

Content

Title :	Directions for Insurance Companies to Engage in Microinsurance Business 
Date :	2025.08.14
Legislative :	Point 2,3,11, amended and issued on 14 August 2025
Content :	<p>2.The term “microinsurance” in these Directions means insurance products that offer basic coverage against specific risks as provided by insurance companies for the economically disadvantaged or people with specific status.</p> <p>The term “economically disadvantaged” or “people with specific status” in these Directions means a person who meets any of the following criteria:</p> <p>(1) A spouseless person whose gross annual consolidated income does not exceed the sum of the amount of the exemption, standard deductions, and special deduction of income from salaries/wages provided for the current year announced by the Ministry of Finance, or a member of his/her household. However this subparagraph shall not apply, if the member of his/her household has a spouse and the gross annual consolidated income of the husband and wife combined exceeds the sum of the amount of subparagraph 2.</p> <p>(2) A member of a household where the gross annual consolidated income of the husband and wife combined does not exceed the sum of the amount of the exemption, standard deductions, and special deduction of income from salaries/wages provided for the current year announced by the Ministry of Finance.</p> <p>(3) A person with the status of indigenous people pursuant to the Status Act For Indigenous Peoples, or a person who is a member of a legally established civil association or institution for indigenous people or a person serviced by such association or institution, or a member of the above-mentioned persons’ household in this subparagraph.</p> <p>(4) A person who is a member of a legally established civil association or institution for fishermen, or a domestic fishing professional with fishing vessel crew identification, or a foreign fishing professional who has obtained permanent resident certificate of the Republic of China, or a member of the above-mentioned persons’ household in this subparagraph.</p> <p>(5) An insured of farmer health insurance enrolled pursuant to the Farmer Health Insurance Act or a member of his/her household.</p> <p>(6) A person serviced by a legally established social welfare or charity association or institution or a member of his/her household.</p> <p>(7) A member of a household that is a recipient under the Work Income Subsidy Program of the Ministry of Interior.</p> <p>(8) A member of a family in hardship as defined in the Act for Assisting Families in Hardship, or a member of a low-income or medium-low income households as defined in the Public Assistance Act.</p> <p>(9) A person with disabilities as defined in the People with Disabilities Rights Protection Act, or a member of a legally established civil association or institution for people with disabilities or a person serviced by such association or institution, or a member of the above-mentioned persons’ household in this subparagraph.</p> <p>(10) A senior citizen who receives living subsidies for medium-low income elders as defined in Senior Citizens Welfare Act or a member of his/her household.</p> <p>(11) A person as defined in Subparagraph 1, Paragraph 1, Article 2 of the New Immigrants Basic Act or a member of his/her household.</p> <p>(12) Other economically disadvantaged people or people with specific status as recognized by the competent authority.</p> <p>The term “member of a household” used in the preceding paragraph shall refer to the principal, his/her spouse and lineal blood relatives or family members.</p>

Besides those criteria specified in the paragraph 2, an insurance company may add more criteria in view of the national income, the status of urban or rural development, actual economic condition, social insurance and security system, income distribution of existing clients and its underwriting operation, provided the insurance company has submitted documents specified in Point 4 herein and obtained the prior approval of the competent authority. The preceding provision applies when an insurance company revises its eligibility criteria for microinsurance.

3. When engaging in the Business, an insurance company shall not include the design of living benefit or maturity benefit in its products and may offer only the following types of products:

- (1) Traditional one-year term life insurance; and
- (2) One-year accident insurance.
- (3) One-year accident medical insurance (reimbursement type) where benefits are paid based on original medical expense receipts presented.
- (4) Insurance approved by the competent authority for trial, or insurance submitted to the competent authority after achieving the expected benefits during the trial.

The microinsurance products specified in the preceding paragraph should be simple in design and shall cover only one insured peril.

The insured and the operating procedures under subparagraph 4 of paragraph 1 shall be processed in accordance with the approved pilot plan, and the limitations set forth in the preceding point and Point 12 do not apply.

11. An insurance company whose performance in the Business meets certain criterion are eligible for the following incentive measures:

- (1) Recognized to meet the criteria of "Outstanding performance in offering insurance products in coordination with government policy or in promoting social or public interest work" as provided in subparagraph 7, paragraph 2, Article 21 of the Regulations Governing Pre-sale Procedures for Insurance Products.
- (2) The competent authority will give the aforementioned insurance companies priority in the review of their applications for the following:
 - a. Application for approval of an insurance product;
 - b. Application for the establishment of a branch organization (branch company, overseas branch company (subsidiary), or liaison office); or
 - c. Application for the appointment of the responsible persons of insurance companies.
- (3) For a life insurance company, the incentive of adding one more product to the filing quotas of insurance products listed under Subparagraph 3, Paragraph 1, Article 17 of the Regulations Governing Pre-sale Procedures for Insurance Products that may be changed to the use-and-file procedure.
- (4) For a life insurance company whose performance in the Business meets certain criterion twice consecutively, the incentive of adding additionally one more product to the filing quotas of insurance products listed under Subparagraph 3, Paragraph 1, Article 17 of the Regulations Governing Pre-sale Procedures for Insurance Products that may be changed to the use-and-file procedure.
- (5) Public commendation of insurance companies with outstanding performance in the Business.

The "certain criterion" referred to in the preceding two paragraphs means the Business of the insurance company in the most recent year at the time of application was offered to the economically disadvantaged or people with specific status and its total premium income from such policies as a percentage of its total premium income ranks in the seventy-five percentile or higher in the industry, or its total premium income from such policies ranks in the seventy-five percentile or higher in the industry, or the total premium income from such policies amounted to NT\$5,000,000 or higher. The recognition of subparagraphs 1 through 4 of paragraph 1 hereof shall be valid for a period of one year.