



## RANJAN REALISES HONESTY IS THE BEST POLICY

Ranjan's parents are ageing and their frequent hospitalisation worries him. Medical expenses form a major chunk of his expenditure each year. How was he going to cope with the medical bills? Ranjan comes across this advertisement by XYZ Insurance Company urging people to buy its Health Insurance policy. Ranjan approaches the company. The sales personnel is happy to receive his enquiry and eager to sell one more policy.

Sir, here are the proposal forms, forms for the medical tests that need to be carried out in case of adverse medical history, and the prospectus of the Insurance product.



Ranjan goes through the elaborate medical report forms. Given their adverse medical status, his parents are probably not going to get covered for most diseases immediately and would have to wait four years to get the coverage, as per the prospectus. That doesn't serve his purpose. Moreover, who will go through these elaborate tests even if the insurance company is willing to pick up the cost?

My parents are no doubt in their sixties. But they are hale and hearty.



If they have no adverse medical history, you may state so in the proposal form and they need not undergo a medical test.

Yes.... I have decided to cover them against Health Insurance only as a precaution.

That's a good idea sir, it always helps in the future.



The proposal forms are filled up with a declaration that both are medically fit. There's no previous adverse medical history that is stated. As luck would have it, Ranjan's mother needs hospitalisation for a cardiac problem within the next two months. Ranjan applies to the Third Party Administrator of the Insurer for cashless facility. He is shocked to receive a denial from the TPA on the grounds that the disease was a Pre-Existing Disease (PED).

On what grounds do you deny this? Can't you see the proposal form? It clearly states that she is healthy and has no diseases.

But Sir, she already has a history of cardiac problems and has a stent. Our investigation clearly shows that.



Ranjan, how could you not be truthful in your statements? How did you ever think that you could get away withholding the facts? I am also surprised that you didn't plan for their Health Insurance earlier. Now look, you are the loser. Even future coverage by this company is ruled out.

I do feel ashamed, I will make sure I don't repeat this. Thanks Mohan for your advice, as always.



Remember to fill up the proposal form truthfully, giving all relevant information. Make sure you take Health Insurance when you are still young and truly hale and healthy.

