

GI COUNCIL NEWSLETTER

CHAIRMAN'S MESSAGE



Welcome to our latest newsletter, packed with insightful articles and valuable information. In this edition, we delve into a range of topics, including articles on the growth of commercial insurance, innovative products for the digital age, healthcare accessibility for all, and a case study on medical insurance fraud. From this edition, we're publishing the newsletter in PDF format for easy downloading and printing. We trust you'll appreciate both formats and that they enhance your reading experience.

Wish you all good health and prosperity for the festive season ahead.

Tapan Singhel MD & CEO
Bajaj Allianz General Insurance Company Ltd.
Chairman, GI Council



GI COUNCIL NEWSLETTER

EDITOR'S CONNECT



Welcome to the 8th Edition of our online newsletter which is now being published in pdf format also for easy downloads. Apart from our usual columns published this edition carries a detailed article on motor Hit and Run cases which are now exclusively handled on pan India basis by the Council. The council is handling many such ambitious projects for public benefit including the recent initiative to make cashless treatment applicable to all health insurance claims. Kindly visit our website regularly to get updates on such projects.

Festive days are ahead. I wish you all a very Happy Dussehra and Diwali.

Inderjeet Singh
Secretary General
General Insurance Council



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**GI COUNCIL NEWSLETTER****INSURANCE IN NEWS*****GI COUNCIL APPOINTS HEALTH INSURANCE EXPERT TO IMPLEMENT 100% CASHLESS PAYMENT SYSTEM***

The General Insurance Council in India has taken a significant step towards enhancing the efficiency and accessibility of health insurance services by appointing Segar Sampathkumar as the director of health insurance for a three-year tenure. This move aims to implement comprehensive changes within the sector, ultimately leading to the establishment of a 100% cashless payment system. Currently, this system serves 52% of the industry's health policies, and its expansion aligns with the vision of Mr. Debasish Panda, Chairman of the Insurance Regulatory and Development Authority of India (IRDAI), to boost insurance penetration across the country.

Segar Sampathkumar, who previously held the position of Insurance Ombudsman in Chennai for nearly two years, has resigned from his post to undertake this new assignment. His experience also includes serving as a general manager responsible for the health insurance portfolio at New India Assurance, the largest non-life general insurer in India.

The General Insurance Council, under the leadership of a secretary-general, has introduced a senior-level position dedicated to driving sectoral changes. This strategic initiative acknowledges the need for a robust technological platform and enhanced coordination with the nationwide healthcare sector, including hospitals, doctors, and pharmacists.

In addition to appointing Segar Sampathkumar, the council has formed a committee, led by S Prakash, former MD of Star Health, and composed of industry experts, to oversee the implementation of the cashless claims project.

The transition to a cashless payment system entails not only the adoption of a sophisticated technological framework but also the standardization of rates, services, and the empanelment of more hospitals to ensure coverage across the entire country.

Mr Debasish Panda, Chairman IRDAI has emphasized the cooperation between the General Insurance Council, Life Insurance Council, and the National Health Authority in onboarding insurers onto the National Health Claims Exchange (NHCX). This collaborative effort will facilitate common empanelment and interoperability with hospitals, streamlining the claim processing of health insurance and making it seamless and frictionless for policyholders.

The NHCX leverages technology to unite hospitals, insurers, service providers, and third-party administrators on a single platform. This synergy expedites claims, reduces fraud, and standardizes processes, ultimately contributing to an equitable, efficient, and digitized healthcare ecosystem accessible to all.

Post-COVID-19, health insurance has emerged as the largest portfolio within the general insurance industry, experiencing a remarkable growth of 23%. In the fiscal year 2022-2023, it contributed an impressive Rs 90,600 crore in premium, highlighting the sector's increasing importance and the potential for further advancements in the Indian insurance landscape.

INSURANCE IN NEWS

HEALTHCARE FOR ALL IS A SHARED RESPONSIBILITY



KRISHNAN RAMACHANDRAN
MD & CEO, NIVA BUPA HEALTH INSURANCE

India's G20 Presidency marks a significant milestone in its history, as the nation takes on the responsibility of finding practical global solutions for the well-being of all. Our honorable Prime Minister Narendra Modi, during the G20 Summit in Indonesia last year, emphasized the importance of health, alongside food security, energy security, and digital transformation. This recognition of health as a fundamental aspect of India's prosperity is crucial. As we approach the fifth anniversary of Ayushman Bharat - Pradhan Mantri Jan Aarogya Yojana (AB-PMJAY), it is truly a time for celebration and reflection.

A healthy India requires access to clean drinking water, clean air, sanitation, and more. The government's dedicated initiatives such as Jal Jeevan Mission, Swachh Bharat Mission, and National Clean Air Programme have

yielded encouraging results and continue to benefit society at large through their multiplier effect. Another notable initiative is Ayushman Bharat (PMJAY), launched as a significant step towards achieving Universal Health Coverage (UHC), ensuring that all individuals have access to quality healthcare services without facing financial hardships. As India remains committed to achieving Universal Health Care for all by 2030, it must be viewed as a collective responsibility.

