

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3250  
ANSWERED ON:30.08.2013  
HIKE IN HEALTH INSURANCE PREMIUMS  
Sugumar Shri K.

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

(a) whether the Government has received any proposal from Insurance companies for a hike in the existing insurance premiums particularly health insurance premium; and

(b) if so, the details and the present status thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b): Insurance companies are required to file the premium charts while filing a product with IRDA. It is also required that the insurance companies file any proposed increase/decrease in the premium subsequently. Increase in premium rate of a product is mainly necessitated in light of the claims experience. Premium increase becomes necessary to ensure that insurers have the ability to pay claims and be viable. Change in pricing is allowed under Regulation No. 7(c) of the Insurance Regulatory and Development Authority (Health Insurance) Regulations, 2013, which stipulate that "for a period of three years after a product has been cleared under File and Use Procedure (of IRDA) the premiums filed shall ordinarily not be changed. Thereafter the insurer may vary the premium rates depending on the experience, such rate shall not be changed for a period of at least one year from the date of clearance from the Authority".