



Ref: IRDAI / HLT/ REG / CIR / 156 / 06 / 2020

23rd June, 2020

To

All Insurers (Except ECGC, AIC)

Sub: Guidelines on introduction of short term health insurance policies providing coverage for COVID-19 disease

1. Reference is drawn to IRDAI circular vide ref. IRDAI/HLT/REG/CIR/054/03/2020 dated 04th March, 2020 advising the general and health insurers to design need based products covering costs of treatment of corona virus (COVID-19) disease.
2. With an objective of making available insurance protection to various sections of people in the prevailing COVID-19 pandemic, it is considered that short term health insurance policies providing coverages specific to COVID-19 disease is the need of the hour. Accordingly, all insurers (Life, General and Health Insurers) are allowed to offer COVID – 19 specific short term health insurance policies subject to these guidelines.
3. Short term health policy for the purpose of these guidelines means any health insurance policy contract which has been issued for a policy term of less than 12 months.
4. Notwithstanding the provisions of regulation 3 (b), 3(c) and 3(d) of IRDAI (Health Insurance) Regulations, 2016, the life, the general and health insurers are permitted to devise need based, short term health insurance policies providing coverages specific to COVID-19 disease, subject to the following conditions.
 - i) Short term health insurance policies are permitted to be devised offering health insurance cover specific to only COVID-19.
 - ii) Short term policies are permitted to be offered both as individual or group products.
 - iii) Short term policies may be issued for a minimum term of three months to a maximum term of eleven months. In between three months and eleven months, the policy term shall be in multiples of completed months.
 - iv) A policy term less than three months is not permitted.



- v) Where the term of policy is fixed as 12 months, the same is not considered as short term health policy.
 - vi) Optional covers that enhance the health insurance coverage are permitted to be offered for the same policy duration.
 - vii) No separate add-ons are permitted.
 - viii) Insurers are advised to devise inclusive short term health insurance products. Where waiting periods are part of the product, such waiting period shall not exceed fifteen days.
 - ix) In light of the provisions of Regulation 3 (b) of IRDAI (Health Insurance) Regulations, 2016 life insurers are permitted to offer only benefit based short term health insurance policies.
 - x) General and Health Insurers are permitted to offer both indemnity based and benefit based short term health insurance policies.
 - xi) Lifelong renewability, migration and portability stipulated under Regulation 13 and 17 of IRDAI (Health Insurance) Regulations, 2016 respectively are not applicable to the short term health policies offered by general and health insurers.
 - xii) Insurers shall ensure that short term health insurance products comply with the norms on pricing stipulated in IRDAI (Health Insurance) Regulations, 2016 and Guidelines on Product Filing in Health Insurance Business (Ref: IRDA/HLT/REG/CIR/150/07/2016) dated 29th July, 2016.
 - xiii) Short term health insurance products shall be filed as per Chapter III (File and Use Procedure) of Guidelines on Product Filing in Health Insurance Business (Ref: IRDA/HLT/REG/CIR/150/07/2016) dated 29th July, 2016 and shall be launched only after prior approval of the Authority.
5. These guidelines will remain valid for issue of short term policies till 31st March, 2021 unless extended further.
 6. These guidelines are issued under the powers vested in Section 34 (1) of Insurance Act, 1938.
 7. This has the approval of the competent authority.

(D V S Ramesh)
General Manager (Health)