Healthcare is a Gradient for All

Healthcare for all is an important and a necessary goal for the country. A demographic dividend can only be achieved if we have jobs, skills, and healthy people. The health of a nation not only reflects the well-being of its citizens but also impacts its economic progress. After all, the GDP of a country is dependent on how healthy its population is. Therefore, ensuring healthcare coverage for every citizen is of paramount importance.

According to a recent study by KPMG, 17.3% of people in India spent more than 10% of their household expenditure on healthcare. This resulted in over 5.5 crore Indians being pushed into poverty within a single year due to out-of-pocket expenses (OOPE), with 3.8 crore individuals falling below the poverty line solely due to spending on medicines. These figures are alarming and highlight the urgent need for collaboration and understanding between healthcare and health insurance (HI) stakeholders to promote broader adoption and accessibility.

With India officially becoming the most populous country in the world, achieving UHC becomes an arduous task. Currently, India has a mixed multi-payer universal healthcare model, funded through a combination of public and private health insurance funds, alongside entirely tax-funded public hospitals. The country follows a three-tier healthcare service delivery model, with primary health centers (PHCs) in rural areas, secondary care centers at the district level, and tertiary care centers in most cities. The coexistence of public and private healthcare systems, supported by private investments, will be crucial for ensuring healthcare access across the nation.



INSURANCE IN NEWS

HEALTHCARE FOR ALL IS A SHARED RESPONSIBILITY (CONTINUED)

Paving the Way for a Future-fit India

To achieve the crucial milestones of Affordability, Accessibility, and Availability (the 3As) on the path to a future-fit India, we must adopt a two-pronged approach that encourages stakeholders to come together in true partnership.

The rising medical inflation and increasing cost of healthcare means that health insurance players need to reassess and revise their premiums periodically to keep up with the high cost of healthcare services. For healthcare providers and hospitals to make health insurance more affordable, they will need to share the burden, find ways to optimize medical expenses and lean-in more on evidence based medicine.

Another way could be to consider lowering the high 18% GST which is currently levied on health insurance premium, which not only makes in-patients expensive but is also a serious impediment in building out-patient products into health insurance, which actually constitutes around 50-60% of healthcare spends. This creates a mismatch in availing healthcare services directly vis a vis insurance funding.

Simultaneously, it is imperative for the government, healthcare providers, and health insurance players to foster a dialogue by establishing collaborative forums. These platforms can facilitate discussions on past experiences, effective execution strategies, development of collaboration charters, building flexibility for sustained partnerships, and establishing central agencies for evaluating Public-Private Partnership (PPP) models and monitoring their impact. For instance, private partners could develop public sub-centers and primary care centers in a hub-and-spoke model, leveraging telemedicine, point-of-care diagnostics, and IT systems to optimize resource utilization.

Another area of partnership is where the government and health insurance players join forces to standardize healthcare coverage and ensure quality services are available in all 100% of the pin codes across the country. Combining the strengths of both parties can bring economies of scale and foster the emergence and success of new PPP models.

Insurance players, whether public or private, can play a vital role in administering such schemes, while the government takes on the roles of payer and regulator. Many countries have successfully employed insurers to operate part or all of their national health insurance programs. In an insurance or hybrid model, the government can limit its financial liability, reduce managerial costs, enhance scheme monitoring, and benefit from the insurance players' experience in dealing with hospitals and developing robust IT systems to mitigate fraud. Insurance players are subject to prudent regulation by the Insurance Regulatory and Development Authority of India (IRDAI), which ensures compliance and safeguards the interests of beneficiaries and payers.

The role of emerging technologies, for the greater good, cannot be ignored. Technologies such as artificial intelligence, the internet of things (IoT), Blockchain, etc. can provide additional opportunities for facilitating a more holistic digital health ecosystem that can aid in increasing the equitable access to health services, improve health outcomes and reduce costs.

**GI COUNCIL NEWSLETTER****INSURANCE IN NEWS*****HEALTHCARE FOR ALL IS A SHARED RESPONSIBILITY (CONTINUED)*****Painting a Picture of Health**

The regulator is committed to enable 'Insurance for All' by 2047, where every citizen has an appropriate life, health and property insurance cover. To achieve this vision and to democratize quality healthcare, the government, healthcare providers, and insurance players must walk together with the best interests of the end consumer in mind.

It's about time we realise that we are moving towards the same destination, and our support can be wind to each other's sails.

INSURANCE FOR ALL IRDAI'S BIMA VAHAK GUIDELINES FOR INCLUSIVE INSURANCE FOR ALL VILLAGES

In a significant move aimed at transforming India's insurance landscape, the Insurance Regulatory and Development Authority of India (IRDAI) has introduced the 'Insurance Regulatory and Development Authority of India (Bima Vahak) Guidelines, 2023' on 9th October 2023. These guidelines are set to revolutionize insurance distribution in the country by creating a dedicated channel with a focus on enhancing insurance inclusion, especially in rural areas. These shall come into force from the date of launch of Bima Vistaar*(* Bima Vistaar is a comprehensive Insurance product which will be issued in due course).

