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A quick guide to understanding Individual Health Insurance - Comprehensive coverage at a minimal premium

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The importance of having Health Insurance is now more than ever. The rapid changes in our daily lives, our work-life patterns, dietary practices, etc., only reinforce the necessity of staying healthy and having to be financially prepared for any health emergencies.



As the awareness about investing in a Health Insurance plan is growing, many people from different age groups, especially the younger generations, take steps to secure their health and finances with Health Insurance.

Health Insurance plans can be broadly categorized under two sections - Individual Health Insurance and Family Health Insurance. As the name suggests, Individual Health Insurance plans provide coverage on an individual basis whereas a family of self, spouse, children and parents can be covered under a Family Health Insurance plan. Based on age, requirements and family commitments, one can invest either in Individual or Family Health Insurance.

Against popular belief, Health Insurance is an essential investment for young people. Individual Health Insurance is a feasible investment option to secure one's health if they are single and just starting their career. This type of plan has a single Sum Insured and offers coverage up to the maximum coverage limit. Below are some of the perks of Individual Health Insurance.

Low Premium

Individual Health Insurance plans provide coverage for an individual under a single Sum Insured. Unlike Family Floater Health Insurance, where a fairly large Sum Insured is required to cover the medical needs of the family members, individual plans can be opted for with a small Sum Insured. This reduces the premium. Moreover, if you are young and single, consider purchasing an individual plan as you can opt for it at a much less premium.

Cumulative Bonus

Cumulative bonus, otherwise known as a no-claim bonus is a common feature in many Health Insurance plans. If a policyholder does not make a claim during a policy year, then a certain percentage of the Sum Insured is offered as a bonus. This will be added to the overall Sum Insured, thus, one can get extended coverage at times of need. This is an attractive feature, especially when it comes to Individual Health Insurance plans where the probability of making a claim is low compared to the Family Floater plans.

Flexibility

One of the reasons that you can consider investing in Individual Health Insurance without much thought is that you can always convert most of the individual plans into Family Floater Health Insurance plans. During renewal, you convert your existing individual plan into a Family Floater plan by adding your family members like spouse, dependent children, etc., at an additional premium. You can also opt for a higher sum insured for covering the medical needs of all the added family members. Some policies allow you to add new family members even in the middle of a policy year. This feature is called Mid-Term inclusion. With this, you do not have to wait until the renewals to add your family members.

Discount

Health Insurance policies offer a variety of discounts. One such discount is the long-term discount. If you purchase a medical insurance policy with a policy term of more than one year, then you can avail yourself of a certain percentage of

discount on your premium. This will be highly beneficial with Individual Health Insurance plans. Since individual plans have less premium, you can opt for such plans with a term of more than one year. This further reduces your premium and helps you get comprehensive coverage at an affordable rate.

Individual Health Insurance is the best choice to secure your health if you are young and single. While planning out for your future, it is advisable to add Health Insurance to your list as you can get comprehensive coverage at an affordable premium.

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