INSURANCE REGULATORY AND DEVELOPMENTAUTHORITY OF INDIA (THIRD PARTY ADMINISTRATORS- HEALTH SERVICES) REGULATIONS, 2016[1]

[as amended vide IRDAI (TPA-Health Services) (Amendment) Regulations, 2019]

[Amended upto 03/12/2019]

F. No.IRDAI/Reg/5/117/2016- In exercise of the powers conferred under Section 114A of the Insurance Act, 1938 and Section 14 read with Section 26 of the IRDA Act, 1999 and in consultation with the Insurance Advisory Committee, the Authority hereby makes the following regulations, namely:-

1. Short title and commencement:

(1) These regulations may be called the Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016.

(2) These regulations shall come into force on the date of their publication.

2. Definitions:

(1) In these regulations, unless the context otherwise requires, —

a. "Act" means the Insurance Act, 1938 as amended from time to time.

b. "Advisory Committee" means the Advisory Committee constituted under Section 25 of the Insurance Regulatory and Development Authority Act, 1999;

c. "Applicant" means an applicant seeking registration or renewal as Third Party Administrator under these regulations;

d. "Authority" means the Insurance Regulatory and Development Authority of India established under sub-section (1)of section 3 of Insurance Regulatory and Development Authority Act, 1999;

e. "Health Services by TPA" means services mentioned in Regulation 3 of these Regulations.

[1]Vide Notification No. IRDAI/Reg/5/117/2016 dated 14th March 2016 published in the Gazette of India, Extraordinary Part III – Section 4, vide No. 99 dated 14thMarch 2016 (w.e.f. 17-03-2016)

f. [2][***]

g. "Form" means the relevant formats may be specified by the Authority under these regulations;

h. "Health Insurance Business"; as defined in Section 2 (6C) of the Act.

i. "Health Services Agreement" means an agreement prescribing the terms and conditions of services which may be rendered to the holders of health insurance policies of any Insurer and may be entered into between:

a. a Third Party Administrator (TPA) and an insurer; or
b. a Network provider and an insurer; or
c. a Network provider, a TPA and the insurer.

j. "Inspecting authority" means one or more officers of the Authority or any other individual, firm, person or persons appointed by the Authority to carry out inspection of TPA.

k. [3]["Network Provider" means hospital enlisted by an insurer, a TPA or jointly by an insurer and a TPA to provide medical services to an insured by a cashless facility.]

l. "Specified" means specified by the Authority from time to time, by issue of Circulars, guidelines or instructions for the purpose of these regulations on matters listed in Schedule

– I or any other matter which is required to be specified by the Authority under these regulations.

m. [4]["Third Party Administrator (TPA)" means a company registered with the Authority, and engaged by an insurer, for a fee or by whatever name called

[2]Omitted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its omission, clause (f) read as under:
"Cashless facility" means a facility extended by an insurer to an insured where the payment of the costs of treatment undergone by the insured in accordance with the policy terms and conditions is directly made to the network provider by the insurer to the extent of approved pre-authorization".

[3]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause (k) read as under:
"Network Provider" means hospital or health care provider enlisted by an insurer, TPA or jointly by an insurer and TPA to provide medical services to an insured either on payment or by a cashless facility"
[4]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019).Prior to its substitution, clause (m) read as under:
"Third Party Administrator (TPA)", means a company registered with the Authority, and engaged by an insurer, for a fee or remuneration, by whatever name called and as may be

and as may be mentioned in the health services agreement, for providing health services as mentioned under these regulations.]

(2) Words and expressions used and not defined in these regulations but defined in the Insurance Act, 1938, or the Life Insurance Corporation Act, 1956 (31 of 1956) or the General Insurance Business (Nationalization) Act, 1972 (57 of 1972), or Insurance Regulatory and Development Authority Act, 1999or rules or regulations made there under shall have the meanings as respectively assigned in those Acts, rules or regulations as amended from time to time.

3. Health services by TPA:

(1) A TPA may render the following services to an insurer under an agreement in connection with health insurance business:

a. servicing of claims under health insurance policies by way of pre-authorization of cashless treatment or settlement of claims other than cashless claims or both, as per the underlying terms and conditions of the respective policy and within the framework of the guidelines issued by the insurers for settlement of claims.

b. servicing of claims for Hospitalization cover, if any, under Personal Accident Policy and domestic travel policy.

c. facilitating carrying out of pre-insurance medical examinations in connection with underwriting of health insurance policies:

Provided that a TPA can extend this service for life insurance policies also

d. health services matters of foreign travel policies and health policies issued by Indian insurers covering medical treatment or hospitalization outside India

e. servicing of health services matters of [5][*travel or health or medical insurance]*policies issued by foreign insurers for policyholders who are travelling to India:

Provided that such services shall be restricted to the health services required to be attended to during the course of the visit or the stay of the policyholders in India.

f. servicing of non-insurance healthcare schemes as mentioned in Regulation 22 (3) of these Regulations

g. any other services as may be mentioned by the Authority.

mentioned in the agreement, for providing health services as mentioned under these Regulations."

[5]Substituted for "foreign travel" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019).

(2) While performing the services as indicated at Regulation 3 (1) of these regulations, a TPA shall not

a. Directly make payment in respect of claims

b. Reject or repudiate any of the claims directly

c. Handle or service claims other than hospitalization cover under a personal accident policy

d. Procure or solicit insurance business directly or indirectly

e. Offer any service directly to the policyholder or insured or to any other person unless such service is in accordance with the terms and conditions of the policy contract and the agreement entered into in terms of these regulations.

(3) A TPA can provide health services to more than one insurer. Similarly, an insurer may engage more than one TPA for providing health services to its policyholders or claimants.

(4) [6][*The policyholder can choose a TPA of their choice from amongst the TPAs engaged by the insurer, where services of TPAs are engaged by the insurer for a given insurance product.*

(a) Where the services of the TPA are terminated during the course of health services rendered by the said TPA, every insurer shall allow the policyholder to choose an alternate TPA from amongst the TPAs engaged by it.

(b) The insurer shall explicitly provide the names of the TPAs amongst whom the policyholder may choose the TPA of their choice at the point of sale. The Policyholder may be allowed to change the TPA of their choice only at the point of renewal.

Provided that the policyholder shall have no right to seek dispensing the services of the TPA and request the insurer to undertake rendering the health service directly.

Provided further that the insurer shall have the prerogative of whether or not to engage any TPA or to terminate the services of the TPA or not to engage the services of the TPA for a particular health insurance product or discontinue the services of the TPA to service a particular health insurance product.

Provided further that the insurer shall have the prerogative of changing the TPA in accordance to the provisions of sub-regulation (8) of regulation 20 of these regulations.

[6]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019).

(c) Where the Policyholder did not choose any of the TPAs, the insurer may allot the policy servicing to a TPA of its choice.

(d) Where the insurer engages the services of only one TPA, no option need be provided to the policyholder.

Explanation. —For the purposes of this sub-regulation, the choice of the policyholder to choose a TPA for rendering health services is limited to the TPAs with whom the insurer is having Service Level Agreements in place. Based on the health insurance product and geographical location of the policyholders, the insurer may also limit the number of TPAs amongst whom the policyholder may choose a TPA of their choice. The insurer explicitly shall provide the list of the TPAs engaged, from amongst whom the policyholder may choose a TPA of their choice, at the time of proposal or the renewal as the case may be.]

