

# Understand the claims process to avoid hassles

JAYANT DUA

LIFE insurance has no parallel. Being bereaved of your loved one brings its own sense of loss and deprivation. While the void of losing a loved one can never be filled, life insurance is a mechanism that compensates for the financial loss and provides financial security to the family.

Claims, is an important yardstick to measure the performance of an insurance company and, thus, plays a very large role in decision making process of customers towards going for a life insurance policy.

Mentioned below are some steps to ensure a smooth ride through the claims process journey:

**Claim intimation:** The claim process can be initiated - also known as claim intimation - by visiting the branch/office of the life insurance company,

or by writing an email to the company's website. The claim intimation consists of basic information such as the policy No., name of the insured, date of death, cause of death, place of death, name of the claimant and claimant's relationship with the insured. This is merely the claim intimation and not the claim itself.

**Claim requirements:** Death certificate duly issued by the municipal corporation / gram panchayat has to be mandatorily submitted by the claimant as a proof of death. There are other additional claim requirements such as claim forms, which are provided by the life insurance company, and the original insurance policy document, which needs to be submitted to enable the life insurance company to process the claim. Claimant must provide his/her photographs, address proof and the photo identity proof. By way of credentials, the companies expect the claimant to provide additional supporting like the bank account statement, thereby ensuring Claim money is paid to the rightful beneficiary.

Some insurance companies in addition to the aforesaid requirements may seek additional documents on case-specific basis depending on type of claim, cause and circumstances of death, and at the same time ensuring compliance to internal and in-

dustry guidelines.

All the documents must be in original or photocopies attested by the relevant authority, such as an SEM, magistrate, gazetted officer, or a person of local standing like the police sub-inspector or authorised members from the insurance company.

**Time limit for submitting claims:** Although, there is no time limit specified for submitting the claim, it is best to initiate the claim at the earliest to avoid problems and undue delays.

The claimant can follow up with the insurance Company with the policy No. or the claim No. given to him/her at the time of submitting the claim. **Claim processing:** As a part of claim processing, a claim may warrant verification of the facts of the case and circumstances to establish genuineness of death, which is critical before decisioning of the claim.

The motto of verification is to also ensure that only genuine claims are paid in the interest of the policyholders and the company. Though Irda has specified a timeline of 180 days for claim verifications, the insurance company endeavours to complete the verification well within the timelines and settle the claim at the earliest so that the ultimate customer experience of trust is upheld at all the times. As per Irda guidelines, insurance companies must process the claim within 30 days post receipt of all the requisite documents.

**Grievance mechanism:** There is a formal mechanism to handle policyholder grievances. However, prospects and policyholders are advised to first file their complaints with the respective insurance companies. Additionally, Irda offers integrated grievance management system (IGMS), a tool to monitor disposal of grievances by insurance companies and carry out root cause analysis of grievances to identify systemic and policy related issues. Over and above this, the policyholder can also approach the consumer court and insurance ombudsman in case if the aforementioned options do not work.

*(The writer is the MD and CEO of Birla Sun life insurance)*

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YOU

