

Valedictory Address by Mr. V Ramasaamy, Ombudsman, IRDA

According to Mr. Ramasaamy, **mediclaim** is a very important portfolio of insurance. He said that over the last few years associations like **FICCI**, **ASSOCHAM** have organized many seminars on this topic which were attended by the insured, insurers, TPAs and the IRDA (Insurance Development and Regulatory Authority). He pointed out that a lot of changes can be perceived in Insurance policy holdings and coverage like, wider coverage and a definition for pre-existing conditions. There has also been the introduction of Insurance Portable policy and the free pricing regime, according to which, insurers are free to fix policy premium

He gave astounding statistics on Insurance industry. It seems that about **Rs. 6600 crores** have been collected as total premium recovered from insured for health insurance policies in 2008. A total of **Rs. 7000 crores** have been paid by the insurance companies to the insured as claim settlement. And to top it all, the insurance companies have a loss ratio of a shocking 102% in the past year in the health insurance sector.

Inference: neither the companies/ TPAs, nor the consumers are happy with the present scenario of health insurance sector.

Way out: Mr. Ramasaamy suggested some measures as a way out of this situation.

He said that a brainstorming session should be conducted with all the parties concerned.

Insurance companies

- Can simplify policy wordings so that ordinary layman is able to make sense out of it.
- Bring more clarity in policy coverage
- Try to avoid communication gap with TPAs, insured and hospitals
- Think about further surgeries so that 24 hour hospitalization can be avoided.

TPAs

- Reasons for non acceptance of claims ought to be made known to the insured as this will help in avoiding further disputes
- Try to broaden the network of hospitals under their coverage

Hospitals

- Should stop modifying past records of patients
- Try to bring standardization in rates charged on patients
- Avoid discrimination on the basis of rooms occupied by the patients

Insured consumers

- Better opt for health insurance policy as a youth
- Disclose illness if it exists and be honest about it
- Go through the proposal filled by the agent