



Ref: CO/ NB&R /304 /2021

14th July, 2021

To,
All HODs of Central Office,
All Zonal Offices,
All Divisional Offices, All P&GS Units,
All Branch Offices & Satellite Offices,
Audit & Inspection Depts, MDC, ZTCs, STCs.

Re: Underwriting guidelines for LIC's Arogya Rakshak Plan (Plan No 906)

This has reference to Product Development, CO Circular Ref: CO / PD / 174 dated 9.7.2021 regarding introduction of LIC's Arogya Rakshak (Plan No 906), Unique Identification Number(UIN) for the plan is **512N318V01**

Underwriting Guidelines for the plan are as mentioned below:

1. Lives Eligible:

- a. Plan is allowed to major male lives.
- b. Plan is allowed to major female lives as mentioned in point no 9 of this circular. Plan is allowed to pregnant female lives with own income falling under classification A(i) only, as detailed in CO circulars ref : CO/Actuarial/2088/4 dated 30.10.2006 and NB&R/154/2016 dated 10.12.2016 fulfilling criteria mentioned in point no 7(d) of this circular.
- c. Plan is allowed to spouse / children / parents (as members) as per point 9 of this circular
- d. Plan is allowed to Major Students (with no income) as per point 9 of this circular
- e. Plan is allowed to NRIs and FNIOs as per point 11 of this circular
- f. The plan is allowed to persons with disability (Physically challenged) as per point 7 of this circular

2. Sum Under Consideration:

- a. This is a Standalone Plan.
- b. Sum Under Consideration will be the total of Major Surgical Benefit Sum Assured (MSB) under this plan in the last two years.
- c. Sum Assured taken under other Health plans / CI Rider should not to be taken into consideration for calculation of Sum Under Consideration.

- d. Term Rider Sum Assured should not be added for calculating SUC.
- e. SUC as calculated above will be the basis for
 - i. Determining the Non medical eligibility
 - ii. Calling of special reports as per the chart given under point 6 of this circular.

3. Restrictions in view of Covid-19 Pandemic:

Restrictions in view of Covid-19 are applicable as per CO circular ref: CO/NB&R/296 dated 20.05.2021. Covid Questionnaire is to be submitted under new proposal as well as revival of Arogya Rakshak plan.

4. Riders:

LIC's New Term Assurance Rider and LIC's Accident Benefit Rider are allowed only on the life of Original Principal Insured and Insured Spouse.

LIC's New Term Assurance Rider is available only at the inception/inclusion into the policy. LIC's Accidental Benefit Rider can be opted for on the life of Original PI and/or Insured Spouse provided LIC's New Term Assurance Rider has been opted for. Also Accidental Benefit Rider shall be available only till the date of cover expiry of LIC's New Term Assurance Rider or LIC's Accident Benefit Rider, whichever is earlier.

Rules regarding underwriting of LIC's New Term Assurance Rider are as per circular ref: U&R/112/2014 dated 05.11.2014. The Term Assurance 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 Rider Sum Assured under new proposals under consideration.

5. Non Medical:

Plan is allowed under Non-Medical schemes provided:-

- a. Nothing adverse regarding health is found in the proposal form as well as ACR/MHR
- b. BMI as per the height and weight disclosed in the proposal form and ACR is standard.

The limits under Non Medical schemes are as below:

Schemes	Age slab	SUC
Non Medical Special, Non Medical General for Professionals and Non-medical General for self-employed* having taxable income above Rs 10 lakhs	Upto 45 years	600,000
	46 to 50	400,000
Non Medical General to Others	Upto 45 years	500,000
	46 to 50	250,000

*Proponents falling under Non-medical General for self-employed having taxable income above Rs 10 lakhs must submit latest ITR.

