

## Taking Cover

# How to file a home insurance claim

All that you need is a phone and, sometimes, a document or two



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Super cyclone Amphan last month wreaked havoc on major parts of West Bengal and Odisha. It claimed over a dozen lives, and left several injured and homeless due to damage and destruction to property.

The pandemic has taken a toll — both emotional and physical — and the cyclone has worsened the situation. While the losses could be severe, a home insurance policy can help soften the financial blow. Home insurance provides cover for financial losses to your house and its contents in the event of any calamity or accident. IRDAI, the insurance regulator, has issued guidelines to facilitate registration and settle claims on time.

If you live in a flood-affected region, here's how to file a claim.

## Claim procedure

The first step towards filing a claim is to intimate the insurer. Insurance companies will settle those claims where the information (about claims) is received within a stipulated time. This timeline varies from seven to 14 days, depending on the insurer. Policyholders can notify the in-

surer about the claim via the helpline, toll-free number, e-mail or through other digital services including mobile apps, chatbots and WhatsApp.

In the case of a natural calamity, almost all insurers simplify the claim procedure and settle the amount to the policyholder immediately. Insurers, including Bajaj Allianz General, ICICI Lombard and HDFC Ergo, allow a policyholder to live-stream videos to assess the loss of the damaged portion of the property or its contents. The insurer would then process the claim immediately with minimal documentation requirements.

A regular home insurance claim is usually settled on a reimbursement basis. This means that based on the bills and reports submitted, the insurer will reimburse your costs. However, when a natural disaster strikes, the insurer will settle the claim on the spot, for up to a certain limit, before you submit your bills.

Praveen Chhajed, Head - Non-Motor Claims, Bajaj Allianz General Insurance, says: "In the present adverse conditions and

restrictive movement, we have adopted a rapid claim settlement procedure wherein property losses of up to ₹10 lakh are offered spot settlement."

"ICICI Lombard, too, settles claims immediately for up to ₹1 lakh. Sanjay Datta, Chief - Underwriting, Claims and Reinsurance, ICICI Lombard General Insurance, says: "In most cases, we don't ask for any documents from our policyholders. Since we have the policy details with us, we process the claim within a few hours."

But if the claims go beyond the said limit, or if the policyholder is not satisfied with the spot loss estimates (claim amount), a surveyor will go to the spot to make a loss assessment, and the insurer will then settle the claim based on the sum insured opted for (reinstatement value, agreed value or indemnity value).

Chhajed says, "If the insured does not wish to opt for spot settlement, then our surveyors submit the requisite report with minimal documentation, (and) executes fast settlement of claims, usually within three to five working

days. In the case of larger losses, it requires time for assessment, but we offer quick relief through some advance payment to our policyholders."

This procedure is followed under normal circumstances as well. Once you intimate the insurer about a claim, a survey is conducted, usually within 72 hours of intimation.

Policyholders need to submit documents, including completed claim forms, plans of the property or documents related to the property, repair bills, original invoices of the suppliers, surveyors' assessment, rent agreement (wherever required) and FIR or Fire Brigade report (wherever required).

Usually claims under home policies are settled within 30 days from the receipt of all the requisite documents.

## What's not covered?

If you have opted for a comprehensive home insurance policy (includes both the structure and contents of your property), it covers damage caused by fire and allied perils, including floods, cyclone and storms, lightning, explosion, implosion, aircraft damage, flood, storm, cyc-

lone, riots and missile-testing operations. While cover against earthquake is in-built in most of the home policies, in some cases, you may have to buy it as an add-on cover. Similarly, a home policy normally excludes compound walls and landscaping but these can be insured separately by paying additional premium.

However, there are exclusions that come with any home policy. Your insurance does not provide cover for damage caused due to lack of maintenance of the property, wear and tear and defects existing at the time of buying the policy. Under-construction properties are also not covered.

Do note that if a property is vacant beyond a certain period of time, mostly 30 days, then the insurers may not cover any damages. But you can keep the insurers informed about the vacancies.

As for contents, the cover varies from insurer to insurer and the nature of the contents.

For instance, some insurers do not provide cover for electrical and mechanical breakdown of appliances such as televisions and washing machines that are older than the stipulated number of years.



## Exclusions

- Damage caused by lack of maintenance
- Wear and tear
- Existing defects during policy purchase
- Properties under construction

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