

What is cashless hospitalization?

Cashless hospitalization can be of great help during emergencies, and is an important feature of health insurance policies.

While hospitalization of a family member can be disturbing, paying for the treatment can become a harried task. During such times, cashless hospitalization can come handy.

Cashless hospitalization is a facility provided by health insurance providers or their third party administrators (TPAs) that allows you to get medical treatment without paying cash at any of the network hospitals registered with the insurance provider. This facility can be a life-saver, especially during emergencies, when you may not have adequate cash for the required treatment.

How it works

Under the cashless hospitalization facility, the hospital coordinates directly with the insurance company or its TPA to get the bills settled.. However, there are certain expenses that are not covered under this facility and may have to be borne by you as a policy holder. It is therefore important that you read the applicable conditions and exclusions carefully before signing the policy documents.

Planned and unplanned hospitalization

Another important point to remember is that this facility can be availed in two situations: planned and unplanned hospitalization. In case of planned hospitalization, you need to inform the insurance provider or its TPA in advance about the reason for the hospitalization. If it is an unplanned medical situation, you can inform the insurance provider or its TPA soon after the hospitalization.

Know your policy

There are a few things that you need to keep in mind regarding cashless hospitalization. Here are some of them:

- Firstly, not all health insurance policies come with cashless hospitalization benefit. Hence, while selecting a plan, make sure you look for this facility.

- Secondly, since this facility can be used only at the hospitals that come under the company's list of network, ensure that the policy covers hospitals that are located close to your residence.

- It is also important to know that some diseases are exempt from the cashless hospitalization facility. Learn about such exclusions before buying a plan.