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Your Checklist For Buying A Comprehensive Cancer Insurance Plan

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Cancer is a dreaded disease and a primary cause of untimely deaths around the world. In India alone, the total number of cancer cases is estimated to reach 1.1 million by the year 2020.

Even though cancer is treatable, the news of diagnosis can leave people in mental turmoil. It not only deteriorates the physical health but also affects the financial well-being.

Moreover, cancer treatment is expensive, and costs are skyrocketing every passing year. In such a scenario buying a cancer insurance policy is the best bet. It will safeguard financially and pay for the treatment in case of a cancer diagnosis.

So, Why Buy A Cancer Insurance Policy?

Buying health insurance is a good thing to do; however, seldom do these plans cater to expenses for cancer. Most health insurance plans don't pay for terminal illnesses like cancer. Furthermore, the cost of cancer treatment can range from anywhere to Rs. 5 lakh to Rs. 10 lakhs depending on the stage of diagnosis. Not only this, people who are diagnosed with cancer cannot continue with their job, resulting in the loss of regular income.

In such a condition, a cancer insurance policy can take care of the expenses incurred during treatment.

Here is a checklist to follow when buying a comprehensive cancer insurance plan:

1. **Opt for a Higher Sum Assured (Cover Amount)**

Why should you opt for a higher cover? As mentioned earlier, the average cost of cancer treatment is rising, and the inflation rate is skyrocketing in the healthcare sector. The average cost can get much higher depending on the stage of cancer. Each cycle of chemotherapy can be anywhere between Rs. 70,000-80,000.

So, when purchasing a cancer insurance plan, it is necessary to consider a higher sum assured. If in case sum assured is unable to meet the cost of treatment, the insurance plan will merely be a superficial form of financial backup. If it's not covering the entire treatment costs, it will leave a deficit.

2. **Coverage for All Stages of Cancer**

The cancer insurance plan you are buying must cover all stages of cancer, i.e. minor and major. Make sure to buy a cancer insurance plan that offers a stage-based payout for treatment cost and other expenses associated at different stages. At least 25% of sum insured must be offered on early-stage cancer diagnosis, while 100% should be offered at major stage.

3. **Longer Duration of Cover**

There's no age for cancer, and it can strike anytime in one's life. So, the longer the duration of the cover, the better it is for financial security. Only a select few insurers such as Future Generali offer cancer cover for up to 80 years of age.

4. **Premium Waiver Upon Diagnosis**

After cancer diagnosis, people undergo intense medical treatment that hits their professional life. Eventually, people lose their regular source of income which affects their basic household expenses. In such a situation, the person cannot pay premium for their policy.

So, it is essential to choose a cancer insurance plan that accounts for such a situation. Premium waiver is one of the essential features you should look for when buying a cancer plan. This feature will keep the cancer plan active and waive off the premium for a few years, typically three.

5. **Income Benefit**

Income benefit in the cancer insurance plan offers the policyholder or nominee a fixed monthly income, which typically ranges from 1-2% of the sum assured. It is payable for up to 5 years, depending on the insurer. It is a must-have feature in the cancer insurance plan as it protects the family against the loss of income.

6. **Tax Benefits**

Make sure to buy a cancer insurance plan that provides tax benefits under section 80D. The premium paid on the policy is exempted from tax up to Rs 25,000 (for individuals below 60) and up to Rs. 50,000 (for individuals above 60).

Conclusion

In case if you are the only earning member in your family – buying a cancer insurance plan is a must – especially if there's a family history of cancer. Having a backup with adequate cancer insurance can not only cover your treatment cost but also protect your savings. However, since there are ample insurers in the country with 'n' number of plans – it becomes difficult to select the right plan.

So, take into consideration the points mentioned above to ensure you get the best cancer insurance plan. Reputable insurers today offer comprehensive cancer insurance plans with all the benefits mentioned above. They offer high sum assured, cover for up to 80 years of age, premium waiver upon diagnosis, income and tax benefits. So, research thoroughly to make an informed decision.