

GMC & GPA Insurance Policy- Things to know

Corporate houses and business organizations always try to offer their employees work satisfaction as a business can reach its excellence only if the employees are content and they can grow a good relationship with their superiors. The satisfaction of the employees is an important factor to keep business's function, expand and competing in the market. For this, the employers also try to offer the employees different privileges and facilities such as paid sick leave, maternity leave, etc.

On top of that, to offer the employees more benefits and facilities the business organizations provide health insurance plans so that the employees can stay healthy, secure, and protected. Group Medical Coverage (GMC) and Group Personal Accident (GPA) insurance policies are among such benefits that offer substantial medical and financial coverage to safeguard the employees and their families from the uncertainties of life and the risks that they are exposed to. To know more about these policies, keep an eye on the following content.

What Is GMC Policy?

GMC stands for Group Medical Coverage, which is a customizable consumer-friendly health insurance plan, which is offered to a group of people with the same interest. Under this plan, the same benefits and advantages are offered to the insured people. The employers buy this policy keeping in mind the needs of the employees and customize the plan according to their convenience. As the risk cover is spread to many people under such policies, the premium amount that the insured person has to pay to the policy is usually lesser than the individual health insurance plans. In some cases, the entire premium amount is paid by the employer, whereas in some cases, the employees are charged a certain amount by the employer, which is deducted from their salary for the premium amount. Whichever is the case, the premium amount is still lesser than the standard individual health plans.

The premium amount for the GMC policies depends on various factors. Typically, the insurance companies calculate the premium for GMC policy based on the following factors:

- Number of employees covered under the policy
- The demographic factors like age of the members, occupation, and income
- Add-on or rider benefits purchased (if any)

What Are Benefits of GMC Policy?

The Group Medical Coverage policy is one of the popular health insurance policies that is offered to the employees as it has come up with a sack full of benefits. The general benefits and key features of GMC policies are discussed below.

Hospitalization Cover:

If the insured employee is hospitalized, all the hospitalization expenses charged by the hospital including hospital stay, medical amenities, pharmacy bills, doctor and surgeon fees, equipment costs, and so on are covered under this policy. In some cases, the GMC policy also offers coverage for certain diagnostic procedures such as CT scan, X-ray, MRI, blood test, etc. but for this, an additional premium is charged.

Pre and Post-hospitalization Expenses Cover:

Under this policy, the pre-hospitalization expenses such as doctor's consultation costs, pathological expenses, etc. are covered up to certain days. And, same goes for the post-hospitalization expenses cover. Generally, the pre-hospitalization expenses are covered up to 30 days, and the limit for the post-hospitalization expenses cover is up to 60 days. However, this may vary from one insurer to another.

OPD Cover:

The OPD stands for the out-patient department. In some cases, the employees have to undergo certain medical treatments that do not need 24-hours hospitalization such as ENT, ophthalmological and dental treatments, dialysis, chemotherapy, pacemaker placement, and so on, which are not usually covered under a group health insurance policy. But if the additional premium is paid and if the employer opted for this cover, the employees can get the reimbursement for the expenses arising out of out-patient medical treatments.

Daycare Procedures:

The GMC policies offer coverage to the employees for the different day care procedures that are opted for and conducted in a specialized day care center and for this, the employee does not need to get admitted to a medical center for the entire day.

Maternity Benefit and Infant Health Coverage:

The group medical insurance policies offer this unique benefit to the female employees that offer coverage for the in-patient and out-patient expenses while the employee is on maternity leave. Some insurance companies also offer prenatal and post-delivery medical care and care for the infant under the group health insurance policies.

Cashless Hospitalization:

If the chosen health insurance company has the cashless hospitalization option, the employees insured under the group insurance policies can avail of this benefit if the treatment is taken in a network hospital or medical center of the insurer.

Family Floater Cover:

Keeping in mind the importance of the family, some health insurance providers have also extended their benefits under group health insurance policies to the family members of the



insured employee. These family members include the spouse, the dependent children, dependent parents, or in-laws. With this benefit, under the single sum insured the entire family can avail of the benefits of the policy.

What Is GPA Policy?

GPA stands for Group Personal Accident policy, which is also a type of group health insurance policy offered to the employees in order to provide financial support to the employees and their families if the insured person meets an unfortunate, unforeseen and untimely incidents such as accident and that leads to a fatal injury or disability of policyholders. But, this type of policy cannot be customized according to the needs of the employees as the GPA policy has come up with certain in-built benefits and cover that is applicable to all employees insured under the same policy, irrespective of their unique requirements. Usually, the premium amount is lower than standalone personal accident covers.

