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[Health Insurance Claim Rejection On A Rise: How To Avoid It](#)



According to a recent report by the Insurance Regulatory and Development Authority of India (IRDAI), the number of claims rejected and repudiated by insurance companies rose by 19.10 per cent to Rs 26,000 crore during the year ended March 2024. Claims disallowed by insurance companies were at Rs 15,100 crore in FY24 as against Rs 12,754 crore in the previous year.

There are different reasons for which claims can be rejected such as documentation, eligibility, or policy terms. Common problems include missing signatures, incorrect dates, or incomplete or inaccurate information. It can also be rejected owing to missed premium payments or filing outside the coverage period.

“Discrepancies between the claim and the policy, such as claims for non-covered conditions, can lead to rejection. If insurers notice any indications of dishonesty, they may suspect deception and investigate further. Additionally, procedural errors, like missing filing deadlines or incorrect submission channels, can result in denials,” says Bhaskar Nerurkar, head-HAT, Bajaj Allianz General Insurance.

How To Avoid Claim Rejection

“To avoid these issues, claimants should review their policies, ensure all information is accurate and complete, carefully fill out claim forms, and provide necessary information to the insurer including information about their treating doctor, and hospital,” says Nerurkar.

Fill Forms Correctly

One of the biggest issues is incorrect form filling or non-disclosure of medical details. Many times, forms are rushed, either by agents or policyholders themselves, and important information gets missed or misstated. “Take the time to carefully fill out the form yourself, and after you’ve purchased the policy, review the document thoroughly to catch any errors. Transparency about your medical history is critical—trying to hide details often backfires during a claim,” says Pankaj Nawani, CEO, CarePal Secure.

Adhere To Deadlines

Familiarize yourself with your policy's terms, and always adhere to filing deadlines along with intimation as follows—cashless claims within 24 hours for emergencies and reimbursement claims to be intimated immediately within 48 hours of hospitalization in case of emergency hospitalization and 48 hours prior to hospitalization in case of planned hospitalization, filing of claim documents to be done ideally within 30 days, and. So, by avoiding this, not only do policyholders avoid a greater likelihood of denials, but they can ease their minds during an even more overwhelming process.

Keep Documents Ready

Have Everything You Need. Another frequent source of complaints is incomplete filing. While it's understandable that during a crisis, things get forgotten and overlooked, incomplete filings and missing items can just as easily deny or postpone benefits.

“My simple tip: keep a dedicated folder—both physical and digital—with all your medical and insurance-related documents organized and ready to go,” says Nawani.

Be Aware Of Waiting Periods And Exclusions

Another frequent problem is filing claims during the waiting period. Insurance companies have waiting periods for a reason—for no pre-existing conditions, for special advantages like maternity, etc. If you know that a waiting period exists for your payment, you cannot be ignorant and try to file too early for it will deny your payment. In addition, keep the policy active during the waiting period. If it lapses during that time, waiting periods start all over again from scratch.

“Then there’s the issue of exclusions. Every policy has a list of conditions and treatments it doesn’t cover, and many policyholders don’t pay attention to this until it’s too late. Make sure you’re familiar with these exclusions when you buy the policy and revisit them regularly,” says Nawani.

Be Proactive

One way for policyholders to streamline the approval process is to act upfront. By fully disclosing all medical history and conditions when they apply, they can increase transparency. “Keeping detailed medicine records and communicating with your doctors so that the required documentation is kept ready also helps.” Knowing the specific terms of their policy when it comes to pre-existing conditions can make submitting a claim more efficient,” Nerukar says. Finally, consulting with an insurance advisor or representative can offer helpful guidance on how best to navigate the claims process.