

ANNEXURE: ILLUSTRATION OF BENEFITS

1. Restoration of Sum Insured (Available any number of times in a Policy Year)

Illustration: If there are 2 Insured members with Sum Insured ₹ 10 Lacs each, lets understand how restoration benefit will apply to each under different circumstances.

		Insured 1	Insured 2
Sum Insured	Basic Sum Insured	₹ 10,00,000	₹ 10,00,000
	No claims Bonus (earned from previous policy)	0	₹ 50,000 (Assuming a claim free year)
	Total Sum Insured	₹ 10,00,000	₹ 10,00,000 + 50,000 CB
1st Claim	Reason	Due to Gall Bladder Surgery	Due to an accident
	1 st Claim payable amount	₹ 5,00,000	₹ 5,00,000
	Balance Sum Insured	₹ 5,00,000	₹ 5,00,000 + 50,000 CB
2nd Claim	Reason	Due to a Knee Surgery	Due to Meningitis
	2 nd Claim payable amount	₹ 3,00,000	₹ 7,00,000
	Available Sum Insured	₹ 5,00,000	₹ 5,00,000 + 50,000 CB
	Will the Restoration kick in?	No Why – Since the available Sum Insured is enough to pay for the claim, restoration will not kick in.	Yes, Additional Sum Insured of ₹ 10,00,000 Why – The available Sum Insured is not enough to pay the claim and the ailment is different than the previous claim. The claimed amount (₹ 7,00,000) is greater than the available Sum Insured (₹ 5,00,000+50,000)
	Balance Sum Insured	₹ 2,00,000	₹ 8,50,000 Balance CB - Zero
3rd Claim	Reason	Due to heart attack	- NA -
	3 rd Claim payable amount	₹ 11,00,000	
	Available Sum Insured	₹ 2,00,000	
	Will the Restoration kick in?	Yes. Additional Sum Insured of ₹ 10,00,000 Why – The available Sum Insured is not enough to pay the claim which is an ailment that is different than the previous two claims. Claim will be paid for ₹ 10,00,000 (as Maximum claim payable cannot exceed policy Sum Insured)	
	Balance Sum Insured	₹ 2,00,000 available for unrelated claims	
4th Claim	Reason	Due to Brain Surgery	
	4 th claim payable amount	₹ 6,00,000	
	Available Sum Insured	₹ 2,00,000	
	Will the Restoration kick in?	Yes. Additional Sum Insured of ₹ 10,00,000 under multiple restoration cover. Why – The available Sum Insured is not enough to pay the claim which is an ailment that is different than the previous three claims. Claim will be paid for ₹ 6,00,000	
	Balance Sum Insured	₹ 6,00,000 available for unrelated claims	

2. Deductible

Illustration: If three Insureds with a ₹3.5 Lacs, ₹ 7.5 Lacs and ₹ 5 Lacs Sum Insured opt for a deductible, lets understand how deductible will be applied.

		Insured 1	Insured 2	Insured 3
1st Policy year	Sum Insured	₹ 3,50,000	₹ 7,50,000	₹ 5,00,000
	Opted Deductible	₹ 1,00,000	₹ 2,00,000	₹ 5,00,000
	What does opting for a deductible mean?	Coverage will start once the Insured person incurs a single claim or multiple claims that add up to the deductible amount.		
	1 st Claim (Accident)	₹ 40,000 (Not paid by Us as it is within Deductible limit)	₹ 2,00,000 (Not paid by Us as it is within Deductible limit)	₹ 300,000 (Not paid by Us as it is within Deductible limit)
	2 nd Claim (Jaundice)	₹ 60,000 (Not paid by Us as it is within Deductible limit)	₹ 1,00,000 (Paid by Us as it goes above deductible limit) Since you have already exhausted your deductible limit of ₹ 2,00,000 we will pay the claim.	₹ 3,00,000 (₹ 2,00,000 Not Paid by Us and ₹ 1,00,000 is Paid by Us as it goes above deductible limit) Since you have already exhausted your deductible limit of ₹ 5,00,000 we will pay the claim of ₹ 1,00,000.
	Balance Sum Insured	₹ 3,50,000	₹ 6,50,000	₹ 4,00,000
	3 rd claim (Knee Surgery)	₹ 80,000 (Paid by Us) Since ₹40,000 + ₹60,000 = ₹ 1 Lac, was paid out of your pocket, your deductible limit of ₹ 1 Lac was exhausted.	₹ 10,00,000 Restoration will trigger for Additional Sum Insured of ₹ 7,50,000 (Balance SI: ₹ 6,50,000 is insufficient to pay for this claim). Available Sum Insured: 7,50,000+6,50,000 = 14,00,000 Claim of ₹ 7,50,000 will be settled first from Balance SI (₹ 6,50,000) and the remaining (₹ 1,00,000) from Restored SI.	
Balance Sum Insured		₹ 6,50,000 available for unrelated claims		

