

Indian Insurance Glossary

Accident and Health Insurance - Coverage for accidental injury, accidental death, and related health expenses. Benefits will pay for preventative services, medical expenses and catastrophic care, with limits.

Accidental Death and Dismemberment (AD & D) Benefit - A supplementary life insurance policy benefit that provides for an amount of money in addition to the policy's basic death benefit. This additional amount is payable if the insured dies as the result of an accident or if the insured loses any two limbs or the sight in both eyes as the result of an accident.

Actual Cash Value - A form of insurance that pays damages equal to the replacement value of damaged property minus depreciation.

Accident and Sickness Insurance - Term used to denote a personal accident insurance policy, which is extended to cover sickness benefits also. However benefits relating to sickness extension will be restricted to weekly compensation for temporary total disablement and for reimbursement of medical expenses towards treatment in a hospital or a nursing home for all sickness other than those which are excluded. The cover will be subject to a period exclusion and a maximum period limit in respect of any one sickness. A policy like this which was in existence in the Indian Market was discontinued after nationalization of general insurance. It is possible that in the current scenario some companies introduce a similar insurance cover with the approval of the regulatory authority. (See also "Accident Insurance").

Age limits - Stipulated minimum and maximum ages below and above which the company will not accept applications or may not renew policies.

AIDS - Acquired immune deficiency syndrome.

Assignee - Assignee is the person to whom the benefits under a life policy are assigned.

Beneficiary - The person(s) or entity(ies) (e.g. corporation, trust, etc.) named in the policy as the recipient of insurance proceeds upon the death of the insured. (life)

Claim - A request for payment of the contractual benefits by the insurer that is made as soon as the contingency covered by the policy arises. A written request is made by the

insured or the nominee for the insurance company to cover the incurred loss, which is submitted on a standard form provided by the insurance company.

Claim Amount - It is the amount payable by the insurer under a policy on a claim arising

Coverage - Synonym for insurance

Death Benefit - A payment made to a beneficiary upon the death of the insured person.

Deductible - The amount of loss paid by the policyholder. Either a specified dollar amount, a percentage of the claim amount, or a specified amount of time that must elapse before benefits are paid. The bigger the deductible, the lower the premium charged for the same coverage.

Dental insurance - A type of health insurance that covers dental care expenses.

Exclusions - Specific conditions or circumstances for which the policy will not provide benefits.

Family Benefit Coverage - A type of supplementary benefit rider offered in conjunction with a life insurance policy that insures the lives of the insured's spouse and children. Also known as dependent life insurance and spouse and children's insurance rider.

Insurance - Social device for minimizing risk of uncertainty regarding loss by spreading the risk over a large enough number of similar exposures to predict the individual chance of loss.

Insured - The person whose life is covered by a policy of insurance.

Medical Evacuation - When, in the opinion of the Assistance Company's medical panel, it is judged medically appropriate to move You to another location for treatment or return You to India, the Assistance Company will arrange the evacuation, utilizing the means best suited to do so, based on the medical evaluation of the seriousness of Your condition, and these means may include air ambulance, surface ambulance, regular airplane, railroad or other appropriate means. All decisions as to the means of transportation and final destination will be made by the Assistance Company.

Policy - Is the legal document that has the conditions of the insurance contract

Policy Period - The period during which a Policy contract affords insurance.

Policy year - Period between a Policies anniversary dates.

Premium - Premium is the amount paid to secure an insurance policy.

Repatriation - The Assistance Company agrees to make the necessary arrangements for the return of Your remains to India in the event You die while this service agreement is in effect as to You.

Term - Term is the period for which insurance coverage is given.

Travel Insurance - Insurance to cover problems associated with traveling, generally including trip cancellation due to illness, lost luggage and other incidents.

Courtesy: <http://www.nriol.com/indianinsurance/indianinsurance-glossary.asp>