

CHAPTER I

Standard Definitions of terminology to be used in Health Insurance Policies

It has become increasingly necessary to ensure that certain basic terminology being used in Health Insurance policies are given standard definitions so that prospects and insureds are able to understand them without ambiguity. All insurers shall adhere to the following standard definitions for the terminology listed hereunder, for all insurance products filed hereafter falling under the definition of ~~±~~Health Insurance Businessq wherever the said terms are referred to in the terms and conditions. Where a particular terminology is not applicable to one or more types of policies, it is indicated against it in brackets.

1. Accident:

An accident means sudden, unforeseen and involuntary event caused by external, visible and violent means.

2. Any one illness: (not applicable for Travel and Personal Accident Insurance)

Any one illness means continuous period of illness and includes relapse within 45 days from the date of last consultation with the Hospital/Nursing Home where treatment was taken.

3. Cashless facility:

Cashless facility means a facility extended by the insurer to the insured where the payments, of the costs of treatment undergone by the insured in accordance with the policy terms and conditions, are directly made to the network provider by the insurer to the extent pre-authorization is approved.

4. Condition Precedent:

Condition Precedent means a policy term or condition upon which the Insurer's liability under the policy is conditional upon.

5. Congenital Anomaly:

Congenital Anomaly means a condition which is present since birth, and which is abnormal with reference to form, structure or position.

a) Internal Congenital Anomaly

Congenital anomaly which is not in the visible and accessible parts of the body.

b) External Congenital Anomaly

Congenital anomaly which is in the visible and accessible parts of the body

6. Co-Payment:

Co-payment means a cost sharing requirement under a health insurance policy that provides that the policyholder/insured will bear a specified percentage of the admissible claims amount. A co-payment does not reduce the Sum Insured.

7. Cumulative Bonus:

Cumulative Bonus means any increase or addition in the Sum Insured granted by the insurer without an associated increase in premium.

8. Day Care Centre:

A day care centre means any institution established for day care treatment of illness and/or injuries or a medical setup with a hospital and which has been registered with the local authorities, wherever applicable, and is under supervision of a registered and qualified medical practitioner AND must comply with all minimum criterion as under .

- i) has qualified nursing staff under its employment;
- ii) has qualified medical practitioner/s in charge;
- iii) has fully equipped operation theatre of its own where surgical procedures are carried out;
- iv) maintains daily records of patients and will make these accessible to the insurance company's authorized personnel.

9. Day Care Treatment:

Day care treatment means medical treatment, and/or *surgical procedure* which is:

- i. undertaken under General or Local Anesthesia in a *hospital/day care centre* in less than 24 hrs because of technological advancement, and
- ii. which would have otherwise required hospitalization of more than 24 hours.

Treatment normally taken on an out-patient basis is not included in the scope of this definition.

(Insurers may, in addition, restrict coverage to a specified list).

10. Deductible:

Deductible means a cost sharing requirement under a health insurance policy that provides that the insurer will not be liable for a specified rupee amount in case of indemnity policies and for a specified number of days/hours in case of hospital cash policies which will apply before any benefits are payable by the insurer. A deductible does not reduce the Sum Insured.

(Insurers to define whether the deductible is applicable per year, per life or per event and the manner of applicability of the specific deductible)

11. Dental Treatment:

Dental treatment means a treatment related to teeth or structures supporting teeth including examinations, fillings (where appropriate), crowns, extractions and surgery.

12. Disclosure to information norm:

The policy shall be void and all premium paid thereon shall be forfeited to the Company in the event of misrepresentation, mis-description or non-disclosure of any material fact.

13. Domiciliary Hospitalization:

Domiciliary hospitalization means medical treatment for an illness/disease/injury which in the normal course would require care and treatment at a *hospital* but is actually taken while confined at home under any of the following circumstances:

- i) the condition of the patient is such that he/she is not in a condition to be removed to a hospital, or
- ii) the patient takes treatment at home on account of non-availability of room in a hospital.

14. Emergency Care:

Emergency care means management for an illness or injury which results in symptoms which occur suddenly and unexpectedly, and requires immediate care by a *medical practitioner* to prevent death or serious long term impairment of the insured person's health.

