

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:125

ANSWERED ON:04.03.2011

HEALTH INSURANCE

Gaikwad Shri Eknath Mahadeo;Yaskhi Shri Madhu Goud

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the guidelines have been issued for portability in health insurance;
- (b) if so, the details thereof;
- (c) if not, the time by which such portability in health insurance is likely to be allowed;
- (d) whether the Government has taken note of complaints and other deficiencies in the services provided to health insurance policy holders in the recent past; and
- (e) if so, corrective steps taken/being taken by the Government in this regard?

**Answer**

FINANCE MINISTER (SHRI PRANAB MUKHERJEE)

(a) to (e): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF LOK SABHA STARRED QUESTION NO. 125 FOR 04.03.2011 REGARDING 'HEALTH INSURANCE' RAISED BY S/SHRI MADHU GOUD YASKHI AND EKNATH M. GAIKWAD, MPs.

(a) to (c): The Insurance Regulatory and Development Authority (IRDA), vide its circular dated 10.2.2011, has issued guidelines for portability of health insurance policies with effect from 1st July, 2011. These guidelines stipulate that all insurers issuing health insurance policies shall allow credit gained by the insured for pre existing conditions(s) in terms of waiting period when he/ she switches from one insurer to another or from one plan to another, provided the previous policy has been maintained without break. This credit (in terms of waiting period) would be limited to the sum assured (including bonus) under the previous policy.

(d) & (e): Non-recognition of health policies issued by other insurers and non-granting of portability benefit for waiting periods and accrued benefits has been an issue of complaint of policyholders in the past. Another issue under Health Insurance has been the matter of cashless treatment. Efforts have been made towards resolving both the issues taking into account the views of all the stakeholders. The Preferred Provider Network (PPN) initiative started by the Public Sector General Insurance Companies (PSGICs) has received recognition from a large number of hospitals and most of the high end hospitals have also joined the network.