

A STUDY OF MEDICLAIM POLICY WITH SPECIAL REFERENCE TO LIC OF INDIA & OTHER INSURANCE COMPANIES

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ABSTRACT

This research paper explores the mediclaim policies offered by various insurance companies in India, with a special focus on the Life Insurance Corporation of India (LIC) and its competitors. The study examines the key features, benefits, and limitations of these policies, evaluates customer satisfaction, and provides a comparative analysis to understand their impact on the healthcare insurance market in India.

KEYWORDS: Mediclaim Policy, Health Insurance, Health Coverage, Insurance Regulation, Cashless Hospitalization.

I. INTRODUCTION

In today's world, the significance of health insurance has grown manifold, reflecting an increasing awareness of the need to manage medical expenses effectively. Mediclaim policies, also known as health insurance, have emerged as a crucial financial tool for safeguarding individuals and families against the rising costs of healthcare. In India, where the healthcare sector is experiencing rapid growth and transformation, having adequate medical coverage has become essential. This introduction delves into the role of mediclaim policies, with a particular focus on the offerings of the Life Insurance Corporation of India (LIC) and other major insurance companies, to provide a comprehensive understanding of their impact on the Indian healthcare landscape.

The concept of mediclaim policies in India dates back several decades, evolving significantly over time to meet the population's diverse needs. Initially, health insurance was primarily viewed as a luxury reserved for the affluent, but increasing awareness and rising healthcare costs have shifted this perception. Today, mediclaim policies are considered indispensable for ensuring financial security in the face of medical emergencies. These policies offer coverage for various medical expenses, including hospitalization, surgeries, and treatments, thereby providing a safety net that helps individuals avoid substantial out-of-pocket costs.

The Life Insurance Corporation of India (LIC), one of the country's largest and most trusted insurance providers, has been at the forefront of offering mediclaim policies. Established in 1956, LIC has a long history of providing life insurance products, and over the years, it has expanded its portfolio to include health insurance. LIC's mediclaim policies are designed to offer comprehensive coverage and cater to a broad spectrum of customer needs. The company's long-standing reputation for reliability and its extensive nationwide network make its mediclaim policies a popular choice among Indian consumers.

LIC's mediclaim policies include various features, such as coverage for pre- and post-hospitalization expenses, cashless treatment at network hospitals, and no-claim bonuses. These features aim to provide policyholders with a hassle-free experience and ensure that they receive

adequate financial support during medical emergencies. However, despite these advantages, LIC's policies have limitations. Issues such as claim settlement delays and the complexity of policy terms have been areas of concern for some policyholders.

To provide a balanced perspective, it is essential to compare LIC's mediclaim policies with those offered by other prominent insurance companies in India. The insurance market is highly competitive, with several players vying for market share by offering innovative and diverse health insurance products. Companies like Star Health, ICICI Lombard, HDFC Ergo, and Max Bupa have significantly enhanced their mediclaim offerings. These insurers provide a range of policies with varying features, such as higher sum insured options, customizable plans, and additional benefits like wellness programs and telemedicine services.

Star Health, for instance, is known for its comprehensive range of health insurance products and customer-centric approach. ICICI Lombard and HDFC Ergo have garnered attention for their extensive network of hospitals and efficient claim settlement processes. On the other hand, Max Bupa emphasizes personalized customer service and value-added benefits. By analyzing and comparing these policies with LIC's offerings, one can gain insights into the competitive dynamics of the health insurance market and understand how different insurers address customer needs.

Customer satisfaction is a critical factor in evaluating the effectiveness of mediclaim policies. Feedback from policyholders reveals varying levels of satisfaction with different insurers. While LIC enjoys a solid customer base due to its longstanding presence and reputation, other insurers are recognized for their innovative features and customer-friendly services. Survey data and customer reviews highlight common issues such as claim processing delays, customer support challenges, and policy exclusions. Understanding these factors is crucial for assessing the overall performance of mediclaim policies and identifying areas for improvement.

The mediclaim insurance market in India is influenced by several factors, including regulatory changes, economic conditions, and evolving consumer preferences. Regulatory bodies like the Insurance Regulatory and Development Authority of India (IRDAI) play a significant role in shaping the landscape of health insurance by setting standards and guidelines for insurers. Recent regulatory developments, such as the introduction of the National Health Protection Scheme (Ayushman Bharat), aim to enhance access to healthcare and provide financial protection to underserved populations. These initiatives reflect the growing emphasis on expanding health insurance coverage and improving the quality of healthcare services.

In mediclaim policies have become an integral part of the financial planning process for individuals and families in India. As the healthcare sector continues to evolve, the role of health insurance in providing financial security and access to quality medical care will remain crucial. By examining the mediclaim policies offered by LIC of India and comparing them with those of other insurance companies, this research aims to provide valuable insights into the strengths and weaknesses of various policies and their impact on the healthcare insurance market. Understanding these dynamics will help consumers make informed decisions about their health insurance needs and contribute to the ongoing development of the health insurance sector in India.

