

What is cashless claims settlement in motor insurance?

Motor insurance is probably one of the best ways to protect yourself from a financial loss that may arise if anything happens to your prized possession. If you have a motor insurance policy, then you know that an accident or any sort of damage to your vehicle will not likely mark a dent in your pocket since your policy will be there to shield you. This comfort stems from the fact that in case of an accident, your policy will trigger and you can file a claim, and this makes the moment of claim a very crucial respect for you. In motor insurance, there are predominantly two kinds of claims, reimbursement and cashless, while both serve the purpose of insurance by offering financial protection, cashless claim settlement is much smoother.

So, what is cashless claims

settlement? As you would have guessed by the name, in cashless claims, you don't have to bear the repair cost from your pocket upfront, rather the insurance company will directly settle the bill with the garage. So far the motor insurance policy covers the loss and the claim is well within the policy provision, you won't have to bear anything.

Process for cashless claims settlement: It is always ideal to inform the insurance company about the damage or the accident, who can guide you to their nearest network garage where you can enjoy hassle-free claims experience. You can intimate the insurer through their app or toll-free number. You can then drive or tow your car to the nearest network garage depending on the condition of the vehicle. Many insurance com-

panies help you tow your vehicle too, subject to certain charges or coverages as per the policy terms. An appointed surveyor will visit the garage, as per a fixed time, will inspect the vehicle and will make a preliminary assessment of the cost of repair. Post which the repair work will commence. Once the repair work is complete, the surveyor will visit the workshop for re-inspection, he will look at the final repair bill and will share the measure of liability with you. You can simply pay your part of the bill and drive out of the garage. You must keep in mind the deductibles in the policy and also look if there are any voluntary deductibles, since you will have to bear the deductible cost as per the policy terms. Have a look at the coverage to understand what is covered and what you

may have to bear. Do check if you have zero depreciation cover, as it will impact your liability payable to the garage.

You will be amazed to know that apart from the cashless settlement, today the industry offers on-the-spot claims settlement too. For small damages up to a certain amount, you can do a self-inspection, upload the photographs of the damaged parts on the app of the insurer and get the claim settled in a few minutes. Then you are free to get your vehicle repaired from a garage of your choice.

Why it is better to go to network garages? Firstly please note, the facility of cashless claims settlement is available only in network garages.

Secondly, the quality of parts and quality of repair work is quite good. The quality check in terms of the overall work and services of the garage is already taken care by the insurer before they tie up with them.

Overall, cashless claims settlement makes the entire process quite seamless and saves you the trouble of arranging a large sum in case of an unfortunate event. So the next time when you find yourself in a situation where you need to raise a motor insurance claim, simply go to a network garage and enjoy a hassle-free claims experience.



TA RAMALINGAM, CHIEF TECHNICAL OFFICER, SAIJI ALLIANZ GENERAL INSURANCE