

What is Critical Illness Insurance?

A critical illness health insurance policy pays the insured a lump amount if he/she is diagnosed with a critical illness that is stated in the policy agreement. Multiple hospital visits over a long period of time may be required to treat such serious illnesses. There will be other costs, such as doctor appointments, medical bills, and so on, in addition to the hospitalization expenses.

A critical illness plan offers a lump-sum amount, which can be used to pay for the treatment, pay off debt, or make any necessary lifestyle modifications for rehabilitation. You can buy critical illness insurance coverage on your own or through a voluntary benefit given by your company. You can also include it in a life insurance policy if you have one, which could save you money.

Why Choose Critical Illness Insurance?

It takes a significant amount of time as well as money to treat a critical illness. If you are working and diagnosed with a serious disease, you will almost certainly have to miss work in order to receive treatment. This means you'll lose your monthly income and witness an increase in your expenses as a result of frequent hospital visits.

A critical illness policy, unlike a standard health insurance policy that covers hospitalization costs, is a fixed benefit policy that pays you a flat sum if you are diagnosed with a critical illness such as cancer or stroke. It goes beyond the hospitalization costs and helps cover other expenses such as medical consultation fees, prescription charges, and so on. Even if you have health insurance coverage supplied by your company or otherwise, you should purchase a critical illness policy because a critical disease can strike anyone at any moment during their lives and the costs of treatment are enormous.

What's The Difference Between Health Insurance & Critical Illness Insurance?

You may believe that your standard health insurance policy would cover the expense of treatment if you are diagnosed with a serious disease, but this is not always the case!

Many people are unsure of the difference between a standard health insurance plan and a critical illness insurance policy, and they may even use the terms interchangeably. The truth is that health insurance and critical illness insurance are vastly different, and each serves a distinct purpose. A comparison of health insurance plans and critical illness coverage is shown below.

Parameters	Health Insurance	Critical Illness Health Insurance
Policy Period	Typically, a health insurance plan is purchased for a year and then renewed every year.	A critical illness policy is obtained for a longer period of time, such as 15-20 years.
Benefit Model	A standard health insurance policy is an indemnity policy that pays for the actual costs incurred. To receive the benefit, you will need to provide bills and medical records.	However, in the case of critical illness, a lump sum payment is made regardless of the actual costs incurred, which might help to alleviate financial hardship.
Insurance Coverage	Hospitalization due to a medical ailment or accident, pre- and post-hospitalization charges, domiciliary treatment, and daycare treatments are all covered by standard health insurance.	Critical illness insurance covers certain illnesses that vary from one insurer to the next. This type of insurance policy covers incidents that aren't covered by standard health insurance. Travel, loss of income, boarding, and postoperative care are among them. There are also funds available for expenses incurred as a result of a change in lifestyle following the diagnosis.
Waiting Period	In the case of a health plan, the waiting period is usually 30 to 90 days and does not apply in the event of an accident.	The policy has a 90-day waiting period at the start. Any critical disease identified within the first 90 days, as well as death within 30 days of the critical illness's diagnosis, will not be covered.
Policy Expiry	Health insurance plans are valid until the end of the policy term and can be renewed at that time.	When the insurer is diagnosed with a critical illness and the sum covered is paid to the insurer, regardless of the actual spending, the critical illness plan is no longer operational.
Survival Period	A survival time clause is not included in a standard health insurance policy.	One distinguishing aspect of these plans is that in order to submit a claim, the insured individual must live for 30 consecutive days (few have zero or 28 days) after being diagnosed with a serious disease.
Sum Insured	Regular health insurance policies do not have a large sum insured and operate on an indemnity basis.	Critical illnesses, on the other hand, have a significantly larger sum insured.
Premium	Premiums rise as you become older.	The premium is fixed for the rest of your life. However, with prior approval from the government, the insurance firm may change the pricing depending on real claim experience.

What Are the Benefits of Critical Illness Health Insurance?

Easy Claim Process:

Hospitalization is not required to receive benefits under critical illness insurance plans. This means that a claim can be made solely based on diagnostic reports.

Tax Benefit?

Along with medical insurance, the premiums paid for critical illness plans are eligible for tax benefits under Section 80D of the Income Tax Act of 1961. The premium for critical illness insurance is tax-rebate, and if you are under the age of 60, you can get a tax advantage of up to INR 25,000. Critical illness insurance tax advantages are larger for persons over 60, up to INR 75,000 under Section 80D of the Income Tax Act.

Safeguards Your Family!

