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[Why Your Health Insurance Claims Might Not Get Fully Settled?](#)



Nowadays, having health insurance is as essential as having food, shelter, and clothing. However, understanding your insurance coverage can be tricky, leading to rejected claims. The fine print is often complex and reading it can be overwhelming. Says Amit Chhabra, Chief Business Officer at Policybazaar.com, “Many health insurance claims face rejection or incomplete settlement due to a lack of policy understanding. The absence of disclosing pre-existing conditions impacts not only related claims but also those unrelated to these conditions. Even if non-disclosure isn't directly tied to the hospitalization cause, it could lead to complete claim rejection.”

“Moreover, deductions might occur if policyholders opt for co-pay or deductible options. Customers might have to personally pay for consumables/non-medical expenses, which typically comprise 10-15 per cent of the total claim. Policyholders must be aware of any sublimit in their health insurance policy. Sub-limits within policies like knee/hip replacements, cataracts, modern treatments, etc. might limit the insurer's payout, potentially covering only a portion of the expenses. Lastly, accidental dental injury claims cover procedures but not cosmetic aspects,” adds Chhabra.

To make things easier and raise awareness, we've outlined common reasons for claim rejections and how to avoid them. Insurers mostly reject claims for the following reasons and here are ways to avoid these rejections:

Remember Date Of Insurance Policy Renewal: It's crucial to remember when your insurance policy needs renewing because if your policy has expired, then your claim will not be covered. So, keep an eye on your policy renewal dates to avoid such surprises.

Do Remember The Waiting Period: Another thing to watch out for is the waiting period. Some health conditions have a waiting period before you can claim for those ailments. Hence, if you try to claim during the waiting period for a particular ailment, then it might get rejected. It is always recommended to check your policy to know about waiting periods.

Understand What Your Health Insurance Covers: “If the health problem you want to claim for isn't covered in your policy, your claim will be rejected. So, before you buy insurance, make sure you understand what it covers and what it doesn't,” says Bhaskar Nerurkar, head- health administration team- Bajaj Allianz General Insurance.

Submit Your Claims On Time: “ Submitting your claim on time is also key. There's usually a time limit, which is typically 60-90 days after your treatment, to submit your claim. If you miss this window, your claim might not be accepted,” adds Nerurkar.

Keep All The Important Documents: Not turning in all the necessary documents is another big reason for denied claims, especially in reimbursement cases. Insurers need originals of documents like discharge summaries, hospital bills, and patient records to handle claims accurately. If these essential documents are not provided, the insurer can't process the claim. They might ask for the missing papers, and if the customer doesn't submit them, the claim gets rejected after multiple reminders.

“Another important aspect of filing a claim is the documents that are required by the insurer. So don't forget the paperwork since your claim could be rejected if you don't provide all the needed documents,” says Nerurkar.

Hiding An Existing Disease: “Not mentioning a pre-existing illness is a major reason for denied claims. When you buy the policy, the insurer asks about any existing health issues to assess risks and coverage. If you don't disclose a pre-existing disease and later make a claim, it can be rejected. Some insurers may even cancel your health cover for not being honest during the policy purchase,” says Sanath Kumar, Chief Claims Officer, Star Health And Alliance Insurance.

Fraudulent Claims: Fraudulent claims, either by policyholders or in collaboration with hospitals, are a major reason for denied claims. Insurers categorize frauds into soft and hard frauds. “Soft frauds involve minor deceptions like inflating costs or not disclosing pre-existing diseases. Customers might unknowingly participate by agreeing to exaggerate bills. Soft frauds are tricky to catch as they arise from genuine claims. Hard frauds are deliberate and serious, including false claims for treatment, claims from nonexistent 'ghost hospitals,' or claims for someone other than the insured person. Insurers consider hard frauds as criminal acts, leading to policy cancellation, blacklisting of hospitals, or removal from the list of approved hospitals,” says Kumar.

Check Out Your Policy's Terms And Conditions (T&C): Check out your policy's T&C and stick to what the insurer recommends. Pay extra attention to things they won't cover and any limits in the policy to minimize the chance of your claim being rejected. Also, before going to the hospital, see if your illness fits within any waiting periods, like 30 days, 24 months, or 48 months, if applicable.

Make Use Of Cashless Facility: “If you can, go to hospitals in the insurance network. They have agreed-upon costs, ensuring good treatment. The best hospitals are usually in the network. Cashless is easy and quick, with the hospital handling paperwork, and avoiding missed reports. Be careful not to go to blacklisted or excluded hospitals; insurers list them on their websites,” says Kumar.

Reach Out To Customer Support: Before going to the hospital for planned admissions, it's a good idea to call the insurance company. They can help with advice, support in choosing doctors, and even assist in getting second opinions. This can prevent many problems and make things smoother for policyholders.

Stay Alert: Regularly check the patient information and the hospital records for mistakes. Report any errors right away, as they can impact your claims. Confirm the cashless approval details with the hospital, understanding what the insurer covers and what you need to pay. Be careful at discharge; don't agree to inflated bills or unnecessary expenses to avoid extra costs on your end. Being cautious helps avoid unnecessary payments.

By proactively keeping these simple precautions in mind, policyholders can have a smooth health insurance claim settlement experience, ensuring they receive the coverage and benefits they rightfully deserve.