



Things that you should know about Health Insurance



INSURANCE
REGULATORY
COMMISSION
OF SRI LANKA

**Market Development & External Relations Division
Insurance Regulatory Commission of Sri Lanka**

Key aspects you should know about health insurance.

What is Health Insurance?

1.



Health insurance compensates for medical expenses incurred as a result of accident, illness or hospitalization including hospital charges. It is an agreement signed between an Insurance Company and an individual or group of persons. In general, this compensation is on a reimbursement basis with a maximum benefit limit. The standard insurance period for health insurance is one year, however, it may vary when integrated with life insurance.

Why is Health Insurance important?

2.



Health insurance serves as a risk transferring tool that allows individuals to transfer some of their medical expenses to an insurer, giving them more choices for medication and treatment. Depending on the nature of the insurance policy, and the terms and conditions it covers the cost of treatments for prevention of diseases, regular medical testing, and related hospital charges. Additionally, health insurance can extend protection to your family or individuals employed under you.

3.

*What elements/factors
are covered by
Health Insurance
Policies available in
the market?*



Health insurance policies in Sri Lanka generally provide cashless claims payments or reimburse medical expenses incurred as a result of accidents, illness, or hospitalization, subject to the value and the stipulated terms and conditions of the policy.

Also, the health insurance policies stipulate a 'waiting period', during which certain illnesses/medical expenses will not be covered by the policy.

*How can you select
the insurance coverage,
which best suits
your requirements?*

4.



You can choose the insurance coverage that best suits your requirements and avoid unnecessary expenses on the insurance coverages that are not suitable by thoroughly studying the available coverages in the market. You can get the assistance of a qualified Insurance Agent/ Advisor or Insurance Brokering Company and select the health insurance that aligns with the premium you can afford. Further, when purchasing a critical illness cover under a health insurance policy, it is advisable to carefully read and understand what is covered and excluded before making a decision.

5.

*What happens
if you have
“pre- existing
conditions”?*



Pre-existing conditions are illnesses that existed before purchasing a health insurance policy. These conditions should be clearly disclosed when purchasing a health insurance policy. Insurance companies generally do not cover expenses related to such pre-existing illnesses. However, depending on the nature of the insurance policy, and the terms and conditions, some insurance companies may provide coverage for pre-existing conditions after a certain period of time.

What Factors should be considered when determining a Health Insurance?

6.



Health insurance premiums generally increase with age, as older people are more likely to face health issues. Therefore, the age of the insured person is a main factor in determining the premium. Further, historical health records of the insured person and family members play a significant role in determining the premium. Previous claims experience is also considered, if there is no history of disease, the premium is significantly lower. The number of claim free years is another important factor in determining the premium. During policy renewal, the number of claim-free years becomes important, and some insurance companies may agree to reduce the premium based on their policies and the nature of the coverage obtained.

*Is there a minimum
period of
hospitalization required
to obtain compensation
under
Health Insurance?*

7.

The insurance policy stipulates that a person must be hospitalized for a minimum of 24 hours to be eligible for compensation. However, this requirement does not apply to accidents and certain treatments. Therefore, it is important to understand the conditions related to the minimum period of hospitalization by carefully reading the insurance coverage.

*What factors should
you consider when
purchasing a health
insurance policy?*

8.

- Read and understand the policy when purchasing a health insurance policy.
- Familiarize yourself with the diseases covered and not covered by the insurance.
- Understand the terms and conditions stated in the insurance policy.
- Be aware of the requirements for filing a claim.
- Check for any limitations on claim payments.

Exclusions in Health Insurance

9.



- ✦ War activities, being engaged or taking part in civil commotion, riot or any kind of terrorist activities.
- ✦ Attempted suicide or self-inflicted injury, alcoholism, drug addiction, venereal disease, insanity & related conditions.
- ✦ In respect of eye tests or dental treatment, except repair or replacement of injured sound unfilled natural teeth, arising out of an accidental injury.
- ✦ In respect of supply of eyeglasses, lenses, or hearing aids.
- ✦ For cosmetic or plastic surgery unless necessitated by an accident occurring after the effective date of the policy.
- ✦ Pre-existing illness and ailments

How to file a complaint With the Insurance Regulatory Commission of Sri Lanka ?



The Insurance Regulatory Commission of Sri Lanka (IRC SL) in line with its regulatory functions and powers, handles complaints with a view to providing protection to policyholders and potential policyholders, and the steps to be followed are as follows:

Initially, file a complaint with your insurance company. Visit <https://ircsl.gov.lk/list-of-insurance-companies/> to know how to file a complaint with the insurance company. The company should resolve it within a reasonable time and provide a response to you.

If you haven't received any response within a reasonable time period or if you are dissatisfied with the response received from your insurer, then you may submit a complaint to the IRC SL or the Insurance Ombudsman.

For more information on filing complaints with the Insurance Regulatory Commission of Sri Lanka, visit <https://ircsl.gov.lk/policyholder-complaints/>

This handbook has been issued by the Insurance Regulatory Commission of Sri Lanka as a guide to the public and contains only general information. None of the information provided herein replaces or contradicts the terms and conditions of an insurance policy. Contact the insurance company, insurance brokering company or insurance agent for specific information regarding an insurance policy or any other additional information.



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