GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF FINANCIAL SERVICES

**RAJYA SABHA**

**UNSTARRED QUESTION NO. 2581**

ANSWERED ON – 17.03.2020

**REJECTION OF CLAIMS UNDER HEALTH INSURANCE POLICIES**

2581. SHRI K.K. RAGESH:

Will the Minister of FINANCE be pleased to state:

1. whether the complaints against rejection of claims under health insurance policies are increasing;
2. if so, the details of such complaints reported during the last five years;
3. the major reasons cited for rejection of claims; and
4. if so, the details of such complaints which were received against private insurance providers and how many among such complaints were against the public sector insurance companies?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

**(a) & (b):** The Insurance Regulatory and Development Authority of India (IRDAI) has informed that the number of claim related complaints has increased by 46% between 2014-15 to 2018-19, whereas the number of policies sold, persons covered and claims lodged in Health Insurance have increased by 89%, 64% and 84% respectively during the same period.

The number of claim related complaints (including partly rejected claims) registered against General Insurance Companies under Health Insurance policies is as follows:

|  |  |
| --- | --- |
| Financial Year | Total |
| 2014-15 | 11184 |
| 2015-16 | 11881 |
| 2016-17 | 14500 |
| 2017-18 | 14969 |
| 2018-19 | 16275 |

**(c):** According to instruction furnished by IRDAI, the major reasons cited for rejection of claims by Insurance Companies are as under:

1. Non-disclosure of pre-existing diseases in the proposal form, thereby leading to repudiation of claim
2. Hospitalization undergone by the Insured even though the ailment/disease does not require the same i.e., treatment could be done on a day care basis.
3. Dispute over limits put on Room Rent, Doctor Consultation charges, Diagnostics etc. as per Policy conditions.
4. Few treatments which are undergone by policyholder that are not yet recognized by Medical Authorities.
5. Treatments undertaken at Hospital blacklisted by the Insurance Company.
6. Non-submission of documents by policyholder/claimant even after sending multiple reminders
7. Treatment undergone does not fall under the Terms and Conditions of the policy.

**(d):** The number of Health Insurance claim related complaints (including partly rejected claims) registered against Private Sector Insurers and Public Sector insurance companies during the last five Financial Years, as per IRDAI’s Integrated Grievance Management System (IGMS) data is as under:

|  |  |  |  |
| --- | --- | --- | --- |
| Financial Year | Complaints against Public Sector Insurers | Complaints against Private Sector Insurers | Total |
| 2014-15 | 5829 | 5355 | 11184 |
| 2015-16 | 6266 | 5615 | 11881 |
| 2016-17 | 7296 | 7204 | 14500 |
| 2017-18 | 9536 | 5433 | 14969 |
| 2018-19 | 8512 | 7763 | 16275 |

**\*\*\*\*\***