(5) [7][*The Authority may specify guidelines for disclosure of qualitative and quantitative parameters by all insurers and TPAs with respect to the health services rendered.]*

4. Applicability of these regulations:

(1) These regulations shall be applicable to TPAs offering health services as mentioned in Regulation 3 of these regulations.

Provided that where the TPA offers health services as indicated in Regulation 3(1) (e) and 3(1) (f) of these regulations, the terms agreed between the entity engaging the TPA and the TPA would apply;
Provided further that the entities engaging the TPA for rendering health services as in Regulation 3(1) (e) and 3(1) (f) of these regulations shall do so at their own risk.

(2) These regulations shall also be applicable to all insurers whether or not a TPA is engaged.

5. Compulsory registration for Health services by TPA

(1) [8][*No person or an entity can commence or carry out the business of TPA and render health services mentioned at clauses (a) and (b) of sub-regulation (1) of regulation 3 of these regulations without a valid certificate of registration from the Authority.]*

[7]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[8]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).Prior to its substitution, sub regulation (1) read as under:
"No person or an entity can commence or carry out the business of TPA and render health services as mentioned in these regulations without a valid certificate of registration from the Authority."

(2) The main and sole object of the TPA, on being registered with the Authority, shall be to exclusively carry on business of providing health services. A TPA shall not engage itself in any other business.

(3) Every TPA and applicant seeking registration as TPA from the Authority shall have the words '**Insurance TPA**' in its name to reflect that it is engaged or proposes to engage in the business of TPA for rendering health services.

Provided the existing TPAs may fulfill this norm and change their name by incorporating words *'Insurance TPA'* within a period of one year from the date of notification of these Regulations.

(4) [9][*No insurer shall engage any person or entity to render health services mentioned at clauses (a) and (b) of sub-regulation (1) of regulation 3 of these regulations unless such person or entity is holding a valid certificate of registration from the Authority as TPA.]*

6. [10]***[Minimum Capital and Net Worth Requirements]***

(1) Only a company with a share capital and registered under the Companies Act, 2013 (18 of 2013) as amended from time to time, can function as a TPA.

(2) A TPA shall maintain minimum paid up equity share capital of not less than rupees four crores.

Provided that existing registered TPAs shall comply with this stipulation within one year from the date of notification of these regulations.

(3) 11[The net worth of a TPA shall at no time during the period of registration fall below rupees one crore.

9Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).Prior to its substitution, sub regulation (4) read as under:
"No insurer shall engage any person or entity to carry out the business of TPA and render health services as mentioned in these Regulations unless he is holding a valid certificate of registration from the Authority as TPA."

10Substituted for "Minimum Capital and Working Capital Requirements" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

11Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, sub regulation (3) read as under:
"A registered TPA shall maintain a working capital of not less than rupees one crore. Explanation: For the purpose of this regulation, "working capital" means the difference between the aggregate of the current assets and current liabilities as on the date of reckoning."

Explanation: For the purposes of these regulations, "net worth" shall have the meaning assigned to it in the Companies Act, 2013 and as amended from time to time.]

(4) The foreign investment in the TPA shall comply with the policy and rules framed in this regard by Government of India and any regulations, guidelines or instructions issued by the Authority.

6A. 12[Foreign Investment

Every applicant, who is a company incorporated under the Companies Act, 2013 and has a majority of shareholding of foreign investors, shall furnish an undertaking as given in Schedule – AA.]

7. Application for grant of Certificate of Registration as TPA:

(1) A company desirous of obtaining a certificate of registration as TPA from the Authority shall make an application for registration in writing in such form and shall be accompanied by such documents as may be specified by the Authority from time to time.

(2) The application shall be accompanied by a non-refundable processing fee of13**[***Rupees 1,00,000/- (Rupees one lakh only) and other taxes as may be applicable]*, to be paid in favour of the Authority, by way of a crossed demand draft payable at Hyderabad or through such other payment mode as may be stipulated by the Authority from time to time.

(3) The Authority may require an applicant to furnish any further information or data or clarifications or may direct the applicant to comply withcertain additional requirements within such time as may be given for the purpose of consideration of the application. It

shall be the duty of the applicant to furnish the information or comply with the requirements within such given time.

(4) Subsequent to submission of the application, the applicant shall not carry out any changes in the structure, composition and other aspects of the applicant Company which may have a bearing on decision for grant of TPA registration, without prior approval of the Authority.

[12]Inserted by Insurance Regulatory and Development Authority of India (Intermediaries) (Amendment) Regulations, 2019 dated 30th October, 2019 (w.e.f. 01.11.2019).

[13]Substituted for "Rupees 20,000/- (Rupees Twenty Thousand only) and applicable service tax" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

(5) The applicant shall bring to the notice of the Authority, on its own and forthwith, any such further information, which might have a bearing on the consideration of their application in terms of these regulations,

Provided that where the registration has already been issued before receipt of the request for modification of the information already submitted, the Authority reserves the right to revisit the registration already granted.

(6) Every application received by the Authority pursuant to these Regulations shall be considered within reasonable time after all the requirements have been complied with, and a decision thereon shall be communicated to the applicant.

8. Conditions for grant of certificate of registration:

(1) The Authority, while examining an application for grant of certificate of registration shall take into account all matters relevant to carrying out the business of TPA.

(2) Without prejudice to the generality of provisions of Regulation 8(1), the Authority in particular, shall examine the following:

a. the applicant has the words "Insurance TPA" in its name;

b. the applicant has complied with the minimum capital requirements; c. the promoters of the applicant have the financial strength to carry out the business of TPA;

d. at least one of the directors of a TPA holds a minimum qualification of MBBS, with a valid registration from the Medical Council of India or Medical Council of any state of India and is thereby entitled to practice medicine within its jurisdiction; and is acting within the scope and jurisdiction of his / her registration.

e. the applicant or its promoters or its directors are not suffering from any of the disqualifications mentioned under section 42 D of the Act.

f. the applicant has the necessary infrastructure such as adequate office space, equipment and trained manpower to effectively discharge its functions;

g. the applicant has employed at least one person who has the necessary qualifications as mentioned in Regulation 11 of these regulations and has adequate experience to conduct the business of TPA;

h. the Chief Executive Officer or Chief Administrative Officer and Chief Medical Officer of the applicant fulfils the fit and proper criteria as per Regulation 11 of these Regulations;

i. the applicant has sufficient reach with Network Hospitals and Information Technology capability

j. the applicant has necessary in-house medical expertise in addition to the regulatory stipulation of at least one Director having the stipulated medical qualification.

ja. [14][The applicant shall demonstrate the preparedness in respect of adequate technological capabilities, data security and human resources.]

jb.[15][The promoters of the applicant shall have professional competence and general reputation of fairness and integrity to the satisfaction of the Authority.]

k. any other requirements that the Authority may consider necessary for grant of Certificate of Registration to the TPA.

(3) [16][Each of the promoters shall satisfy the following criteria.

a. Must be carrying on business not related to insurance or engaged in offering professional services not related to insurance for a period of not less than three years to the date of application;

b. Have positive net worth in all the immediately preceding three financial years to the date of application; and

c. Have net worth of not less than the respective capital contribution in the immediately preceding two financial years to the date of application;]

(4) [17][Where there are one or more investors in an applicant, any investor holding the shares in the applicant exceeding ten percent of the paid up equity capital shall be considered as promoter of the applicant.]