Individual critical insurance plans and family floaters are available. You can get a critical illness insurance family floater plan to protect your family against the costs connected with life-threatening illnesses.

Shorter Waiting Period!

Critical illness insurance plans typically have a shorter waiting period of three months. This means that as soon as the insured is protected, he or she can begin receiving policy benefits.

Premiums That Don't Break Your Bank!

The premiums for critical illness insurance are much lower than conventional health insurance plans because it covers a specific illness.

Want Some Peace of Mind?

Critical illness insurance gives the insured peace of mind so that he or she can focus on the medical treatment rather than worrying about finances.

A Plan That Knows No Boundary!

When an insured person is diagnosed with a serious disease, they are given a lump sum payment that they can spend to get treated in India or overseas. This means that people can get therapy anywhere they want, whenever they want.

No Income? – Why Worry?:

Critical sickness not only impacts the patient physically, but it also has a financial impact on the patient and his or her family. As the insured receives a lump sum amount from a critical illness insurance policy, it can help with loan repayments, rent, electricity bills, childcare, and other basic living expenditures in these situations.

Act As an Add-On Cover!

Another advantage of critical illness insurance is that it may be acquired as an add-on cover to life and health insurance plans, providing full coverage as well as additional tax benefits.

Best Critical Health Insurance Plans

Name Of the Insurance Company	Name Of the Insurance Plan	Sum Insured (In Rupees)	Policy Term	Age Criteria
Bajaj General Health Insurance	Critical Illness Insurance	Rs. 1,00,000 to Rs. 50,00,000	1 Year	Minimum: 91 Days Maximum: 80 Years
Aditya Birla Health Insurance	Active Secure – Cancer Secure	50% of Sum Assured for early stage 100% for major 150% for advanced stage	N/A	Minimum: 18 Years
Care Health Insurance	Care Health Assure Insurance Policy	Rs. 10,00,000 to Rs. 2,00,00,000	1/2/3 Years	Minimum: 5 Years Maximum: 50 Years
SBI Health Insurance	Critical Illness Insurance Policy	Up to Rs. 50,00,000	1 to 3 Years	Maximum: 65 Years
Max Bupa Health Insurance	Criticare Health Insurance Plan	Rs. 3,00,000 to Rs. 2,00,00,000	1 to 2 Years	N/A
Manipal Cigna Health Insurance	Lifestyle Protection – Critical Care Health Plan	Up To Rs. 25,00,00,000	N/A	N/A
Reliance Health Insurance	Critical Illness Plan	Rs. 5,00,000, Rs. 7,00,000, and Rs. 10,00,000	N/A	Minimum: 18 Years Maximum: 65 Years
Digit Health Insurance	Cancer Health Insurance	Rs. 10,00,000 to Rs. 50,00,000	10 to 30 Years	Minimum: 20 Years Maximum: 65 Years
IIFCO Tokio Health Insurance	Family Health Protector Plus	Rs. 1,50,000 to Rs. 5,00,000	N/A	Minimum: 18 Years Maximum: 65 Years
Tata AIG Health Insurance	Critical Illness Health Insurance Plan	Rs. 2,50,000 to Rs. 15 Lakh	N/A	Minimum: 18 Years Maximum: 65 Years

Disclaimer: The values are taken from the respective plan brochures and are subject to change.

1. Bajaj General Critical Illness Insurance

Bajaj General Critical Illness Insurance plan is designed to shield you and your family from the financial consequences of life-threatening illnesses. Cancer, organ transplant, heart attack, and other significant critical illnesses are covered under the plan.

Key Features:

- **Multiple Sum Insured:** For the age category of 6 to 60 years, there are sum insured options ranging from Rs 1 lakh to Rs 50 lakh. For those aged 61 to 65, there are sum insured options ranging from Rs 1 lakh to Rs 5 lakh.
- **100% Payout:** Once you've been diagnosed with a serious illness, you'll be eligible for the payment.
- **Flexible:** When your policy is up for renewal, increase your sum covered to take advantage of lower premiums.

2. Aditya Birla Active Secure – Cancer Secure

Aditya Birla's Active Secure – Cancer Secure plan is meant to give financial protection against the high costs of cancer treatment.

Key Features

- **Payments Based on Cancer Stage:** 50% of the sum insured for early cancer, 100% of the sum insured for severe cancer, and 150 percent of the sum insured for advanced cancer.
- **Cumulative Bonus:** Bonus of ten percent, up to a maximum of one hundred percent of the coverage amount.
- **Wellness Coach:** You have the option of choosing a wellness coach who will give you specific health advice.

