

General Circular pursuant to the Health Insurance Law (No 11 of 2013) of the Emirate of Dubai
General Circular Number 2 of 2019 (GC 02/2019)

Subject of this General Circular	Pro rata refund of premiums for individually sponsored members
Applicability of this General Circular	This Directive applies to all health insurance companies in the Emirate of Dubai and is for the information of all intermediaries and health insurance claims management companies
Purpose of this General Circular	To clarify the practice of refunds for insured members under individual sponsorship
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Publication date	28 th March 2019
This document replaces	General Circular 09 of 2016
Effective date of this General Circular	Immediately upon publication
Grace period for compliance	Not Applicable

Objective of this General Circular

We are receiving numerous complaints about the lack of cooperation from insurers in regards to refunding premiums of members whose visas have been cancelled by their individual sponsors or purchased insurance elsewhere. It is a requirement for all insurers to refund the remaining unused premium on a pro rata basis of insured members that are under individual sponsorship, regardless of relation, whether domestic help or a dependant.

If for example a domestic helpers insurance policy expires on December 31st 2016 and their visa expires in March 2017, for which the sponsor has no intent to renew the visa. We as DHA mandate that that domestic helper must be covered until visa cancellation (including the 30 day grace period for the individual to leave the country). Therefore the sponsor must purchase an annual policy until the visa is cancelled. Once the visa is cancelled the individual must show proof of the cancellation in order to request a refund, at which point insurers must comply and refund the premium on a pro-rated basis.

An alternate example is if a policyholder wishes to change insurance from one insurer to another, they must first purchase their new policy in order to provide evidence to the current insurer to request policy cancellation and/or a refund.

The refund must be calculated at minimum on a monthly basis, and if the visa cancellation or refund request with proof of new insurance is mid- month, then that whole months premium should be retained. If for example a policyholder that has a 12 month policy from January 1st to December 31st requests a refund on April 15th, then the refund premium will be calculated from the month of June through to expiry of the policy, this is with consideration to the 30 day grace period for the individual to leave the country.