



Dept—Underwriting & Reinsurance

Ref: U&R /91 / 2013.

14th November, 2013.

To,

All HODs of Central Office,
All Zonal Offices
All Divisional Offices
All P&GS Units
All Branch offices & Satellite Offices. (Through Dos)
Audit & Inspection Depts
MDC, ZTCs , STCs.

Re- Underwriting guidelines for Modified Plan LIC`s Jeevan Arogya (Plan No. 904)

This has reference to Product Development department, CO Circular Ref: CO / PD / 37 dated 14th November,2013 regarding introduction of Modified Plan LIC`s Jeevan Arogya (Plan No 904) -new Unique Identification Number(UIN) for the plan is 512N266V02.

Underwriting Guidelines for this plan are given below:

1. Sum under consideration -

Sum Assured for Major Surgical Benefit (MSB) availed under Health Protection Plus-Plan No 902, Jeevan Arogya-Plan No 903 and Jeevan Arogya -Plan No 904 (i.e. plan 902 + 903 +904) for two full years will be the SUC for this plan. (Term Rider Sum Assured should not be added for calculating SUC)

SUC as calculated above will be the basis for

- determining the Non medical eligibility
- calling for special reports
- determining the limit of medical examiners.

Term Rider and Accident Benefit underwriting is to be done as per the life underwriting guidelines. (Term Rider is not to be added for calculation of SUC)

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2. Age proof

Only standard age proof and NSAP-I will be accepted. This plan will not be allowed with NSAP -II & NSAP III age proofs.

As per the general conditions applicable to NSAP -I, if NSAP I is submitted as age proof, the policy term is restricted to 25 years. However, as there is no choice of policy term in Jeevan Arogya , the policy term restriction of 25 years will not be applicable even if the age proof submitted is NSAP-I.

3. Female Lives

This plan will be allowed to female lives falling under all the three categories i.e. Female Category-I, II & III.

Housewives (with no income) can be the Principal Insured and allowed cover equivalent to spouse's health insurance cover but not exceeding Rs 5 lakhs (including cover under previous health insurance plans of the Corporation). The cover should not exceed 5 times of spouse's income. In cases where the spouse has no cover or this information is not available, cover will be restricted up to Rs. 2 lakhs (including cover under previous health insurance plans of the Corporation). **Term Rider is not allowed to female category III.**

Widows (with no proof of income) can be considered as Principal Insured even if they do not have proof of income. However, maximum cover for widows with no proof of income will be restricted to Rs. 2 lakhs. This limit of Rs. 2 lakhs is not applicable where widow is a beneficiary (as mother or mother-in-law) but the limit as mentioned in the introductory Product Development circular is applicable. For widows submitting proof of income (earned or unearned), cover eligibility will be calculated as 5 times of income.

Pregnant females can be offered cover until 24 weeks of pregnancy. In all such cases obtain latest gynaecological consultation and investigation reports. Cover will be offered if there are no complications.

If the female is pregnant for more than 24 weeks, case will be postponed until 3 months after delivery. It may be mentioned that prenatal / ante natal expenses are not covered under the plan.

4. **Dependents** (spouse / children / parents) will be allowed cover as beneficiary up to the sum assured as mentioned in the introductory Product Development circular for the plan.
5. **Major Students** (with no income) can be considered as principal insured and allowed cover equivalent to parents' health insurance cover but not exceeding Rs. 5 lakhs (including cover under previous health insurance plans of the Corporation). In cases where parents have no cover or this information is not available, cover will be restricted to Rs. 2 lakhs. However, as a beneficiary, cover will be allowed up to the

sum assured as mentioned in the introductory Product Development Circular of the plan. Term Rider is not allowed.

6. Retired Lives

For retired male / female lives who have no proof of income, cover will be restricted to Rs 2 lakhs. For retired lives with pension, cover eligibility will be calculated as 5 times of income if proposed as principal insured.

7. Underwriting authority Levels

This plan will be allowed to standard and sub standard lives attracting extra mortality rating upto EMR +100 only. Lives attracting EMR above +100 will be regretted under the plan.

Branch— Up to EMR +75 - only for overweight and / or Occupation extra

Divisional Office- Up to EMR +100 & 1 Exclusion.

Zonal Office— Up to EMR +100 & 2 Exclusions.

For exclusions, refer point no. 17.

Class I extra premium rates are as furnished by the Product Development department. Class II, III & IV extra will be 2, 3 & 4 times of class I extra respectively.