3. Care Health Assure Insurance Policy

Care health provides care health assure insurance policy, an easy to acquire individual and family health indemnity plan that covers 32 critical illnesses pre-defined in the policy.

Key Features

- **32 Critical Illnesses Cover:** The policy covers treatment for 32 serious illnesses that are listed in the policy.
- **Waiting Period:** The policy comes with a 90-day waiting period.
- **Comprehensive Coverage:** In-patient hospitalization, pre- and post-hospitalization, annual health check-ups, organ donor coverage, and OPD coverage are all covered under the plan.

4. SBI General Insurance Critical Illness Plan

SBI General's Critical Illness Insurance Policy is a good option if you want to get a critical care illness insurance policy for yourself or your family. 13 main critical illnesses are covered by the policy.

Key Features

- **Available With 2 Options:** The plan is available in two options: one year and 3-year plan.
- **Maximum Sum Assured:** Under the plan, the maximum sum assured is Rs. 50 lakhs.
- **No Medical Tests Up to Age 45:** People belonging below the age of 45 are not required to go through any medical test.

5. Max Bupa Criticare Health Insurance Plan

In the event of a serious illness, Max Bupa's critical illness insurance covers your liabilities. The policy gives you a lump-sum payment that you can use to cover costs associated with your diagnosis, doctor appointments, medical bills, and hospitalization.

Key Features

- **Direct Claim Settlement:** No third-party agent is involved in the process of claim settlement.
- **Cashless Hospital Network:** The plan involves over 4500 network hospitals and 2000+ recognized doctors.
- **30-Minute Cashless Claim:** The claims are settled within 30 minutes so that you can spend less time with paperwork and more time with your family.

6. Manipal Cigna Critical Care

Manipal Cigna Critical Care provides key protection for your financial well-being against life-altering serious illnesses while paying out the total sum covered upon diagnosis of the illnesses stated under the policy.

Key Features

- **Two Options:** The plan comes in two options: Critical Care Basic and Critical Care Enhanced.
- **Sum Insured:** The amount of sum insured ranges from Rs. 1 lakh to Rs. 25 crores.
- **Base Premium:** For the Critical Care Basic plan, the premium amount is Rs. 2915 per annum. Whereas, for Critical Care Enhanced, the premium amount is Rs. 3776 per annum.

7. Reliance General Insurance Critical Illness Plan

Reliance General Insurance offers critical illness insurance coverage that covers life-threatening and lifestyle-disabling conditions, so you don't have to be concerned.

Key Features

- **Sum Insured:** The amount of sum insured is Rs. 5 lakhs, 7 lakhs, and 10 lakhs.
- **Policy Period:** The policy is available for two periods: 1 year and 3 years.
- **No Medical Tests Up To 45:** For those individuals who are below 45 years of age, no medical test is required while purchasing the policy.

8. Digit Cancer Health Insurance

Digit Cancer Insurance assists persons who have been affected by cancer, as well as their families, in remaining emotionally, physically, and, most importantly, financially strong.

Key Features

- **Sum Insured Option:** You have the choice of selecting between the 'Level Sum Insured' or the 'Increasing Sum Insured' plan.
- **Premium Waiver:** For all stages of cancer, this coverage includes a premium waiver benefit.
- **Sum Insured According to The Stages:** If a person is diagnosed with Early-Stage Cancer, a lump sum payment of 25% of the insured amount will be made. In the event of Major Stage Cancer, the policyholder will be paid 100% of the sum insured at the time of diagnosis, as well as an income benefit for the next ten years.

9. IIFCO Tokio Family Health Protector Plus

IIFCO Tokio provides Family Health Protector Plus that can also be used to provide critical illness coverage for the entire family. You only have to pay a single premium to cover your entire family. This includes your parents, siblings, and family members who live with you, such as your brother-in-law and sister-in-law.

Key Features

- **Hospitalization Coverage:** If you or a family member is admitted to a hospital for further treatment, IIFCO Tokio's family health plan ensures that you have all of the time you need to focus on the patient rather than worrying about money. All in-patient hospitalization expenses, including room rates, doctor consultations, and diagnostic testing, are covered under the plan.
- **Lifelong Renewal:** The Health Protector Policy comes with life-long renewal, which goes beyond the 65-year age restriction, unlike some other family medical insurance options in the market.
- **15-Day Look Up Period:** If you have any doubt about the insurance plan, the company provides a 15-day free-look period during which you can cancel your policy at any time and receive a full refund.

10. Tata AIG Critical Illness Health Insurance

With Tata AIG Critical Illness Health Insurance, you can get the best treatment without worrying about medical bills.

