

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
STARRED QUESTION NO. *20

ANSWERED ON MONDAY, 01st DECEMBER, 2025/AGRAHAYANA 10, 1947 (SAKA)

Insurance Claim Settlement

*20. SHRI SRIBHARAT MATHUKUMILLI:

Will the Minister of FINANCE be pleased to state:

- (a) the total number of instances of delayed cashless claim settlements, wherein the mandatory timelines of one hour for initial authorisation and three hours for final discharge approval were breached by Insurance companies since the implementation deadline of the Insurance Regulatory and Development Authority of India (IRDAI) Master Circular on Health Insurance Business 2024;
- (b) the number of cases till date by which insurers failed to provide final resolution within the mandated fifteen days from receipt of grievance;
- (c) the number of grievances filed on the Bima Bharosa platform that were deemed unsatisfactory by policyholders and subsequently escalated to the Insurance Ombudsman for review; and
- (d) the number of Show Cause Notices formally issued till date to Insurance companies for contraventions relating to unnecessary claim deductions and improper claim rejections?

ANSWER

THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT AS REFERRED TO IN REPLY TO PART (A) TO (D) OF LOK SABHA STARRED QUESTION NO. *20 FOR 01st, DECEMBER, 2025/ AGRAHAYANA 10, 1947 (SAKA) REGARDING 'INSURANCE CLAIM SETTLEMENT' RAISED BY SHRI SRIBHARAT MATHUKUMILLI, HON'BLE MEMBER OF PARLIAMENT

(a): As per the provisions of Insurance Regulatory and Development Authority of India (IRDAI) Master Circular on Health Insurance Business dated 29.05.2024, insurers were required to put in place the necessary systems and procedures to adhere to the mandated timelines for cashless requests by 31st July 2024. The one hour and three hour cashless authorisation timelines were made effective from 1st August 2024. The data on compliance of cashless settlement, as reported by IRDAI for 1st August 2024 to 31st May 2025 is as per Annexure-I.

(b) and (c): IRDAI has informed that Bima Bharosa platform is integrated with the Complaint Management Systems (CMS) of the Insurers. Thus, the complaints filed in Bima Bharosa are reflected in CMS of the insurers on real time basis and vice versa. A time period of 14 days has been specified within which an insurer is required to resolve complaints.

- During the financial year 2024-25, total 2,57,790 complaints were received in Bima Bharosa portal, out of which, for 4,811 complaints, the insurers have not provided the resolution within the stipulated time, constituting 1.87 percent of the total complaints received during the year.
- During the current year 2025-26 (up to 30th Sept, 2025), total 1,36,554 complaints were received, out of which, for 532 complaints, the insurers have not provided the resolution within the stipulated time, constituting 0.39 percent of the total complaints received.

IRDAI has further informed that Bima Bharosa system is not integrated with Insurance Ombudsman System and there is no provision in Bima Bharosa to escalate the complaints automatically to Insurance Ombudsman. However, a complainant not satisfied with the resolution provided by the insurers, has an option to file complaint with Insurance Ombudsman having competent jurisdiction. Such complaint can be filed either in physical mode or through electronic mode.

During financial year 2024-25, 53,102 complaints have been filed with Insurance Ombudsman offices against the insurers seeking relief.

(d): Eleven Show Cause Notices were issued during 2024-25 on violations relating to Health and Policyholders related regulatory provisions including unnecessary claim deductions and improper claim rejections.

Annexure I referred to in reply to Lok Sabha Starred Question No. *20 for 01.12.2025

Data on Cashless pre-authorization

Time	Number of Cashless Requests processed for pre-authorization	% of Cases
Within 1 hour	55,35,353	86.88%
>1 hours and <= 2 hours	5,40,941	8.49%
> 2 hours and <= 5 hours	1,98,367	3.11%
> 5 hours	96,959	1.52%
Total	63,71,620	100%

Data on final cashless authorization

Time	Number of Cashless Requests processed for final authorisation	% of Cases
Within 3 hours	54,92,758	96.69%
>3 hours and <= 4 hours	92,667	1.63%
> 4 hours and <= 8 hours	51,737	0.91%
> 8 hours	43,836	0.77%
Total	56,80,998	100%