

MY MONEY

Experts positive on insurance coverage for Aids

By R Sridhyia May 12 2011 , Chennai

India is believed to have one of the largest number of Aids affected persons in the world. But insurance companies in India do not provide health cover for the patients, perhaps for the same reason. With the Delhi High Court questioning the Irda, on Wednesday, on why health insurance cover was not provided to Aids patients it is left to the insurers, who provide cover to other 'expensive' and 'common' conditions like cancer, to answer. Of the 21 health insurance providers in India, only Star Health Insurance provides cover for Aids and the related conditions. Most insurers admit that there is a blanket ban on cover for Aids. "Being a pure play health insurance provider it is not possible to exclude Aids from the coverage," says Star Health CMD, V Jagannathan, adding that the claims for the condition were not too high.

The health insurance head of a leading public sector insurance firm, on conditions of anonymity, said since the condition affects the human immunity system it would lead to a lot of complications and the claims could be too high. Interestingly, he drew a parallel between Aids and property insurance claims arising out of nuclear disasters and war, which are also not covered by insurance, since the claims would be high and unviable.

Experts tracking the sector feel that it is a part of evolution of the sector. "Few years back death or injury due to a terrorist activity was not covered by health and life insurance. Today it is covered by default. Likewise Aids is a relatively newer condition and health insurers may cover it in the years to come," says Mani Kant, vice-president, India Insure Risk Management and Brokerage Services. When it is covered the price of the premium would also be hiked accordingly, he adds.

Most industry members assert that the social stigma attached to Aids is certainly not the reason for non-coverage. "Earlier Aids, due to its contagious nature was seen as a disease that spread quicker. Cancer was seen as a rarer condition compared to Aids. Many companies abroad have now started covering Aids related conditions. When statistics show that the risk of Aids is manageable, Indian companies too would look at covering Aids," feels Shreeraj Deshpande, head-health insurance, Future Generali Insurance. With the National Aids Control Organisation (Naco) said to be in talks with public sector insurance firms for providing cover for Aids patients, there could be some hope ahead for the victims.