

Corona Kavach

June 29, 2020

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Insurance Regulatory and Development Authority of India (IRDAI) announced guidelines on CoVID-19 **standard benefit-based health policy (Corona Rakshak policy) and individual Covid-19 standard health policy (Corona Kavach Policy)**. It is mandatory for general and health insurers to provide the reimbursement-based standard COVID-19 product, while offering the benefit-based product is optional for all insurers.

All life, general and health insurance companies have been encouraged to offer standard benefit-based policy, while every general and standalone health insurer shall mandatorily offer standard health indemnity policy. According to the guidelines by Irdai, **minimum sum insured for Corona Kavach Policy will be ₹50,000 and maximum sum insured would be ₹5 lakh. However, for Corona Rakshak Policy, the minimum sum insured would be ₹50,000 and maximum limit is set at ₹2.5 lakh.**

These policies will cater to people who currently don't have a holistic health insurance policy and are looking to cover themselves against Covid-19. The policy coverages, terms & conditions are standard across insurers; the USP would be a wide network of hospitals for cashless facilities.

Corona Kavach policy will be an indemnity-based policy but optional cover shall be made available on benefit basis. The base cover will offer **hospitalization expenses like room and boarding charges along with PPE kits, gloves, masks and such other similar expenses and even AYUSH treatment.** While in

Corona Rakshak policy, insurers shall pay **lump-sum benefits** equal to 100% of sum insured on positive diagnosis of Covid-19, requiring the hospitalization for a minimum continuous period of 72 hours.

Despite being a coronavirus-specific policy, Corona Kavach will cover the cost of treatment of any comorbid conditions, including pre-existing conditions, along with the treatment for the coronavirus infection or disease with the tenure ranging from 3.5 months to 9.5 months. Premiums for both the products shall be the same pan-India and geographic location-based or zone-wise pricing is not allowed.