3. Co-payment - I			
Illustration:	Mandatory Co-payment	Voluntary Co-payment	Out of Zone Co-payment
	A 67 year old Insured person buys an ₹ 4.5 Lacs policy, then a mandatory Co-pay of 20% will apply on all his claims.	A 45 year old Insured buys a ₹ 7.5 Lacs Sum Insured and chooses to opt for a Voluntary Co-payment of 10%, then a 10% Co-payment will apply on all his Claims.	An Insured living in Lucknow (Zone III) wants to get treated in Mumbai (Zone I), then a Co-payment of 20% will be applicable on his Claim.
Sum Insured	₹ 4,50,000	₹ 7,50,000	₹ 4,50,000
Claim payable amount	₹ 1,00,000	₹ 3,00,000	₹ 3,00,000
Co-payment	₹ 20,000 (20% of ₹ 1,00,000)	₹ 30,000 (10% of ₹ 3,00,000)	₹ 60,000 (20% of ₹ 3,00,000)
Amount paid by Us	₹ 80,000	₹ 2,70,000	₹ 2,40,000

4. Co-payment – II	
Illustration for – Mandatory + Voluntary + Zonal Co-Payment: A 66 years old Insured person from Lucknow, has opted for an Optional cover of Voluntary Co-payment of 10% and wants to get treated in Delhi, let us understand the Co-payment applicable in this scenario.	
Sum Insured	₹ 10,00,000
Claim payable amount	₹ 3,50,000
Applicable Co-pays	Voluntary Co-payment (10%) ₹ 3,50,000 * 10% = ₹ 35,000. Balance Payable Amount ₹ 3,15,000
	Mandatory Co-payment for person above 65 (20%) ₹ 3,15,000 * 20% = ₹ 63,000 Balance Payable Amount ₹ 2,52,000
	Zonal Co-payment (20%) (Insured from zone III opting to get treated in Zone I) ₹ 2,52,000 * 20% = ₹ 50,400 Balance Payable Amount: ₹ 2,01,600
Claim payable to the Insured after applying all the Co-pays	₹ 2,01,600

5. Waiver of Mandatory Co-pay	
A 65 year old Individual buys a plan with a Sum Insured of ₹ 4 Lacs and also opts for a 'Waiver of Mandatory Co-pay option. Let's look at how Waiver of mandatory co-pay will apply in this scenario.	
Sum Insured	₹ 4,00,000
Mandatory Co-pay	20%
What does opting for Waiver of Mandatory of Co-pay mean	The Mandatory co-payment above 65 years will not be applicable. On payment of additional premium this mandatory co-payment is waived off.
1 st Claim	₹ 1,50,000
Amount paid by Insurer	₹ 1,50,000 (fully paid without Co-pay) Co-payment amount of 30,000 would have been applicable if the Insured hadn't opted for a "Waiver of Mandatory co-pay"
Balance Sum Insured	₹ 2,50,000

