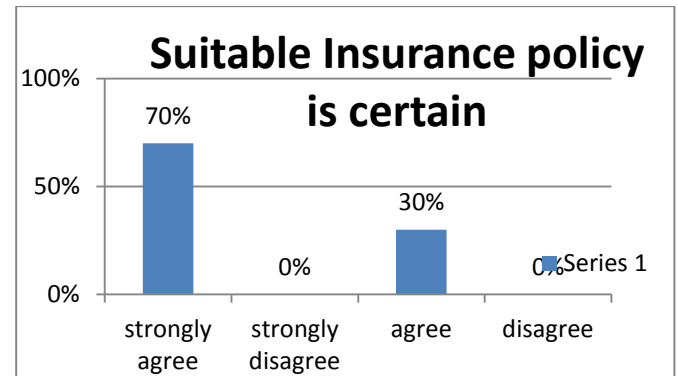
like Property, Marine and Liability Insurance in the corporate space. HDFC ERGO is the 4th largest private sector general insurance company in India.

As one of the top health insurance providers in the country, HDFC ERGO Health Insurance is focused on providing a seamless and hassle-free experience to its customers. With 108 branches across 91 cities and 2,000 employees, the insurance company is currently expanding its network across India. The insurer also has a large distribution network with channels like brokers, corporate agents, retail, direct sales, and banc assurance.

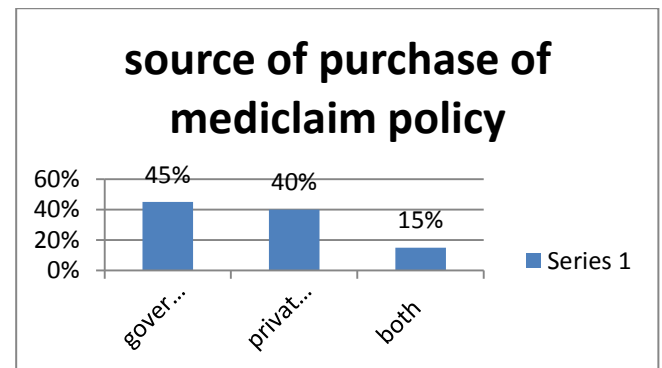
Some highlights of HDFC ERGO General Insurance includes winning the Best General Insurance Company Award in 2014 and 2013, organised by The Excellence in Global Economy. The company has been assigned 'iAAA' rating by ICRA to indicate its highest claim paying ability.

## RESEARCH METHODOLOGY

Data Source	Primary: Questionnaire Secondary: Annual Reports
Type of Research	Quantitative
Area of Research	Kalyani Nagar, Pune
Research Approach	Survey Method
Research Instrument	Questionnaire
Sample Size	50
Sample Method	Fixed Sampling

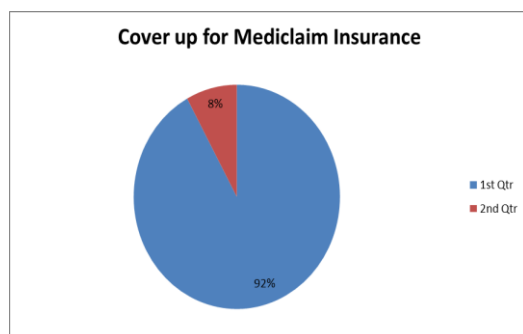


About 70% agreed for the certainty of a suitable insurance policy

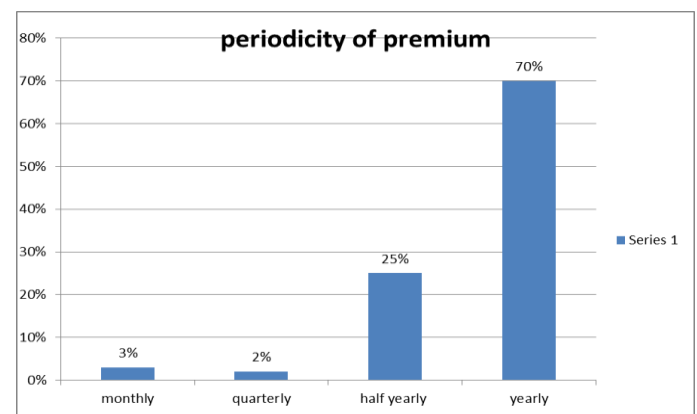


The selected source for purchase of mediclaim policy shows the above result

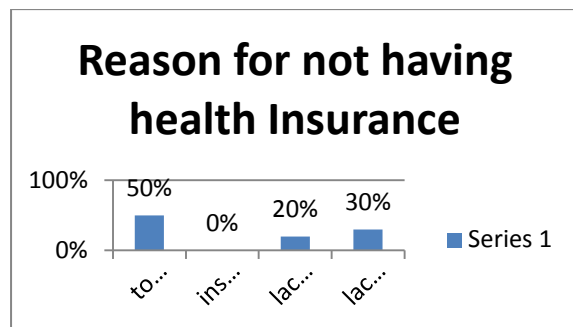
## 3. RESEARCH ANALYSIS AND FINDINGS



As shown, about 92% had cover for Mediclaim Insurance.



Periodicity of premium preferred



Reasons for not opting for health insurance as per the results attained.

By observing the above graphs, the tables and after analyzing the annual report Of the financial years 2014-2018, we can conclude that:-

There has been a significant rise in the premium earnings from, 2015-2016 to 2016-2017 in all the five companies. In the private sector company, ICICI Lombard had a significant rise over the past 4 years.

#### 4. CONCLUSION

By analyzing the above research it turns out that the research creates awareness about the various aspects of Mediciam Insurance companies and their various health plans in India. Ever increasing cost of healthcare and lifestyle diseases has made it necessary for individuals to have health insurance in India. Mediciam policy is health insurance policy that offers health cover up to the sum insured in the case of an illness or accident leading to hospitalisation.

Further research brought out that, the total premium collected by both the private as well as the public sector insurers have doubled up in the last 5 years. It was seen that there was a significant rise in premium earnings from 2015-16 to 2016-17 in all the above mentioned companies. In the private sector, ICICI Lombard had a significant rise over the past 4 years.

The behavior of individuals was also witnessed as most people preferred buying insurance at a lesser premium, followed by suggestions and features provided. India is a price conscious country even in case of insurance. The word of mouth also favors in buying insurances. Individuals usually opt for insurance backed by government than a private insurance as the government always reveals different schemes.

Most individuals and families are aware of mediclaim health policies and have bought them in order to cover the expenses that are incurred for domiciliary care. Thereby, the research covers its above stated objectives.

#### REFERENCES

1. International Journal of Computing and Business Research (IJCBR) ISSN (Online): 2229-6166 Volume 3 Issue 2 May 2012.
2. An open access Internet journal (<http://www.arraydev.com/commerce/jibc/>)

3. Journal of Internet Banking and Commerce, August 2012, vol.17, no.2  
(<http://www.arraydev.com/commerce/jibc/>)
4. TRANS Asian Journal of Marketing & Management Research Vol.2 Issue 7, July 2013, ISSN 2279-066
5. International Journal of Scientific and Research Publications, Volume 2, Issue 5, May 2012 1 ISSN 2250-3153