



Ref: IRDAI/HLT/MISC/CIR/102/04/2021

23<sup>rd</sup> April, 2021

To

All General and Health Insurers (Except AIC & ECGC)

**Subject: Communication on settlement of Health Insurance Claims**

1. There are reports of certain network providers (hospitals) charging high rates and insisting on cash payments from the policyholders for providing treatment to COVID-19 infected patients despite having cashless arrangement with Insurers.
2. In compliance with the provisions of Regulation 31 of IRDAI ( Health Insurance ) Regulations, 2016, the Insurers, in case of “cashless claim” under a health insurance policy, are advised to ensure expeditious settlement of such claims on cashless basis in accordance to the Service Level Agreements ( SLAs) entered with hospitals.
3. While reviewing cashless requests the Insurers are also advised to ensure that the policyholders are charged as per the rates agreed to by network providers wherever applicable. Insurers are also advised to ensure that hospitals do not levy any additional charges for the same treatment other than those rates that are agreed with the insurers.
4. In order to ensure that all network providers extend cashless services to policyholders and to address any issues causing inconvenience to policyholders while availing cashless service, the Insurers are advised to put in place an effective communication channel with all the network providers for prompt resolution of grievances of policyholders. Insurers are advised to report levying of excess charges or denial of cashless facility to the respective State Governments for appropriate action.
5. All Insurers are directed to ensure that the “reimbursement claims “under a health insurance policy shall be settled as per the terms and conditions of the respective policy contract expeditiously. Insurers are advised to issue suitable guidelines on this to all TPAs.
6. This has the approval of the Competent Authority.

**Sd/-**

(D V S Ramesh)  
General Manager