Underwriting powers---

- Proposals where no special reports are required can be decided at Branch Office if FMR does not reveal any other abnormality (other than build)
- Lives attracting EMR upto class III (on account of overweight only and or with occupation extra) will be decided at branch office.
- This plan is to be regretted at branch office if any previous proposal (Health or Life) is declined. However, in case the previous Health insurance was regretted on account of life proposed being sub standard i.e beyond EMR + 75, and currently the rating is upto +100, such proposals can be entertained at the Divisional office.
- If any previous proposal is accepted with health extra, the case is to be referred to Divisional / Zonal office for decision.
- Proposals from lives attracting EMR more than +100 on account of BMI are to be regretted at branch office. Proposals from minor lives attracting EMR > class II for BMI are to be regretted at branch office.
- SUC of Principal Insured only will be the basis for determining the underwriting authority.
- Underwriting authority for lives attracting Occupation extra will be the same as for standard lives.

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8. Non Medical Scheme—

This plan will be allowed both under Non Medical (Special & General) schemes on the basis of SUC.

Non Medical Special & NMG to Professionals.

Age Nearer Birthday	SUC
Upto age 45 years	Rs. 5 lakhs
Ages between 46 to 50	Rs. 4 lakhs

Non Medical General (others)

Age Nearer Birthday	SUC
Upto age 35 years	Rs. 5 lakhs
Ages between 36 to 50 years	Rs. 2 lakhs

Height and weight of each life are required to be given in the proposal form if the proposal is to be considered under Non Medical Scheme. Proposals will be allowed to be completed under Non Medical if the BMI is within the standard ranges and no other rateable adverse factors are mentioned in the proposal form / ACR.

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9. Chart of special reports

Following medical requirements will have to be called for if a proposal cannot be considered under the Non Medical scheme.

SUC	Upto 35	36-45	46-50	51-55	> 55
Upto 2 lakhs	NIL	NIL	NIL	FMR,FBS,RUA	FMR,FBS, RUA,ECG, S.CREATININE
Upto 4 lakhs	NIL	FMR,FBS, RUA	FMR,FBS, RUA.	FMR,FBS, RUA,ECG, S.CREATININE	FMR,FBS, RUA,ECG, LIPIDOGRAM, S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C.
Upto 5 lakhs	NIL	FMR, FBS, RUA, ECG, S.CREATININE	FMR, FBS, RUA,ECG, S.CREATININE	FMR,FBS, RUA,ECG, LIPIDOGRAM S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C.	FMR, FBS,RUA,ECG, LIPIDOGRAM, S.CREATININE,LFTs, HBSAG, HAEMOGRAM, HBA1C,CTMT
> 5 lakhs	FMR, FBS,RUA ECG, S.CREATI NINE	FMR, FBS, RUA, ECG, S.CREATININE	FMR, FBS,RUA,ECG, LIPIDOGRAM, S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C, CTMT	FMR,FBS,RUA, ECG,LIPIDOGRAM, S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C,CTMT	FMR,FBS, RUA,ECG, LIPIDOGRAM, S.CREATININE,LFTs, HBSAG, HAEMOGRAM, HBA1C, CTMT.

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10. Fees payable for FMR and special reports will be the same as being paid for life products. The maximum limit of reimbursement for special reports is Rs. 4 per thousand MSB for each life separately.

11. Format for FMR will be same as applicable to plan No 903.

12. Details of previous insurance (including insurance under Health Plus plan no. 901 Health Protection Plan no. 902, Jeevan Arogya plan No 903) will have to be obtained in all the cases as per the Proposal form (Annexure B)

13. FMR and special reports

- a) Wherever services of TPAs are available
 - Special reports along with FMR is to be obtained from TPAs only.
- b) Wherever services of TPAs are not available
 - FMR and special reports can be obtained from our empanelled MEs / centers with introduction as per the existing rules.

14. Occupation

Occupations involving administrative, supervisory, clerical or desk work with minimal or no hazards can be considered at standard rates. Occupations which are hazardous in nature or involve extensive manual work will be assessed as per the guidelines provided separately in Annexure A.

In case of any doubt, an underwriter may refer the case to DO / ZUS.

15. Avocational risks

If the proposer is involved in avocations like Mountaineering, Aviation, Diving, Parachuting, Racing etc. or is a professional sports person, specific exclusion is to be applied as below.

‘No benefit shall be considered under this policy in respect of medical expenses being incurred arising directly or indirectly from the insured’s participation in (sport or avocation) by Mr / Mrs’

(The exclusion will be applicable only to the particular life pursuing the avocation)

16. Wording in the decision—

Whenever any proposal under Jeevan Arogya Plan is declined , the underwriting decision should mention - **Regret the proposal under Jeevan Arogya plan.** In no case,

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the word "declined " is to be used as the proposer could be considered for insurance under life products.