The Objectives of Bima Vahak

The primary objectives of the Bima Vahak initiative are twofold:

- a) To establish women centric dedicated distribution channel that is focused on enhancing insurance inclusion and creating awareness in every village / Gram Panchayat, thereby, improving accessibility and availability of insurance in every nook and corner of the country.
- b) To identify and develop resources locally who understand and appreciate local needs and enjoy the trust and confidence of the local population of their village /Gram Panchayat

Defining Bima Vahak

In these guidelines, a Bima Vahak can be an individual (Individual Bima Vahak) or a legal entity (Corporate Bima Vahak) registered under Indian laws, engaged in providing insurance services as specified.

Engagement and Appointment of Bima Vahak

Insurers have the flexibility to engage Corporate Bima Vahaks or directly appoint Individual Bima Vahaks for soliciting insurance business and facilitating policy and claims servicing. These Bima Vahaks will represent the insurers, and the insurers will be responsible for their actions and conduct.

INSURANCE IN NEWS

INSURANCE FOR ALL IRDAI'S BIMA VAHAK GUIDELINES FOR INCLUSIVE INSURANCE FOR ALL VILLAGES(CONTINUED)

Scope of Activities

Bima Vahaks can perform various tasks, including filling out proposal forms, ensuring KYC compliance through handheld electronic communication devices, and issuing insurance policies. They also play a crucial role in coordinating and supporting policy and claims-related servicing.

Consumer Protection Measures

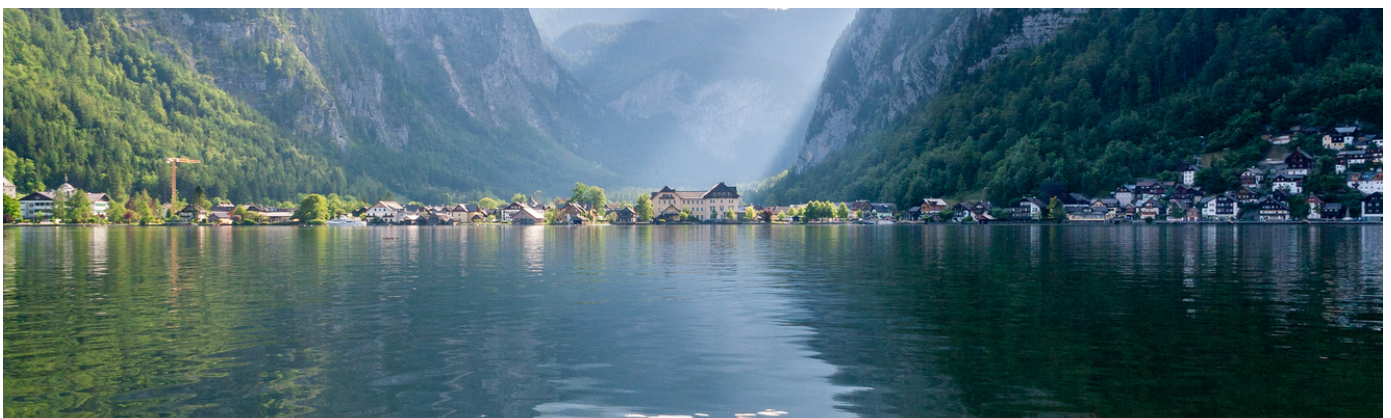
To ensure transparency and accountability, the guidelines mandate the issuance of physical identification cards to Individual Bima Vahaks, along with a suitable monitoring framework. Corporate Bima Vahak retail outlets will display information about the services offered, contacts for grievance redressal, and details of designated Complaints Handling Officers. Furthermore, insurers will designate a Complaints Handling Officer for each Gram Panchayat to attend to any complaints promptly.

Conclusion

The introduction of the Bima Vahak Guidelines by IRDAI represents a significant step toward making insurance accessible and inclusive, particularly in rural India. With a strong emphasis on local expertise and trust, these guidelines aim to bridge the gap between insurance providers and potential policyholders in remote areas. By encouraging the engagement of Bima Vahaks and setting clear standards for their activities, IRDAI is working to ensure the success of this initiative. As we move forward, the Bima Vahak model promises to unlock the vast potential of India's rural markets, ultimately increasing insurance penetration and financial security for countless individuals and families across the nation. These Guidelines have been issued to enable insurers to make necessary arrangements for onboarding and training of Bima Vahaks. The effective date of the guidelines will be notified separately.

For more details, please refer to:

<https://irdai.gov.in/document-detail?documentId=3982975>



INSURANCE IN NEWS

EMERGING HORIZONS NEW OPPORTUNITIES IN COMMERCIAL GENERAL INSURANCE SEGMENT



MR. SANDEEP GORADIA
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The Indian economy continues to be a beacon of growth and opportunity, attracting both domestic and foreign investments across various sectors. The country's economic reforms and ease of doing business initiatives have further improved the investment climate, fostering entrepreneurial spirit and innovation. India's integration into the global economy has strengthened its position as a key player in international trade and investment with Indian companies making significant contributions on the global stage. As India continues on its path of progress, the economy's resilience, coupled with the contributions of corporates and robust infrastructure development, has emerged as one of the fastest-growing economies worldwide, with a projected growth rate of over 6.0% in FY23-24.

