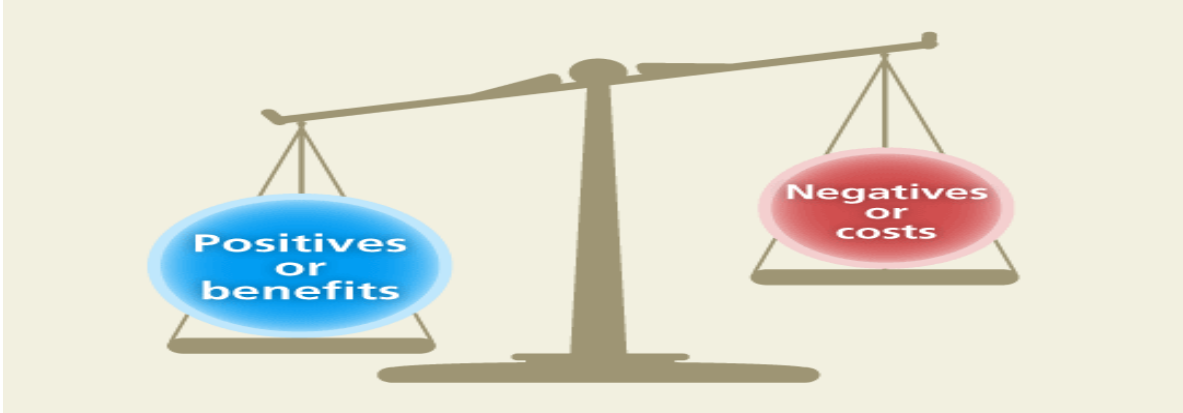# Cost v/s benefit analysis of a health insurance plan

By Magicgyan Team,

We often come across people who say "I don't think anything will happen to me, so why should I waste money every year on a health insurance premium?."

Let's try to understand why health insurance is important and cannot be ignored.

Sickness and accidents are unpredictable. It can happen to anyone, anytime. In case of a sudden illness and hospitalization, one is left with limited choices such as compromise on good treatment or take a loan or break savings meant for other goals in life.

A look at treatment costs in India for major diseases

Treatment	Cost in (Rs)
Angioplasty	Rs 2, 00,000 to Rs 3, 00,000
Open heart surgery	Rs 2, 50,000 to Rs 4, 50,000
Liver transplant	Rs 40, 00,000 to Rs 80, 00,000
Kidney transplant	Rs 10, 00,000 to Rs 30, 00,000
Hernia surgery	Rs 30,000 to Rs 60,000
Chemotherapy for cancer	Rs 7000 to Rs 10000 per session
Hip replacement	Rs 4, 00,000 to 8, 00,000

TRUE FACT OF LIFE

Falling sick or having a sudden accident is bad enough

Asking for money from relatives for treatment is even worse

Lack of money for treatment is the worst thing which can happen

Cost of premium for health insurance v/s benefits of health insurance

The premium for a person aged 30 years for a 5 lakh health insurance cover would be approximately between Rs 5000 to Rs 7000/- per year. If you divide the yearly premium by 12 months it comes to a small amount of less than 600 rupees per month which less than the average expenses for a Sunday outing or movie tickets for 2 people.

So by paying less than 600 rupees every month you can avail a health insurance policy which covers treatment costs upto Rs 5, 00,000. Isn't that great?

Can you imagine what will happen if you don't have a health insurance policy and get hospitalized due to an illness or accident?

What you can get for Rs 600?

Dinner for two

or

Movie tickets and popcorn for two

or

Peace of mind and good treatment (if required) with health insurance