

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 143

ANSWERED ON – 18.7.2022

RATING OF HEALTH INSURANCE COMPANIES

143. SHRIMATI SAJDA AHMED:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has formulated any policy for rating of the Health Insurance companies on the basis of their performance and if so, the details thereof;
- (b) whether the Government has lifted the regulations for the approval-seeking process to launch new products by the insurance company under use and file system and if so, the details thereof;
- (c) whether the Government has taken note that the policies introduced under the use and file system lack sustainability and affordability for the targeted customers and if so, the details thereof; and
- (d) the number of health insurance schemes suspended or withdrawn due to non-compliances during the last three Years?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a): Insurance Regulatory and Development Authority of India (IRDAI) has informed that currently no proposal for performance-based rating of the health insurance companies is under consideration.

(b) and (c): IRDAI has informed that, vide circular dated 1.6.2022, they have permitted all general and health insurance companies to introduce or modify/revise all categories of products and add-ons offered under health insurance business through “Use and File” procedure, subject to complying with certain norms. These norms *inter alia* include having in place a Board approved policy of such products, premium rates appropriately reflecting the benefits and terms and conditions of the underlying products/add-ons, based on the generally accepted actuarial principles, while ensuring self-sustainability and affordability of these products to the targeted market.

(d): IRDAI has informed that no health insurance schemes have been suspended or withdrawn due to non-compliances during the last three years.