17. Exclusions

The plan can be allowed with maximum two exclusions. If more than two exclusions are required in view of health / occupation / avocation, the plan would be regretted.

The wording for exclusion is as follows—

No benefit shall be considered under this policy in respect of medical expenses being incurred arising directly or indirectly from in respect of Mr / Mrs..... (The exclusion will be applicable to the respective life and not to the spouse or other members)

18. Financial Underwriting

Case may be considered on the basis of income shown in the proposal form and using multiple of 5 for all ages. MSB for Principal Insured only (i.e. MSB under 901 + 902 + 903 +904 only) should be taken for deciding financial eligibility. The same should not exceed 5 times of the annual income of the PI. The MSB of spouse and other members should not be taken into consideration for financial underwriting. Proof of income need not be insisted upon. The limit for widows, female category III and students is as mentioned in point no. 3.

19. Moral Hazard Report

The proposal can be considered on the basis of Agents confidential report (as applicable for Health plans) only.

20.KYC

KYC norms are to be complied with.

21. For considering proposals having past medical history, the following details of pre existing condition will be required

- Name of pre-existing condition and date from which the condition exists.
- Name of the Doctor
- Nature of medication.
- Progress of medical condition since first diagnosis
- Copies of medical examination report / laboratory / diagnostic reports.

22. Maximum Health Insurance that can be allowed by the Corporation on one life either as Principal insured or as Beneficiary should not exceed Rs. 10 lakhs including health insurance cover under plan 901, 902 and 903.

23. The term rider benefit will be subject to the maximum overall limit of Rs. 25 lakhs taking into account Term Assurance Rider under all existing policies of the life assured and Term Assurance Sum Assured under new proposals under consideration.

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The Accident Benefit rider under the plan will be subject to maximum overall limit of Rs. 50 lakhs under all the current proposals and all existing policies of the life assured under individual as well as group schemes including policies with in-built accident benefit taken with LIC of India only.

24. Non Resident Indians and Foreign Nationals of Indian origin

The plan can be allowed to Non Resident Indians and Foreign Nationals of Indian origin residing in countries falling in Group III to VII only, as per Underwriting & Reinsurance Department circular Ref: U & R /66 /2012 dated 3rd February, 2012, without charging any residence extra. The plan will not be allowed to NRIs and Foreign Nationals of Indian origin residing in Group I & II.

Term Rider Benefit will be allowed to NRIs and FNIOs residing in countries falling under Group VII only.

25. Format of the proposal form will be the same as Table No 903 till fresh stock of proposal forms is printed.

26. Addendum to Proposal Form (Annexure C)

Duly completed Annexure C (if spouse of PI is also to be covered) by the Principal Insured and insured spouse must be submitted along with the proposal form for either continuation or termination of the policy in case of benefit ceasing age or unfortunate death of Principal Insured.

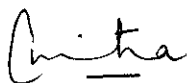
Underwriter to ensure that Annexure C is filled in before completion of the proposal.

27) Cover to new additional members as per Item No 6(c) of the introductory Product Development circular for the plan, will be subject to receipt of the proof of the event and fulfilment of underwriting conditions.


28) As per Item No 6(d) of the introductory Product Development circular for the plan, children covered under the plan shall have the option to take a new health insurance policy at the end of the specified exit age or at the renewal of the policy after completion of 18 years of age. Such lives who have exercised the option to migrate and take a new health insurance policy will be subject to fresh underwriting as per the rules applicable at that time.

29) **The benefits under the plan are payable only if the hospitalisation & treatment is taken in India.**

30) The above underwriting instructions are to be followed in respect of each life to be insured under this plan.



Secretary (Underwriting & Reinsurance)



ANNEXURE A.

OCCUPATION	DESCRIPTION	RATING
Construction	Crane Operator	+50 (class II)
	Road construction-others	
Driving	Truck Driver	
	Motor Cycle Delivery man	
Emergency Services	Fire Fighter	
	Police man	
Energy & Utilities	Boiler Repair / Installation	
	Electrical Industry working at heights > 20 feet.	
Fishing	Fisherman—offshore fishing	
Forestry	Forestry worker	
Manufacturing	Unskilled workers	
	Furnace man	
	Welder	
Oil & Natural Gas	Top man , wireline operator, Roustabout, Derrick man	
Railways	Track work—working at heights > 20 feet	
Skilled Trades	Escalator / lift repair or installation	
	Explosive manufacturing	
Telecommunications	Overhead line worker	
Unskilled trades	Labourer	
	Garbage collector	
	Street cleaner	

