

Ref: IRDA/HLT/REG/CIR/125/07/2013

3rd July, 2013

ALL LIFE AND NON-LIFE INSURANCE COMPANIES

(except AIC and ECGC) and

All TPAs

Re: Amendment to Guidelines on Standardization in Health Insurance

This is issued in terms of Section 14(2) of IRDA Act 1999 and has reference to Circular ref: IRDA/HLT/CIR/036/02/2013 dated 20/02/2013 regarding Guidelines on Standardization in Health Insurance. The following amendments may kindly be noted:-

A. Standard Definitions of terminology used in Health Insurance Policies

In terms of Regulation 5 (n) of the IRDA Health Insurance Regulations, 2013 and with reference to Para 1 of the above-mentioned circular dealing with standard definitions, the Authority hereby stipulates the following amended definitions while defining the respective terms in all health insurance policies:-

SI No. 1. Accident

An accident is a sudden, unforeseen and involuntary event caused by external, visible and violent means.

SI No 2. Co-payment

A co-payment is a cost-sharing requirement under a health insurance policy that provides that the policyholder/insured will bear a specified percentage of the admissible claim amount. A co-payment does not reduce the Sum Insured.

SI No 4. Deductible

Deductible is a cost-sharing requirement under a health insurance policy that provides that the insurer will not be liable for a specified rupee amount in case of Indemnity policies and for a specified number of days/hours in case of hospital cash policies which will apply before any benefits are payable by the insurer. A deductible does not reduce the Sum Insured.

(Insurers to define whether the deductible is applicable per year, per life or per event and the specific deductible to be applied)

SI No.5. Dependant child

This definition stands deleted.

SI No. 8. Hospital

A hospital means any institution established for in-patient care and day care treatment of illness and/or injuries and which has been registered as a hospital with the local authorities under the Clinical Establishments (Registration and Regulation) Act, 2010 or under the enactments specified under the Schedule of Section 56(1) of the said Act OR complies with all minimum criteria as under:

- has qualified nursing staff under its employment round the clock;
- has at least 10 in-patient beds in towns having a population of less than 10,00,000 and at least 15 in-patient beds in all other places;
- has qualified medical practitioner(s) in charge round the clock;
- has a fully equipped operation theatre of its own where surgical procedures are carried out;
- maintains daily records of patients and makes these accessible to the insurance company's authorized personnel.

SI No. 12. Medical Practitioner

A Medical Practitioner is a person who holds a valid registration from the Medical Council of any State or Medical Council of India or Council for Indian Medicine or for Homeopathy set up by the Government of India or a State Government and is thereby entitled to practice medicine within its jurisdiction; and is acting within the scope and jurisdiction of licence.'

(Insurance companies may specify additional or restrictive criteria to the above, e.g. that the registered practitioner should not be the insured or close family members)

SI No.18. Reasonable Charges

Term modified to 'Reasonable and Customary Charges' and definition to read as such.

SI No.23a. Acute Condition

Acute condition is a disease, illness or injury that is likely to respond quickly to treatment which aims to return the person to his or her state of health immediately before suffering the disease/illness/injury which leads to full recovery.

SI No.23. Day Care Centre

A day care centre means any institution established for day care treatment of illness and/or injuries or a medical setup within a hospital and which has been registered with the local authorities, wherever applicable, and is under the supervision of a registered and qualified medical practitioner AND must comply with all minimum criteria as under—

- has qualified nursing staff under its employment;
- has qualified medical practitioner/s in charge;
- has a fully equipped operation theatre of its own where surgical procedures are carried out;
- maintains daily records of patients and will make these accessible to the insurance company's authorized personnel

SI No.28. Post Hospitalisation Medical Expenses

Medical Expenses incurred immediately after the insured person is discharged from the hospital provided that:

- i. Such Medical Expenses are incurred for the same condition for which the insured person's hospitalization was required and

- ii. The inpatient hospitalization claim for such hospitalization is admissible by the insurance company

SI No. 29. Newborn baby

Newborn baby means baby born during the Policy Period and is aged between 1 day and 90 days, both days inclusive.

SI No.30. Cumulative Bonus

Cumulative Bonus shall mean any increase in the Sum Insured granted by the insurer without an associated increase in premium.

SI.No.31. Maternity Expenses

Maternity expenses shall include—(a). medical treatment expenses traceable to childbirth (including complicated deliveries and caesarean sections incurred during hospitalization).(b). expenses towards lawful medical termination of pregnancy during the policy period.

SI No. 34a. Internal Congenital Anomaly

Congenital anomaly which is not in the visible and accessible parts of the body

SI No. 34b. External Congenital Anomaly

Congenital anomaly which is in the visible and accessible parts of the body

SI No.35. Unproven/Experimental treatment

Treatment including drug experimental therapy which is not based on established medical practice in India, is treatment experimental or unproven.

SI No. 41. Contribution

Contribution is essentially the right of an insurer to call upon other insurers liable to the same insured to share the cost of an indemnity claim on a rateable proportion of Sum Insured.

This clause shall not apply to any Benefit offered on fixed benefit basis.

SI No.44. Portability

Portability means transfer by an individual health insurance policyholder (including family cover) of the credit gained for pre-existing conditions and time-bound exclusions if he/she chooses to switch from one insurer to another.

SI No.45. Room Rent

Means the amount charged by a hospital for the occupancy of a bed on per day (24 hours) basis and shall include associated medical expenses.

B. Standard Pre-authorisation and Claim form

With reference to Para 3 of the circular on Guidelines on Standardization in Health Insurance referred above, the Authority hereby makes the following amendments to the Pre-authorisation Form and the Claim Form respectively:

1. Pre-authorisation form:

(a). Provision for capture of contact details of relative attending to the insured has been made.

2. Claim form:

(a). The claim form is applicable for Health Insurance policies other than Personal Accident and Travel policies

(b). Under Part B of the form, the sub-heading should read as 'Additional details in case of non network hospital' instead of 'Details in case of non-network hospital'.

The forms are attached.

Insurers and Third Party Administrators are advised to make a note of the amendments and ensure necessary compliance.

(T.S. Vijayan)

Chairman

Encl: a/a