(5) [18][Indian investors, other than promoters referred at sub-regulation 4 of regulation 8 above, put together shall not hold more than twenty-five percent of paid up equity capital of the applicant.]

[14]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[15]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[16]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[17]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

(6) [19][The promoters shall agree to a lock-in period of three years for the funds proposed to be invested in the applicant. The lock-in period of three years shall reckon from the date of granting certificate of registration by the Authority.]

9. Grant of Certificate of Registration;

(1) The Authority, on examination of the application and details furnished by the applicant and on being satisfied that the applicant fulfils the requirements and conditions as mentioned in Regulation 7 and 8 of these regulations, may issue the Certificate of Registration to the applicant under Section 42D of the Act in such form as may be specified by the Authority: **Provided** that the Authority may impose such other conditions as it may deem fit at the time of grant of Certificate of Registration.

(2) Every applicant approved by the Authority for grant of Certificate of Registration shall pay a further sum of **[20]***Rs. 2,00,000/- (Rupees two lakh only) and other taxes as may be applicable]*to the Authority as registration fee prior to grant of Certificate of

Registration and the same shall be paid to the Authority in the manner as mentioned in Regulation 7(2) of these Regulations.

(3) A TPA which has been granted Certificate of Registration shall commence business operations within twelve months from the date of grant of Certificate of Registration by the Authority.[21][*Where a TPA could not commence the business operations within twelve months as stipulated, it shall, within thirty days before the expiry of twelve months from the date of grant of certificate of registration by the Authority, seek in writing further extension of time substantiating the reasons thereof. The Authority on considering the request may grant a further period of six months to the TPA to commence the business operations.*

[18]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[19]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[20]Substituted for "Rupees 30,000/- (Rupees Thirty Thousand only) and applicable service tax" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[21]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019).

Provided that where the TPA did not commence the business operations within the period stipulated under this sub-regulation, the Authority shall cancel the certificate of registration and publish the same in its website for information of general public.]

(4) **Validity:** Every Certificate of Registration granted by the Authority to a TPA or any renewal thereof, in terms of these regulations, shall remain in force for a period of three years as indicated in the Certificate of Registration, unless the Authority decides to revoke, suspend or cancel the Certificate of Registration in accordance with these regulations.

(5) Every TPA which has been granted Certificate of Registration shall display and be identified in public domain by the name with which it is registered with the Authority, IRDAI registration number, validity period of the Certificate of Registration, address of the Registered and Corporate Office and the insurers it is representing.

10. Refusal for grant of Certificate of Registration

(1) The Authority may refuse grant of Certificate of Registration to an applicant if it is satisfied that

a. the application is not complete in all respects or not conforming to the instructions mentioned in the form for application or not complying with the requirements of these regulations or directions of the Authority.

b. the applicant does not comply with the requirements and conditions for grant of Certificate of Registration under these regulations:

Provided that before refusing Certificate of Registration under Regulation 10 (1) (a), the Authority shall grant reasonable opportunity to complete the application or conform to the instructions mentioned in the form or comply with the requirements;

Provided further that before refusing Certificate of Registration under Regulation 10 (1) (b), the Authority shall give the applicant a reasonable opportunity of being heard.

(2) Any order of refusal to grant Certificate of Registration shall be communicated to the applicant by the Authority in writing indicating reasons for such decision.

(3) [22][An applicant or any of the promoters of the applicant against whom an order of refusal for grant of certificate of registration has been passed by

[22]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, sub regulation (3) read as under:
"An applicant against whom an order of refusal to grant Certificate of Registration has been passed by the Authority shall not, for a period of two years from the date of such refusal, submit a fresh application to the Authority for grant of Certificate of Registration as a TPA".

the Authority shall not, for a period of one year from such refusal, submit a fresh application to the Authority for grant of certificate of registration as a TPA.]

11. Requirement of qualification, training and passing of examination;

(1) Every TPA shall appoint, with due intimation to the Authority, from amongst its directors or senior employees, either a Chief Executive Officer (CEO), or a Chief Administrative Officer (CAO) who shall possess the educational qualifications mentioned in regulation 11(5) of these regulations and shall also undergo training as stipulated by the Authority from time to time, with any institution recognized by it. Such a Chief Executive Officer or Chief Administrative Officer shall be responsible for the day-to-day administration of the affairs of the TPA and for ensuring compliance of regulatory requirements.

(2) Every TPA shall have a Chief Medical Officer (CMO) who shall be a person having a minimum qualification of MBBS, holding a valid registration from the Medical Council of India or Medical Council of any state of India being thereby entitled to practice medicine within its jurisdiction; and is acting within the scope and jurisdiction of such registration. Such a Chief Medical Officer shall be a full time employee of the TPA.

(3) The appointment of any of the officials referred in regulation 11 (1) and (2) and the appointment of any of the Directors to the Board of TPA shall be intimated to the Authority within thirty days of the date of appointment in such form as may be specified by the Authority;

Provided that the Authority, for the reasons recorded in writing, may direct the TPA to terminate the services of CEO, CAO, CMO or any of the Directors of the TPA within such time as may be mentioned therein and the TPA shall terminate the services of such persons within such time:

Provided further that before issuing such direction, the Authority shall give the TPA an opportunity of being heard.

[23]*[Provided further that]* the Chief Executive Officer or Chief Administrative Officer and Chief Medical Officer shall not suffer disqualifications mentioned under Section 42D of the Act.

(4) A CEO or CAO shall possess the following qualifications— a. a bachelor's degree from a recognised University; and

[23]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

b. a pass in the Associateship examination conducted by the Insurance Institute of India or such equivalent examination as may be recognised and specified by the

Authority; and

c. completion of training with an institution recognised by the Authority for these purposes, as may be specified by the Authority.

12. Issue of a duplicate Certificate of Registration:

(1) In case a Certificate of Registration granted to a TPA by the Authority is lost or destroyed or mutilated, the TPA shall submit to the Authority an application for issue of duplicate Certificate of Registration in such form as may be specified by the Authority.

(2) Such application shall be accompanied by a processing fee of rupees two thousand and applicable service tax and the same shall be paid to the Authority in the manner mentioned in Regulation 7(2) of these Regulations.

(3) The Authority, on being satisfied that the original Certificate of Registration has been lost, destroyed or mutilated, shall issue a duplicate Certificate of Registration to the TPA in the form as specified by the Authority.

13. Transfer of shares or ownership:

(1) A TPA shall seek prior approval of the Authority for any change in the shareholding exceeding 5% of its paid-up equity share capital, whether by way of transfer of existing shares or by way of fresh issue of shares to either new or existing shareholders.

(2) For this purpose, the TPA may make such application and furnish such documents to the Authority for seeking approval in such form as may be specified by the Authority.

(3) Every TPA shall file a return on the status of the shareholding pattern or ownership of the TPA in such form and within such time as may be specified by the Authority.

(4) Every TPA shall, within thirty days of any change in shareholding, inform the Authority indicating therein the details of extant shareholding pattern in such form as may be specified by the Authority.;

(5) Where there is a transmission of shares by operation of law,the Authority reserves the right to apply fit and proper criteria and if so warranted and direct the TPA to divest the stake within such period as may be stipulated by the Authority for reasons recorded and communicated in writing;

Provided that the Authority shall give an opportunity of being heard to the TPA before issuing such directions to the TPA.