India's ambitious goal of becoming a \$5 trillion economy has sparked a wave of capital expansion across the country. Both the government and private sectors are making significant investments in key areas such as manufacturing, technology, healthcare, renewable energy, and digital infrastructure. The recent \$10 billion program for semiconductor development attracted global giants, signalling growing confidence in India's capabilities.

As India continues to strengthen corporate governance practices and inclusive growth, it has taken significant strides in promoting renewable energy to combat climate change, and has emerged as a front-runner in the adoption of Environmental, Social, and Governance (ESG) initiatives.

General Insurance as a sector is a critical pillar for the Economy

The prime regulatory change by the (IRDAI) and the following slew of reforms announced as part of its vision '**Insurance for All by 2047**' has ensured a favourable environment for growth. According to the Economic Survey 2022-23, insurance penetration in India is 3.2%, while the non-life insurance penetration is 1% of GDP, there is a tremendous opportunity with digital revolution fuelled by the rising middle class, increased digital literacy, and expanding access to the internet.

The recently introduced 'Use and File' procedure allows for the introduction of new products without the need for prior approval. Furthermore, the IRDAI has implemented regulations surrounding the expenses of management (EoM) for insurers, offering them greater flexibility in expense management.

Overall, these crucial reforms are set to expand the realm of innovation in the insurance industry while aiding speedy product, making insurance a more appealing proposition.

The GI industry delivered a GDPI growth of 17.9% for Q1 FY2024. The commercial segment of the general insurance industry is also undergoing a significant transformation fuelled by new opportunities for insurers and other stakeholders.

**GI COUNCIL NEWSLETTER****INSURANCE IN NEWS*****EMERGING HORIZONS NEW OPPORTUNITIES IN COMMERCIAL GENERAL INSURANCE SEGMENT (CONTINUED)*****Insurers need to position itself as a Risk Solution partner for Corporates.**

The evolving risk solution landscape demands an equally evolving approach. Forward looking insurers need to establish itself in areas of risk management, wellness, technology, and claims settlement initiatives, and set new standards in the insurance industry. A robust risk management practices ensures that Insurers understand and effectively mitigate potential risks, providing customers with comprehensive coverage tailored to their specific needs. Wellness initiatives, can empower policyholders to take charge of their health and well-being, promoting preventive healthcare and encouraging healthy lifestyle choices.

Technology plays an important role by enabling seamless digital experiences. The insurers have initiated GPS tracking services, which enable real-time monitoring and location tracking of cargo shipments, ensuring enhanced security and timely delivery. This technology-driven approach not only minimizes the risk of theft or damage to goods in transit but also promotes cost minimisation by optimising route planning and reducing operational inefficiencies. Property Risk solutions provides a safety net against fire, natural disasters, and other unforeseen events that could lead to financial losses.

Commercial Segment to drive growth in GI Industry

The future of corporate insurance and corporate business is set to be profoundly influenced by a rapidly changing landscape, emerging risks, and an increased emphasis on risk mitigation and innovation. As the business environment develops, corporations are faced with new and complex risks, including cybersecurity threats, climate change impacts, and geopolitical uncertainties. To address these challenges, insurers have to constantly evolve their underwriting practices to offer tailored solutions that cater to the unique risk profiles of corporate clients. Digitisation is playing a pivotal role in transforming the insurance landscape, enabling insurers to streamline processes, enhance data analytics, and offer real-time risk monitoring and management solutions. Product innovation is another critical aspect, with insurers working to develop flexible and customisable policies that align with the specific needs of businesses.

In recent years, industry has evolved from being a service provider to being a strategic advisor and consultant for corporate businesses. Recognising the complexities of modern-day risks and the critical role risk management plays in an organisation's growth; insurers will need to step forward to support businesses in their Enterprise Risk Management (ERM) and Project Risk Management (PRM) endeavours. Through a process of handholding and partnership, insurers have to collaborate closely with corporate clients to identify potential risks, analyse their impact, and devise tailored risk management solutions.

Corporate India is set to play a pivotal role in driving economic expansion. Leading General insurance providers are very well positioned to contribute to this upward economic trajectory. With the commitment to innovation, customer-centricity, digitisation, and risk management focus, we are well positioned to complement and support Corporate India's growth journey.

INSURANCE LAWS & POLICIES

HIT AND RUN MOTOR ACCIDENTS



HUMAYUN KHAN
GENERAL INSURANCE COUNCIL CONSULTANT –
MOTOR AND LEGAL

India has the highest number of road accident fatalities in the world. Various reasons have been ascribed for large number of road accidents in the country. Rash and negligent driving, poor road infrastructure, inadequate lighting, improper signage and potholes are some of the major causes of road accidents in the country. Many roads are not designed properly resulting in accident-prone stretches. Condition of the vehicles also play a significant role in road accidents. Non availability of immediate medical aid to the grievously injured accident victims, especially during the golden hour period, results in deaths in many instances where lives could have been saved.

