

#### **HOW to avoid claim rejection**

■ WE typically buy a life insurance policy with an objective to protect our family's financial future and it is a long-term contract between the policyholder and the insurance company. It is a contract of good faith, which means that the insurance company is duty-bound to pay out a legitimate claim. On the other hand, it is the responsibility of the policy holder to ensure that all details and documentation furnished at the time of application are truthful. Nominees too must try to help the process along by providing all details in a clear and simple manner during a claim settlement. While one would be forced to concede that insurers tend to err on the side of caution when investigating claims, insurance firms do not generally reject a claim as long as all documentation is in order. A common hurdle to claim settlement is late intimation, which often occurs because nominees are unaware that the policy even existed until the policyholder's demise. While the standard acceptable length of time between death of the policy holder and intimation should not be more than three years, the Insurance Regulation & Development Authority (IRDA) directs insurance companies to 'condone delay on merit for delayed claims where the delay is proved to be for reasons beyond the control of the insured.' So, if your claim has been rejected, try to figure out where you might have gone wrong. If all your information is in order and you still feel your claim was wrongfully denied, you have options. There are various forums where one might look for guidance. IRDA has also set up an Integrated Grievance Management System, or IGMS, which facilitates online registration of complaints. IRDA also runs the Insurance Ombudsman scheme, designed to help policyholders settle their complaints out of court. IRDA mandates that one can approach the ombudsman if they have already approached the insurance company, and the company has not resolved it, resolved it in an unsatisfactory manner, or not responded at all. None of these avenues would be much help in case of errors on the part of the policyholder.

**Tarun Chugh**  
MD & CEO, PNB MetLife