14. Minimum Business Requirements:

Every TPA registered with the Authority shall comply with such minimum business norms towards health services for the insurers registered with the Authority as may be specified by the Authority from time to time and with effect from such date as may be specified there in.

Provided that the business carried out in respect of the services referred at Regulation 3 (1) (c), Regulation 3 (1) (d), Regulation 3 (1) (e) and Regulation 3 (1) (f) of these Regulations shall not be reckoned towards the minimum business norms specified.

15. Renewal of Certificate of Registration;

A. Application and fees

(1) Every TPA seeking renewal of Certificate of Registration shall make an application for renewal to the Authority in such form and accompanied by such documents as may be specified by the Authority.

(2) The application may be made to the Authority not earlier than one hundred and eighty days and not later than thirty days before the date on which the Certificate of Registration ceases to be valid.

(3) The application shall be accompanied by a non-refundable renewal processing fee of [24][*Rs. 1,50,000/- (Rupees one lakh fifty thousand only) and other taxes as may be applicable]* to be paid to the Authority in the manner mentioned in Regulation 7(2) of these regulations.

B. Delay in submission of application:

(4) Where the application for Renewal has been filed after the period mentioned in regulation 15 (A) (2) of these regulations, but before the expiry of the validity of Certificate of Registration, the application shall be accompanied by an additional fee of Rs. 100/- (Rupees one hundred only) and applicable service tax.

(5) Where the application for renewal has been filed after the expiry of the validity of Certificate of Registration, the Authority may, if satisfied that undue hardship would be caused otherwise, accept the application on payment of a penalty of Rs. 750 (Rupees seven hundred and fifty only) and applicable service tax

C. Non-compliance with minimum business requirements:

(6) Where a TPA does not fulfill the Minimum Business Requirement stipulated under Regulation 14 of these regulations, the Authority shall deal with the application for renewal of registration of the TPA in the followingmanner:

[24]Substituted for "Rupees 15,000/- (Rupees Fifteen Thousand only) and applicable service tax" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

a. Where the TPA has failed to fulfill the minimum business requirements in any of the parameters (Parameter-1 Number of policies servicedand Parameter-2Number of lives serviced) by a margin of 20 percent, but exceeded by a similar margin in respect of the other parameter in respect of the relevant financial year,the Authority mayconsider the renewal based on the reasons furnished by the TPA. For the purpose of these Regulations, any fraction shall be rounded off to the next higher integer.

Provided that the Authority may specify separate norms for those TPAs who are exclusively servicing the Group Health Insurance policies and the stipulation of Regulation 15(C)(6)(a) is not applicable for such TPAs.

b. Where a TPA has failed to fulfill the minimum business requirementsin any of the parameters specified in one financial year, but has met with the norms on an average basis for the years under consideration the Authority may consider the renewal based on the reasons furnished by the TPA.

c. Where a TPA has failed to comply with Reg. 15 (C) (6) (a) or 15 (C) (6) (b) of these regulations, the registration shall not be renewed.

D. Additional Information

(7) While processing of the application for renewal of Certificate of Registration of a TPA, the Authority may call for additional information, clarifications or data as deemed

necessary and it shall be the duty of the TPA to comply within the timelines given by the Authority. On failing to comply, the Authority may take appropriate regulatory action as deemed fit under the regulations.

E. Consideration of renewal application

(8) The conditions for grant of Certificate of Registration under Regulation 8 of these regulations, to the extent relevant, shall be the basis for consideration of an application for grant of renewal of Certificate of Registration.

F. Renewal of Certificate of Registration

(9) The Authority, on being satisfied that the TPA fulfils all the conditions mentioned herein for renewal of the Certificate of Registration and that there are no reasons for denial of renewal under Regulation 16 of these regulations, shall renew the certificate of registration in such a form as specified by the Authority.

(10) A Certificate of Registration granted to a TPA may be renewed for a further period of three years.

16. Revocation, Suspension, Cancellation or denial of renewal of Certificate of Registration granted to a TPA:

(1) The Authority may by order, revoke, suspend or cancel the Certificate of Registration granted to a TPA or deny renewal to an applicant if it is satisfied, that:

a. The TPA is functioning in a manner detrimental to the interests of the insured, policyholder or insurer.

b. The financial condition of the TPA has deteriorated because of which the TPA cannot function effectively;

c. The character, constitution and ownership of the TPA has changed significantly since the grant of Certificate of Registration;

d. The TPA furnished wrong or false information or undertaking or willfully concealed or failed to disclose material facts in the application for obtaining a Certificate of Registration or renewal of Certificate of Registration and such Certificate of Registration or renewal was granted to the TPA on the basis of non-disclosure, misrepresentation of facts or fraud;

e. The TPA is under liquidation or is adjudged as being insolvent. f. The TPA has violated or failed to comply with these regulations or any other provisions of the Insurance Act,1938, Insurance Regulatory and Development Authority Act, 1999 or rules, regulations, guidelines or circulars issued by the Authority;

g. The TPA failed to furnish information relating to its business as a TPA or failed to submit periodical returns as required by the Authority;

h. The TPA did not co-operate with any inspection, audit or enquiry conducted by the Authority or caused by the Authority;

i. The TPA failed to resolve the complaints of the policyholders or network providers or failed to give a satisfactory reply to the Authority in this behalf;

j. The TPA is found guilty of misconduct or its conduct is not in accordance with the Code of Conduct mentioned in these regulations.

k. [25][The TPA failed to maintain the minimum capital or net worth requirement in accordance with the provisions of regulation 6 of these regulations];

l. The TPA failed to pay to the Authority the fees, penalties imposed or the

reimbursement of expenses under these regulations;

m. The TPA violated the conditions, if any, imposed at the time of issuance of Certificate of Registration or renewal of Registration; n. The TPA did not carry out its obligations as mentioned in the regulations;

[25]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, sub regulation (1) (k) read as under:

"The TPA failed to maintain minimum capital or working capital requirements in accordance with the provisions of Regulation 6 of these regulations"

o. The Chief Executive Officer or Chief Administrative Officer or Chief Medical Officer does not fulfill the norms mentioned in Regulation 11 of these regulations though the TPA is otherwise compliant.

p. The TPA has been set up only to divert or siphon off the funds within a group of companies or their associates.

q. The TPA has failed to furnish additional information or clarifications called for by the Authority within the time laid down, in connection with the application for renewal of TPA registration.

(2) Before taking action under regulation 16(1) of these regulations, the Authority shall grant a reasonable opportunity of being heard, to the TPA.

(3) However, the Authority may issue an order revoking or suspending the Certificate of Registration without notice if the TPA

a. violates any one or more of the requirements under the Code of Conduct mentioned in Regulation 23 of these regulations

b. is found to be guilty of fraud or is convicted of a criminal offence;

c. commits such defaults which require immediate action in the opinion of the Authority;

d. *[26][***]*

Provided that the Certificate of Registration so revoked or suspended shall not be cancelled by the Authority unless an enquiry is conducted and the TPA has been given a reasonable opportunity of being heard.

(4) Every order made by the Authority under Regulation 16 (1) of these regulations shall be in writing stating clearly the reasons for revocation, suspension or cancellation or denial of renewal of the Certificate of Registration and shall be served on the TPA.

