

11 of 15 private health insurers paid less than 75% of amount claimed

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AS MANY as 11 of the total 15 private health insurers shelled out less than 75 per cent of the amount claimed by the insured patients in 2022-23.

This means if an insured patient made a claim of Z one lakh as hospital bill, the insurer paid only less than 275,000 while the balance amount was paid by the patient. In the case of claims paid ratio -- the amount paid during the year from the total amount of claims available for processing-- New India Assurance leads with a payout of 98.74 per cent Oriental Insurance came a close second with a payout of 97.35 per cent, data released by the Insurance Brokers Association of India (IBAI) on Thursday shows.

The claim ratio for the year 2024 is yet to be compiled.

The actual amount shelled out by HDFC Ergo was 71.35 per cent of the claimed amount and for ICICI Lombard, it was at 63.98 per cent, IBAI data says. Meanwhile, only four insurance companies have reported a claim paid ratio (on the number of claims) of over 90 per cent in the year 2023 out of 29 insurers involved in health insurance business. As many as ten insurers, mostly private insurers, showed a claim paid ratio below 80 per cent, IBAI data shows.

HOW INSURERS SETTLED HEALTH CLAIMS IN 2022-23

INSURER	Claims settled*	Claim amount**	Total No. of Claims
PSU INSURERS			
New India	95.04%	98.74%	90,56,011
Oriental Insurance	87.97%	97.35%	25,98,779
National Insurance	84.61%	87.95%	24,48,869
United India	84.28%	73.03%	45,24,241
PRIVATE SECTOR INSURERS			
IFFCO Tokio	91.70%	80.44%	6,70,026
Bajaj Allianz	90.29%	86.23%	9,56,559
SBI General	88.86%	88.30%	5,98,707
Go Digit	87.30%	79.50%	84,006
HDFC ERGO	86.90%	71.35%	9,06,914
Future Generali	83.83%	74.32%	1,42,952
ICICI Lombard	82.59%	63.98%	9,39,388
Tata AIG	75.56%	74.65%	2,46,126
Chola MS	69.53%	68.18%	1,31,546
Reliance General	58.06%	71.07%	4,78,120
STANDALONE HEALTH INSURERS			
Aditya Birla Health	94.52%	71.56%	8,60,863
Niva Bupa	88.57%	67.76%	4,51,369
Manipal Cigna	88.48%	56.14%	4,13,835
Care Health	88.06%	67.55%	7,98,382
Star Health	75.10%	54.61%	19,55,549

*Claims settled against total claims

**Claim over total amount claimed by policyholder

Source: IBAI

IBAI data shows that New India Assurance leads with a claim paid ratio (on the number of claims) of 95.04 percent, followed by Aditya Birla Health at 94.52 per cent, Iffco Tokio 91.70 per cent and Bajaj Allianz at 90.29 per cent for 2023. Claims paid ratio on number of claims means the number of claims paid during the year from the total number of claims available for processing. IBAI says that claims repudiation ratio of 23 insurers - mostly private players - was between 5 and 18 per cent for the year 2023. According to the IRDAI Annual Report, during 2022-23, general and health insurers settled 2.36 crore number of health insurance claims and paid 270,930 crore towards settlement of health insurance claims.

The average amount paid per claim was 230,087. In terms of number of claims settled, 75 per cent of the claims were settled through TPAs and the balance 25 per cent of the claims were settled through in-house mechanism.

In terms of mode of settlement of claims, 56 per cent of total number of claims were settled through cashless mode and another 42 per cent through reimbursement mode. Insurers have settled two per cent of their claims amount through "both cashless and reimbursement mode", IRDAI said. IRDAI is yet to come out with data on the insurance claims for the fiscal 2023-24.