Date: 24.9.2020	**Publication:** Mint
Page no.: 11	**Edition:** Ahmedabad | Bengaluru | Chennai | Hyderabad | Kolkata | Mumbai | New Delhi

Be worry-free when making health claims

Here are some things to keep in mind to avoid rejection of bills

Disha Sanghvi
disha.s@livemint.com


iStock

Covid-19 has increased the awareness about the importance of buying health insurance. In August, premium collection by stand-alone insurers went up by 25.85% compared to the same time last year, according to data from the Insurance Regulatory and Development Authority of India (Irdai).

However, the awareness about the details of the policies such as coverage, disclosures, sub-limits, exclusions and so on is still a matter of concern as it directly affects the policyholder at the time of claims. This is reflected in the number of claims reported for covid-19 against the number of claims settled: according to data General Insurance Council shared with *Mint*, from March last week to 10 September, 130,080 claims were settled against the total claims of 207,291. While some of these claims may still be in process, the gap is quite wide.

"The top reasons for health claims to be rejected are non-submission of complete documents, waiting period, non-declaration of pre-existing conditions, non-coverage under policy terms and conditions and fraudulent papers," said Bhaskar Nerurkar, head, health claims, Bajaj Allianz General Insurance Co. Ltd.

We tell you what to keep in mind to not land yourself in trouble at the time of making a claim.

DISCLOSE ALL DETAILS

At the time of purchase, disclosing all information to the best of your knowledge is important. It is best to fill in all the details yourself and not rely on your agent or broker.

Read all the terms and conditions on pre-existing diseases (PED) and waiting period. Concealing details related to pre-existing conditions or family history will only make things difficult for you when a claim arises. Remember that insurers apply a waiting period for some PEDs. Nerurkar said if a claim materializes due to any of the prevailing conditions listed in the terms and conditions of the policy contract, then the claim gets rejected.

"Many times, customers are unaware of this condition or assume that the hospitalization is not linked to the PED or waiting period. This linkage is purely decided by the medical professionals of the insurance company. Sometimes they get in touch with treating doctors to evaluate exact linkages," said Nerurkar.

Even if you feel that a particular surgery was minor and happened long ago, being transparent about the status of the PED at the time of policy purchase is crucial.

LOOK AT THE CLAUSES

The annual MintSecureNow Mediclaim Ratings (MSMR) rates down policies that come with sub-limits. If your policy has sub-limits such as a cap on room rent and if you opt for a room with a higher tariff, the insurer will apply proportionate deduction on other expenses too as, typically, most expenses are related to the room rent. This means you will have to pay the balance.

"To avoid paying inflated bills on medicines and incidentals when staying in a deluxe or premium hospital room, try to get a health insurance policy that has no room rent capping or has a higher ceiling on room rent so that it can cover any room you may have to take," said Indraneel Chatterjee, co-founder and principal officer, Renewbuy.com.

At the time of purchase, disclosing all information to the best of your knowledge is important

The usual, customary and reasonable (UCR) clause to avoid the abuse of services may also affect claims, said Nerurkar. This clause is used by insurers to restrict the claim amount payable in accordance to what they deem reasonable. A lot of claims are settled only partially due to this clause, said experts.

"While the clause is justified in certain cases, it can be misused to restrict the insurer's liability. It is tough to fight against it unless the insurer has settled the claim with blatant deduction. Hospital charges in India are not regulated and, hence, insurers, based on their experience, decide on how much is reasonable payment for a procedure at a specific grade of hospital," said Chatterjee.

If you have two indemnity policies and the first insurer deducts a chunk of the claim amount, you have the right to claim the balance under the second policy, but it isn't easily done.

The only way to lower the burden—in case of planned hospitalization—is to get an estimate of expenses from multiple hospitals and choose a reasonable one.

AVOID HOSPITALIZATION

If your insurer finds that an outpatient claim has been converted into an in-patient claim, there is a possibility of your claim getting rejected. "Sometimes the patient is admitted only to be kept under observation due to the caregiver's insistence. Such claims are not payable," said Nerurkar.

If hospitalization was indeed required and the claim is still denied, gather all the proof. "Get additional certificates and declarations from your doctor. Show the pre-hospitalisation diagnostic reports. If you can convince the insurer that you were rightfully hospitalized, the claim may get honoured," said Chatterjee.

Ensure that the details shared by you at the time of purchasing the policy match with those filled in the claims form. Attach all relevant documents. "Concealment may lead to repudiation of claim and cancellation of policy contract as well," said Nerurkar. Multiple instances of claim rejection may impact future claims.

If you've done all the due diligence and the claim is still rejected, you can ask the insurer to review it. The next recourse is to approach the insurance ombudsman.