

Understanding Claims Settlement procedures of Bajaj Allianz

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Strategy holders or candidates should initially record a protection guarantee before any cash can be given. A protection guarantee is given by an insurance agency. In India now the life insurance is getting very popular. The reasons are the increased number of customized plans and the smoother claims settlement processes. To be specific the claims settlement has become a significant factor in making it popular because it gives trust in the mind of people. In the present paper we will try to study the procedure of claims settlement of Bajaj Allianz.

Key word: Life insurance, Health Insurance, Vehicle insurance, claims settlement

Introduction

So as to get security against affordable misfortune emerging because of a startling occasion, Insurance inclusion is taken up. Protection contract is an agreement by which one gathering called the backup plan who vows to spare the other party, the safeguarded on installment of thought known as the premium. A privilege of guaranteed to get the sum made sure about under the strategy of protection contract guaranteed by backup plan is called guarantee. Cases can be development claims emerge on account of endurance up to the furthest limit of the strategy term for example to the date of development, endurance benefits because of endurance up to a predefined period during the term, demise claims emerge because of death of the existence guaranteed during the term.

Life Insurance is becoming one of the widely recognized instrument in providing physical and economic security to members of the society with this end in view life Insurance companies are playing an important role in socio-economic development of the society. [1] In India life insurance service is provided by LIC in public sector and by various other companies in private sector including Bajaj Allianz Life Insurance Company. [2] Life insurance cover is being provided irrespective of the class of people by offering variety of policies consisting customer needs, return on investment and customer services.[3] In India, no doubt, LIC in public sector is pioneer company in providing risk cover and has an experience of six-seven decades but after the entry of private sector insurance companies, Bajaj Allianz has entered in its second decade of successful service and has earned a reputation from the market also. LIC was founded in 1956 with the merger of more than 200

insurance companies and has witnessed many ups and downs of the economy as well. [4]The Insurance Act of 1938 brought state control over the industry and then the nationalization with the objective of spreading life insurance in much more areas, mobilizing peoples savings and meeting different needs etc.[5] LIC is doing this job with a vast network of zonal, Divisional and Branch level offices and also launching satellite offices for easy access. Bajaj Allianz is a venture company of Bajaj Finserv and Allianz SE and entered in insurance sector in 2001. It has a countrywide network connected through the latest technology for quick communication and response. The vision of the company includes first choice for customers' needs by providing value to the customers.

Cases Settlement Ratio

Prior to discussing the Claim Settlement Ratio, it is appropriate that we initially comprehend the insurance agency's viewpoint of having a smoothed out and vigorous case settlement measure set up. The basic role of a life coverage plan, particularly term protection, is to offer budgetary help to your family on the off chance that something transpires. At the point when you buy a term plan or some other protection item from a safety net provider with a high case settlement proportion:

1. one can be guaranteed that the whole experience of guarantee documenting to payment will be basic, advantageous, and straightforward.
2. If there should be an occurrence of a startling incident, your friends and family will have the affirmation of a brisk disbursement of the extra security advantage

As a dependable guideline, thusly, you should consider the cases cycle and the case settlement proportion of a disaster protection organization before buying protection from them.

Importance of Claims Settlement Ratio

The case settlement proportion, otherwise called CSR, is a metric that uncovers the level of disaster protection asserts a safety net provider has settled (paid out) during a money related year.

As such, the settlement proportion is characterized as the level of the complete number of protection claims paid out by an insurance agency contrasted with the all out number of got claims.

For instance, if the case settlement proportion of a guarantor is 95 percent, it infers that:

1. The insurance agency has effectively paid out 95 protection asserts out of each 100 cases got
2. The staying 5 percent of the cases got are supposed to be dismissed by the back up plan

3. The general danger the executives capacity of the back up plan is high, for example the insurance agency has executed the fundamental cycles to distinguish flawed case applications

Claims settlement procedures of Bajaj Allianz

Bajaj Allianz adopt different procedural strategies for their different life related claims.