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OCCUPATION	DESCRIPTION	RATING
Agriculture	Crop Duster	Regret.
Animal worker	Snake catcher	
Armed services	Combative duties	
Asbestos Industry	Asbestos worker	
Construction	Steeple jack	
	Steel Erectors	
	Tunnel workers	
Diving	Diver	
Docks	Dock worker	
Entertainment	Circus worker	
	Stuntman	
Merchant Marine	Barge worker	
Mining	Mine worker	
Oil and natural gas	Cathead man , crane operator , Rigger , Pipe fitter, floor man, Roughneck, Scaffolder	
Skilled trades	Blaster	
	Body guard	
	Chimney sweep	
	Debt collector	
Telecommunications	Aerial Erector	
Unskilled trades	Underground sewage worker	

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OCCUPATION	DESCRIPTION	RATING
Sports	Professional	Exclusion .

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Annexure B

BMI Chart for major lives

Body Mass Index (BMI)	MALE AGE Up to 40 yrs.	MALE AGE > 40 yrs	FEMALE AGE Up to 40 yrs	FEMALE AGE > 40 yrs
< = 14	Regret	Regret	Regret	Regret
15	+50	+50	+50	+50
16	+50	+50	+50	+50
17	-	-	-	-
18	-	-	-	-
19	-	-	-	-
20	-	-	-	-
21	-	-	-	-
22	-	-	-	-
23	-	-	-	-
24	-	-	-	-
25	-	-	-	-
26	-	-	-	-
27	-	-	-	-
28	-	-	-	-
29	-	-	-	-
30	+25	-	+25	-
31	+25	-	+25	-
32	+25	-	+25	-
33	+50	+25	+25	+25
34	+50	+25	+50	+25
35	+50	+25	+50	+25

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Body Mass Index (BMI)	MALE AGE Up to 40 yrs.	MALE AGE > 40 yrs	FEMALE AGE Up to 40 yrs	FEMALE AGE > 40 yrs
36	+75	+25	+50	+25
37	+75	+50	+75	+50
38	+75	+50	+75	+50
39	+100	+75	+100	+75
40	Regret	+100	Regret	+75
41	Regret	Regret	Regret	=100
42	Regret	Regret	Regret	Regret

- If build is rateable and the lives have associated cardiovascular risk factors like cholesterol, triglycerides, blood pressure, family history and smoking and diabetes - refer the case to Divisional office.
- If there is a history of recent unexplained weight loss, refer the case to Divisional Office.

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Annexure C--- BMI CHART FOR MINOR LIVES.

	BOYS				GIRLS			
	Standard rates		Class I	Class II	Standard rates		Class I	Class II
Month	Min	Max			Min	Max		
12	14.0	19.0	19.5	20.0	14.0	19.0	19.5	20.0
18	14.0	18.5	19.0	19.5	13.5	18.5	19.0	19.5
24	14.0	18.5	19.0	19.5	13.5	18.0	18.5	19.0
30	14.0	18.5	19.0	19.5	13.5	18.0	18.5	19.0
36	13.5	18.5	19.0	19.5	13.5	18.0	18.5	19.0
42	13.5	18.5	19.0	19.5	13.5	18.5	19.0	19.5
48	13.5	18.5	19.0	19.5	13.5	18.5	19.0	19.5
54	13.5	18.5	19.0	19.5	13.5	18.5	19.0	19.5
60	13.5	19.0	19.5	20.0	13.0	19.0	19.5	20.0
Years								
6	13.0	19.5	20.0	20.5	13.0	19.5	20.0	20.5
7	13.5	20.0	20.5	21.0	13.0	20.0	20.5	21.0
8	13.5	22.0	22.5	23.0	13.5	22.0	22.5	23.0
9	14.0	23.0	23.5	24.0	13.5	21.0	21.5	22.0
10	14.0	25.0	25.5	26.0	14.0	24.0	24.5	25.0
11	14.0	26.0	26.5	27.0	14.0	25.0	25.5	26.0
12	14.5	26.5	27.0	27.5	14.5	26.0	26.5	27.0
13	15.0	27.0	27.5	28.0	15.0	27.0	27.5	28.0
14	16.0	28.0	28.5	29.0	16.0	27.5	28.0	28.5
15	16.5	28.5	29.0	29.5	16.5	28.0	28.5	29.0
16	17.0	29.0	29.5	30.0	16.5	28.0	28.5	29.0
17	17.5	29.0	29.5	30.0	17.0	28.0	28.5	29.0

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Minor lives attracting EMR > Class II, Regret at Branch Office

BMI less than prescribed minimum shown as per the chart for minor lives, Regret at Branch Office.

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