6. Medical and special reports:

- If the proponent is not eligible under the above Non Medical schemes or attracts medical examination in view of adverse build, health or habit of the life to be assured, MER and special reports are to be called for.
- Physical MER is required (MER format is the same as used under Non Health plans).
- MER and special reports are to be done through Medical Service Provider (MSP) only. Wherever MSPs are not available, MER can be obtained from the empanelled Medical Examiner as per the existing rules.
- Special report chart for the plan is mentioned below:-

SUC/ Age in years	Upto 35	36-45	46-50	51-60	> 60
Up to 3 lakhs	MER	MER	MER, FBS	MER, FBS, ECG, RUA, S.CREATININE	MER, FBS, ECG, RUA, S.CREATININE
>3 Lakhs ≤6 Lakhs	MER	MER, FBS, ECG, RUA, S.CREATININE	MER, FBS, ECG, LIPIDOGRAM, RUA, S.CREATININE, HAEMOGRAM	MER, FBS, LIPIDOGRAM, RUA, S.CREATININE, HAEMOGRAM, HBA1C, CTMT	MER, FBS, LIPIDOGRAM, RUA, S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C, CTMT
> 6 Lakhs	MER	MER, FBS, ECG, RUA, S.CREATININE	MER, FBS, LIPIDOGRAM, RUA, S.CREATININE, HAEMOGRAM, CTMT	MER, FBS, LIPIDOGRAM, RUA, S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C, CTMT	MER, FBS, LIPIDOGRAM, RUA, S.CREATININE, LFTs, HBSAG, HAEMOGRAM, HBA1C, CTMT

7. EMR:

- a. This plan will be allowed to standard and sub standard major lives attracting extra mortality rating upto EMR +100. Lives attracting EMR above +100 is to be regretted. The plan can be allowed with maximum two exclusions (as mentioned in point 14 of this circular).
- b. The Plan will be allowed to major students attracting EMR upto +75 on account of build only and allowed to minor lives attracting EMR upto +75 on account of overweight only. Since the plan is not allowed to major students and minor lives who are sub-standard due to reasons other than those as stated in this Para, the exclusions (as mentioned in Point 14 of this circular) are not applicable to these lives.
- c. The Plan is allowed to major persons with disability (Physically challenged) coming under PH group I, II and IV. However all such cases are to be referred to NB&R, Central Office. Please note that the disability should not be due to any disease (other than polio). Special questionnaire such as deformity questionnaire and case specific questionnaire like CNS questionnaire, Ophthalmic

questionnaire , deaf and dumb questionnaire etc have to be called as applicable for other plans.

- d. Pregnant female lives can be offered cover until 24 weeks of pregnancy. In all such cases latest gynecological consultation and investigation reports are to be obtained. Cover may 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.

8. Age Proof:

Standard age proof is a must.

9. Financial underwriting:

Proposals can be considered on the basis of income shown in the proposal form and using multiple of 5 for all ages. MSB of Principal Insured only should be taken for deciding financial eligibility. MSB of spouse and other members should not be taken into consideration for financial underwriting. Proof of income need not be insisted upon. The maximum cover allowed to Principal Insured and members are detailed below:

a. Male Lives

For Male lives as Principal Insured, the maximum cover allowed will be 5 times the income mentioned in the proposal form.

b. Female Lives

- i. For female lives falling under A(I) as specified in CO circular ref: CO/NB&R/161/2017 dated 03.03.2017, the maximum cover allowed as Principal Insured will be 5 times the income shown in the proposal form.
- ii. For female lives falling under A(II) and submitting proof of income (earned or unearned), maximum eligibility as Principal Insured will be calculated as 5 times of income
- iii. For female lives falling under A(III) can be considered as Principal Insured even if they do not have proof of income. However, maximum cover to such female lives will be restricted to Rs 250,000. This limit of Rs. 250,000 is not applicable where such female life is a member (as spouse or mother of PI) but the limit as mentioned in introductory circular of Product Development ref: CO / PD / 174 dated 9.7.2021 of the plan is applicable.
- iv. Housewives (with no income) can be the Principal Insured and allowed cover equivalent to spouse's health insurance cover but not exceeding Rs 500,000 under this plan. Matching insurance on the life of spouse can be of any health plan including Critical Illness Rider. In proposals of Housewives where the spouse has no cover or this information is not available , cover will be restricted to Rs 250,000 under this plan.