6. Utilization of Health Maintenance Benefit (HMB) towards Deductible - Illustration I				
Let's look at how benefits will be paid out for a 36 year old individual who buys ProHealth Accumulate plan, where he chooses to utilize HMB in the first claim entirely towards Deductible.				
Plan Selection				
o Sum Insured – ₹ 7,50,000				
o High deductible – ₹ 2,00,000				
o HMB – ₹ 15,000				
Optional covers – None				
Year I	Opted Sum Insured		₹ 7,50,000	
	Opted High Deductible		₹ 2,00,000	
	Opted HMB		₹ 15,000	
	1 st Claim – Hospitalization (utilization of HMB)	Reason	Hospitalization due to Malaria	
		Admissible Claim Amount	₹ 50,000	
		Utilization of HMB towards Deductible	₹ 15,000	
		Payable claim by Insurer	Not paid by Insurer (As deductible of Rs ₹ 2 Lacs applies of which ₹ 15,000 is contributed from HMB & ₹ 35,000 from own pocket)	
		Balance Sum Insured	₹ 7,50,000	
		Balance Deductible	₹ 1,50,000	
		Balance HMB	Nil	
	2 nd claim – Hospitalization	Reason	Accident	
Admissible Claim Amount		₹ 3,00,000		
Payable claim by Insurer		₹ 1,50,000 (₹ 1,50,000 Incurred by Insured to meet balance deductible)		
Balance Sum Insured		₹ 6,00,000		
Year II	Basic Sum Insured		₹ 7,50,000	
	Cumulative Bonus		₹ 37,500 (5% of ₹ 7,50,000)	
	HMB		₹ 15,000	
	Carried forward HMB		None	
	Bonus applicable on Balance HMB		None (Bonus is applicable on carried forward HMB only)	
	Total HMB		₹ 15,000	
	No other hospitalization/ Health maintenance claim was registered in Year II.			

7. Utilization of HMB towards OPD expenses - Illustration II

Let's look at how benefits will be paid out for a 36 year old individual who buys ProHealth Accumulate plan and chooses to redeem his HMB towards OPD expenses.

Plan Selection

- o Sum Insured – ₹ 7,50,000
- o High deductible – ₹ 2,00,000
- o HMB – ₹ 15,000

Year I	Opted Sum Insured		₹ 7,50,000
	Opted High Deductible		₹ 2,00,000
	Opted HMB		₹ 15,000
	1 st Claim – Hospitalization	Reason	Accident
		Admissible Claim Amount	₹ 3,00,000
		Payable claim by Insurer	₹ 1 Lac (As deductible of ₹ 2 Lacs applies of which ₹ 2 Lacs is contributed from own pocket)
		Balance Sum Insured	₹ 6,50,000
		Balance deductible	Nil
	2 nd Claim – HMB	HMB	₹ 5,000
		Reason	OPD consultation & diagnostic tests
Payable claim by Insurer		₹ 5,000	
Balance HMB to be carried forward		₹ 10,000	
Year II	Basic Sum Insured		₹ 7,50,000
	Cumulative Bonus		₹. 37,500 (5% of ₹ 7,50,000)
	HMB (Fresh Sum Insured)		₹ 15,000
	Carried forward HMB		₹ 10,000
	Bonus applicable on Balance HMB		₹ 500 (5% on ₹ 10,000)
	Total HMB available in Year II		₹ 25,500 (₹ 15,000 + ₹ 10,000 + ₹ 500)
	No hospitalization/ Health maintenance claim was registered in Year II.		
	Year III	Basic Sum Insured	
Cumulative Bonus		₹ 37,500 (5% of Sum Insured)	
Total Sum Insured Available for Claim		₹ 7,50,000 + 37,500 + 37,500	
HMB for Year III		₹ 15,000	
Unutilised HMB Carried Forward		₹ 25,500	
Bonus applicable on Balance HMB		1275 (5% on 25,500)	
Total HMB available in Year III		₹ 41,775 (₹ 15,000 + ₹ 25,500 + 1275)	
No hospitalization/ Health maintenance claim was reported in Year III.			

8. Utilization of Health Maintenance Benefit (HMB) towards Co-pay

Let's look at how benefits will be paid out for a 36 year old individual who buys ProHealth Accumulate plan, where he chooses to utilize Health Maintenance Benefit towards Co-pay.

Plan Selection

- o Sum Insured – ₹ 10,00,000
- o Voluntary Co-pay – 10%
- o Health Maintenance Benefit – ₹ 15,000

Year I	Opted Sum Insured		₹ 10,00,000
	Opted Voluntary Co-pay		10%
	Opted Health Maintenance Benefit		₹ 15,000
	1 st Claim – Hospitalization (utilization of Health Maintenance Benefit)	Reason	Hospitalization due to Malaria
		Admissible Claim Amount	₹ 10,000
		Utilization of HMB towards applicable Co-pay	₹ 1000
		Balance Claim amount paid by Insurer	₹ 9000
		Balance HMB	₹ 14,000
	Balance Sum Insured	₹ 9,91,000	
Year II	Basic Sum Insured		₹ 10,00,000
	Cumulative Bonus		₹ 50,000
	Health Maintenance Benefit		₹ 15,000
	Carried forward Health Maintenance Benefit		₹ 14,000
	Bonus applicable on Balance HMB		₹ 700 (5% on 14,000)
	Total HMB		₹ 29,700 (15,000+14,000+700)

9. Cumulative Bonus:

Let's look at how the bonus is calculated over a period of 5 years of continuous renewals.

