

**CS/BIRM /SEM-6/BIRM-601/2012**

**2012**

**GROUP AND HEALTH INSURANCE**

*Time Allotted : 3 Hours*

*Full Marks : 70*

*The figures in the margin indicate full marks.*

*Candidates are required to give their answers in their own words  
as far as practicable.*

**GROUP – A**

**( Multiple Choice Type Questions )**

1. Choose the correct alternatives for the following :

10 × 1 = 10

(i) The term "employee benefits" includes which of the following categories contributions ?

- a) Social security
- b) Unemployment compensation insurance
- c) Non-occupational disability insurance
- d) None of these.

(ii) A 'Master Policy' refers to

- a) Policy Master
- b) Policy issued to a Head Master
- c) A single policy covering large number of individuals
- d) None of these.

(iii) The premium payable under a Group Insurance Policy is

- a) Risk Premium that changes year on year basis
- b) Level Premium
- c) Fixed Premium for five years
- d) Neither of these.

(iv) Statement A : In most of the group insurance schemes

the premium is paid by the employer.

Statement *B* : The group and health insurance premiums paid by employer for the welfare of their employees are treated as business expense u/s 36(1) of Income Tax Act, 1961.

Statement *C* : The premium paid by an employer in force and maintains any group insurance policy is not treated as a perquisite u/s 17(2) (V) in the hands of such employees.

- a) Statements *A* and *C* are correct
- b) Statements *A* and *B* are correct
- c) All of these statements are correct
- d) None of these statements is correct.

(v) Which of the following could be the basis of the cover in a group policy ?

- a) Amount of annual income
- b) Level in the hierarchy
- c) Age of the person
- d) All of the these.

(vi) Which one of the following statements is correct ?

- a) A bank can take out group policy for its account holders.
- b) A sports club can get a group policy for its members.
- c) Both the statements are correct
- d) Both the statements are wrong.

(vii) Which of the following statements are correct ?

- a) Group policies are popular because of legal compulsion

b) Group policies give employees better benefits than legally required

c) Both the statements are correct

d) Both the statements are wrong.

(viii) Which one of the following statements is correct ?

a) In group insurance, the proposal is made by the employer

b) In group insurance, the proposal is made by each of the insured

c) Both the statements are correct

d) Both the statements are wrong .

(ix) Which one of the following statements is correct ?

a) Trustees have to be appointed in all group policies

b) All group policies need approval of the Income Tax Department

c) Both the statements are correct

d) Both the statements are wrong.

(x) Insurance premium paid under health insurance plan in India by cheque avails 100% deduction u/s ..... of Income Tax Act, 1961.

a) 80C b) 88

c) 80D d) 10 (10D).

### **GROUP – B**

#### **( Short Answer Type Questions )**

Write short notes on any *three* of the following.

3 × 5 = 15

2. Dreaded Disease Rider.

3. Tertiary Care Insurance.

4. Domiciliary Hospitalization Benefit.

5. Waiver Premium Benefit Rider.

6. Periodic Income Payment.

**GROUP – C**

**( Long Answer Type Questions )**

Answer any *three* of the following.  $3 \times 15 = 45$

7. Give a detailed description of Employees State Insurance

Scheme. Highlight the social security benefits under the scheme.

8. What is Pension ? Discuss the importance of Group Super Annuation scheme as a retirement solution.

9. What are the different factors affecting underwriting of group insurance ?

10. Write down the features of Group Mediclaim policy. Explain the group discounting policy including "low claim ratio discount" and "high claim ratio loading".

11. Explain briefly any *two* of the following :

a) Cancer Policy

b) LALGI

c) Eligible group.