



Ref: IRDAI/HLT/MISC/ORD/115 /07/2019

**Order in the matter of Focus Health Insurance TPA Private Limited**

Based on the

Show Cause Notice (hereinafter referred to as "SCN") (Reference No. IRDAI / TPA-Focus /010/Vol-VI dated 19<sup>th</sup> February, 2019) in connection with Non Submission of Annual Returns for the Financial Year 2017-18.

1. Background:

- i. Focus Health Insurance TPA Private Limited (hereafter referred as Focus TPA), has not submitted Annual Returns for the financial year 2017-18 within the timelines specified in IRDAI (Third Party Administrators-Health Services) Regulations 2016 thereby violating the provisions of Regulation 19 (9) of IRDAI (Third Party Administrators) Regulations, 2016 attracting the provisions of Regulations 16 (1) (f), 16 (1) (g), Clause (2) (r) of Schedule – II read with Regulation 23 of IRDAI (Third Party Administrators – Health Services) Regulations, 2016. IRDAI has made following efforts to obtain the Annual Returns:

- a. E-mail sent on 17<sup>th</sup> July 2018
- b. Telephonic call made on 5<sup>th</sup> September 2018 went unanswered
- c. Letter dated 12<sup>th</sup> October, 2018 sent by speed post calling for an explanation from Focus TPA was returned undelivered on 25<sup>th</sup> October, 2018.
- d. The final notice was sent vide letter dated 06<sup>th</sup> May, 2019 asking why their Certificate of Registration bearing No 010 shall not be cancelled for the referred violation. The said letter was also returned undelivered on 13<sup>th</sup> May, 2019.

2. Non-submission of Annual Returns within stipulated time is in violation of Regulation 19(9) of IRDAI (TPA-Health Services) Regulations, 2016, attracting the provisions of Regulations 16 (1) (f), 16(1) (g), Clause (2) (r) of Schedule – II read with Regulation 23 of IRDAI (Third Party Administrators-Health Services) Regulations 2016.

3. The Authority has provided enough opportunities to Focus TPA for filing Annual Returns or for submitting reasons for its failure to submit Annual Returns for the Financial Year 2017-18.

## Decision

4. In the light of the violations referred in SI No 2 above, the Authority after careful consideration of the seriousness of violations observed and in exercise of the powers vested under Regulation 16(1) of IRDAI (TPA-Health Services) Regulations, 2016, hereby Cancels the certificate of registration No. 010 granted to Focus TPA with immediate effect.
5. As the Certificate of Registration of Focus TPA stands Cancelled with immediate effect the Focus TPA shall no more function as Insurance TPA.
6. However, it may continue servicing the existing health insurance policies (if any) based on the discretion and direction of the respective insurers for a period not exceeding three months from the date of this order. No insurer having in force a service level agreement shall entrust servicing of new policies or servicing of new lives under the existing group schemes / policies to Focus TPA.
7. All Insurers and Focus TPA shall comply with following directions wherever applicable, in view of Cancellation of Certificate of Registration No 010 of Focus TPA.
  - i. All insurers who are having agreement if any with Focus TPA rendering the services referred in Regulation (3) (1) (a) and Regulation (3) (1) (b) of IRDAI (TPA-Health Services) Regulations, 2016, shall immediately take such alternate steps including appointment of another TPA, if any, as may be necessary to continue to cater to the policy holders served by Focus TPA.
  - ii. Focus TPA shall cooperate with insurance companies in making suitable alternate arrangements to service the policy holders in respect of whom the policies are in force.
  - iii. Focus TPA shall, reconcile and close the accounts with concerned insurance companies and network providers, if any.
  - iv. Focus TPA shall submit the data collected and the books, records or documents etc., relating to the TPA business carried on by it to respective insurers
  - v. Focus TPA and all the insurers shall comply with the applicable provisions of Regulation 18 of IRDAI (TPA - Health Services) Regulations, 2016.
  - vi. Focus TPA is advised to remove the word "Insurance TPA" from the name of its Company and that they shall not function as TPA.

- vii. All the insurance companies that have engaged the services of Focus TPA shall submit an action taken report to General Manager (Health), IRDAI, Hyderabad in respect of the above directions within three months from the date of this order.

Hyderabad  
Dated 11<sup>th</sup> July 2019

  
**MEMBER (Non-Life)**