



Ref: IRDAI/HLT/MISC/ORD/ 161 /06/2020

Order in the matter of M/S Anyuta Insurance TPA In Health Care Private Limited

Based on the

- a. Show Cause Notice (SCN) dated 1st May 2020 issued on observed deficiencies in complying with the provisions of IRDAI (TPA-Health Services) Regulations, 2016 (hereafter referred as TPA Regulations) by M/s. Anyuta Insurance TPA In Health Care Pvt. Ltd. (Anyuta TPA / the TPA).
- b. Response to the above SCN made by the TPA in their written replies vide letter dated 09th May 2020 forwarded by email on 10th May 2020.
- c. Submissions made during Personal Hearing chaired by Ms. T.L. Alamelu, Member (Non-Life), on 29th May 2020 at 1500 hrs. through Video Conference by Skype.

Background

1. M/s Anyuta TPA was granted certificate of registration No.17 on 16th May 2002. The certificate of registration granted to Anyuta TPA was due for renewal on 16th May 2020 and the renewal application was filed by the TPA on BAP ref: TPA-566-2020 dated 15th April 2020.
2. On examining the renewal application, it was observed that the TPA did not comply with the minimum business requirements stipulated under Annexure-11 of Circular Ref: IRDA/TPA/REG/CIR/059/03/2016 dated 28th March 2016 read with Regulation 14 of IRDAI (TPA – Health Services) Regulations, 2016.
3. Hence, the TPA was in violation of the minimum business requirement as stipulated in Regulation 14 of IRDAI (TPA-HS) Regulations, 2016. The Minimum Business requirements as stipulated under TPA Regulations are reproduced here under:
 - a. **“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 :

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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.”

- b. The Minimum business norms as stipulated under Annexure-11 of Circular Ref: IRDA/TPA/REG/CIR/059/03/2016 dated 28th March 2016 are also reproduced hereunder:

Number of Financial Years Completed since 01-04-2016 or date of granting the Certificate of Registration, whichever is later	Number of policies serviced Parameter - 1	Number of lives serviced Parameter – 2
Second Year	2500	5000
Third Year	5000	10000
Fourth Year to Sixth Year	10000	25000
From Seventh Year onwards	15000	50000

4. From the above, it is noted that the minimum business requirements as stipulated by the Authority were applicable to Anyuta TPA from FY 2016-17 onwards.
5. The TPA vide e-mail dated 18th April 2020 furnished the following details with regards to the business carried out by them in the preceding three years:

Figures in absolute numbers				
S.No	Particulars of Information	Preceding three financial years		
		2016-17	2017-18	2018-19
1	No. of insurers with whom SLAs entered with	None	None	None
2	No. of lives covered under Health Policies (to be reported as per provisions of Reg.14 of TPA Regulations & Circular)	NIL	NIL	NIL
3	No. Of Policies (to be reported as per provisions of Reg.14 of TPA Regulations and Circular)	NIL	NIL	NIL

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6. Further, as per Regulation 15(c)(6)(c), where a TPA has failed to comply with Reg.15(c) (6)(a) or 15 (c) (6)(b) of TPA regulations, the registration shall not be renewed.
7. Hence, a show cause notice dated 1st May 2020 was issued to the TPA invoking the above referred provision.
8. The TPA submitted its response to the SCN vide letter dated 09th May 2020 forwarded by e-mail on 10th May 2020 and requested for a personal hearing.
9. The personal hearing was held on 29th May 2020 at 1500 hrs. through Video Conference by Skype and was chaired by Ms. T.L. Alamelu, Member (Non-Life).
10. The TPA company was represented by Dr. Ravindra Shetty, Director & CEO. On behalf of the Authority Sri Suresh Mathur, Executive Director, Sri D.V.S. Ramesh, General Manager(Health), Sri M. Israel, Manager(Health)-OSD and Smt. Manju Choudhary, Assistant Manager were present in the personal hearing.
11. The findings on submissions made by the TPA on the issues raised in the SCN and the decisions thereon are as under:

Charge:

12. The TPA did not comply with the minimum business requirements as specified under Regulation 14 of IRDAI (TPA-Health Services) Regulations, 2016.

Gist of TPA's submissions:

13. We have endeavoured to get empanelled with the Insurance Companies but not successful.
14. We have applied to all Insurance Companies to empanel us and give business for which they did not reply.
15. If IRDAI allowed the insured to "choose the TPA out of IRDAI licensed TPAs" instead of "choose the TPA out of Insurance Company empanelled TPA" then there would have been no need for minimum business requirement, since it would have been automatic.
16. Hence it cannot be considered as noncompliance.

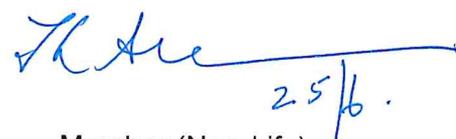


Decision of the Authority:

17. On examining the submissions made by the TPA, it is observed that the TPA was granted certificate of registration on 16th May 2002 and has completed 18 years in the industry. The TPA did not do any business in the preceding three years as specified under regulation 14 of IRDAI (TPA- HS) Regulations, 2016 read with the Minimum Business norms as stipulated under Annexure-11 of Circular Ref: IRDA/TPA/REG/CIR/059/03/2016 dated 28th March 2016. The TPA also admitted that it did not succeed in getting empaneled with any of the insurers. Hence, the submissions of the TPA are not acceptable.
18. In light of the above, it is observed that there is no material matter to consider in the submissions of the TPA Company.
19. In view of this, and as per provisions of Regulation 16(1)(f) to be read with Reg.15(C) (6)(c) of IRDAI (Third Party Administrators- Health Services) Regulations, 2016, the Authority rejects the renewal application of TPA Registration No. 17 filed by **M/S Anyuta Insurance TPA In Health Care Private Limited**.
20. Following directions are to be complied with, in view of rejection of application for renewal of TPA License No. 17 of Anyuta TPA;
- Anyuta TPA is advised to remove the word TPA from name of its Company.
 - In terms of Reg. 18 of IRDA (TPA – Health Services) Regulations, 2016, all insurers who were having TPA agreement with Anyuta TPA earlier, if any, shall immediately take such alternative steps including appointment of another TPA, if any, as may be necessary to continue to cater to the policy holders served by Anyuta TPA.
 - Anyuta TPA shall immediately submit the data collected and the books, records or documents etc., relating to the TPA business carried on by it to respective insurers.
 - Anyuta 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.
 - Anyuta TPA shall, reconcile and close the accounts with concerned insurance companies and network providers, if any.

If the TPA feels aggrieved by the decision of this order, an appeal may be preferred to the Securities Appellate Tribunal as per Section 110 of the Insurance Act, 1938.

Place : Hyderabad
Date : 25th June 2020


25/6.
Member (Non-Life)