(5) Every order of revocation, suspension or cancellation of Certificate of Registration or denial of renewal of the Certificate of Registration, shall be displayed on the website of the Authority for information of general public and the insurance companies for necessary action.

(6) *[27][A TPA against whom an order of revocation or cancellation or denial of the renewal has been passed by the Authority shall not, for a period of two years from the date of such revocation or cancellation or denial, submit a fresh application to the Authority for grant of certificate of registration as a TPA.]*

[26]Omitted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its omission, clause (3)(d) read as under:

"has not commenced business within twelve months from the date of Certificate of

Registration"

[27]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

17. Voluntary Surrender of Certificate of Registration:

(1) A TPA may choose to voluntarily surrender its Certificate of Registration by making an application to the Authority stating the reasons for surrender and shall be accompanied by such documents as may be specified by the Authority from time to time. The Authority may consider such application on merits and subject to such conditions as it may deem fit to impose.

(2) On being satisfied with the reason for surrender, the Authority may pass an order agreeing to the surrender of Registration by the TPA.

(3) The order permitting the voluntary surrender shall be displayed on the website of the Authority for information of general public and the insurance companies for necessary action.

(4) A TPA, in respect of which an Order for surrender of Registration has been passed by the Authority, shall comply with the requirements mentioned in Regulation 18 of these regulations.

18. Effect of and action on Revocation, Suspension, Cancellation, voluntary surrender or denial of renewal of Certificate of Registration:

(1) On and from the date of the order issued by the Authority, of revocation, cancellation, suspension or voluntary surrender of the certificate of registration, or denial of renewal of certificate of registration, the TPA shall cease to do the business of TPA unless mentioned otherwise in the order.

(2) The TPA shall forthwith inform the insurer for taking alternative steps such as appointment of another TPA or undertaking of the servicing of the affected policies as may be necessary, immediately,to continue to cater to the insured or policyholders serviced by the TPA.

(3) The TPA shall immediately handover to the concerned insurer all the books, information, records or documents, etc. and the complete data collected by it relating to the business carried on by it with regard to such insurer.

(4) On publication of the order, where an insurer, approaches the TPA for return of the above referred information or records, the TPA shall render all cooperation and assistance to the insurer.

(5) A TPA which renders non-insurance services relating to any of the health schemes mentioned in Regulation 22 (3) of these Regulations shall immediately notify the order issued by the Authority to the concerned Central or State Governments.

(6) Where TPA renders the health services of the foreign insurers to their respective policyholders visiting India, it shall immediately notify the order issued by the Authority to all such foreign insurers to whom

the TPA services were rendered in the preceding three financial years.

(7) No Insurer shall permit a TPA whose certificate of registration is revoked, suspended or cancelled or which has been denied renewal of Certificate of Registration to render health services to their policyholders in foreign countries.

(8) Where a Certificate of Registration of a TPA is revoked or cancelled or where the TPA is denied renewal or where the TPA voluntarily surrenders certificate of registration, the company shall not carry the words "**Insurance TPA**" in its name.

19. Maintenance of books of account, records, and confidentiality of information, submission of annual report to Authority;

(1) A TPA shall maintain proper records, documents, evidence and books of all transactions carried out by it on behalf of an insurer in terms of the agreement between the insurer and the TPA.

(2) The TPA shall maintain books and accounting records in accordance with the provisions of the Companies Act 2013. All other records shall be maintained for such period as may be specified by the Authority.

(3) Such records, documents, evidence, books etc., and any information contained therein shall be made available to the insurer, the Authority or to such person appointed by the Authority for investigation into or inspection of the functions of the TPA.

(4) While maintaining the records in terms of regulation 19 (1) and 19 (2) of these regulations, the TPA shall follow strictly the professional confidentiality between the parties as required. However, this does not prevent the TPA from disclosing the relevant information relating to business of TPA to any Court of Law, Tribunal, the Government or the Authority in case any investigation is carried out or is proposed to be carried out against the insurer, TPA or any other person or for any other reason.

(5) The TPA and insurer shall establish electronic systems for seamless flow of data for all the claims and shall follow standards and protocols for capture of data as may be specified by the Authority from time to time.

(6) [28][Where TPAs maintain files, data and other related information pertaining to the settlement of claims in electronic form, maintenance of

[28]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, sub regulation (6) read as under:
"The TPA shall submit or handover all the files, data and other related information pertaining to the settlement of claims to the respective insurers on a quarterly basis within fifteen days after the close of each quarter and the insurer shall accept the same under acknowledgement"

form is dispensed with. TPAs shall submit or handover all the files, data and other related information pertaining to the settlement of claims to the respective insurers within 90 days after close of every quarter commencing from April of every financial year and the insurer shall accept the same under acknowledgement.]

(7) A TPA shall not share the data and personal information received by it for servicing of insurance policies or claims thereon except as provided under Regulation 19 (4) of these regulations.

(8) A TPA shall furnish to the insurer and the Authority an annual report and any other return of its activities as may be specified by the Authority.

(9) The Annual Report duly certified by one of the Directors of TPA and the Chief Administrative Officer or the Chief Executive Officer shall be submitted in such form as may be specified by the Authority, within a period of ninety days after the close of each financial year or within such extended time as the Authority may grant based on an application.

(10) Every TPA shall file periodical information to the Authority relating to Claims data in such form as specified by the Authority.

(11) Every TPA shall furnish declarations and undertakings in such form and at periodicity as may be specified by the Authority.

20. [29]***[Health Service Agreements]***

(1) A TPA shall enter into an agreement for providing the defined Health Services with an insurer and network provider, in respect of Health Insurance Policies covering hospitalization benefits within India, issued by an Indian insurer. A TPA shall ensure that the agreement is enforceable at all times.

(2) The insurer and the TPA shall define the scope of the Agreement, the health and related services that may be provided by the TPA and the [30][*fees]* therefor, subject to such stipulations as may be laid down by the Authority, wherever applicable.

(3) Nothing contained in these regulations shall be deemed to prevent or prohibit an insurer from cancelling or modifying an agreement that has been entered into by it with a TPA.

[29]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, heading of regulation 20 read as under:
"Agreements between (i) a TPA and an Insurer and (ii) a TPA and a Network Provider and (iii) a TPA, an insurer and a Network Provider;"

[30]Substituted for "remuneration" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

(4) A TPA shall file details of the agreement entered into between the TPA, insurer, Network Provider as the case may be or any modification thereof, in such form as may be specified by the Authority from time to time.

Provided that the Authority, at any point of time, may call for a certified copy of the agreement.

(5) The agreement shall contain following clauses;

a. its termination by either party on mutual consent or on grounds of any fraud, misrepresentation, deficiency of services or other non- compliance or default. However, there shall be no clause in the Agreement which shall dilute, restrict or otherwise modify the regulatory stipulations mentioned by the Authority in

respect of policyholders' interests, protection, service standards and turn-around-time parameters.

b. prescribing the minimum Turn Around Time envisaged for rendering various policy services stipulated in the terms and conditions of the policy contract:
Provided that the Turn Around Times stipulated shall at no point of timeexceed the minimum norms prescribed in any of the regulatory requirements.

c. the [31][*fees]* payable to the TPA by an Insurer.

Provided that, the Authority may specify additional minimum standard clauses to be included in the agreement that may be entered into between insurer, network provider and TPA, as the case may be.