Health Guard Insurance claim: Under Health Guard Insurance claims, notice of claim should be lodged within 24 hours. The insured should submit discharge summary of the hospital or nursing bills, reports of the labs and investigation reports, leave certificate from the employer and fitness certificate from the doctor.

Personal Accident Claims: Under such claims immediate notification to the insurer is needed. In case of accidental death the capital sum is paid to the legal nominee. A succession certificate is required to be produced from a court of law. In case of other claims the insurers may get the insured examined by a doctor which is necessary and the cost of which will be borne by the insured person.

Hospital Cash: In case the insured person is hospitalised due to sudden physical problem without intimating the insurance company, the claim can be made after the treatment is over. For this, discharge certificate or card from hospital is required to be submitted. Any additional information may be requested by the insurance company for the fulfilment of its procedural formalities and for the payment & settlement of the claim.

Life Insurance Death Claim: For the settlement of death claim in Bajaj Allianz, the process starts with the claimant intimating the company about the claim letter issued by branch offices. Claimant submit the required documents as early as possible. The company considers the cause, circumstances of claim and duration of the accidental death, specific proof etc. Claim can be communicated through a written intimation to nearest Bajaj Allianz office. Claims are examined and settled by the company on the basis of all records. The documents submitted need complete scrutiny and enables the company to make clarification with regard to the claim. Entitlement to receive claim benefit varies from situation to situation-

- (i) In case of minor the nominee or the appointee last recorded with the company.
- (ii) The proposer in case the policy is not on own life.
- (iii) Assignee in case the policy is assigned.
- (iv) Life assured himself/herself in case of policy on own life for living benefits or critical illness rider.

The situation where there is nomination and there is claim, it is termed as "Open Title Situation". Under such circumstances the company would be issued by the competent court. The claim would be paid to the person specified in the claim but is waiting for such proof, then the company holds the money till its finalisation. The company honours claim payments either through cheques or through ECS as instructed by the client. Sometimes there are circumstances in which a claim may be declined by the company. As per the

company sources, a claim will be declined if does not comply with the terms & conditions mentioned in the policy documents and as per declaration & authorisation agreed upon at the time of proposal. If there are two or more than two nominees in a policy, then a joint discharge is required to be given to the company by the designated nominee.

Documents required: The documents required by the company in case of claim made depend on the cause of death. However, mandatory documents required are as follows –

1. Death certificate issued by Municipal Authority.
2. Original Policy documents
3. Claimant's statement
4. Claimant photo and Id Proof
5. Ecs / Eps forms
6. Discharge form.

The other documents asked for natural death are–

1. Medical proof of cause of death
2. All medical records.

The other documents asked in case of unnatural death are–

1. First Information Report (F.I.R.)
2. Post Mortem Report.
3. Police Inquest Report
4. Newspaper Cuttings.

Conclusion

A study of policy and procedures regarding claims settlement shows that insurance business is a risk management against the contingent losses may take place with the insured persons. The complicated part of the insurance business is the actuarial science of price setting of policies on the basis of statistical calculation of risk coverage. The fundamental theory of income and expenditure is similar to that of Banks whether insurance companies also start investing the premium amounts collected through the policies and earn interest on them so that on demand the payment could be made to the insured persons with all eligible benefits. As it is discussed earlier, claim settlement is one of the most important services provided by the company to their customers so it require to adopt policies and procedures in such a way that the claims could be settled in a customer friendly environment. Claims such as maturity

claims, Death claims, Double Accidents Benefit claims Disability Benefit claims related to LIC are settled on the basis of documents produced by the insured party as per requirement and criteria fixed by the IRDA. Similarly claims such as Health Guard Insurance, Personal Accident, Hospital cash, Life Insurance Death are settled by Bajaj Allianz on the basis of documents required as per the situation and nature of claims. Here also the norms prescribed by IRDA is also followed keeping in mind the minimum level harassment to the customers. As far as the documents are concerned, more or less the same documents are required by both the companies for the settlement of claims.

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