Key Features

- **Coverage:** Critical illnesses covered include heart attack, kidney failure, cancer, stroke, open chest CABG, organ transplant, blindness, coma, bone marrow transplant, major burns, multiple sclerosis, and paralysis.
- **Second Opinion Cover:** Do you have concerns about your diagnosis? Seek a second opinion from a different doctor or hospital. It's all taken care of under the plan.
- **Sum Insured Enhancement:** The 'Sum Insured Enhancement' feature of the plan can kick in during your policy renewal if you elect to enhance your coverage amount later.

How Can You Select the Best Critical Illness Insurance Plan?

When we are diagnosed with a major health condition without warning, critical illness insurance can be a lifesaver. To deal with such situations, the best decision we can make for ourselves and our family is to think ahead and invest wisely in a decent policy.

Here are a few pointers to assist you in selecting the best investment plan for you.

Take A Look at What Your Insurance Policy Covers:

If you are diagnosed with any of the serious health issues covered by your policy, critical insurance pays you a lump-sum payment that is tax-free. Cardiac arrest, stroke, several types of cancer, coma, multiple sclerosis, paralysis, and kidney failure, to mention a few, may all be covered under your coverage.

Choosing An Insured Amount:

When deciding on your sum insured, think about things like treatment charges, medicine, and follow-up arrangements.

Single Critical Illness Policy or Rider?

A standalone critical illness policy or rider has a higher premium but provides comprehensive coverage. A rider, on the other hand, has a lower price but does not provide as much coverage. As a result, when deciding between them, you must weigh the advantages and disadvantages of both.

What's The Maximum Renewal Age?

Some critical illness insurance plans only cover you up to set age, while others cover you for the rest of your life. As a result, knowing the exact age at which you can renew the plan is critical. Some critical illness policies may not allow an insured to renew their coverage after a certain age, such as 65. It is suggested that you choose a critical illness insurance plan with a maximum age for renewal.

Look For Survival Period:

The survival time refers to how long the insured should expect to live after being diagnosed with a serious illness. This term is usually 30 days, although it varies from insurer to insurer and should be considered when purchasing coverage.

Check The Waiting Period:

It's crucial to check the waiting period because you won't be able to file a claim under your policy until it's over.

What Are the Diseases Covered Under a Critical Illness Insurance?

Here's a rundown of some of the most prevalent critical illnesses that are normally covered by a critical illness policy:

- Major burns
- Brain surgery
- Apallic syndrome
- Cancer
- Kidney failure
- Heart attack
- Stroke
- Coma
- Bone marrow transplant
- Organ transplant
- Deafness
- Paralysis
- Loss of speech
- Blindness
- Open heart replacement
- Goodpasture's syndrome
- Open chest CABG
- Benign brain tumor
- Primary Parkinson's disease
- Alzheimer's disease

How Can You Buy a Critical Health Insurance Policy?

Choose Your Sum Assured and Policy Term:

The first step in obtaining critical illness insurance is to calculate the premium for the chosen sum assured and tenure using an online life insurance calculator.

Choose The Appropriate Plan:

The next step is to select a critical illness insurance plan that meets your needs. The plan should be sufficient to increase your financial security in the event that you are diagnosed with a life-threatening illness.

Pay The Premiums:

After you've decided on a critical illness insurance plan, fill out your personal information and pay your premium.

Fill The Proposal Form:

The proposal form for critical illness insurance is essentially a more extensive version of your application form, focusing on personal information such as lifestyle habits and medical history. The policyholder now needs to fill the proposal form for further initiating the buying process.

Undergoing Medical Tests:

Before critical illness coverage is offered, a medical examination may be suggested based on the individual's life risk. Any such medical evaluation will take place when the proposal form and documents have been successfully submitted.

What's The Claim Process?

Here is how you can file a claim against your critical illness policy:

Contacting The Insurance Company:

Firstly, you must contact your insurance carrier and register your claim if you wish to file a claim.

Filling Up Claim Form: The policyholder is required to fill the claim form and duly sign it.

Submitting Documents: All the necessary documents, such as photo ID proof, discharge summary, etc. should be submitted to the insurance provider.

Verification Of Details:

The insurance company then verifies your details to decide your claim.

Claim Settlement:

Once the verification is done, the insurance company will give a green signal to your claim settlement request.

Documents Required

- Duly filled claim form
- Photocopy of ID card
- A medical certificate stating the critical illness's diagnosis
- Detailed discharged summary
- Test Reports
- KYC documents