

Can I avail insurance for my old parents?

BY MANOJ ASWANI

■ I am 27 years old and will be getting married in the next month. I have not taken any insurance so far and would like to know what the insurance plans I should take are? Also should I take them before marriage or after my marriage?

—Rahul Sutar, Chinchpokli

It does not matter whether you take the insurance policy after the marriage or before. In fact the earlier you take insurance the cheaper it will be. The only possible change would be the name of the nominee. After marriage you may want to change the name of the nominee to your wife. Change in the nominee name can be done any time during the term of the policy. As for the type of insurance plans, you should start by taking a simple

term plan for the highest possible sum assured. You may also want to take a health insurance policy which will cover the cost of medical expenses. Once that is done, you can plan your further investments accordingly. To suggest a complete plan you would need the help of a financial advisor.

■ I have a health insurance plan provided by my company. Should I buy another health insurance plan by myself?

—Sudha Nair, Malad

It is always advisable to have a health insurance policy by yourself. The policy provided by the company will last only as long as you are working for that company. If you don't see yourself shifting jobs or the threat of losing your job, the company policy will suffice though

■ My parents are 60 and 54 years old. I want to take an insurance policy for them. Will any insurance company provide policies?

—Monica Luthra, Juhu

Currently there are a host of insurance company which provide health insurance policies for senior citizens. Your parents can definitely be covered by most public

INSURANCE SOLUTIONS

sector insurance companies and a host of private insurance players also. Insurance coverage till the age of 65 is something which a lot of insurance companies are providing.

■ My wife is pregnant. Is there any insurance policy which will cover these expenses?

—Sudesh Nair, Mulund

Insurance policies are there to protect you from unplanned emergencies. So not many companies will provide medical cover for the same. However there are a few insurance companies which cover the expenses after 2 to 4 years of you taking the policy for the first time.

■ I have a saving of Rs.25,000 which I can invest every year. What should I opt for – shares, mutual funds or ULIPs?

—Vigneesh Patel, Ghatkopar

All the 3 options you have short listed are good and will help you accumulate wealth on a long term basis. I would recommend that you avail the services of a financial advisor before making any investments as it is important to have a lot more information before recommending any particular invest-

ment tool or methodology.

■ I have a ULIP from Max New York Life. Should I stop paying the premium after 3 years and start investing in some other way?

—Vincent Lobo, Santacruz

ULIPs are long term investment tools and the maximum benefits accrue when you stay invested for a longer period of time. Also note that the applicable charges would keep accruing to your policy, which will be deducted from your fund in the form of units. So, it would not be advisable to stop paying the premiums after a period of 3 years. Do that only in case you are absolutely short of money and have no option. ■

(The author is the VP at MyInsuranceClub.com, an insurance comparison site.)