15. Grace Period:

Grace period means the specified period of time immediately following the premium due date during which a payment can be made to renew or continue a policy in force without loss of continuity benefits such as waiting periods and coverage of pre-existing diseases. Coverage is not available for the period for which no premium is received.

16. Hospital (not applicable for Overseas Travel Insurance):

A hospital means any institution established for *in-patient care* and *day care treatment* of illness and/or injuries and which has been registered as a hospital with the local authorities under Clinical Establishments (Registration and Regulation) Act 2010 or under enactments specified under the Schedule of Section 56(1) and the said act **Or** complies with all minimum criteria as under:

- i) has qualified nursing staff under its employment round the clock;
- ii) has at least 10 in-patient beds in towns having a population of less than 10,00,000 and at least 15 in-patient beds in all other places;
- iii) has qualified medical practitioner(s) in charge round the clock;
- iv) has a fully equipped operation theatre of its own where surgical procedures are carried out;
- v) maintains daily records of patients and makes these accessible to the insurance company's authorized personnel;

17. Hospitalization (not applicable for Overseas Travel Insurance):

Hospitalization means admission in a Hospital for a minimum period of 24 consecutive '*In-patient Care*' hours except for specified procedures/ treatments, where such admission could be for a period of less than 24 consecutive hours.

18. Illness:

Illness means a sickness or a disease or pathological condition leading to the impairment of normal physiological function and requires medical treatment.

(a) Acute condition - Acute condition is a disease, illness or injury that is likely to respond quickly to treatment which aims to return the person to his or her state of health immediately before suffering the disease/ illness/ injury which leads to full recovery

(b) Chronic condition - A chronic condition is defined as a disease, illness, or injury that has one or more of the following characteristics:

- 1. it needs ongoing or long-term monitoring through consultations, examinations, check-ups, and /or tests
- 2. it needs ongoing or long-term control or relief of symptoms
- 3. it requires rehabilitation for the patient or for the patient to be specially trained to cope with it
- 4. it continues indefinitely
- 5. it recurs or is likely to recur

19. Injury:

Injury means accidental physical bodily harm excluding illness or disease solely and directly caused by external, violent, visible and evident means which is verified and certified by a Medical Practitioner.

20. Inpatient Care (not applicable for Overseas Travel Insurance):

Inpatient care means treatment for which the insured person has to stay in a hospital for more than 24 hours for a covered event.

21. Intensive Care Unit:

Intensive care unit means an identified section, ward or wing of a *hospital* which is under the constant supervision of a dedicated *medical practitioner(s)*, and which is specially equipped for the continuous monitoring and treatment of patients who are in a critical condition, or require life support facilities and where the level of care and supervision is considerably more sophisticated and intensive than in the ordinary and other wards.

22. ICU Charges:

ICU (Intensive Care Unit) Charges means the amount charged by a Hospital towards ICU expenses which shall include the expenses for ICU bed, general medical support services provided to any ICU patient including monitoring devices, critical care nursing and intensivist charges.

23. Maternity expenses:

Maternity expenses means;

- a) medical treatment expenses traceable to childbirth (including complicated deliveries and caesarean sections incurred during hospitalization);
- b) expenses towards lawful medical termination of pregnancy during the policy period.

24. Medical Advice:

Medical Advice means any consultation or advice from a Medical Practitioner including the issuance of any prescription or follow-up prescription.

25. Medical Expenses:

Medical Expenses means those expenses that an Insured Person has necessarily and actually incurred for medical treatment on account of Illness or Accident on the advice of a Medical Practitioner, as long as these are no more than would have been payable if the Insured Person had not been insured and no more than other hospitals or doctors in the same locality would have charged for the same medical treatment.

26. Medical Practitioner (not applicable for Overseas Travel Insurance):

Medical Practitioner means a person who holds a valid registration from the Medical Council of any State or Medical Council of India or Council for Indian Medicine or for Homeopathy set up by the Government of India or a State Government and is thereby entitled to practice medicine within its jurisdiction; and is acting within its scope and jurisdiction of license.

