

Annexure - 2

Existing Provisions of IRDAI (Health Insurance) Regulations, 2016 vis-à-vis the proposed modifications along with the rationale for the modifications.

Sr No	Clause No.	Regulation Changes	Description of Existing Regulation	Proposed Modification	Rationale
1	2 (a)	Omitting Regulation 2(i)(m)	“Portability” means the right accorded to an individual health insurance policyholder (including family cover), to transfer the credit gained for pre-existing conditions and time bound exclusions, from one insurer to another or from one plan to another plan of the same insurer”	Omit the provision.	it is proposed to shift this definition to Chapter I – Standard Definitions of IRDAI “Guidelines on Standardization in Health Insurance” issued vide Circular ref IRDA/HLT/REG/CIR/146/07/2016 dated 29 th July 2016.
2	2(b)	Omitting Regulation 2(i)(p)	“Third Party Administrators or TPA” means any person who is registered under the IRDAI (Third Party Administrators – Health Services) Regulations, 2016 notified by the Authority, and is engaged, for a fee or remuneration by an insurance company, for the purposes of providing health services as defined in those Regulations.	Omit the provision.	This is defined in the IRDAI (Third Party Administrators – Health Services) Regulations 2016. Hence, omitted.

3	2(c)	Omission of proviso which does not allow discounts on third party merchandise 8(d)	General Insurers and Health Insurers may devise mechanisms or incentives to reward policyholders for early entry, continued renewals (wherever applicable), favourable claims experience, preventive and wellness habits and disclose upfront such mechanism or incentives in the prospectus and the policy document, by complying with the norms specified under Product Filing Procedure Guidelines. Provided that what is proposed to be covered as part of wellness habits and preventive habits be clearly defined in each and every product. Provided further that no discount shall be offered on any third party service or merchandise. However, discounts in premium or discounts and/or benefits on diagnostic or pharmaceuticals or	General Insurers and Health Insurers may devise mechanisms or incentives to reward policyholders for early entry, continued renewals (wherever applicable), favourable claims experience, preventive and wellness habits and disclose upfront such mechanism or incentives in the prospectus and the policy document, by complying with the norms specified under Product Filing Procedure Guidelines. Provided that what is proposed to be covered as part of wellness habits and preventive habits be clearly defined in each and every product.	The highlighted part of the existing provisions has been deleted as it is proposed that the Granular specifications may not be part of Regulations but may be brought in through Guidelines (as mentioned hereunder at Point 3(i)).
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			consultation services of providers in the network are permitted.		
4	2(d)	Inserting Sub Regulation 8(e)	-	(e) The insured shall be informed in writing of any underwriting loading charged as filed and approved under the Product Filing Guidelines over and above the premium and specific consent of the policyholder for such loadings shall be obtained before issuance of a policy.	<p>This was an existing provision at Regulation 23(i) under “Special Provisions for Senior Citizens”.</p> <p>The same is being shifted to 8(e) so as to make it applicable to all policyholders including Senior Citizens.</p>
5	2(e)	Inserting Sub Regulations 11(e) and (f)	Heading of Regulation 11 is “Designing of Health Insurance policies”	<p>(e) To enable access to the basic health insurance covers, all insurers shall offer a standard health insurance product as per the Guidelines as may be specified by the Authority from time to time.</p> <p>(f) Any of the exclusions in all health insurance policies shall be subject to the Guidelines as may</p>	To incorporate enabling provisions in the Regulations for issuing Guidelines on “Standard Product” and “Standard Exclusions”.

				be specified by the Authority from time to time.	
6	2(f)	Inserting proviso to Sub Regulation 13(iii)	The insurer shall provide for a mechanism to condone a delay in renewal up to 30 days from the due date of renewal without deeming such condonation as a break in policy. However coverage need not be available for such period.	<p>The following new proviso is proposed to be incorporated.</p> <p>Provided the renewal premium shall not be accepted more than 90 days in advance of the due date of the premium payment</p>	New provisions are now incorporated to enable insurers collect premium only prior 90 days to the due date of premium so that Insurers cannot collect the premium at any time for the period when cover was not provided.
7	2(g)	Modification of Sub Regulation 17(i)	General Insurers and Health Insurers offering health covers specific to age groups such as maternity covers, children under family floater policies, students etc, shall offer an option to migrate to a suitable alternative available health insurance policy at the end of the specific exit age or at the end of the specific exit age or at the time of withdrawal of the policy at the option exercised by the said lives by allowing suitable	General insurers and health insurers offering indemnity based health covers shall offer an option to the policyholders to migrate to a suitable alternative health insurance policy available at the time of modification or withdrawal of the policy. Further, indemnity based health covers offered to specific age groups, students, children under family floater policies, shall also offer an option to such	In the existing provision the migration is mandated only in respect of covers specific to age groups. Further, it is also allowed migration to all health covers. As critical illness policies normally terminate coverage on diagnosis of the critical illness, migration cannot be mandated in respect of CI Covers. Further, where OPD policies are offered on a standalone basis, there may be no need for mandating migration. Hence, it is categorically mentioned that this migration is allowed only in respect of indemnity based policies along with clarifying the mandate of