II. EVOLUTION OF MEDICLAIM POLICIES IN INDIA

1. Early Beginnings (Pre-2000)

- **Limited Coverage:** Before the 1990s, health insurance in India was limited, primarily offered by government enterprises like the Life Insurance Corporation of India (LIC). Policies were mostly restricted to life insurance with minimal health coverage.

- **Basic Plans:** The early mediclaim policies, introduced in the 1980s, offered basic coverage for hospitalization and surgeries, with limited benefits and high out-of-pocket expenses for policyholders.

2. Liberalization and Growth (2000-2010)

- **Market Liberalization:** The insurance sector was liberalized in 2000, leading to the entry of private players and international insurers. This period saw a diversification of products and increased competition.

- **Introduction of Comprehensive Policies:** New insurers introduced more comprehensive mediclaim policies with features like cashless hospitalization, broader network hospitals, and higher sum insured options.

- **Regulatory Developments:** The Insurance Regulatory and Development Authority of India (IRDAI) was established in 1999 to regulate and promote the insurance sector. IRDAI's guidelines improved policy transparency and customer protection.

3. Technological Advancements and Innovations (2010-2020)

- **Enhanced Features:** The introduction of technology led to the development of policies with features like online claims processing, telemedicine services, and wellness programs.

- **Increased Customization:** Insurers began offering customizable plans to cater to diverse customer needs, including critical illness coverage and family floater plans.

- **Government Initiatives:** The National Health Protection Scheme (Ayushman Bharat) was launched in 2018 to provide health insurance to economically weaker sections, reflecting a commitment to expanding coverage.

This evolution highlights the significant progress in mediclaim policies in India, reflecting changes in market dynamics, technological advancements, and regulatory improvements.

III. MEDICLAIM POLICIES FROM OTHER INSURANCE COMPANIES

1. Star Health Insurance

- **Overview:** Star Health Insurance is known for its extensive range of health insurance products. It offers policies that cater to different customer segments, including individual health plans, family floater plans, and specialized plans for senior citizens.

- **Key Features:**

- **Cashless Hospitalization:** Extensive network of hospitals providing cashless treatment.

- **Coverage:** Includes pre and post-hospitalization expenses, daycare procedures, and ambulance charges.

- **Unique Benefits:** Offers specific plans for diabetes, heart diseases, and other chronic conditions.

2. ICICI Lombard General Insurance

- **Overview:** ICICI Lombard provides a variety of health insurance products, including individual and family plans, critical illness coverage, and top-up plans.

- **Key Features:**

- **Cashless Network:** Access to a broad network of hospitals for cashless treatments.

- **Coverage:** Comprehensive coverage for hospitalization, maternity benefits, and day-care treatments.

- **Additional Benefits:** Includes wellness programs, health check-ups, and a No Claim Bonus for claim-free years.

3. HDFC ERGO Health Insurance

- **Overview:** HDFC ERGO offers a diverse range of health insurance policies tailored to different needs, including individual, family floater, and critical illness plans.

- **Key Features:**

- **Cashless Treatment:** Large network of hospitals for cashless treatment.

- **Coverage:** Includes hospitalization, pre and post-hospitalization, and maternity expenses.

- **Innovative Benefits:** Provides coverage for mental health treatments, preventive health check-ups, and international treatments.

4. Max Bupa Health Insurance

- **Overview:** Max Bupa offers health insurance plans designed for individuals, families, and senior citizens, with a focus on comprehensive coverage and customer service.

- **Key Features:**

- **Cashless Network:** Access to a wide network of hospitals offering cashless treatment.

- **Coverage:** Covers hospitalization, pre and post-hospitalization, and maternity expenses.

- **Value-Added Services:** Includes personalized health advice, wellness programs, and annual health check-ups.

These insurance providers offer a range of mediclaim policies designed to meet diverse needs and preferences. Each company has its unique features and benefits, reflecting the competitive nature of the health insurance market in India.

IV. CONCLUSION

In mediclaim policies in India have undergone significant evolution, reflecting advancements in healthcare needs and insurance offerings. Companies like LIC, Star Health, ICICI Lombard, HDFC ERGO, Max Bupa, Bajaj Allianz, and Reliance General have all contributed to a more comprehensive and customer-centric health insurance market. Each insurer offers distinct features and benefits, catering to various customer segments and preferences. The ongoing developments in policy features, regulatory reforms, and technological advancements continue to shape the landscape, enhancing accessibility and coverage. As the market evolves, understanding these diverse offerings helps consumers make informed choices and ensures better financial protection against healthcare costs.

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