

Individual Health Insurance

What is Individual Health Insurance?

Individual Health Insurance is a health insurance policy that provides **medical coverage to one person** under a dedicated sum insured.

Unlike family or group policies, the entire coverage amount belongs to a single insured individual.

Health insurance in India is regulated by the **Insurance Regulatory and Development Authority of India (IRDAI)**.

Simple Example

Suresh buys an individual health insurance policy with **₹5 lakh sum insured**.

During the year, he undergoes surgery costing **₹2.5 lakh**.

The insurer pays the eligible expenses, and the **remaining ₹2.5 lakh** is still available for any future medical needs within the same year.

Why is Individual Health Insurance Important?

Dedicated Coverage

The full sum insured is reserved for one person.

Lifelong Security

Coverage continues even after retirement or job change.

Customizable Protection

Policy can be tailored based on age, health condition, and medical needs.

Financial Independence

Does not depend on employer or family coverage.

How Does Individual Health Insurance Work?

The policy activates when the insured person is hospitalized due to illness or accident.

Coverage typically includes:

- In-patient hospitalization
- Pre-hospitalization expenses
- Post-hospitalization recovery costs
- Daycare procedures
- Emergency ambulance services

Claims can be made through:

- Cashless treatment at network hospitals
- Reimbursement at non-network hospitals

What Does Individual Health Insurance Cover?

Hospitalization Costs

Room rent, ICU charges, surgeries, medicines, nursing, and doctor fees.

Pre & Post Hospitalization

Medical expenses before and after hospital admission.

Daycare Treatments

Procedures that do not require 24-hour hospitalization.

AYUSH Treatments

Coverage for traditional treatments if included in policy.

Preventive Health Check-ups

Annual health check-ups (in many plans).

What is Usually Not Covered?

- Cosmetic procedures
- Self-inflicted injuries
- Experimental treatments
- Non-medical consumables
- Pre-existing diseases during waiting period

Key Features of Individual Health Insurance

Exclusive Sum Insured

Coverage is not shared with anyone.

No Claim Bonus

Sum insured may increase after claim-free years.

Lifetime Renewability

Policy can be renewed throughout life.

Add-On Covers Available

Examples include:

- Critical illness cover
- Maternity cover
- No Claim Bonus protection
- Room rent waiver

Individual vs Family Floater

Feature	Individual Policy	Family Floater
Coverage	Dedicated to one person	Shared by family members
Premium	Higher per person	Lower for families
Ideal For	Seniors / high-risk individuals	Young families
Risk	Coverage always available	Shared risk across family

Who Should Buy Individual Health Insurance?

- Senior citizens
- Individuals with medical history or higher risk
- Self-employed professionals
- People without employer health coverage
- Anyone seeking personal lifelong protection

Legal / Policy Aspects

As per IRDAI guidelines:

- Policy terms, exclusions, and waiting periods must be clearly defined.
- Claims require:
 - Hospital bills and receipts
 - Discharge summary
 - Diagnostic reports
 - Doctor prescriptions

Common Mistakes to Avoid

- Buying low sum insured
- Ignoring waiting periods
- Not disclosing medical history
- Missing policy renewal dates

- Relying only on employer health insurance

Final Word

Individual Health Insurance provides dedicated and lifelong medical protection. It ensures that one person's medical needs are fully covered without sharing the coverage with others, making it a critical component of long-term financial and healthcare planning.