

Underwriting philosophy for offering Insurance coverage to Persons with Disability and Mental Illness and People affected by HIV/AIDS

A. 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."

The detailed Underwriting philosophy for offering Insurance coverages to people affected by HIV/AIDS is guided by the *Standard Guidelines with respect to underwriting, claims etc. for people living with HIV or vulnerable to HIV/AIDS, formulated by Life Insurance Council Committee. (Refer IRDA Draft Circular on Life Insurance Products for People Living with HIV / AIDS (PLHA) dated 11.10.2013)*

Broad Guidelines for Underwriting:

To ensure a fair underwriting decision, the following information will be considered whilst underwriting the proposal for Health or Life insurance from applicants affected by HIV/AIDS.

- Confirmation of Diagnosis with Stage of Disease.
- Details of treatment
 - a) Mandatory registration with government approved ART¹ nodal agency for a consecutive period of preceding 2 yrs. (Green book² to be provided) OR
 - b) 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 comorbidities, if any

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 .

Underlying philosophy is to ensure that every application is underwritten on merit, in line with regulatory guidance and avoid discrimination in granting insurance coverage to people affected by HIV/AIDS. The onboarding of risk will be based on objective underwriting criteria and basis the risk represented, ensuring that there is no moral hazard. The Company has formulated evidence-based guidelines and extra mortality ratings which will be followed as per the guidelines. Detailed guidelines formulated by Life Insurance Council Committee 2013 will form the basis of philosophy for making an objective decision.

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

Introduction:

The purpose of this document is to lay down a broad underwriting philosophy to offer health insurance coverage to 'Person with Disabilities' and people with Mental illness. The document is prepared keeping in mind the larger principle of ensuring that there is no discrimination bias and keeping in mind the provisions under the Mental Health Act 2017.

"Mental Illness" refers to a variety of illnesses 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. Disabilities are broadly classified as Physical, Intellectual, Psychiatric, Neurological, Visual or Hearing impairments

Mental health disorders

These 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. Some of the characteristics are suicidal risk, comorbidities, drug or alcohol abuse, impairment of social, occupational and personal roles

Further, the below information will assist the Underwriter in a fair risk assessment and 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 underlying philosophy is to ensure that every applicant is underwritten on merit, and that there is no discrimination in granting insurance coverage to people suffering from Disabilities or Mental illnesses. The on boarding of risk will be based on objective underwriting criteria and basis the risk represented as per the underwriting manuals. In cases where objective criteria falls beyond the scope of manuals, the application will be underwritten basis medical assessment & case merits specifically ensuring that there is no discrimination or bias.

Assessment criteria & extra premiums for each condition will be decided case to case basis.

1. Antiretroviral therapy