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[Proposed Covid-19 treatment cost by General Insurance Council could be benchmarked to settle claims](#)

General Insurance Council proposed a rate chart for the treatment of Covid-19 as there were disputes over settlement of claims between insurers and hospitals.

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The Covid-19 pandemic, an unprecedented health crisis, has crippled the health care infrastructure and ecosystem. In an absence of standardisation, a disparity of charges for Covid-19 treatment cost across different regions was noted by insurers during the claims settlement.

While initially, general insurers saw that all PPE Kits and other charges were as per the terms and conditions fall under non-medical category and didn't settle those charges.

Insurers realised these charges (PPEs, etc.) were taking up to 55-60% of the actual treatment cost and these charges were not standardised.

Recently, the General Insurance Council (GIC), an association of 32 non-life insurers proposed a Covid-19 treatment rate chart by taking into account rates published by different state governments and consultation with health claim experts.

Bhaskar Nerurkar, Head – Health Claims, Bajaj Allianz General Insurance, said, "So all the insurance cos, the GI council, we decided something which is beneficial for our customers and will keep a tab on these costing by the hospitals, so we shared and exchanged our data and came up with a standardised guideline across India that how much maximum is payable for COVID-19 treatment per patient per day including charges like PPE."

He further mentioned that some standardisation was brought in by the GI council guidelines, upon which standardisation worked as an upper limit for the company.

The GI Council in its proposed Covid-19 treatment cost framework said, "In order to allay the fears of all insurance policyholders and to bring complete clarity and transparency in the treatment of Covid-19 insurance claims, the General Insurance Council, in discussion with expert medical professionals employed by member insurance companies, has brought about a Schedule of rates for Covid-19 claims being filed with its member insurance companies. Insurance companies shall be guided by the Treatment Protocols prescribed by ICMR. These rates are broadly based on the schedule of rates suggested for covid-19 treatment by NitiAyog Panel."

The rates will be revised by the council every month to ensure that it represents usual, customary and reasonable charges applicable to insurance claims.

A senior executive from a private leading general insurers said, "Even though the GI council has come up with the treatment cost of Covid, it is still work in progress. In the present situation, the whole idea is to come up with the rate which allows the approvals, payments

to the customers. A basic range or a thought process is to have it at a certain level, adding that people are looking at it as benchmark rates and he looks at it as benchmark rates to settle claims.

Nerurkar added, "Standardisation helps everybody in the industry, hospitals know what is the maximum that insurers will be able to pay so they won't put much load on the customer, customers going to hospitals know how much is payable as per insurance policy what is the maximum per day, it has brought a lot of transparency into the system."

While the matter of Covid-19 treatment cost was sub judice, the Supreme Court said, it cannot regulate the cost of Covid-19 treatment in private hospitals and has asked the Ministry of Health and Family Welfare to convene a meeting with petitioners and to consider if some guidelines to be issued for states over the cost of Covid-19 treatment.