

# MEM 207: Micro Insurance

*Credits: 3*  
*Lecture Hours: 48*

## **Course Objectives**

The main objective of this course is to acquaint students with various dimensions of micro insurance. This course also deals with the micro insurance regulation in Nepal.

## **Course Description**

This course contains introduction to micro insurance, micro insurance environment, micro insurance delivery channels, micro insurance underwriting and claim, micro insurance inclusion, micro insurance in Nepal, micro insurance regulation in Nepal.

## **Course Details**

### **Unit 1: Introduction**

**LH5**

Concept and characteristics of micro insurance, micro insurance vs. conventional Insurance, Benefits of micro insurance-Benefits for insured (Policyholders), Benefits for Intermediaries, and Benefits for Insurers and Social Benefits.

### **Unit 2: Micro insurance Environment**

**LH 8**

Concept of micro insurance Environment, Components of micro insurance Environment, Micro level; Key players-policyholders, Insurers, Insurance Intermediaries; Meso level: Support Infrastructure-Reinsurers, Actuaries, Adjusters and Surveyors. Auditors, Market Research Institutes, IT Service Providers; Macro Level: Enabling Environment-Legislation, Regulation, Policy, Supervision.

### **Unit 3: Micro insurance Delivery Channels**

**LH 5**

Concept and Important of Delivery Channels, Types of micro insurance Delivery Channels-Partner-agent Model, Full Service Model, Mutual or Community-based Model, Provider Model.

### **Unit 4: Micro insurance Underwriting and Claim**

**LH 8**

Micro insurance Underwriting, Micro insurance Risk, Proposal Form, Schedule, Micro insurance Pricing, Micro insurance Claim Settlement Process, Challenges of Micro insurance Underwriting and Claim.

### **Unit 5: Micro insurance and Inclusion**

**LH 6**

Poverty and Micro insurance, Role of Micro insurance in Financial Inclusion, Prospects of Micro insurance, SWOT analysis of Micro insurance

### **Unit 6: Micro insurance in Nepal**

**LH8**

Status of Micro insurance in Nepal, Crop and Livestock Insurance, Micro Health Insurance, Micro Credit Insurance, Micro Personal Accident Insurance, Micro Endowment Life Insurance, Micro Term Insurance, Challenges of Micro insurance (from policyholders; Insurers; Delivery Channels and Regulators' perspective), Remedial measures, Potential Micro insurance Market in Nepal, Awareness Program.

**Unit 7: Micro insurance Regulation in Nepal****LH 8**

Provisions of Insurance Act and Insurance Regulation, Micro insurance Directive, 2071-  
Definition, Types of Micro insurance Products, Delivery Channels, Claims Settlement,  
Management of Micro insurance Operations, Reporting, Monitoring and Supervision  
Mechanism.

**Reference Material**

Beema Samiti, [www.bsib.org.np](http://www.bsib.org.np)

Beema Samiti, (2014), Microinsurance Directive, Kathmandu

Insurance Regulatory and Development Authority, India; [www.irda.gov.in](http://www.irda.gov.in)

Microinsurance Academy, [www.microinsuranceacademy.org](http://www.microinsuranceacademy.org)