



Ref: IRDAI/CAD/CIR/PPHI/059/04/2019

Dated 10th April, 2019

C I R C U L A R

All Insurers – Life, General and Health

Re: Information to the insurance policyholders/claimants about various insurance policy services.

1. Clear and transparent communications play a vital role in servicing of insurance policies and in ensuring that the benefits of insurance policies flow to the beneficiaries in a timely manner. Further, when it comes to claims, there is a need to make available a tracking mechanism for policyholders so as to enable them to know the status of their claim/s. Therefore, the Authority, keeping the interests of policyholders in view, directs all insurers, in terms of Section 14(2) of the IRDA Act, 1999 as follows:

- a) All insurers shall send all communication relating to issuance and servicing of insurance policies such as proposal registration, further requirements for completing proposals and various requirements of underwriting and/or relating pre-acceptance surveys etc, wherever applicable in general insurance, information about policy issuance i.e acceptance /rejection of proposals, renewal/lapse intimations/premium reminders wherever sent, bonus accrued in life insurance participating policies, value of ULIP policies, and all other information that has a bearing on servicing of insurance policy, either in the form of a letter, e-mail, sms or any other electronic form approved by the Authority. Further in case of health insurance, where TPAs are engaged for rendering health services, Insurers shall ensure that all related communications such as issuance of ID card are sent either by the TPA or shall be carried out by the Insurers on their own.
- b) Insurers shall also send brief messages for the purpose of enhancing insurance awareness apart from sending necessary caution messages such as not falling prey to spurious calls/offers etc and thus ensure that the interests of policyholders are protected.
- c) Further, in order to ensure fair and transparent claim settlement procedures, all insurers shall notify about the status of the claim at various stages of its processing. In case of health insurance, where TPAs are engaged for rendering claims services, it is the responsibility of insurers to ensure that status of claim shall be notified to the claimant at every stage of claim. The following systems shall be put in place by all the insurance companies.



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- i) Immediately upon the intimation of the claim, a unique claims reference number shall be created and notified electronically to the registered mobile number and/ or e-mail id of the policyholder/claimant, wherever available.
- ii) Subsequently, at every stage of the claim processing such as calling for further requirements, or arranging for survey, communication of the final decision i.e admission or rejection or repudiation of claim, payment details such as by cheque or bank credit etc, timely notifications shall be sent to policyholder or claimant.
- iii) The notification sent to the policyholder / claimant containing the unique claims reference number shall also enable tracking the claims status by the policyholders / claimants themselves through the portal or website or Apps of the insurance company or any authorised electronic means, made available.
- iv) Insurers are also directed to put in place procedures for collecting the mobile numbers and the e-mail ids of the policyholders both at the point of sale and also on an ongoing basis as part of policy servicing. Providing mobile number and e-mail ids by a policyholder shall be voluntary and shall not be made mandatory. Services shall be made available to enable the policyholders to update their mobile numbers and e-mail ids, be it in web portal or APPs of the insurers. It will be the responsibility of the insurers to ensure total confidentiality of policyholders information.
- v) Consent of the policyholders shall be specifically obtained for notifying the services rendered by the insurers and no other unsolicited information shall be sent to the policyholders.

2. Care may be taken to use simple language that is easy to read and understand in these communications. Wherever feasible, the communications may be in regional or local language of the place of residence of the policyholder / claimant, besides English/Hindi.

This shall be implemented by Insurers with effect from 01/07/2019.

(TS Naik)
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