

Ref: IRDAI/HLT/CIR/MISC/053/03/2021

19th March, 2021

To,

CEOs of Life, General and Standalone Health Insurance Companies (Except AIC & ECGC) and TPAs

Re: Health Insurance Claims Settlement

1. Reference is drawn to the provisions of Regulation 27 (Settlement/Rejection of claim by insurer), Regulation 30 (Administration of Health Policies) and Regulation 33 (Engagement of Services of TPAs by Insurers in relation to Health Insurance Policies) of the IRDAI (Health Insurance) Regulations, 2016, Regulation 21 (3) (c) (i) (b) of IRDAI (Third Party Administrators - Health Services) Regulations, 2016 and circular Ref: IRDAI/CAD/CIR/PPHI/059/04/2019 dated 10.04.2019 regarding information to be provided to the insurance policyholders/claimants about various insurance policy services.
2. It is essential that all insurers establish procedures to let policyholders get clear and transparent communication at various stages of claim processing. As specified in the within referred circular dated 10.4.2019, all the insurers shall ensure putting in place systems to enable policyholders track the status of cashless requests/ claims filed with the Insurer/TPA through the Website/Portal/App or any other authorized electronic means on an ongoing basis. The status shall cover from the time of receipt of request to the time of disposal of the claim along with the decision thereon.
3. Where claims are processed through TPAs, the insurers are permitted to let their respective Third Party Administrators operationalize the claim tracking mechanism. The policyholders shall be invariably notified in all the communications, the location to track the claim status.
4. Insurer shall ensure that the repudiation of the claim is not based on “presumptions and conjectures”. As specified in the IRDAI (Health Insurance) Regulations, 2016, where a claim is denied or repudiated, the communication about the denial or the repudiation shall be made only by the Insurer by specifically stating the reasons for the denial or repudiation, while necessarily referring to the corresponding policy conditions. The insurer shall also furnish the grievance redressal procedures available with the Insurance Company and with the Insurance Ombudsman along with the detailed addresses of the respective offices. Claims shall be processed in a transparent, seamless and efficient manner within the prescribed timelines.

5. Insurer shall also ensure that the policyholder is provided with granular details of the payments made, amounts disallowed and the reasons for the amount disallowed as specified in the within referred provisions of IRDAI (Third Party Administrators - Health Services) Regulations, 2016.
6. Insurers and TPAs, wherever applicable, are advised to ensure compliance of these instructions without fail.

This has the approval of the competent authority.

Sd/-
(D V S Ramesh)
General Manager (Health)