

Irdai sets 3-hour limit to settle health claims

New Norms: Get Approval For Cashless Claims In 1 Hour | Grace Period Of 1 Month For Renewal

TIMES NEWS NETWORK

Mumbai: Insurance regulator Irdai has brought in several reforms in health covers aimed at improving service standards for policyholders. The new norms will require insurers to approve cashless claims within an hour and provide final authorisation for discharge from a hospital within three hours.

Insurers will also need to provide a one-month grace period for annual renewal of health policies and protect benefits under policies renewed within that period.

Irdai has issued a master circular on health insurance products that comes into effect immediately (with certain exceptions). The new circular, which repeals 55 previous circulars, consolidates entitlements in a health insurance policy. Under the new norms, insurers have to ensure that hospitals release mortal remains immediately in the event of a death during treatment. Companies cannot repudiate a claim without the approval of a Claims Review Committee. For settlement of claims, insurers must insurers and TPAs (third party administrators) must collect documents from hospitals and not call for them from the insured.

Policyholders with multi-

RUSH OF REFORMS

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➤ The new rules also allow insurers to reward policyholders with no claims during the policy period by



offering either an **increased sum insured** or **discounted premium amounts**

➤ A **customer information sheet (CIS)** will be included with every policy document, explaining features in simple terms such as insurance type, sum insured, coverage details, exclusions, sub-limits, deductibles, and waiting periods

ple health insurance policies can select the policy under which they claim the admissible amount. The primary insurer will coordinate the settlement of the balance amount from other insurers. The new rules allow insurers to reward policyholders with no claims during the policy period by offering either an increased sum insured or discounted premium amounts.

Policyholders, who want to cancel their policies, can receive a refund of the premium for the unexpired policy period. All individual health insurance policies are renewable and cannot be denied

on the basis of previous claims, except in cases of fraud, non-disclosure, or misrepresentation. No fresh underwriting is required unless there is an increase in the sum insured. Under the new norms, insurers must provide end-to-end technology solutions for effective onboarding, policy renewal, servicing, and grievance redressal. Companies have been asked to move toward 100% cashless claim settlements and have been directed to empanel all categories of hospitals and health-care providers, considering the affordability for different population segments.