

Need to ensure timely settlement of claims by insurance companies ? Laid

SHRI KIRTI AZAD (BARDHAMAN-DURGAPUR): Despite the initiatives taken by the Insurance Regulatory and Development Authority of India (IRDAI) to improve service standards, nearly one-third of all insurance claims registered and outstanding in FY 2024 remain unpaid, as revealed by the IRDAI 2023-24 report. Insurers registered over 3 crore claims amounting to Rs. 1.1 lakh crore during the year, in addition to the more than 17 lakh claims worth Rs. 6,290 crores outstanding from earlier years. However, 18% of the claims by volume and 28.7% by value were unsettled, leaving policyholders to struggle for legitimate claims. Rs. 15,100 crores worth of claims were disallowed based on policy terms and conditions, and civil society organizations have raised concerns over a lack of transparency, delayed settlements, and conditional settlements. These issues persist despite IRDAI's recent directives, highlighting the ineffectiveness of regulatory measures on the ground. This situation is unacceptable as it places an undue burden on citizens, who, after enduring illnesses and other crises, are forced to fight the system to claim their rightful dues. I urge the Government to direct IRDAI and insurance companies to take immediate and effective measures to address these grievances, ensuring timely and transparent claim settlements.