(6) The [32][*fees]* agreed to be payable to the TPA and agreed to be receivable by the TPA shall be based on the health services rendered to the insurer. Insurers are prohibited to pay any remuneration related to the product, linking to the claims experience or the reduction of claim costs or loss ratios.

(7) TPA are prohibited to charge any fees in any form or in any manner from the policyholders or network providers for the health services rendered under these Regulations and in terms of the agreement.

(8) Any change in a TPA by the insurer shall be communicated to all the policyholders thirty days before giving effect to the change.

[31]Substituted for "remuneration" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019

[32]Substituted for "remuneration" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019

a. The contact details like helpline numbers, addresses etc. of a new TPA shall be immediately made available to all the policyholders in case of change of TPA.

b. The insurer shall take over all the data in respect of the policies serviced by the earlier TPA and make sure that the same is transferred seamlessly to the newly assigned TPA, if any. It shall be ensured that no inconvenience or hardship is caused to the policyholder as a result of the change. In this regard, inter alia the following aspects shall be taken into consideration;

i. Status of cases where pre-authorization has already been issued by existing TPA.

ii. Status of cases where claim documents have been submitted to the existing TPA for processing.

iii. Status of claims where processing has been completed by the existing TPA and payment is pending with the insurer.

(9) **Discounts on Bills offered by Network Providers:** The insurers and the TPAs shall ensure that discounts, if any, received or agreed to be received from the hospital towards health services are passed on to the policyholder or the claimant. Subject to this,

a. Where discounts are obtained from any of the Network Providers or from any other Hospitals outside the network, either by TPAs or by the Insurers, it shall be ensured that the discounts, if any, so obtained from the network providers / hospitals, are passed on to the policyholders or the claimants of the concerned health insurance policy.

b. Where, by virtue of any agreement, discounts are agreed to be received on the aggregated bills raised by the hospitals, every insurer or TPA shall appropriately identify and apportion the eligible amount of the discount to the underlying health insurance policy in respect of which the claim is settled so as to pass on the benefit of the discount to the concerned policyholder or the claimant, as the case may be. c. In order to implement the above Regulations, every Insurer and the TPA shall put in place the following procedures:

i. The insurers and TPAs shall mandate the hospitals to reflect such agreed discounts in the final hospitalization bill of each claim, by which the policyholder or the claimant can also be aware of the actual bill raised by the hospital.

ii. Where the admissible claim amount is more than the Sum Insured, the agreed discount shall be effected on the Gross amount raised in the bill, before letting the policyholder or the claimant bear the costs over and above the eligible claim amounts.

iii. Where the underlying health insurance policies have co-payment or the deductible conditions, the insurer or TPA shall ensure that the said co-payment or deductible is effected only after netting off the discounts offered by the hospital, if any.

d. Every Insurer shall make these procedures as part of the detailed guidelines on claim settlement to be provided to the TPAs, in accordance with the provisions of 33[*sub-regulation (b) of regulation 33 of Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016]* as amended from time to time. **e.** The above procedures shall be applicable to both cashless services and reimbursements of all the claims of health insurance policies.

21. General guidelines to TPA in respect of services in relation to Health Insurance Policies;

(1) The TPA shall have in place the necessary infrastructure to extend the health services as required to the policy holders at all times.

(2) The TPA and the insurer shall be responsible for the proper and prompt service to the policyholder at all times.

(3) Scrutiny and handling of claims:

a. TPA may admit claims, authorize cashless facility and recommend to the insurer for the payment of the claim which shall be in line with the detailed claims guidelines issued to TPA by the insurers for the particular product:

Provided that the detailed guidelines as given by the insurer to the TPA for claims assessments and admissions shall be within the terms and conditions of the policy contract, the capacity requirements envisaged and the internal control norms put in place.

b. TPAs shall endeavor to collect all documents pertaining to the claims reported in electronic mode for seamless processing and for recommending to the insurer for payment or rejection as the case may be.

c. A TPA shall adopt the following procedure with respect to settlement of the claims:

i. In case of admissible claim, full or partial: In the communication addressed to the policyholder or claimant, the TPA shall state clearly the following:

[33]Substituted for "Reg. 12(b)(i) of IRDA (Health Insurance) Regulations, 2013" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

a) "Your claim bearing No <Claim No> against policy issued by <name of the insurer> has been settled for Rs<Amt Paid> against the Amount Claimed for Rs<Claimed Amount> towards Medical Expenses incurred for treatment of <name of the Ailment> at <Name and City of the Hospital> for the period from <Date of Admission> to <Date of Discharge>":

b) The granular details of the payments made, amounts disallowed and the reasons there for.

c) The details of (i) Grievance Redressal Procedure in place with the insurer (ii) Contact details of concerned Grievance Redressal Office and officer (iii) Procedure to be followed for approaching Insurance Ombudsman in case the policyholder or claimant is not satisfied with the resolution provided by the insurer (iv) Contact details of office of Insurance Ombudsman:

Provided that the above details shall be mandatorily included in the communication to the policyholder or claimant in every case where the TPA has disallowed any part of the claim.

ii. In case of inadmissibility of the entire claim

a) The TPA on its own shall not reject or repudiate the claim; b) The decision and the communication with respect to rejection or repudiation of claim shall be sent only by the concerned insurer directly to the Policy holder or the claimant as the case may be.

22. Servicing of Foreign Travel Policies, Non-Insurance Healthcare Schemes:

(1) Before servicing the [34][*travel or health or medical insurance]* policies issued by the foreign insurers, a TPA shall obtain the complete terms and conditions governing such policy and shall service only on the specific authorisation of the foreign insurer.

A TPA shall also submit to the foreign insurers the details of the health services that could be offered as part of agreement.

[34]Substituted for "foreign travel" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

(2) The TPAs who are willing to service [35][*travel or health or medical insurance]* policies issued by foreign insurers shall obtain approvals under various other applicable laws and other relevant framework in India.

(3) Non-insurance healthcare schemes:

TPAs may also render such other health Services to be offered under health care schemes promoted, sponsored or approved by Central or State Government as may be specified by the Authority from time to time.

(4) A TPA shall submit the returns pertaining to servicing of policies referred in Regulation 22 of these regulations, in such form as may be specified by the Authority.

Provided the entities mentioned in this regulation namely foreign insurers, Central or State Government, that may engage the TPAs for rendering the services referred herein, may do so at their own risk. Such functions of the TPA shall not fall within the jurisdiction of the Authority.

23. Code of Conduct for TPAs;

Every TPA shall abide by the Code of Conduct as mentioned in Schedule – II of these Regulations.

24. Authority's power to inspect;

(1) The Authority, with or without prior notice, may appoint one or more of its officers as "inspecting authority" to undertake inspection of books of accounts, records and documents of the TPA for any of the purposes mentioned in regulation 24 (2).

(2) The inspection under regulation 24 (1) may be carried out for any of the following purposes, namely:

a. to ensure that the statutory books or books of account are being maintained in the manner as required; or

b. to ensure that the provisions of the Act, rules, regulations, guidelines, circulars, advisories are being complied with; or

c. to inspect the complaints received from any insured, any insurer, other TPA or any other person on any matter having a bearing on the activities of the TPA; or

[35]Substituted for "foreign travel" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019)

d. to inspect the affairs of the TPA *suomotu* in the interest of proper development of TPA business or in policyholders' interests.

