

## **Health Insurance – Role of the regulator**

**Presented by Yegnapriya Bharath Officer on Special Duty, IRDA**

### **1. MAIN OBJECTIVES OF AN INSURANCE REGULATOR**

Protecting the interests of policyholders

Maintaining confidence in the industry

Ensuring high standards of financial soundness

Ensuring proper conduct of service providers under its supervision

### **2. MISSION OF IRDA**

To protect the interest of and secure fair treatment to policyholders

To bring about speedy and orderly growth of the insurance industry for the benefit of the common man, and to provide long term funds for accelerating growth of the economy

To set, promote, monitor and enforce high standards of integrity, financial soundness, fair dealing and competence of those it regulates

To ensure speedy settlement of genuine claims, to prevent insurance frauds and other malpractices and put in place effective grievance redressal machinery

To promote fairness, transparency and orderly conduct in financial markets dealing with insurance and build a reliable management information system to enforce high standards of financial soundness amongst market players;

To take action where such standards are inadequate or ineffectively enforced;

To bring about optimum amount of self-regulation in day to day working of the industry consistent with the requirements of prudential regulation.

### **3. RIGHTS AND OBLIGATIONS OF POLICYHOLDERS**

Point of sale

Proposal for insurance

Matters to be stated in a policy

Claims procedure

Grievance redress mechanism

Obligations of policyholders

#### **4. OTHER GENERAL REGULATORY REQUIREMENTS**

Regulations for advertising

Regulations for intermediaries

File and Use guidelines

Guidelines for Corporate Governance

Regulations for manner of receipt of premium

Regulations for TPAs

#### **5. DEVELOPING HEALTH INSURANCE**

A healthy population an asset to a nation

Access to healthcare a responsibility of all stakeholders

Priority in licensing for companies that provide health insurance

Health insurance the fastest growing segment in non-life insurance

#### **6. Irda Initiatives in Health Insurance:**

National Health Insurance Working Group

Work of various sub-groups under the Working Group

Committee on Health Insurance for senior citizens

Support to working groups of FICCI and CII

Committee to evaluate performance of TPAs

Recent important circulars on Health Insurance by IRDA keeping in view the interests of policyholders

#### **7. CONCERNS RELATING TO HEALTH INSURANCE**

Adverse selection

High pay outs

Provider malpractices

Lack of transparency and upfront disclosure on the part of insurers

***Compiled by Team from MOP Vaishnava College, Chennai***