The GPA policy has a unique feature that is, it offers coverage and benefits to the employees even when they are not on duty or on foreign land. Due to this nature of the policy, it is often referred to as the 24-hour international accident policy.

Benefits of GPA Policy?

Like the GMC policy, the GPA policy also has a wide range of benefits and facilities to keep the employees and their families safe and secure when they meet an unexpected incident. The benefits are illustrated below.

Accidental Death Cover:

In case of the sudden unexpected demise of the insured employee due to an accident, the death cover is provided. All the costs of the treatments that have been taken for the injuries are compensated by the policy on the basis of the sum insured.

Total, Partial and Permanent Disability Cover:

If the accident met by the insured employee results in a partial and total disability that leads to a continuous loss of a body part or any sensory organ, then the GPA policy will reimburse for that. But, if the disability is of temporary total disability type, the compensation is only offered if the bodily injury prevents the employee to go back to the workplace for a period of not more than 104 weeks from the date of the accident.

Dismemberment:

If the employee meets an unfortunate accident that leads to incapacitation or dismemberment of any part of the body such as limbs, then the GPA policy will cover that loss too.

Additional Benefits:

Along with the aforementioned benefits, the GPA policy will also cover the following expenses if the insured employee meets an accident.

- Emergency road ambulance charges for the transportation of the patient to a hospital.
- The transportation charges for carrying the deceased person to the funeral ground.
- The expenses of the funeral.
- The costs of clothing that are damaged due to the accident.
- If the insured employee dies due to an accident, the cost of the education of two dependent children is paid by the policy.

Add-on Cover or Rider Benefit:

Apart from the in-built benefits, some insurance companies also offer add-on covers under the GPA policy to make the policy stronger and to provide more protection to the employee. These add-on benefits are as follows.

- The medical expenses incurred due to an accident up to 40% of personal accident claim or actual expenses, whichever is lesser, are paid to the policyholder.
- If the insured employee is hospitalized due to an accident for more than 24 continuous hours, the daily allowance of Rs. 500 for a maximum period of 30 days is paid.

Difference Between GMC and GPA Policies?

Parameters	Group Medical Cover	Group Personal Accident
Scope	Under this policy, the insured employees are covered for the expenses incurred due to medical emergencies and issues.	Under this policy, the insured is covered only if they meet an unforeseen unfortunate accident and face the consequence of that.
Extension	The benefits of the policy are only available within the country and specific geographical area as mentioned in the policy wording.	The cover of this policy is available for the employees even if they are not on duty and outside the country.
Other names	This policy is also known as Corporate Insurance, Employer-employee Insurance, and Employer-offered Insurance.	This policy also goes by names such as Personal Accident Cover for Employees and 24-hour Worldwide Accident Policy.
People covered	This policy is for the employees. However, sometimes the cover is also extended to the family members of the insured employee.	This policy is specifically for the employees, not for their family members.
Coverage range	GMC has a wider coverage range in comparison to the GPA policy. Also, GPA can be included in a GMC as an add-on cover.	GPA has a comparatively lower range as it covers only accident-related scenarios.



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Coverage type	In most cases, GMC coverage is based on an indemnity basis, which means the covered employee's expenses will be settled on the basis of the expenses incurred as long as they are under the sum insured limit.	Generally, the cover of a GPA policy is based on a benefits basis. This means the covered employee will be provided with a lump sum amount based on the nature of the injury as per the terms and conditions of the policy.
Customization	GMC is a tailor-made policy that means the policy can be customized by the employer on the basis of the needs of his business and employees.	This policy is not customizable as it comes with an in-built cover and benefits. However, certain add-on covers are can be availed of if that is available with the insurer.
Ideal for	The GMC policy is ideal for a wide variety of employer-employee establishments irrespective of industry or nature of work as it is a kind of standard health insurance policy.	On the other hand, the GPA policy is more suited for industries where employees are exposed to the risk of accidents such as industries related to construction, oil, and gas, travel, etc.

For your better understanding of these policies, here is a table stating the difference between the GMC and GPA policy.

Which One is The Best, GMC or GPA?

It is evident from the afore-discussed topics that both the policies are distinct in nature from each other. They are designed for different purposes. Hence, it will be unfair to compare the benefits of the two policies and declare one as the best. Rather, to find out the more suitable one, we need to rely on the need of the employer, employee, and the business type. GMC is more like a standard health insurance plan, whereas the GPA policy is more suitable for risky business affairs that are prone to accidents. However, ideally, a Group Medical Cover with a Group Personal Accident add-on is a better option.