(3) A TPA shall maintain all the books of account, statements, documents, etc., at the head office or corporate office of the TPA as notified to the Authority, and it shall be the duty of all officers and employees of the TPA to make these available to the inspecting authority.

(4) The TPA shall also make available to the Authority for inspection, copies of all contracts entered into with the insurance companies.

25. General

(1) If any TPA fails to furnish any document, statement, return, etc., to the Authority as required in any of the rules and regulations, the same shall be construed as a non-compliance of these regulations.

(2) Every TPA shall intimate the opening and closing of the branches or change in registered or branch office within fifteen days from the date of change in such form as may be specified by the Authority from time to time:

Provided that no TPA shall open any representative office or a liaison office or a branch office in a country outside India without prior approval of the Authority in writing. For opening an office outside India, the TPA shall make an application and furnish such information as may be required by the Authority.

(3) All the provisions of the Act which are applicable for an 'Intermediary' or 'Insurance Intermediary' as defined in IRDA Act, 1999 as amended from time to time, are also applicable to an applicant or to the registered TPA.

26. Repeal and Savings

(1) From the date of commencement of these regulations, the following regulations shall be superceded:

a. Insurance Regulatory and Development Authority (Third Party Administrators - Health Services) Regulations, 2001.

b. Insurance Regulatory and Development Authority (Third Party Administrators - Health Services) (First Amendment) Regulations, 2013.

c. Insurance Regulatory and Development Authority (Third Party Administrators - Health Services) (Second Amendment) Regulations, 2013

(2) The TPAs which have been issued license and whose licences have been renewed by the Authority under Insurance Regulatory and Development

Authority (Third Party Administrators - Health Services) Regulations, 2001 and which continue to be valid as on the date of notification of these regulations shall be deemed to be holding valid Certificate of Registration as if they have been issued under these Regulations.

(3) Applications pending with the Authority for grant of licence or renewal of the licence under Insurance Regulatory and Development Authority (Third Party Administrators - Health Services) Regulations, 2001 as on the date of notification of these regulations shall be processed for grant or renewal of Certificate of Registration under these regulations.

(4) Where any inspection has been conducted or proceedings have been initiated by the Authority under Insurance Regulatory and Development Authority (Third Party Administrators - Health Services) Regulations, 2001, they shall continue to be governed by Insurance Regulatory and Development Authority (Third Party Administrators - Health Services) Regulations, 2001 only till their final disposal.

27. Power of the Authority to issue clarifications etc.

In order to remove any doubts or the difficulties that may arise in the application or interpretation of any of the provisions of these regulations, the Chairperson of the Authority may issue appropriate clarifications or guidelines as deemed necessary.

Schedule – I

See Regulation 2 (1) (l) of IRDAI (TPA – Health Services) Regulations, 2016;

Matter in respect of which the Authority may specify by issue of Circulars, Guidelines or Instructions as referred in these regulations;

1. Regulation 7 (1): Format of application for Grant of Fresh Certificate of Registration to TPA along with list of documents to be submitted and procedural requirements for obtaining Fresh TPA Registration.

2. Regulation 7 (1): List of documentsto be submitted along with Form TPA - 1 and Procedural requirements for obtaining Fresh TPA Registration

3. Regulation 9 (1): Format for Certificate of Registration.

4. Regulation 11 (3): Declaration and Undertaking w.r.t. fit & proper criteria. 5. Regulation 11 (3): Form for Intimation of appointment or change in Director, Chief Executive Officer or Chief Administrative Officer, Chief Medical Officer.

6. Regulation 12 (1): Application for issue of Duplicate Certificate of Registration 7. Regulation 12 (3): Format for Duplicate Certificate of Registration.

8. Regulation 13 (2): Application For Change In Shareholding Pattern.

9. Regulation 13 (2): List of documents to be submitted for consideration of application for transfer of ownership or change in shareholding pattern.

10. [36][Regulation 13 (3) and (4): Return on Status of Shareholding Pattern of a TPA Company.]

11. Regulation 14: Minimum Business Requirements for TPAs.

12. Regulation 15 (A) (1): Application for Renewal of Certificate of Registration. 13. Regulation 15 (A) (1): List of documents to be attached with the Application for Renewal of TPA Registration.

14. Regulation 15 (F) (9): Format for Certificate of Renewal of TPA Registration. 15. Regulation 17 (1): List of documents to be submitted along with application for Voluntary Surrender of TPA Registration.

16. Regulation 19 (8): Schedule of apportionment of expenses.

17. [37][Regulation 19 (8): Schedule of Income or fee received by TPA]

18. Regulation 19 (9): Form and Formats for Annual Report to be submitted by TPAs.

19. [38][Regulation 19 (10): Format on Claims data]

20. [39][Regulation19 (11): Annual certificate in the matter of Net Worth of a TPA Company.]

21. Regulation 19 (11): Annual Declaration and Undertaking by TPA Company.

22. [40][Regulation 20 (4): Form for Service Level Agreement Details]

23. Regulation 20 (5): Minimum Standard clauses in agreement between Insurer & TPAs.

24. [41][Regulation 22 (4): Periodical Returns – Information on non-insurance health schemes.]

[36]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 10 read as under:

"Regulation 13 (3) & (4): Quarterly return for Status of Shareholding Pattern of a TPA Company"

[37]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 17 read as under:

"Regulation 19 (8): Schedule of Income or Remuneration received by TPA"

[38]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 19 read as under:

"Regulation 19 (10): Format for Monthly and Cumulative Claims data for TPAs"

[39]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 20 read as under:

"Regulation 19 (11): Annual Certificate in the matter of Working Capital of a TPA Company"[40]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 22 read as under:

"Regulation 20 (4): Quarterly Form for Service Level Agreement Details"

[41]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 24 read as under:

"Regulation 22 (4): Periodical returns - Quarterly information on non-insurance health schemes"

25. Regulation 22 (4): Stipulations in the matter of Non Insurance Services under Health Care Schemes.

26. [42][Regulation 22 (4): Format of information on services rendered in foreign jurisdictions for policies issued by Indian insurers.]

27. [43][Regulation 22(4): Format on information on health services rendered to policies issued by foreign insurers.]

28. Regulation 23, Schedule - II (2) (z): Corporate Governance norms for TPAs

29. Regulation 25 (2): Form for intimation of opening and closing of the branches or change in office address.

Any other matter which is required to be specified by the Authority under these regulations.

[42]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 26 read as under:

"Regulation 22 (4): Format for quarterly Information on services rendered in Indian or in foreign jurisdictions for policies issued by Indian Insurers"

[43]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019). Prior to its substitution, clause 27 read as under:

"Regulation 22 (4): Format for quarterly Information on health services rendered to foreign travel policies issued by Foreign Insurers."

Schedule _ II

See Regulation 23 of IRDAI (TPA – Health Services) Regulations, 2016;

Code of Conduct for TPAs;

1) A TPA registered under these regulations shall act in the best professional manner. The Chief Executive Officer or the Chief Administrative Officer of a TPA shall be responsible for the proper day to day administration of a TPA as well as regulatory compliance issues.

