

F. No. G.14017/115/2011-Ins.II
Government of India
Ministry of Finance
Department of Financial Services

*2nd Floor, Jeevan Deep Bldg.
Sansad Marg,
New Delhi - 110 001,
Dated: 17th October 2012.*

CORRIGENDUM

To

The CMDs of Public Sector General Insurance Companies

**Subject: Strategy to be adopted in connection with underwriting
Health Insurance Policies – reg.**

Sir(s),

With reference to our earlier communication of even number dated 24th September 2012 on the captioned subject, I am directed to inform you that the following text of Para 1 B stands deleted:

“The brokerage/commission shall be restricted to a maximum of 5% to prevent unhealthy practices of letting the broker to hike the premium, by assuring him of brokerage at a higher percentage.”

Para 1 B may now be read as under and action may be taken accordingly:

“B. Stand alone policies where combined ratio is less than 100% – It will be ensured in all such stand-alone Group Health Insurance policies where the combined ratio is less than 100% that the premium is revised upward duly taking into consideration the medical inflation, margins, management expenses and other such factors.”

This has the approval of the Secy. (FS).

Yours faithfully,

(Arun Kumar Misra)
*Under Secretary to the Government of India
Tel: 23748789/ Fax: 23344605*