Loss of lives and livelihoods due to road accidents result in significant hardships to the victims and their families. Such road accidents, where the vehicle causing injury or death

to a person(s) cannot be identified or traced, are known as '**Hit and Run Motor Vehicle accidents.**' Since details of offending vehicle are not known, the injured victim or the legal heir of the deceased cannot claim compensation through the Motor Accident Claims Tribunal (MACT). Hit and Run Motor Accidents Scheme-2022 comes to the aid of such victims and their families.

Historical Overview:

- The concept of compensating victims of 'Hit and Run' accidents was first introduced in 1982 as an amendment to the Motor Vehicles Act, 1939.
- Subsequently, the Motor Vehicles Act 1988 incorporated the Solatium Fund Scheme, 1989.
- This initial compensation framework was last revised in 1994.
- The Solatium Fund Scheme of 1989 was replaced by the "*Compensation to Victims of Hit and Run Motor Accidents Scheme, 2022.*"
- the Ministry of Road Transport and Highways (MoRTH) set up the Motor Vehicle Accident Fund vide gazette notification No. GSR 162 (E) dated 25 February 2022. This Fund is to be utilized for providing compensation to victims of hit and run motor accidents and to provide cashless treatment to all road accident victims.
- Three Current Accounts are mandated to be opened for the Motor Vehicle Accident Fund. Namely:
 1. Account for Insured Vehicles.
 2. Account for Un-insured Vehicles.
 3. Hit and Run Compensation Account.

At present only one account – i.e. *Hit and Run Compensation Account* has been made functional and it is being utilized for payment of compensation to the victims of Hit and Run motor vehicle accidents since 1st April 2022. An initial amount of Rs 76.28 crore was ceded into this account by New India Assurance Co. Ltd. from the erstwhile Solatium Fund.

INSURANCE LAWS & POLICIES

HIT AND RUN MOTOR ACCIDENTS (CONTINUED)

· While claims are being paid under “Compensation to Victims of Hit and Run Motor Accidents Scheme-2022, which was notified under GSR 163 (E) dated 25.02.2022, the necessary framework for cashless treatment is under formulation.

· General Insurance (GI) Council has been designated for day-to-day management and maintenance of accounts of the Motor Vehicle Accident Fund and for payment of compensation to the victims of hit and run and for cashless treatment of all motor accidents occurring on or after 1st April 2022. Claims pertaining to earlier period continue to be processed under the Solatium Scheme by the New India Assurance Co.

Compensation to Victims of Hit and Run Motor Accidents Scheme - 2022

Amount of compensation has now been revised as follows:

- Rs. 2 lakhs for death (earlier it was Rs 25,000)
- Rs. 50,000 for grievous hurt (earlier it was Rs 12,500).

Procedure for claim payment is as follows:

1. Application seeking compensation is made by the claimant or legal representative in Form-I along with an undertaking in Form-IV to the Enquiry Officer of the Sub-Division in which the accident has taken place.
2. The Enquiry Officer is required to obtain First Accident Report, Postmortem Report, Death or Injury Certificate from the concerned authorities and ID proof and Bank A/c details from the claimant. He holds an enquiry in respect of the claim arising out of Hit and Run Motor Accident and submits his report in Form-II along with the supporting documents to the Claim Settlement Commissioner within 30 days.
3. The Claim Settlement Commissioner is required to sanction the claim amount and then to communicate sanction order in Form-III along with Forms I, II & IV and supporting documents to General Insurance Council within 15 days of the receipt of Enquiry report.
4. The General Insurance Council (GIC) on receipt of sanction order in Form-III and the relevant documents is required to make e-payment to the bank account, as provided by the claimant or the legal representative of the deceased, within 15 days.





GI COUNCIL NEWSLETTER

INSURANCE LAWS & POLICIES HIT AND RUN MOTOR ACCIDENTS (CONTINUED)

Outstanding Hit and Run Claims position at GI Council since 01/04/2022:

2022-2023 (entire year)

No. of Claims o/s as on 01/04/2022	No. of Claims received during 2022-2023	No. of Claims paid during 2022-2023	No. of Claims O/S as on 31/03/2023
NIL	205	95	110

2023-2024 (up to 30th June 2023) – 3 months

No. of Claims o/s as on 01/04/2023	No. of Claims received from 01/04/2023 to 30/06/2023	No. of Claims paid from 01/04/2023 to 30/06/2023	No. of Claims O/S as on 30/06/2023
110	483	27	566

2023-2024 (up to 30th September 2023) – 6 months

No. of Claims o/s as on 01/04/2023	No. of Claims received from 01/04/2023 to 30/09/2023	No. of Claims paid from 01/04/2023 to 30/09/2023	No. of Claims O/S as on 30/09/2023
110	1362	397	1075

It is evident from above table that no. of claims received by Council is increasing very rapidly over the months. While the total no. of claims received during FY 2022-2023 was only 205, during the first half of current FY (2023-2024) already 1362 claims have been received. Thus the no. of claims has increased to about 7 times in the last six months.

