17th Current Issues in Health Insurance
Hotel Sea- Princess Mumbai
1st August 2025

Bima Vistaar- Dynamics and Pricing

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Agenda

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- Bima Trinity
- Bima Vistaar- To Achieve “ Insurance to All by 2047”
- Product Structure & Pricing Philosophy
- Operation Matters
- Challenges & Way forward

The Product is designed by Indian Insurance Companies jointly addressing regulators challenge to bring in a simple, single product at very affordable price.

Bima Trinity

- Bima Sugam
- Bima Vaahak
- Bima Vistaar

Bima Sugam

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- **Bima Sugam** is a unified digital marketplace that aims to simplify the process of buying, servicing, and claiming insurance policies.

- This platform will bring together different insurance companies under one digital roof, offering consumers a seamless experience.

- By doing so, Bima Sugam will streamline the entire process, making insurance more user-friendly and efficient.

Bima Vistaar

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- **Bima Vistaar** which literally translates to "Insurance Expansion" is **A composite product with Life insurance, health insurance and property insurance coverage**.
- Operational framework has been finalized.
- Once launched, it is expected to simplify the insurance process, offering more choices for consumers in a single product.

Bima Vahak

- **Bima Vahaak** initiative was initially set for a soft launch in April 2025. By creating opportunities for women to participate in the distribution of insurance, IRDAI hopes to improve both the reach and effectiveness of insurance products in underserved areas.

Insurance for All by 2047

- The broader goal with **Bima Trinity** is to ensure "**Insurance for All by 2047**".

- This highlights the government's commitment to increasing insurance penetration across India, which currently stands at a relatively low level compared to global standards.

- By addressing product design, pricing, and distribution, the Bima Trinity plan is designed to bridge the existing gaps in India's insurance sector.

Bima Vistaar-Product Structure

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- Term Life Insurance
- Personal Accident Benefit
- Daily Cash Benefit
- Property Insurance

Bima Vistaar-Product Structure

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Coverages offered
Death
Personal Accident Cover for
i. Death due to accident
ii. Total Permanent disability due to accident
Daily cash benefit in case of hospitalization for surgeries
Physical Damage to
i. House/business property for the owner
ii. Contents of the house/business property for the tenant

Bima Vistaar-Product Structure

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Age-->	18 to 50 years	51 to 60 years
Coverage Details	Sum Assured	Sum Assured
Term Life	₹. 3,00,000	₹. 1,00,000
Personal Accident	₹. 3,00,000	₹. 3,00,000
Property	₹. 2,00,000	₹. 2,00,000
Daily Cash Benefit	₹. 500 per day, maximum up to 10 days per year	₹. 500 per day, maximum up to 10 days per year

Bima Vistaar-Premium rate

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Age-->	18 to 50 years	51 to 60 years
Coverage Details	Sum Assured	Sum Assured
Main Member	₹. 1,400	₹. 2,000
Other Members	₹. 820	₹. 1,420

- Above premium rates are excluding GST. It is expected that GST will be waived-off for this product.
- There was a pricing sub-committee with members from different insurers.
- Different coverages(life, PA & Daily cash, and Property cover) were priced by members of pricing committee.

Bima Vistaar-Who is covered?

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- Main member of the family aged 18-60 years
- Other adult members of the family up to age 60 years
- Main Member:
  - **The main member of the family is the member who will be insuring their house/business property as an owner or contents of the house/ business property as a tenant, apart from being covered under the term life, personal accident and daily hospital cash benefits under this product.**
- Other members will get all covers except Property/House insurance

Bima Vistaar-Specific Cover detail

- **Term Life**
  - In case of death of the Life Assured during the policy term, the Sum Assured as per the policy schedule will be payable to his/her nominee/legal heir
  - A waiting period of 30 days applies for this benefit when policy is taken for the first time
- **Personal Accident Benefit**
  - In case of death, sum insured id paid to nominee/legal heir
  - In case of Permanent Total disability and irrecoverable loss of
    - Both eyes or both hands or both feet: or
    - Sight of one eye and loss of one hand: or
    - Sight of one eye and loss of one foot
- **Daily cash benefit for hospitalization for surgery**
  - Cash benefit payable only if hospitalization involving any surgery, 30 days waiting period applies when policy is taken for the first time

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Bima Vistaar-Specific Cover detail

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- **Property Benefit(On First Loss Basis)**
  - The owner of a property can avail cover for material damage to the structure of the property and if insured for contents, the tenant of the property can avail cover for the contents in the property.
  - The benefit covers physical damage or destruction caused to the property by unforeseen catastrophic events like Lightening, Flood and Inundation from rain, Overflow of Rivers, Storms, Earthquake, Forest Fire, Landslide, Rockslide and other perils covered in the policy.
  - A waiting period of 15 days applies for this benefit when policy is taken for the first time or post completion of grace period. However, waiting period is not applicable at policy renewal.
- **Exclusions**

  The benefit is not payable for deliberate acts of omission, war, invasion, radiation or contamination by radioactivity, pollution or contamination etc. and due to other exclusions as stated in terms and conditions of the policy.