Renewal Year	Sum Insured (₹)	Claim	CB (%)	CB (Amount) (% of previous year SI)	Carried forward CB from previous year	Cumulative Bonus - Earned in that year + carried forward from previous year	Total Available Amount in that Year (SI+CB)
00	100,000	No	0	NA	NA	NA	100,000
01	200,000	No	5%	5000	NA	5,000	200,000 + 5,000
02	300,000	No	5%	10,000	5,000	15,000	300,000 + 15,000
03	200,000	No	5%	10,000	10,000	20,000	200,000 + 20,000
04	100,000	No	5%	5,000	10,000	15,000	100,000 + 15,000

10. Cumulative Bonus Booster

A 35 year old Individual buys a Plus plan with a Sum Insured of ₹ 10 Lacs and opts for a 'Cumulative Bonus Booster' option. Let's look at how the bonus is calculated in case of No claim in the previous year.

Year I		No Claim
Year II	Sum Insured	₹ 10,00,000
	Cumulative Bonus Booster	25%
	Sum Insured + Cumulative Bonus	₹ 10,00,000 + ₹ 2,50,000

Healthy Reward Process

For each of the programs under the Healthy Reward Program, the table below shows the way the same will be delivered to the end customers:

Program name	Delivery mechanism	Points to be earned as a percentage of previous Policy Period Premium
Health Risk Assessment (HRA)/ Targeted Risk Assessment (TRA)	ProActiv Living platform*	2.5%
Lifestyle Management Program (LMP)	ProActiv Living platform*	3%
Chronic Condition Management Program	By way of enrollment into the Chronic Condition Management Program	3%
Participating in ManipalCigna Sponsored Programs and Worksite or Online/Offline Health Initiatives	By way of enrollment into health awareness activities organized by us such as health camps	2% per program, Maximum 5 programs per policy year
Health Check-up	Availing the Health check-up benefit provided	0.5%

*: ProActiv Living is a platform available to ManipalCigna customers where HRA, TRA and LMP programs are available. Following are brief description of the three programs on the platform:

- Health Risk Assessment:**
 Health risk assessment is a confidential and comprehensive tool to evaluate your health. The health risk assessment process collects a range of information including family history, clinical conditions, lifestyle and safety risks, emotional behavior and work-life balance to identify risks that could affect the current and future health and wellness of the respondent.
- Targeted Risk Assessment:**
 Once a participant completes the Health risk assessment, participants can view their health concerns and then take the Targeted risk assessment and give recommendation to the participants on how to improve in these areas.
- Lifestyle Management Program:**
 Post completion of the HRA and TRA, participants can make use of our Lifestyle Management Programs, which empower them to make sustainable lifestyle changes through small steps that the program triggers over a specified period of time and measure the changes that they have made to achieve the goal that they would have identified for themselves.
- Chronic Condition Management Program**
 Under this program we offer a customized Health Coach program which will not only help the customer to monitor their health better but would also empower them with the right information at the right time.

HEALTHY REWARD ILLUSTRATION:

Insured can earn reward points equivalent to 1% of premium paid including taxes and levies for each Policy. In addition to this he/she can accumulate rewards by opting for an array of Our wellness programs listed under the policy.

In Individual or Floater Policy: There will be no limitation to the number of programs one can enrol however Rewards can be earned only once for each specific program by a particular Insured Person in a policy year. Maximum rewards that can be earned in a single policy period will be limited to 20% of premium paid in the existing Policy.

Each earned reward point will be valued at 1 Rupee. Accumulated reward points can be redeemed in the following ways –

- Against payable premium (including Taxes) from 1st Renewal of the Policy.
- Equivalent value of Health Maintenance Benefit anytime during the policy.
- As equivalent value while availing services through our Network Providers as defined in the Policy.