According to available data the average no. of Hit and Run accidents in India resulting in grievous hurt or death in any one year is about 25000. Out of the total 28 States and 8 UTs in the country, only 10 states and 1 UT have contributed to the total no. of 1362 claims in the current year. With more public awareness and participation of remaining states and UTs, no. of claims in the coming months is expected to increase very rapidly.

As on 30/09/2023 a total of 1075 claims are still outstanding. There is an urgent need to take necessary steps to expedite claim payment process at the Council.

Factors causing delay in payment of claims

1. Non receipt / receipt of partially filled/ unsigned/ unsealed / illegible one or more documents copy–Forms, Bank Passbook, FIR, Death Certificate, PMR, ID & address proof etc in first mail/post.
2. New forms awaited in lieu of old Solatium forms submitted.
3. Clarifications/ corrections required to confirm Hit & Run, difference in age, name, address of victim, date of accident etc in submitted documents.
4. Deficit manpower for processing rapidly increasing no. of claims.
5. Absence of a software-based platform for handling claims.

Proposed measures to facilitate and expedite claim payment

- a) Information on the procedure for filing Hit and Run Claims, link to download the relevant

INSURANCE LAWS & POLICIES

HIT AND RUN MOTOR ACCIDENTS (CONTINUED)

forms I, II, III & IV and a detailed information booklet on Hit and Run Claims have been uploaded on G I Council on its website: www.gicouncil.in

b) Details of insurance nominated DLC members and State level coordinators have been uploaded on Council's website to facilitate claim process in the districts.

c) On receipt, each set of claim documents is scrutinized at the Council and requirements, if any, are communicated to the district authorities through mail.

d) Information Booklet on Hit and Run Motor Accident Compensation Claims is proposed to be printed in sufficient nos. by the Council and provided to its DLCs members for reference and complete guidance.

e) The Council plans to increase staff strength of its Hit and Run Claims Team to expedite payment.

f) Council has constituted an expert committee for development of Hit and Run software platform to facilitate and expedite claim payment.

Opportunity for serving a great social cause

From data available on settlement of claims from the Solatium Fund Scheme during the last 5 years, it is apparent that the total no. of claims settled each year by New India Assurance varied in the range of 800 to 1250 cases only. Since the no. of hit and run victims each year in the country is estimated to be around 25000, it is quite apparent that the no. of claims settled in past years have been a very small percent of the actual requirement.

Now if through creation of public awareness and by involvement of the State machinery, it could be ensured that claim applications by even half of the estimated 25000 hit and run victims are filed, the no. of beneficiaries in a year would go beyond 12500, which is ten times of the no. of claims paid during any of these years.

The Council is at the threshold of revolutionizing the status of hit and run claim payments in the coming times. Providing support to the victims of road accidents and their families in their hour of need is a great social cause. The Council is well placed to make a substantial contribution to this cause and to our nation's commitment to its citizens ensuring justice and support.



INSURANCE LAWS & POLICIES

CSR A STRATEGIC IMPERATIVE FOR BUSINESSES IN THE 21ST CENTURY DIGITAL WORLD



SHEENA KAPOOR,
ICICI LOMBARD GENERAL INSURANCE COMPANY
LIMITED

To want to feel included is a basic human need, and Corporate Social Responsibility (CSR) gives us the opportunity to work with our employees, local communities and humanity at large to build an inclusive and sustainable society. In a world where organisations find themselves facing constraints brought on by depleting resources, business policies that take into account the critical area of Corporate Social Responsibility (CSR) pave a path of transparency, diversity and inclusiveness.

A significant initiative by the Government of India was the introduction of Section 135 of the Companies Act, 2013, that mandates companies with a certain turnover, net worth or profits to spend at least 2% of their average net profits in the preceding three years on CSR activities. Since then, CSR initiatives in India have seen a momentous growth.

Today CSR has become an essential aspect of the corporate world. These activities in India are focused on various social and environmental issues such as education, skill development, healthcare, rural development and environmental conservation. Public sector companies have also been leading several of these large scale initiatives. The Government's focus on CSR has encouraged companies to contribute to society and the environment, thus looking beyond their immediate business interests.

Rising CSR demand:

Companies are increasingly realising the importance of giving back to society. As a result, several corporate houses and conglomerates in India have taken up the CSR mandate across social causes, leading to environmental sustainability, community development and a positive impact on the society. The Government of India's initiatives like the Swachh Bharat Abhiyan, Beti Bachao-Beti Padhao, Make in India, and Namami Gange have also garnered great support from various corporate houses.

