

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:354

ANSWERED ON:06.12.2013

INSURANCE POLICIES TO HIV AIDS PEOPLE

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

- (a) Whether the Insurance Regulatory and Development Authority (IRDA) has recently issued any draft guidelines on issuing life cover policies to people suffering from HIV/AIDS;
- (b) If so, the details thereof;
- (c) Whether the IRDA has sought the comments of various insurers in this regard;
- (d) If so, the details thereof alongwith the reaction of the insurers thereto; and
- (e) Whether the Government also proposes to provide insurance cover to people suffering from other deadly diseases and if so, the details thereof and if not, the reasons therefor?

**Answer**

Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) and (b): Yes, Sir. The Insurance Regulatory and Development Authority (IRDA) have issued a draft circular dated 11th October, 2013 to all the Life Insurers to provide life cover for people living with HIV/AIDS (PLHA) and health cover. According to the draft circular, all life insurers are required to put-in place a Board approved underwriting policy with respect to life insurance products for PLHA. The Circular provides that life insurance cover for PLHA should not be denied if the eligibility criteria as per the Board approved underwriting policy are satisfied. The Circular also provides for health insurance products offered by Life Insurers for those who are HIV negative at inception of the policy and acquire HIV / AIDS after commencement of insurance policy. With respect to such persons who are HIV negative at date of commencement of the contract and subsequently found to be HIV positive during the term of the policy, the Circular states that the insurers should not reject/deny any claim on such grounds and in all such cases, the underwriting guidelines and claims settlement guidelines applicable at the time of commencement should be applicable.

(c) and (d) : Yes, Sir. The Insurance Regulatory and Development Authority (IRDA) have circulated the circular to all the Life Insurers including Life Insurance Council inviting comments. Some of the main observations received from insurers include the apprehension that long term health products may not be viable for this category of persons for reasons like limited data available on health care utilization and co-morbidities/co- infections associated with HIV/AIDS. It is suggested by some insurers that there should be specific provisions in the guidelines for mandatory disclosure of the diagnosis of HIV/AIDS by the proposed insured so that appropriate actions may be taken by the insurer which may include suggesting the applicable product & loading on premium or denial of claim where material information is not disclosed appropriately in the proposal form etc..

(e) Insurance Companies provide insurance cover for serious/incurable diseases under benefit based policies generally called as 'Critical Illness Policies'.