c. Other Insured Members

Spouse / Parents / children will be allowed cover as members up to the sum assured as mentioned in the introductory circular of Product Development ref: CO / PD / 174 dated 9.7.2021 for the plan.

d. Major Students

Major Students (without income) can be considered as Principal Insured and allowed cover equivalent to parents' insurance (Matching insurance can be of any health plan including Critical Illness Rider cover) but not exceeding Rs. 5

lakhs under this plan. Proposals where parents have no cover or this information is not available, cover will be restricted to Rs. 250,000. However, as a member, cover will be allowed to major students up to the sum assured as mentioned in the introductory circular of Product Development ref: CO / PD / 174 dated 9.7.2021 of the plan.

e. Persons Retired from service

Male and female lives who are retired and have no proof of income can be considered as Principal Insured, however the maximum cover will be restricted to Rs 250,000. This limit of Rs. 250,000 is not applicable where the retired person is a member but the limit as mentioned in introductory circular of Product Development ref: CO/PD/ 174 dated 9.7.2021 of the plan is applicable. For retired lives with pension, proposing as Principal Insured, eligibility will be calculated as 5 times of income.

10. Moral Hazard Report:

The proposal can be considered on the basis of Agents confidential report (Format of ACR as applicable for this plan).

11. Non resident Indians and Foreign Nationals of Indian Origin:

- a. The Plan is allowed to Non Resident Indians and Foreign Nationals of Indian origin residing in countries as per Annexure I. However restrictions for Covid 19 are applicable to this plan as per CO circular ref: CO/NB&R/296/2021 dated 20.05.2021 or as applicable from time to time.
- b. Term Rider Benefit will be allowed to NRIs and FNIOs residing in countries as per Annexure I.
- c. Mail Order Business is not allowed under this plan.
- d. The benefits under the plan are payable only if the hospitalization, treatment and health check – up is done in India.
- e. All NRIs/ FNIOs are required to give their consent as per Annexure II.

12. Occupation / Avocation:

The occupation extra is to be charged as per Annexure-III of this circular to all male and female lives pursuing hazardous occupation.

Occupations involving administrative, supervisory, clerical or desk work with minimal or no hazard can be considered at standard rates.

If the proposer / any member to be covered under the policy is involved in any of the following occupations / activity, specific exclusion clause is to be applied as below:

- a. Service in military/ para-military, naval, air forces or police organizations and/or participates in operations requiring the use of arms or which are ordered by such authorities for combating terrorists, rebels and the like
- b. Involved in occupations involving exposure to radioactive, explosive, hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials
- c. Involved / participation in any flying activity other than as a bonafide passenger

“ No benefit shall be considered under this policy on the life of Mr / Ms in respect of medical expenses being incurred arising directly or indirectly from the insured’s occupation / participation in(occupation) ”

If the proposer /any member to be covered under the policy is involved in professional sport(s) or competitive sports or any hazardous pursuits including but not limited to diving, riding, any kind of race, under water activities involving the use of breathing apparatus or not, martial arts, hunting, mountaineering, parachuting, bungee jumping, racing, scuba diving, aerial sports, specific exclusion is to be applied as below:

“ No benefit shall be considered under this policy on the life of Mr / Ms in respect of medical expenses being incurred arising directly or indirectly from the insured's participation in(sport or avocation) ”

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

Consent for exclusion :- Wherever exclusion for Avocation / Sport / Occupation is being imposed consent from Principal Insured / Member must be obtained.

Format for consent is attached as Annexure IV

Wherever occupation extra is charged, Accident Benefit Rider will not be allowed except wherever exclusion is applicable as per the Rider circular.