			credits for all the previous policy years, provided the policy has been maintained without a break.	lives to migrate to a suitable alternative health insurance policy available at the specific exit age. Every policy migrated shall be allowed suitable credits for all the previous policy years, provided the policy has been maintained without a break.	migration when a product is modified or withdrawn.
8	2(h)	Addition – 17(iv)	-	Further to sub regulation (i) to (iii) the norms on migration and portability of all policies issued by General Insurers and Health Insurers shall be subject to the Guidelines as may be specified by the Authority from time to time.	It is proposed that the granular details on portability and migration of individual policies and also from group policies to individual policies or vice versa shall be specified through Guidelines.
9	2(i)	Modification of Regulation 18(a)	General Insurers and Health Insurers may endeavour to provide coverage for one or more systems covered under 'AYUSH treatment' provided the treatment has been undergone in a government hospital or in any institute recognized by government and/or accredited by Quality	All Insurers may endeavour to provide coverage for one or more systems covered under "AYUSH treatment" provided the treatment has been undergone in the hospitals or healthcare facilities subject to the Guidelines as may be specified by the	Vide Circular Ref: IRDA/HLT/REG/CIR/005/01/2017 dated 10 th January 2017; norms for AYUSH coverage were expanded, apart from what were existing under Regulation 18 viz. Teaching Hospitals and certain AYUSH Hospitals with certain criteria. This was based on the recommendations of Ministry of AYUSH.

			Council of India or National Accreditation Board on Health.	Authority from time to time.	As the types of hospitals that may have to be allowed for treatment of AYUSH coverage are dynamic in nature, we may shift this to the Standard Definitions in the existing Guidelines on Standardization in Health Insurance. Therefore, enabling provision to this effect is provided for in the Regulations instead of defining the same in the Regulations, so that any further modifications in future may be carried out in the Guidelines, instead of going for modification of Regulations.
10	2(j)	Modification of Regulation 19	Wellness and Preventive Aspects	Insurers may endeavour promoting wellness amongst policyholders of health insurance as per the Guidelines as may be specified by the Authority from time to time.	As wellness and preventive features are dynamic in nature, instead of specifying the granular norms in the Regulations, it is proposed to shift the granular norms into the Guidelines, hence, modification.
11	2(k)	Omission of words in Regulation 23(i)	Special Provisions for Senior Citizens	The premium charged for health insurance products offered by Life Insurers, General Insurers and Health Insurers to senior citizens shall be fair, justified, transparent and duly disclosed upfront. The insured shall be	The highlighted portion is shifted to Regulation 8(e) as mentioned at 4 above.

				informed in writing of any underwriting loading charged as filed and approved under the Product Filing Guidelines over and above the premium and specific consent of the policyholder for such loadings shall be obtained before issuance of a policy.	
12	2(l)	Modification of Regulation 24(ii)(2)	Claims under other policy/ies may be made after exhaustion of Sum Insured in the earlier chosen policy / policies	Balance Claims or Claims disallowed under the earlier chosen policy/policies may be made from the other policy/policies even if the Sum Insured is not exhausted in the earlier chosen policy/policies. The Insurer(s) in such cases shall independently settle the claim subject to the terms and conditions of other policy/policies so chosen.	Vide IRDAI Circular ref IRDA/HLT/REG/CIR/005/01/2017 dated 10 th January 2017, this clause was already modified; the same is being suitably brought into the Regulations.
13	2(m)	Inserting Sub Regulation 27(vi)	-	Further to the sub-regulation (i) to (v), in the matters relating to settlement of claims, the Authority may specify	To provide for enabling provision in the Regulation, this sub regulation is inserted.

				Guidelines from time to time.	
14	2(n)	Modification of Regulation 30(c)	Reimbursement shall be allowed at any medical establishment. All such establishments must be licensed or registered as may be required by any Local, State or National Law as applicable.	Subject to terms and conditions of the policy contract, reimbursement shall be allowed at any hospital or medical establishment. All such establishments must be licensed or registered as may be required by any local, State or National Law as may be applicable.	Certain hospitals may be excluded by the insurers based on the questionable practices. The term excluded providers is also proposed to be standardized in the standardization of exclusions.
15	2(o)	Substituting Clause 35(c)	Authority may require Insurers, TPAs and Network Providers to comply with data related matters as specified in the Guidelines that may be issued separately.	Authority may require Insurers, TPAs and Network Providers to comply with data related matters and settlement of claims through electronic means as per the Guidelines as may be specified by the Authority from time to time.	Enabling provision for facilitating settlement of claims electronically through a common platform for all the stakeholders' viz. insurers, TPAs and Network providers/ Hospitals.
16	2(p)	Omission of words in - Sch I Cl 14	In order to accept a policy which is being ported in, the insurer shall not levy any additional loading or charges exclusively for the purpose of porting.	In order to accept a policy which is being ported in, the insurer shall not levy any additional charges exclusively for the purpose of porting.	The loading may be required on account of fresh underwriting, which is allowed as per clause 12 of Schedule I, therefore we may remove the word loading from this clause.

17	2(q)	Substitution - Schedule I, Clause 16	<p>16. Portability shall be allowed in the following cases:</p> <p>a. All individual health insurance policies issued by General Insurers and Health Insurers including family floater policies.</p> <p>b. Individual members, including the family members covered under any group health insurance policy of a General Insurer or Health Insurer shall have the right to migrate from such a group policy to an individual health insurance policy or a family floater policy with the same insurer. Thereafter, he/she shall be accorded the right mentioned in 1 above.</p>	<p>Portability shall be allowed subject to the Guidelines as may be specified by the Authority from time to time.</p>	<p>It is proposed that we may issue guidelines on this matter relating to portability and migration.</p> <p>An enabling provision to issue guidelines is proposed at 8 above.</p>
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