

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION No. 165

TO BE ANSWERED ON MONDAY, 3rd FEBRUARY, 2025/MAGHA 14, 1946 (SAKA)

Arogya Plus Health Insurance Policy

165. Shri N K Premachandran:

Will the Minister of Finance be pleased to state:

- (a) whether the SBI General Insurance Company approached the Insurance Regulatory and Development Authority of India (IRDAI) for permitting them to stop Arogya Plus Health Insurance Policy and top-up;
- (b) if so, the details of application submitted by SBI General Insurance company, the process made by the IRDA and the decision taken thereon;
- (c) whether the Government has given permission to SBI General Insurance Company to withdraw the policy and if so, the details thereof;
- (d) whether it comes to the notice of Government that the SBI General Insurance Company promised to the policy holders that they will cover the insured amount without increasing the premium and if so, the action taken by the Government to comply with the promise given by SBI General Insurance; and
- (e) whether the Company is denying renewal of the Arogya Plus Health Insurance Policy and if so, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e): As per regulations issued by Insurance Regulatory and Development Authority of India (IRDAI) the Product Management Committee (PMC), a board constituted committee of the insurance company is authorized to take the decision to withdraw the product, based on the review and recommendations of the Appointed Actuary. The PMC then takes decision of withdrawal of a product after duly recording the reason. Wherever insurers wish to withdraw any product, the same is to be informed to IRDAI within 30 (thirty) days from the date of withdrawal. The PMC of insurer need not obtain permission from IRDAI for this purpose.

In line with the above procedure, the SBI General Insurance Company Ltd informed IRDAI about the withdrawal of Arogya plus health Insurance policy on 14th October, 2024.

The premium and benefits available under the policies cannot be altered during the term of the policy. Therefore, the terms and conditions, scope of coverage and the premiums payable under policies issued before withdrawal of a product remain unchanged till the end of the term.

Further, in case of withdrawal of a product, with a view to protect the interest of the policyholders, IRDAI has directed the insurers to provide the following options to the existing customers of the withdrawn product:

- a. A one-time option to renew the existing product, if renewal falls within the 90 days from the date of withdrawal of the product; or
- b. Migrate to any other suitable product as per the choice of the policyholder.