Bima Vistaar - Grace Period

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- 30 days’ grace period (from the date of renewal) provided for payment of premium.
- Death and personal accident benefits remain active during grace period.
- Under hospital cash benefit, the coverage ceases during grace period until premium is paid.
- Under Property benefit, the coverage ceases during grace period until premium is paid

Bima Vistaar-Operational Matters

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- Distribution of the Product
- Technology Platform
- Sourcing Procedure
- Policy Management
- Sharing of risks
- Claims Settlement
- Grievance Redressal Procedure

Distribution of the Product

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- Solicited through Bima Vahak- Local representative of Gram Panchayat
- Bima Vahak- to evolve as Women Centric Channel- Bima Didis.
- Each Bima Vahak – affiliated with only one Insurer/Corporate agents can
- LI/GI Council will jointly establish guidelines for Bima Vahak

S. No	Insurer	Gram Panchayats to be covered in each state / UT
1	Lead Life Insurer (s)	40%
2	Lead Non-Life Insurer (s)	40%
3	Lead Health Insurer (s)	5%
4	All Other insurers	Minimum 15%

Technology Platform

- A multifaced system for seamless interaction between insurers, Bima Vahaks and Policyholders.

- Integrates with handheld devices provided to Bima Vahak

- Claims servicing and Grievances handling will be on the same platform.

- In summary
  - “it's a **technologically-enabled ecosystem** fostering accessibility, transparency, and regulatory compliance within the insurance distribution landscape.”

- Once Bima Sugam is operational, this technology platform will integrate with it.

Sourcing Procedure

- Bima Vahaks will approach Individuals in their respective Gram Panchayat providing details of benefits of this product or Individuals interested in purchasing the product may approach designated Bima Vahaks.
- Good Health Declaration in the e-proposal form (consistent with PMJJBY/PMSBY).
- A "No" on Good Health Declaration declines the proposal
- Bima Vahaks will click photographs of the lives insured and the location/property/contents to be insured through the App i.e. geo tagging of the risk location
- Basis coverage opted in the proposal, detailed e-quotation will be generated via platform.
- If the proposer is willing to proceed further, OTP is generated on the platform and the consent of the customer is taken. Customer will be provided with payment link
- After payment of premium, Policy will be issued
- Policy will contain all details of Bima Vahak

Policy Management

- The premium received would be maintained in a common central account (separately for each of Life cover, Health cover and Property cover). The account corresponding to the Life cover will be administered by the Life Insurance Council and those corresponding to Health and Property cover would be administered by the GI Council.

- A central dashboard covering number of policies sourced, premium collected, claims settled, claims outstanding and different servicing parameters (e.g. settlement TATs) would be made available to all the Insurance companies

Sharing of risks

- Risk is shared on Pan India basis as below
  i. Term Life - Life insurers,
  ii. Property – Non-Life insurers,
  iii. Personal Accident & Daily Hospital Cash – Life : Non-Life : SAHI
  iv. Reinsurers participate on original terms in all risks

- Monthly report will be generated via technology platform capturing details of policies underwritten state wise, section wise, Bima Vahak wise including details of number of lives, number of property covered to all Insurers within 7 days of subsequent month so that every Insurer can include these figures in their monthly financials.

- An industry panel of actuaries will review underwriting data annually, ensuring insurer loss ratios match the national average. Surpluses if any for a given underwriting year will be distributed 36 months after the underwriting year begins.

Claims Settlement

- The entire journey of claim settlement is through the technology platform and also enabled through the hand held devices of the Bima Vahak.
- claim intimation notice can be given to Bima Vahak or nearest branch of Nodal Lead Insurer as per details provided on the policy document.
- Lead insurer would be responsible for claims handling with co-ordination/co-operation from other insurers.
- The claims would be settled by the Insurers from the respective central account administered by the respective Council directly to the bank account of the policyholder or of the nominee.
- In the event that the available funds reach below 10% of the premium collected for any underwriting year in respect of the coverages provided, additional funds will be raised from all the insurers covering such risks.

Grievance Redressal Procedure

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- The entire journey of Grievance Redressal Procedure is through the technology platform and also enabled through the hand-held devices of the Bima Vahak.

- The customer's grievance will be acknowledged within 3 (three) business days and resolved within the 15 (fifteen) days of receipt of the grievance.

- The customers can escalate to Grievance Redressal Officer (GRO) of the insurers in case they are not happy with the resolution provided.

- Where the redressal provided by the Company is not satisfactory despite the escalations above, the customer may represent the case of specified cause of action to the Ombudsman for Redressal of the grievance.

Challenges & Way forward

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- No cover for hospitalization even in case of Accident

- Adequacy of coverages, Whether 1Lakhs SI for life/PA is adequate?

- Operational challenges- due to different insurance companies involved:
  - Data collection
  - Premium sharing
  - Claims settlement
  - Grievances from insured
  - Enrolment of people in the policy- different insurers may be having different status of distribution in the given State

- Exemption from GST

Thank You!!