

Article Date	Headline / Summary	Publication
19 Mar 2026	Is your insurance adequate? Here's a simple checklist to find out	The Economic Times

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Many policyholders are insured but not adequately, leading to claim dissonance. Reviewing health, home, cyber, and motor insurance covers to ensure they match current needs and asset values is highly advised. Adequate insurance provides a crucial safety net against unforeseen events and financial strain.

Insurance is one of the best ways to plan for contingencies and create a safety net. However, simply buying a policy doesn't always guarantee full protection; what counts is having the right amount of cover. Over the years, I have seen a worrying pattern: many policyholders are insured, but not adequately.

More often than not, dissonance during the time of claims stems from inadequate insurance cover. Many times, factors such as outdated sums insured, a misunderstanding of policy wordings, or a desire to reduce premium outgo without fully appreciating the consequences lead to insufficient cover.

Let's see how one can build an insurance cover that truly matches your needs.

Health Insurance: At around 15%, the medical inflation in India has consistently grown faster than general inflation. A single hospitalisation in a metro city can run into several lakhs. Yet many families continue to rely on covers of ₹3 lakh or ₹5 lakh, limits that are considerably lower than the actual cost of hospitalisation. Here are two simple questions that can help you: 'Would my current cover be enough for a major surgery in a top hospital? Or can I manage a medical exigency without touching my savings?' If the answer to these questions is a big 'No,' it is time to re-examine your policy sum insured. A good practice is to review your sum insured every 2-3 years to ensure it is aligned with your lifestyle, the quality of treatment you seek, and the cost of medical treatment. Here is another point worth reflecting on: Does your employer offer health cover, and do you think that is sufficient? Think again! The cover will only last as long as you are employed. Once you retire or are in between jobs, the cover ceases to exist. An individual health insurance plan will cover you irrespective of your employment status. If you are hesitant to opt for personal health insurance, you can start by buying a top-up cover at a nominal premium to enhance your protection.

Serious diseases such as cancer, heart problems, and lung conditions are becoming more common in India than ever before. This makes it vital to consider: Am I protected against critical illnesses? Conditions such as cancer, heart disease, and stroke typically require long-term treatment and recovery. A critical illness policy provides a

lump-sum payout that can support medical and other expenses during recovery. We have all come across accounts of individuals forced to sell or mortgage their jewellery to pay for medical treatment; sufficient health insurance, however, can help prevent these scenarios for a modest premium.

Home Insurance: For most families, their home is their most important asset. Yet home insurance penetration in India remains remarkably low. Especially given the rise in natural disasters across the length and breadth of the country, it has become ever more important to have optimal home insurance coverage. Here is a question that you must ask yourself: 'Is my home insured for its correct value? It is also important to consider whether you live in an area that is prone to risks such as earthquakes or floods. So at least, the structure of the property should be adequately insured against such events.

However, protecting only the structure may not be enough. Ask yourself another important question: 'Have I covered contents in my home?' Many homeowners insure only the building. But what about valuables like furniture, appliances, jewellery? The value of contents can run into several lakhs or even more. A comprehensive home insurance policy should protect both. If you stay in a rented place, then it is highly recommended to cover the contents, ensuring your valuable belongings are protected.

It is prudent to opt for coverage on a reinstatement value basis, so that if your property is damaged or destroyed, you'll receive payout equal to the cost of rebuilding it to its original state, without factoring in depreciation. To ensure you are adequately covered, it is advisable to seek expert help in estimating the correct value of your home.

Cyber Insurance: Today, our lives are intertwined with the digital world. From banking to shopping, entertainment to storing personal information, we rely on the internet for almost all facets of our lives. Though, this widespread adoption has brought immense ease, with this convenience comes new risks like cyber fraud, identity theft, phishing attacks, and online financial scams. Cyber insurance, once considered a niche product suited for commercial entities, has become increasingly relevant for individuals. A few questions that you must ask yourself: Am I protected against online financial fraud? Do I have support in case of identity theft? Do I have access to expert help? A comprehensive cyber insurance extends protection from financial losses arising from a plethora of risks like identity theft, malware and phishing attack, cyber stalking, cyber extortion to name a few. In a world where digital threats are constantly evolving, cyber insurance is quickly becoming an important layer of personal risk management.

Motor Insurance: Moving to the insurance for your partner on the road, your vehicle. Have you opted only for third-party cover to comply with the law? If the answer is yes, you must reassess. Remember, TP protects you against liabilities: legal, financial, or accidental arising from damage or injury caused to a third party. Think about it, how will you manage if your vehicle is damaged? Naturally, you will have to bear the repair cost from your pocket. A comprehensive policy, on the other hand, protects not just against third-party liabilities but also covers damage to your own vehicle. For complete peace of mind, consider adding important add-on covers like zero depreciation, NCB protection cover and engine protection.

Most insurance policies settle claims proportionally in case of underinsurance. This means if you are inadequately insured, the claim pay-out may be reduced in the same proportion. So, make it a practice to review your covers every few years, check for exclusions and sub-limits, and speak to your insurer or advisor when in doubt. That way, you'll have the right shield in place when you need it the most.

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