2) In particular and without prejudice to the generality of the provisions contained in these regulations, it shall be the duty of every TPA, its Chief Administrative Officer or Chief Executive Officer and Chief Medical Officer and its employees or representatives to

a. establish their identity to the insured, claimant, policyholder and that of the insurer with which it has entered into an agreement, other entities and the public; .

b. disclose its certificate of registration on demand to the insured, policyholder, claimant, prospect, public or to any other entity relating to the services under a policy issued by an insurer;

c. disclose on demand to the insured, policyholder, claimant, prospect, public or to any other entity the details of the services it is authorized to render in respect of health insurance products under an agreement with an insurer;

d. [44]*[Bring to the notice of the insurer with whom it has an agreement any adverse report or inconsistencies or any material fact that is relevant for the insurer concerned;]*

e. obtain all the requisite documents pertaining to the examination of an insurance claim arising out of an insurance contract;

f. render such assistance as mentioned under the agreement and advice to policyholders or claimants or beneficiaries to comply with the requirements for settlement of claims with the insurer;

g. conduct itself or himself in a courteous and professional manner; h. refrain from acting in a manner which may influence, either directly or indirectly, the insured or policyholder of a particular insurer to migrate from one insurer to another;

i. refrain from dissuading or discouraging policyholder from approaching specific hospital of his / her choice or persuade or

[44]Substituted by Insurance Regulatory and Development Authority of India (Third Party Administrators-Health Services)(Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019). Prior to its substitution, sub provision (d) read as under:
"bring to the notice of the insurer with whom it has an agreement, any adverse report or inconsistencies or any material fact that is relevant for the insurer"

encourage the policy holder to approach any specific Hospitals which are in their Network, other than offering advice and guidance when specifically sought for.

j. have effective grievance management systems in place.

k. ensure to resolve the grievances of policyholders within fifteen days of receipt of the same.

l. ensure to resolve the grievances or disputes with hospitals or network providers expeditiously and ensure that the policyholder is not adversely affected due to such disputes.

m. refrain from trading on information and records of its business except for sharing of the same as provided in regulation 19 (4);

n. maintain the confidentiality of the data collected by it and not share the same except as provided in regulation 19 (4);

o. refrain from issuing advertisements of its business or the services carried out by it on behalf of a particular insurer, without prior written approval of the insurer:

Provided that a TPA can issue advertisement about the activities or the services carried out by it, for publicity or promoting public awareness.

Provided further that, as part of its Corporate Social Responsibility, a TPA may promote the need for and benefits of health insurance in general without specifically referring to any insurer, insurance policy, network provider or hospital.

p. refrain from inducing an insured, policyholder, network provider to omit any material information or submit wrong information;

q. refrain from demanding or receiving a share of the proceeds or a part of the claim amount from the policy holder, claimant, network provider;

r. comply with the regulations, circulars, guidelines and directions that may be issued by the Authority from time to time.

s. not lend or grant any loan to any other company, entity or individual not connected with its TPA business.

However, this does not prevent a TPA from granting any loans or temporary advances either on hypothecation of property or on personal security or otherwise, as part of the benefits to the fulltime employees of the TPA as per the scheme duly approved by its Board of Directors.

t. not submit any wrong, incorrect, misleading data or information or undertaking to the Authority or to the insurer or to any other stake holder of the TPA business.

u. not accept any kind of incentives other than the [45]*[fees]* agreed towards service fees or any inducement for maintaining low claims ratio.

v. not to outsource the job of servicing of those insurance policies for which he is appointed as TPA to any other registered entity including TPA or unregistered entity.

w. not remit any sum including the claim amount whether directly or indirectly either to a policyholder, claimant, Network Provider or any other hospital. A TPA shall not maintain any float fund account or any other account with any other nomenclature for payment of insurance claims on behalf of insurer:

Provided that, with respect to servicing of [46][***] policies issued by foreign insurers, a TPA can make claim payment based on a valid and written agreement in this regard with such foreign insurers.

x. not publish on its website any incorrect or misleading information or display any content or matter which is not in line with these regulations.

y. no claim is concurred or disputed by a medical practitioner unless he is from the same stream of medicine relating to which the treatment was provided and claim is preferred.

z. abide by the Corporate Governance guidelines pertaining to TPAs as issued by the Authority.

aa. shall disclose on demand, the fee received for servicing of Health Insurance policy to the policy holder, insured or claimant.

bb. follow claim guidelines as issued by insurers from time to time. cc. ensure that at no point of time contact numbers of a TPA like phone number, toll free number as published or provided to policy holders shall be out of service or closed.

Further, any change in details referred herein shall be notified suitably to all the policyholders within seven days of such change.

dd. disclose the list of network hospitals with whom it has valid agreement to policy holders, prospects and general public.

Further, any change in details referred herein shall be notified suitably to all the policyholders within seven days of such change.

[45]Substituted for "remuneration" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services) (Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019).

[46]Omitted words "foreign travel" by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December 2019 (w.e.f. 4.12.2019).

ee. have systems in place for assisting the policyholder or claimant during hospitalization with respect to concerned health insurance policy terms and conditions and services for cashless facility.

ff. abide by the timelines for rendering health services and shall make public disclosures on their websites or disseminate information through call centers.

gg. clearly explain cashless service procedures at hospitals and also on their website and through call centers.

hh. communicate promptly to the claimant under intimation to the insurer concerned about any delay which is unavoidable or owing to the customer or hospital.

ii. have systems in place to identify, monitor, control and deal with fraud including hospital abuse, by various agencies including healthcare providers.

jj. put in place systems and internal processes for detection of fraud and its mitigation, delineate and disseminate information on fraudulent cases to the concerned insurer within three days of detection and submit such information on fraudulent claims as directed by the Authority.

kk. [47]*[Any information or data relating to the group insurance policies of one insurer shall not be shared with any other insurer or any other third party. For the purpose of underwriting, a TPA, with the explicit written approval of the concerned insurer and the Group Insurance Policyholder, may share information or data to any other insurer.]* ll. [48]*[A TPA shall not canvass business of rendering health services directly from policyholders or prospects.]*

3) The director(s), promoter(s), shareholder(s), CAO, CEO, CMO and Key managerial person(s) of a TPA shall not engage directly or indirectly in any other insurance or insurance related activities that may lead to conflict of interest.

SCHEDULE – AA

[47]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

[48]Inserted by Insurance Regulatory and Development Authority of India (Third Party Administrators- Health Services)(Amendment) Regulations, 2019 dated 3rd December, 2019 (w.e.f. 4.12.2019).

Undertaking from an insurance intermediary that has majority shareholding of foreign investors

I, ……. (name of person), Chief Executive Officer (CEO) / Principal Officer (PO) / Managing Director of …. (name of insurance intermediary), undertake the following:

1. ……. (name of insurance intermediary) is incorporated as a limited company under the provisions of the Companies Act, 2013;

2. …… (name of person), Chairman of the Board of Directors or …… (name of person) Chief Executive Officer/ Principal Officer/ Managing Director of the insurance intermediary (strike out whichever is not applicable) is a resident Indian citizen;

3. shall take prior permission of the Authority for repatriating dividend;

4. shall bring in the latest technological, managerial and other skills;

5. shall not make payments (other than dividend) to related parties taken as a whole, beyond 10% of the total expenses of the company in a financial year;

6. majority of the directors on the Board are resident Indian citizens;

7. majority of Key management persons are resident Indian citizens.

Signature of the PO/ CEO/ Managing Director

Shri T.S. Vijayan