(Insurance companies may specify additional or restrictive criteria to the above e.g. that the registered practitioner should not be the insured or close member of the family. Insurance Companies may also specify definition suitable to overseas jurisdictions where Indian policyholders are getting treatment outside India as per the terms and conditions of a health insurance policy issued in India)

27. Medically Necessary Treatment (not applicable for Overseas Travel Insurance):

Medically necessary treatment means any treatment, tests, medication, or stay in *hospital* or part of a stay in *hospital* which:

- i) is required for the medical management of the illness or injury suffered by the insured;
- ii) must not exceed the level of care necessary to provide safe, adequate and appropriate medical care in scope, duration, or intensity;
- iii) must have been prescribed by a *medical practitioner*;
- iv) must conform to the professional standards widely accepted in international medical practice or by the medical community in India.

28. Network Provider (not applicable for Overseas Travel Insurance):

Network Provider means hospitals or health care providers enlisted by an insurer, TPA or jointly by an Insurer and TPA to provide medical services to an insured by a cashless facility.

29. New Born Baby:

Newborn baby means baby born during the Policy Period and is aged upto 90 days. .

30. Non- Network Provider:

Non-Network means any hospital, day care centre or other provider that is not part of the network.

31. Notification of Claim:

Notification of claim means the process of intimating a claim to the insurer or TPA through any of the recognized modes of communication.

32. OPD treatment:

OPD treatment means the one in which the Insured visits a clinic / hospital or associated facility like a consultation room for diagnosis and treatment based on the advice of a Medical Practitioner. The Insured is not admitted as a day care or in-patient.

33. Pre-Existing Disease (not applicable for Overseas Travel Insurance):

Pre-Existing Disease means any condition, ailment or injury or related condition(s) for which there were signs or symptoms, and / or were diagnosed, and / or for which medical advice / treatment was received within 48 months prior to the first policy issued by the insurer and renewed continuously thereafter.

(Life Insurers may define norms for applicability of PED at reinstatement).

34. Pre-hospitalization Medical Expenses

Pre-hospitalization Medical Expenses means medical expenses incurred during pre-defined number of days preceding the hospitalization of the Insured Person, provided that:

- i. Such Medical Expenses are incurred for the same condition for which the Insured Person's Hospitalization was required, and
- ii. The In-patient Hospitalization claim for such Hospitalization is admissible by the Insurance Company.

35. Post-hospitalization Medical Expenses:

Post-hospitalization Medical Expenses means medical expenses incurred during pre-defined number of days immediately after the insured person is discharged from the hospital provided that:

- i. Such Medical Expenses are for the same condition for which the insured person's hospitalization was required, and

- ii. The inpatient hospitalization claim for such hospitalization is admissible by the insurance company.

36. Qualified Nurse (not applicable for Overseas Travel Insurance):

Qualified nurse means a person who holds a valid registration from the Nursing Council of India or the Nursing Council of any state in India.

37. Reasonable and Customary Charges (not applicable for Overseas Travel Insurance):

Reasonable and Customary charges means the charges for services or supplies, which are the standard charges for the specific provider and consistent with the prevailing charges in the geographical area for identical or similar services, taking into account the nature of the illness / injury involved.

38. Renewal:

Renewal means the terms on which the contract of insurance can be renewed on mutual consent with a provision of grace period for treating the renewal continuous for the purpose of gaining credit for pre-existing diseases, time-bound exclusions and for all waiting periods.

39. Room Rent:

Room Rent means the amount charged by a Hospital towards Room and Boarding expenses and shall include the associated medical expenses.

40. Subrogation (Applicable to other than Health Policies and health sections of Travel and PA policies):

Subrogation means the right of the insurer to assume the rights of the insured person to recover expenses paid out under the policy that may be recovered from any other source.

41. Surgery or Surgical Procedure:

Surgery or Surgical Procedure means manual and / or operative procedure (s) required for treatment of an illness or injury, correction of deformities and defects, diagnosis and cure of diseases, relief from suffering and prolongation of life, performed in a hospital or day care centre by a *medical practitioner*.

42. Unproven/Experimental treatment:

Unproven/Experimental treatment means the treatment including drug experimental therapy which is not based on established medical practice in India, is treatment experimental or unproven.