Today, companies are mindful of the well-being of the communities in which they operate and wish to build a sustainable future for all their stakeholders. We, as a nation, have come a long way;

- Collaborations – Collaborating with NGOs and social organisations helps in identifying areas for maximum impact and in addressing complex social problems at the grassroots level.
- Skill Development – Providing training and skill development uplifts people by improving their standard of living and enhances their employment opportunities.
- Environment Sustainability – Companies are eagerly adopting green technology, renewable energy, better waste management practices, and afforestation to reduce their carbon footprint.



INSURANCE LAWS & POLICIES

CSR A STRATEGIC IMPERATIVE FOR BUSINESSES IN THE 21ST CENTURY DIGITAL WORLD (CONTINUED)

- Health & Hygiene – We have several corporate houses from various sectors contributing towards promoting the importance, and improving the overall health of people across urban and rural areas of India.
- Education – Education is one key area where companies today are making a great impact-right from providing scholarships and building schools & colleges, to supporting educational programs for children.
- Social Impact – Companies are increasingly focusing on social impact initiatives such as supporting community development and addressing poverty and inequality.
- Diversity, Equity & Inclusion (DEI) – We have seen several companies taking steps in promoting DEI within their organisation, such as increasing diversity in their workforce, providing equal pay for equal work and addressing and sensitising employees to create a bias-free work environment.
- Reporting and transparency – With CSR awareness and government's support, we have seen a surge in companies reporting on their CSR activities, including the CSR progress and impact-thereby, providing transparency and accountability to stakeholders.

Corporate Social Responsibility as a foundational step in building a modern and sustained society:

- The pandemic highlighted the need to ensure support of vulnerable communities. To effectively distribute resources and reach a wider population, we saw companies in India collaborate with NGOs and government agencies.
- Companies all over India encouraged their employees to participate in CSR activities, including volunteering for relief efforts. This also helped in boosting employee morale and engagement.
- 2020 highlighted the need for sustainable practices, and led to companies increasing their focus on sustainability-related CSR activities such as waste reduction and energy conservation.

Key developments in CSR:

Over the years, CSR has evolved from a task-oriented mandate to a more strategic and meaningful partnership aimed at the development of the community.

- Health and education continue to receive the highest share of CSR spending in India.

**GI COUNCIL NEWSLETTER****INSURANCE LAWS & POLICIES*****CSR A STRATEGIC IMPERATIVE FOR BUSINESSES IN THE 21ST CENTURY
DIGITAL WORLD (CONTINUED)***

- Thanks to the adoption of technology in CSR, companies are using digital platforms to implement CSR initiatives and engage with their stakeholders.
- There has been increased collaboration with government agencies.
- Employee volunteering has emerged as an important component of CSR activities in India.
- To help understand the return on investment, impact assessment has become critical for all CSR activities.

Creating a cohesive environment for all stakeholders through CSR:

As a responsible corporate, we are committed to making the world a safer and healthier place. One of our biggest community initiative- Caring Hands, focuses on employee volunteering to support visually impaired children and empower them to lead better lives. Under Caring Hands, eye check-up camps are conducted in municipal/govt. schools. the tests are performed by Ophthalmologists. Employees volunteer for scouting schools, taking permission from authorities, arranging the doctor etc. Once the tests are performed, all those kids who require corrective lenses are provided with the same. Spectacles are made by Dr. Agarwals Eye Hospital. The initiative is implemented across various locations of the country on a single day of the year known as Caring Hands Day. The initiative started in the year 2011. Since the inception, the initiative has reached out to more than 400000 beneficiaries. Similarly, under our Ride to Safety initiative, Under Ride to Safety, educational sessions are taken for school children and their parents. The sessions majorly focus on road safety rules, regulation and importance of wearing helmets for kids as well as parents both. After the sessions, ISI marked helmets are given free of cost to parents and children. The initiative is implemented in 12 cities of the country namely Mumbai, Pune, Delhi, Bangalore, Chennai, Hyderabad, Kolkata, Ahmedabad, Patna, Agartala, Ludhiana and Nagpur. Niranjali initiatives we have implemented dedicated programmes that promote road safety with the former, and health, hygiene and overall wellness of citizens with the latter initiative. In FY2021, we embarked on a pilot exercise to uplift the Primary Health Centres (PHC) in rural locations by providing medical equipment to PHCs in UP, MP, West Bengal, and Uttarakhand. The intent was to reduce the transfer of medical cases to district hospitals. The equipment were given in FY21 and FY23 and more than 15,000 people benefitted through this. Further, we launched a pilot environmental sustainability programme involving the installation of solar panels in the schools in-line with India's net-zero ambitions. Solar panels have been installed in 95 schools till date.

Main locations of the installation are Mumbai, Patna and Agartala. We have touched over 1 million lives through our CSR initiatives till FY2023.

