

A cover for mental illness

NO INSURANCE FOR OUT PATIENTS Most insurers continue to cover mental illness only for hospitalisation, while some are yet to incorporate the IRDAI's regulation

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MUMBAI: About a year after the Insurance Regulatory Development Authority of India (Irdai) issued its first circular on the inclusion of mental illness treatment in health insurance plans, most insurers continue to cover mental illnesses only as a part of the in-patient hospitalisation. On August 16 last year, Irdai had said, "Every insurer shall make provisions for insurance for treatment of mental illnesses on the same basis as available for treatment of physical illness." Irdai issued guidelines to standardise the exclusions' list across insurance policies to aid uniformity and claim process. Exclusions are the illnesses that are not covered by insurers. Until now, mental illnesses were excluded by most insurers. But with the draft guidelines, mental illness, along with menopause, genetic disorders and 11 other conditions will have to be removed from the list.

Irdai has set a deadline for insurers and said, "All the existing insurance products that are not in compliance with these guidelines shall not be offered and promoted from April 1, 2020 onwards." If the guidelines are adopted without any amendments, no health policies can be introduced which would exclude mental illness in the future. "However, insurers are allowed to impose sub-limits or annual limits for specific illnesses or conditions in terms of amount, percentage of sum insured or number of days of hospitalisation. Change in the premium is also permitted, subject to actuarial justification," said Subramanyam Brah-

majosyula, head, underwriting and reinsurance, SBI General Insurance.

Mental illnesses are mostly covered for only hospitalisation. "Insurers cover mental illness in hospitalisation as it is required by law. If you are suffering from mental health illness, they may not issue the policy to you. However, if you contract an illness after buying the policy, you may be covered," said Kapil Mehta, founder, SecureNow.in, a Mumbai-based insurance web aggregator.

THE STORY SO FAR

HT Money approached 15 general and five stand-alone insurers. Among them, eight had removed mental illness from their exclusion list. Insurers including Reliance Health Insurance, Royal Sundaram General Insurance, Tata AIG General Insurance, SBI General Insurance, Star Health and Allied Insurance, Max Bupa Health Insurance, Manipal-Cigna Health Insurance and Future Generali India Insurance Co Ltd have removed mental illness from their exclusion list as per Irdai norms. Most insurers have removed behavioural, neurodevelopmental and neurodegenerative disorders from their list of exclusions as directed by the regulator.

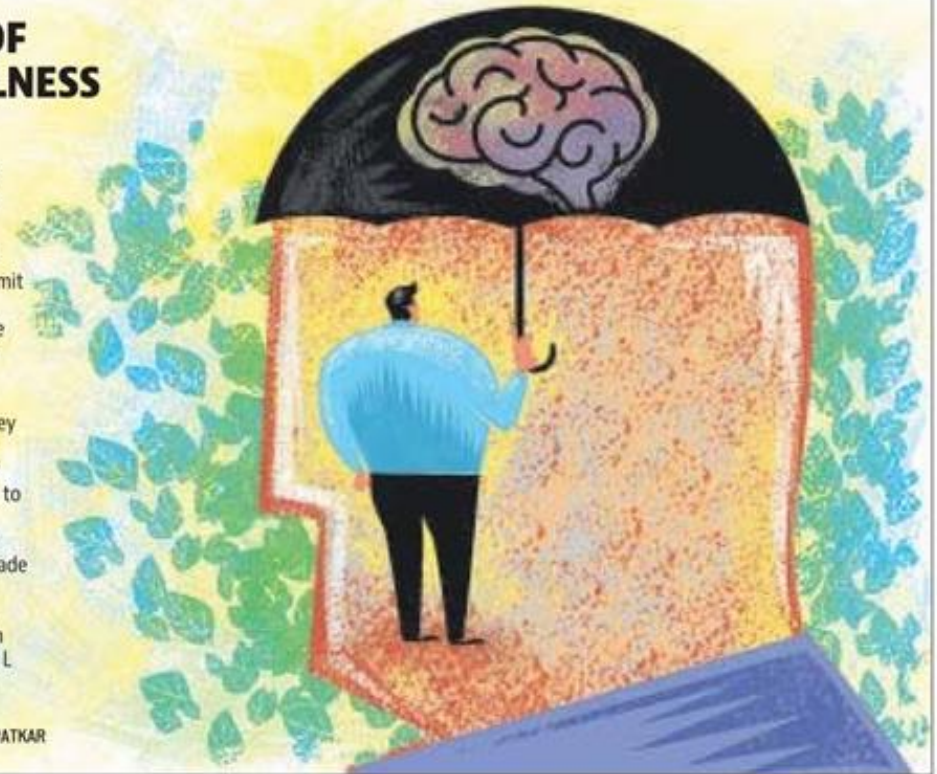
"During this period, insurers have mostly made changes in their exclusions' list only and no new products have been launched," said Amit Chhabra, head, health insurance, PolicyBazaar.com. There is no ready list of illnesses that can be categorised as mental illnesses. "Mental illnesses have to be removed from the exclusion list now. However, in the future, when insurers

THE COST OF MENTAL ILLNESS COVER

Insurance coverage for mental illness is not the only issue.

"Many of the five-star hospitals don't even admit mentally ill patients. Insurers may say they are not increasing premiums but if you declare your mental illness while purchasing the policy, they may raise the premium. There is a certain level of mistrust on patients due to a history of fraudulent claims which is why the insurers may try to dissuade the patients and create problems," said Mumbai-based Dr. Harish Shetty, psychiatrist at Dr L H Hiranandani Hospital.

ILLUSTRATION: SHRIKRISHNA PATKAR



come out with stand-alone products, we'd need a list of mental illnesses," said Chhabra.

THE CHANGE

Two insurers—Reliance Health Insurance and Max Bupa Health Insurance—launched new health insurance plans after the circular was released and don't have mental illness as an exclusion. Max Bupa's Health Pulse plan is targeted towards tier 2 and 3 cities and does not cover New Delhi, Mumbai, Kolkata and Gujarat. Some insurers are also provid-

ing cover for mental illnesses as a part of their critical illness covers. For instance, HDFC Ergo General Insurance Co Ltd's critical illness policy-Platinum version covers Alzheimer's among 15 other critical illnesses. There is a waiting period of 90 days. However, the cover will not be considered if the illness happens owing to any form of self-harm or abuse of intoxicants.

NO COVER FOR TREATMENT OUTSIDE HOSPITAL

According to psychologists, out of hospi-

tal treatment works better for mental illness patients. "A majority of mental health concerns can be addressed effectively in an outpatient department (OPD) setting. These include therapy and medication, and have been empirically proven to be most effective in managing conditions and there can be good prognosis," said Gitanjali Palekar, co-founder and therapist at Mumbai-based Mind & Me Mental Health Services. In such situations, if your insurer doesn't provide OPD cover, then it might prove to be a hurdle for you.