13. Pre Existing Diseases :

Exclusions, if any, can be applied in respect of “Pre Existing Diseases” after obtaining opinion of DMR / ZMR.

The definition of “Pre Existing Disease” as defined in para 7 (i) of Product Development Circular ref: CO / PD / 174 dated 9.7. 2021 is reproduced below :

Pre-Existing Disease/Condition means any condition, ailment, injury or disease:

- a) that is/are diagnosed by a physician within 48 months prior to the effective date of cover or date of revival of policy; or
- b) for which medical advice or treatment was recommended by, or received from, a physician within 48 months prior to the effective date of cover or date of revival of policy.

No benefits shall be available and no payment will be made by the Corporation for any claim under the policy on account of hospitalization or surgery directly or indirectly caused by, based on, arising out of or howsoever attributable to any Pre-existing Disease/ Condition unless disclosed to and accepted by the Corporation.

The wordings for each of the exclusions have been provided in the DMR guidelines and must be incorporated in the decision by the Underwriting office.

(The exclusion will be applicable only to the particular life suffering from the ailment / condition).

Consent for exclusion :- Wherever exclusion for PED/ medical condition is being imposed, consent from Principal Insured / Member must be obtained.

Format for consent is attached as Annexure IV.

14. Exclusions:

The plan can be allowed with maximum two exclusions. If more than two exclusions are required in view of health / occupation / avocation as specified in Para 12 and 13 above,, the plan would be regretted.

15. Keyman, Partnership insurance and Employer Employee Scheme:

The Plan is not allowed under Keyman and Partnership insurance. However plan is allowed under Employer Employee Scheme.

All rules related to Employer Employee Scheme remain the same.

16. Underwriting Decision and Authority:

- a. Whenever any proposal under Arogya Rakshak Plan is declined, the word **"Declined"** should not be used as the life proposed could be considered for insurance under life products. The underwriting decision should be given as

"Regret the proposal under Arogya Rakshak plan"

- b. This plan is allowed to Standard and Non Standard lives attracting Extra Mortality Rating upto +100 & maximum of 2 exclusions only. Underwriting authority is as below:
- i. Lives attracting EMR above +100 on account of build, are to be regretted by Branch Office itself. Proposals from major students attracting EMR above +75 for Build and of minor lives attracting EMR above +75 for overweight are also to be regretted by Branch Office itself.
 - ii. Proposals with EMR up to +75 only for overweight and / or Occupation extra are to be decided by Branch Office
 - iii. Proposals with EMR up to +100 & one Exclusion are to be decided by Divisional Office.
 - iv. Proposals which attract more than one exclusion should be referred to NB & Actuarial department, Zonal Office. Proposals with EMR up to +100 and two exclusions are to be decided by Zonal Office.
 - v. If Proposal attracts EMR beyond +100 and/or more than two exclusions (including occupation/ avocation) , the plan should be regretted
- c. Important points related to Underwriting powers:
- i. SUC of Principal Insured only will be the basis for determining the underwriting authority.
 - ii. This plan is to be regretted at branch office if any previous proposal of Health plan is regretted or Life insurance 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 considered by the Divisional office.
 - iii. If any previous proposal (health/ life) is accepted with health extra, the case is to be referred to Divisional / Zonal office for decision.

17. KYC and PMLA:

All norms related to KYC and PMLA are to be strictly adhered to.

18. Others:

- a. For considering proposals having past medical history, complete information must be provided to questions 7 & 8 of Section-III of the proposal form along with all treatment details and investigation reports.
- b. Addition of new members as per the introductory Product Development circular ref CO / PD / 174 dated 9.7. 2021 for the plan, will be subject to receipt of the proof of the event and fulfillment of underwriting conditions.

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

The above guidelines come into force with effect from 19th July, 2021



Executive Director (New Business & Reinsurance)

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