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Mumbai: Insurance regulator Irdai is pushing companies to ensure that health covers are available to all age groups, as well as those with pre-existing diseases, mental health issues and women, to ensure that there is greater coverage and no one is denied the facility.

While the regulations have been tweaked, many are interpreting it to mean a mandate from the regulator to ensure that those over 65 are not denied health insurance. Sources told TOI without mandating detailed norms, Irdai is going to monitor how companies are going to respond to the new regulations issued recently.

“The idea is to ensure that appropriate products should come in the market. The regulator has left it to the market to decide the premium and other elements to address the requirements of the wider public,” said a source familiar with the deliberations in the Hyderabad-based regulatory agency.

So far, insurers have often denied health covers to first time buyers who are over 60 years and very often refuse to renew insurance once a claim is made, even for the younger segment. While insurers are mandated to provide lifelong renewability of health insurance, they are not forced to offer insurance to first time buyers beyond the age of 65. Many insurers have a maximum age of entry at 65, although some such as Star Health accept new proposals from even older people.

Besides, several prospective buyers are turned away citing “pre-existing disease”, leaving such consumers to fend for themselves without any insurance. “These risks can be covered which may mean a higher premium,” a source explained.

“Most citizens shy away from health insurance because they find the terms and conditions confusing, especially when it comes to pre-existing ailments as well as waiting periods. With these new guidelines, it is an endeavour of the regulator to ensure standardisation to make life simple for the citizens when it comes to understanding of health insurance. The new regulation intends to make health insurance even more inclusive, especially for senior citizens, person with disabilities and persons with chronic ailments. This will encourage more citizens to opt for health insurance. Operational guidelines are however awaited,” said Tapan Singhel MD & CEO Bajaj Allianz General Insurance

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"In 2016, Irdai had asked all insurance policies to provide for an entry age of at least up to 65 years and they were free to offer policies for older first-time buyers," said a senior executive with an insurance company.

"A literal interpretation of the new regulation would mean that any person, regardless of age, could buy insurance. But it needs to be seen how it pans out in practice," he added.

Insurers said that the issue of 'age at entry' should be clarified when Irdai issues a detailed circular. The recent notification (gazetted at the end of March and effective April 1) states "insurers shall ensure that they offer health insurance products to cater to all the age groups".

Besides age, the regulation nudges insurers to design products specifically for senior citizens, students, children, maternity and any other group as specified by the competent authority.

"Insurers shall endeavor to offer coverage for persons with all types of existing medical conditions," the regulations said without elucidating on any mandate.

"Waiting period for pre-existing diseases disclosed by the persons to be insured, shall be maximum up to 36 months of continuous coverage under the health insurance policy," the notification said.

An industry source said that there would be a pushback on making health policies available without any age restriction. He, however, said that there was a case for designing products for this category for two reasons. "Even with a higher premium, there may be people who want to buy cover as part of financial planning. A bigger issue is that insurers treat anyone who misses their renewal date by even one day as a new proposal. This leads to exclusion of seniors who have missed their renewal date," he said.