



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B1/15C
C2/5C

29 November 2019

The Chief Executive
All Authorized Institutions

Dear Sir / Madam,

Guideline issued by the Insurance Authority on Medical Insurance Business

Further to our circular of 6 June 2019 on “Sale of Medical Insurance Products”, I am writing to draw your attention to the Guideline on Medical Insurance Business (“GL31”) issued by the Insurance Authority (“IA”) today.

GL31 sets out requirements on medical insurance business in respect of, among other things, sales process, after-sales services, complaints handling, handling of customers’ personal data and voluntary health insurance scheme-compliant policies. Authorized institutions (“AIs”) engaging in medical insurance business are reminded to put in place adequate policies and procedures as well as controls and monitoring mechanisms to ensure compliance with the requirements in GL31. In particular, AIs are reminded to comply with those requirements pertaining to recommending products that suit needs of customers (paragraph 6.2 of GL31), disclosing and explaining product information (especially key features and terms and conditions of policies) to customers (paragraphs 6.3 to 6.5 and 6.7 of GL31) and offering of gifts to customers (paragraphs 6.8 to 6.13 of GL31). AIs are also reminded to ensure competency of their staff who carry on regulated activities, and to provide quality and ongoing training on medical insurance business to their staff. Last but not least, AIs are also reminded to observe other relevant requirements (including but not limited to the rules, codes, guidelines and circulars made/issued by the IA, and relevant circulars issued by the HKMA).

If you have any question on this circular, please contact Mr Kevin Sham at 2878-1594 or Mr Savio Chan at 2878-1431.

Yours faithfully,

Alan Au
Executive Director (Banking Conduct)

c.c. Insurance Authority
(Attn: Mr Raymond Tam, Executive Director (Policy and Development)
Mr Stephen Po, Executive Director (Market Conduct))