

Underwriting philosophy for offering Insurance coverage to Persons with Disability and Mental Illness

Introduction:

The purpose of this document is to lay down a broad underwriting philosophy to offer health insurance coverage to 'Person with Disabilities' and people with Mental illness. The document is prepared keeping in mind the larger principle of ensuring that there is no discrimination bias and keeping in mind the provisions under the Mental Health Act 2017

"Mental Illness" refers to a variety of illness and medical conditions as listed in widely accepted manuals like the Diagnostic and Statistical manual of Mental disorders (DSM) or the International classification of Disease (ICD).

Likewise, there are a wide range of medical conditions classified under ' Disabilities', most common being physical and mental disabilities.

Types of Disabilities:

- Physical disability- disability pertaining to person's mobility - Level of disability
- Intellectual or Learning Disabilities
- Psychiatric disabilities
- Visual or hearing impairments
- Neurological disabilities

To ensure fair underwriting decision, the following information will be considered whilst underwriting the proposal for health insurance from applicants with disability and/or mental illness. The underwriting practice for these illnesses is in line with the underwriting practices followed for any other medical conditions. (eg: Diabetes, Heart Disease etc)

Below information will assist the Underwriter in fair risk assessment and equitable underwriting decision on the proposal.

- Insurable interest & need for Insurance cover
- Ability of the applicant to enter a legally valid contract
- Exact medical diagnosis, cause and duration of onset and progress
- Treatment modalities since inception of the medical condition, including previous medical records.
- Gainful employment details through occupation questionnaire and other related relevant evidences
- Daily routine and Lifestyle related information
- Medical examination as required under the product and underwriting guidelines
- Other relevant documents based on the exact medical condition

The intent is to ensure that every applicant is underwritten on merit, based on the board approved underwriting policy under which it is established that there is no discrimination in granting Health insurance coverage to people suffering from Disabilities or Mental illnesses.

The on-boarding of risk will be based on objective underwriting criteria and basis the risk represented. The insurance and reinsurance underwriting manuals have detailed evidence based guidelines for most of the conditions, approved by the Board of insurance company concerned and will be referred to for making an objective decision.

In rare case, where objective criteria are not defined in the manuals, the application will be underwritten basis medical assessment & case merits specifically ensuring that there is no discrimination or bias.

An example of Mild Mental Illness is provided below:

Mental health disorders are syndromes characterized by significant disturbance in a person's cognition, emotional regulation and behavior resulting from a disturbance in the psychological, biological or developmental processes that underpin mental functioning

Mild risk mental health disorders are characterized by:

- No or minimal suicide risk
- No or minimal comorbidities: Physical, mental or substance misuse
- Minor symptoms of short duration
- No or minimal impairment of social, occupational and personal roles

Negative features:

- More than one mental health diagnosis
- Persistent drug or alcohol misuse
- Suicide attempts
- Frequent episodes or persistent symptoms
- Poor compliance with treatment
- Persistent impairment of social, occupational and personal roles

Actual selection criteria & extra premiums for each condition depends on variability of presentation of the case.
