

Underwriting philosophy for offering Insurance coverage to People affected by HIV/AIDS

Introduction

HIV (Human Immunodeficiency Virus) is a virus that attacks the body's immune system and if not treated, it can lead to AIDS (Acquired Immunodeficiency Syndrome). As per Section 3(j) of the HIV and AIDS (Prevention and Control) Act, 2017, "no person shall discriminate against the protected person on any ground including any of the following, namely—the denial of, or unfair treatment in, the provision of insurance unless supported by actuarial studies."

Broad Guidelines for Underwriting

To ensure fair underwriting decision, the following information will be considered whilst underwriting the proposal for health from applicants affected by HIV/AIDS.

- Confirmation of Diagnosis with Stage of Disease
- Details of treatment –
 1. Mandatory registration with government approved ART nodal agency for a consecutive period of preceding 2 yrs (Green book to be provided) OR
 2. Detailed records of treatment and medical history for a consecutive period of preceding 2 years, if the treatment is taken from a private hospital
- HIV Questionnaires to be completed by the applicant and treating physician
- Daily routine, occupation and Lifestyle related information
- Medical examination and blood tests as required under the product and underwriting guidelines
- Details of any past or current complications
- Other relevant details of co-morbidities, if any

The above information will assist the Underwriter in fair risk assessment and equitable underwriting decision on the proposal.

Note: People detected with HIV/AIDS as an incidental finding during the pre-insurance medical examination process OR people with significant co-morbidities OR with major systemic (e.g. renal/hepatic/cardiac) complications or side effects of treatment may not be on-boarded for insurance coverage since treatment modality and improvement in the medical condition cannot be established.

The intent is to ensure that every applicant is underwritten on merit based on the guidelines under the Board approved Underwriting policy and there is no discrimination in granting health coverage to people affected by HIV/AIDS. The on-boarding of risk will be based on objective underwriting criteria and basis the risk represented, ensuring that there is no moral hazard. The insurance and reinsurance underwriting manuals have evidence-based guidelines and extra mortality ratings which each company will follow as per the product and treaty guidelines.

Underwriting philosophy for offering Insurance coverage to Persons with Disability and Mental Illness

Introduction

The purpose of this document is to lay down an underwriting philosophy to offer health insurance coverage to (i) 'Person with Disabilities' and (ii) 'Person affected with Mental Illness disease'. The document has been prepared keeping in mind the larger principle of ensuring no discrimination and the provisions of The Mental Health Act, 2017.

Scope: "Mental Illness" refers to a variety of illness and medical conditions as listed in widely accepted manuals like the Diagnostic and Statistical manual of Mental disorders (DSM) or the International classification of Disease (ICD).

Likewise, there are a wide range of medical conditions classified under 'Disabilities', most common being physical and mental disabilities.

Types of Disabilities

- Physical disability- disability pertaining to person's mobility - Level of disability
- Intellectual or Learning Disabilities
- Psychiatric disabilities
- Visual or hearing impairments
- Neurological disabilities

Underwriting Philosophy and Approach

To ensure fair underwriting decision, the following information will be considered whilst underwriting the proposal for health insurance from applicants with physical disability and/or mental illness. The underwriting practice for these illnesses is in line with the underwriting practices followed for any other medical conditions. (e.g.,: Diabetes, Heart Disease, etc) thereby ensuring a uniform philosophy and approach.

Following information will assist the Underwriter in fair risk assessment and taking an equitable underwriting decision on the proposal.

- Insurable interest & need for insurance cover
- Ability of the applicant to enter a legally valid contract
- Exact medical diagnosis, cause and duration of onset and progress - Treatment modalities since inception of the medical condition, including previous medical records
- Gainful employment details through occupation questionnaire and other related relevant evidences
- Daily routine and Lifestyle related information
- Medical examination as required under the product and underwriting guidelines
- Other relevant documents based on the exact medical condition

The intent is to ensure that every applicant is underwritten on merit, based on the Board approved underwriting policy under which it is established that there is no discrimination in granting health insurance coverage to people suffering from Disabilities or Mental Illnesses disease. The on-boarding of risk will be based on objective underwriting criteria and basis the risk represented. The insurance and reinsurance underwriting manuals have detailed evidence based guidelines for most of the conditions, approved by the Board of insurance company concerned and will be referred to for making an objective decision. In rare case, where objective criteria remains undefined in the manuals, the application will be underwritten basis medical assessment and case merits specifically ensuring that there is no discrimination or bias.

An example of Mild Mental Illness is provided below

Mental health disorders are syndromes characterized by significant disturbance in a person's cognition, emotional regulation and behavior resulting from a disturbance in the psychological, biological or developmental processes that underpin mental functioning

Mild risk mental health disorders are characterized by:

- No or minimal suicide risk
- No or minimal co-morbidities: Physical, mental or substance misuse
- Minor symptoms of short duration
- No or minimal impairment of social, occupational and personal roles

Negative features:

- More than one mental health diagnosis
- Persistent drug or alcohol misuse
- Suicide attempts
- Frequent episodes or persistent symptoms
- Poor compliance with established treatment
- Persistent impairment of social, occupational and personal roles

Actual selection criteria and extra premiums for each condition depend upon variability of the presentation of the case.

Disclosure on Website

The Company hereby discloses the underwriting philosophy and approach with respect to the above on its website in pursuance to the circular no., IRDAI/HLT/MISC/CIR/129/06/2020 dated June 02, 2020 issued by Insurance Regulatory and Development Authority of India.

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