

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1673
TO BE ANSWERED ON 27th July 2018/ Shrawana 5, 1940(Saka)

Fake Health Insurances Companies

1673. SHRI S.P. MUDDAHANUME GOWDA:

Will the Minister of FINANCE be pleased to state:

- (a) whether health insurance coverage in the country has witnessed a sharp increase over the year and if so, the details thereof;
- (b) whether any study has been made about the penetration of health insurance in urban areas and rural areas, if so, the details thereof;
- (c) whether any complaints have been received about fake insurance companies issuing policy and not honouring/ reimbursing the medical treatment of medical services, if so, the details thereof; and
- (d) the steps taken/proposed to be taken by the Regulatory Authority to monitor health insurance schemes?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a) As per Insurance Regulatory Development and Authority of India (IRDAI), health insurance coverage in the country witnessed a reasonable growth both in terms of number of persons covered and premium collected. The number of persons covered under health insurance increased from 35.90 crores in the year 2015-16 to 43.75 crores in the year 2016-17. The percentage increase under health insurance from the year 2015-16 to 2016-17 is 24.31%.

(b) No Madam.

(c) IRDAI has received a complaint that an entity "M/s AKPCL General Insurance Company" was selling insurance policies, although neither licensed nor granted registration by the Authority to sell insurance policies of any kind. The Authority lodged a complaint with Gujarat Industrial Development Corporation (GIDC) Police Station, Vapi, Gujarat on 21st July, 2016. The IRDAI has also issued a public notice on 4th August, 2016 cautioning the public about this fake company.

(d) The steps taken/proposed to be taken by the IRDAI to monitor health insurance schemes are as under:

- i) IRDAI notified IRDAI (Health Insurance) Regulations 2016 [HIR 2016], Guidelines on Standardization in Health Insurance dated 29th July, 2016 and Guidelines on Product Filing in Health Insurance Business dated 29th July, 2016 to have regulatory oversight on Health Insurance business.
- ii) Various returns concerning the business performance and claims administration are specified by IRDAI which are to be filed by all the Insurers and reviewed by RDAI from time to time.
- iii) IRDAI periodically carries out inspection of insurance companies which includes the examination of claims payment practices of the insurers and their compliance to the provisions of Insurance Act, various IRDAI Regulations/Circulars and Guidelines issued from time to time.