ILLUSTRATION:**Policy details:**

Policy Type - Individual

Sum Insured – ₹ 10,00,000

Policy tenure – 1 year

Insured Age – 30 Years

Premium (inclusive of Taxes) at year 1 – ₹ 10,000

Premium (inclusive of Taxes) at renewal for year 2 – ₹ 11,000

Premium (inclusive of Taxes) at renewal for year 3 – ₹ 12,000

Premium (inclusive of Taxes) at renewal for year 4 – ₹ 13,000

(Premium indicated here is just for illustration and not the actual premium.)

Policy Year	Transaction Date	Healthy Reward Points Earned/ Burned through	Reward Point Value 1 HRP = ₹ 1	Opening Balance	Closing Balance
1	1 Jan, 2018	Reward points equivalent to 1% of premium paid	100	100	100
1	10 Oct, 2018	5% Reward points earned through wellness program during the year	500	100	600
1	15 Oct, 2018	300 points utilized while availing services through our Network Providers	-300	600	300
2	1 Jan, 2019	At renewal Reward points equivalent to 1% of premium paid	110	300	410
2	15 Mar, 2019	100 Reward points towards equivalent value of Health Maintenance Benefit	-100	410	310
3	31 st Dec, 2019	300 Reward points utilized against payable premium	-300	310	10
3	1 Jan, 2020	At renewal Reward points equivalent to 1% of premium paid	120	10	130
3	20 Mar, 2020	15% Reward points earned through wellness program during the year	1800	130	1930
4	1 Jan, 2021	1900 Reward points utilized against payable premium.	-1900	1930	30

In case of Accumulate plan if as on 1 Jan, 2021, Total HMB available under the plan is 2400.

And 1200 (50% of the accumulated HMB Value) is utilized towards premium.

Total premium payable = Payable Premium (incl of Taxes) – HR points utilized against payable premium – HMB value utilized against payable premium
= 13000 – 1900 – 1200 = 9900

4	1 Jan, 2021	At renewal Reward points equivalent to 1% of premium paid	130	30	160
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Policy details:

Policy Type - Floater

Sum Insured – ₹ 7,50,000

Policy tenure – 1 year

Insured 1 Age – 30 Years

Insured 2 Age – 32 Years






Premium (inclusive of Taxes) at year 1 – ₹ 10,000

Premium (inclusive of Taxes) at renewal for year 2 – ₹ 11,000

Premium (inclusive of Taxes) at renewal for year 3 – ₹ 12,000

(Premium indicated here is just for illustration and not the actual premium.)

Policy Year	Transaction Date	Healthy Reward Points Earned/ Burned through	Reward Point Value 1 HRP = ₹ 1	Opening Balance	Closing Balance
1	1 Jan, 2018	Reward points equivalent to 1% of premium paid	100	100	100
1	10 Oct, 2018	19% Reward points earned by Insured 1, through wellness program during the year	1900	100	2000
1	15 Oct, 2018	300 points utilized by Insured 2 while availing services through our Network Providers	-300	2000	1700
1	20 Dec, 2018	Wellness Program enrolled by Insured 2. However no reward point will be earned.	0	1700	1700
2	1 Jan, 2019	At renewal Reward points equivalent to 1% of premium paid	110	1700	1810
2	15 Mar, 2019	100 Reward points towards equivalent value of Health Maintenance Benefit	-100	1810	1710
3	31 st Dec, 2019	1700 Reward points against payable premium (including Taxes) from 1st Renewal	-1700	1710	10
3	1 Jan, 2020	At renewal Reward points equivalent to 1% of premium paid	120	10	130
3	20 Mar, 2020	15% Reward points earned by Insured 2 through wellness program during the year	1800	130	1930
4	1 Jan, 2021	1900 Reward points utilized against payable premium.	-1900	1930	30
<p>In case of Accumulate plan if as on 1 Jan, 2021, Total HMB available under the plan is 2400. And 1200 (50% of the accumulated HMB Value) is utilized towards premium. Total premium payable = Payable Premium (incl of Taxes) – HR points utilized against payable premium – HMB value utilized against payable premium = 13000 – 1900 – 1200 = 9900</p>					
4	1 Jan, 2021	At renewal Reward points equivalent to 1% of premium paid	130	30	160

 **Your Health Relationship Manager Has The Answer**  Be it claims assistance or guidance, contact your Health RM anytime.  **1800-102-4462**  customercare@manipalcigna.com  www.manipalcigna.com

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