As a brand with customer centricity at its core, and our brand philosophy of Nibhaye Vaade, we help our customers fulfil their promises to their loved ones. Our marketing campaigns are also driven by this philosophy and holistic approach that takes into account the Environmental,

INSURANCE LAWS & POLICIES

CSR A STRATEGIC IMPERATIVE FOR BUSINESSES IN THE 21ST CENTURY DIGITAL WORLD (CONTINUED)

Social and Governance aspects. On World Heart Day last year, we launched a compelling campaign #LearnCPRSaveALife with Emraan Hashmi and also encouraged our employees to learn how to administer CPR by conducting an in-house demonstration. The objective was to demystify the myths around CPR. Similarly, this year in March we celebrated Women's Month and gave an opportunity to all women across India to avail a complimentary Health check-up and RSA (Roadside assistance). For their empowerment, we organised Financial Literacy workshops for our women agents & brokers. To spread Insurance awareness in rural regions of Bihar, we also conducted Financial Literacy workshops for women in association with IRDAI & Jeevika representatives (Didi).

Sustainability is at the core of our growth strategy and we are constantly trying to create a cohesive environment wherein all our stakeholders can excel and achieve societal goals. Time and again it has been proven that CSR will play an imperative role for companies in building credibility amongst their stakeholders. The best organisations have recognised this and have integrated CSR into their operational endeavour. This realisation bodes well for both the corporate world and society at large- as this makes the world a better and more equitable place. Personally, I believe that when we become a better version of ourselves, our environment, society and nation also becomes better. After all, whether it is our family or our company, as an individual it's our responsibility to ensure that nobody gets left behind or forgotten.



CONSUMER AWARENESS

EXPLORING INNOVATIVE INSURANCE PRODUCTS FOR THE DIGITAL AGE



MR. ADITYA SHARMA,
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In today's rapidly advancing digital age, the insurance industry is undergoing a remarkable transformation, marked by the infusion of cutting-edge technologies into traditional risk management practices. As an avid observer of the insurance landscape, my journey into exploring innovative insurance products has been an eye-opening and thrilling experience. From Usage-Based Insurance (UBI) leveraging telematics to Parametric Insurance with automated payouts and Peer-to-Peer (P2P) Insurance fostering collective responsibility, each chapter unveils a novel facet of this evolving industry. As we embrace the digital revolution, this exploration sheds light on the transformative power of technology and offers a glimpse of the promising future for insurance in the interconnected world.

As I sit down to recount my experiences delving into the world of innovative insurance products tailored to the digital age, I can't help but feel a mixture of excitement and curiosity. The insurance landscape has come a long way since its inception, and the digital age has paved the way for revolutionary changes in the industry. From my personal experience, I will share my journey of exploring cutting-edge insurance offerings that have reshaped how we protect our lives, assets, and futures.

The emergence of the digital era has undoubtedly been a game-changer, reshaping the insurance industry and various other sectors. This transformation has been marked by the fusion of data analytics, artificial intelligence, and seamless connectivity, leading to innovative insurance products that cater to the diverse needs of individuals and businesses alike.

Usage-Based Insurance (UBI)

One of the most notable shifts I observed was the rise of "Usage-Based Insurance" (UBI). UBI leverages telematics and Internet of Things (IoT) technologies to monitor driving behaviour, providing drivers with personalised insurance premiums based on their actual usage. For example, try out a UBI policy for your car, which involves installing a small telematics device that records data on your driving habits. My journey with UBI unveiled potential cost savings and enhanced awareness of your driving patterns, ultimately improving your safety on the road.

Parametric Insurance

Beyond UBI, my exploration led me to the fascinating realm of "Parametric Insurance." This innovative product relies on predetermined, objective triggers to automatically initiate payouts, bypassing the lengthy claims assessment process. For instance, I discovered parametric insurance designed for extreme weather events like hurricanes or earthquakes. Instead of

**GI COUNCIL NEWSLETTER****CONSUMER AWARENESS*****EXPLORING INNOVATIVE INSURANCE PRODUCTS FOR THE DIGITAL AGE (CONTINUED)***

traditional indemnity-based policies, these products provided swift financial relief based on specified criteria, allowing for quicker recovery and reduced economic burden in the face of disaster.

Peer-to-Peer Insurance

This is a developing insurance concept and hasn't made its way to India in a big way yet. A small group of people (usually known to each other) pool in their money to prepare for a contingency which may occur in any one or more of them. This group can be family, friends, colleagues, or any other group with a common interest.

This concept is very experimental, and I would not recommend it simply because the pool of funds will be limited and, in most cases, wouldn't be enough to cover any more than a single group member in case of a contingency. Yes, the group pays back any unused amounts to the members at the end of the coverage period, potentially making insurance cheaper. But that is only if you don't need it. What happens when you and a few other group members need large sums of money at similar times? Most likely, due to the limited amount of money available, all the members requiring funds will be given small amounts, or some will receive the funds and some will not, depending on who asked for it first. In either scenario, the money received will likely not be enough to cover the costs of the contingency.

On-Demand Insurance (Micro-insurance)

The digital age has also witnessed the rise of "On-Demand Insurance" or "Micro-insurance," which provides short-term coverage tailored to specific needs. This flexible product appeals to many, especially during travel, as they can conveniently purchase coverage for the exact duration of their trip or particular events. On-demand insurance embodies the spirit of adaptability and affordability, making it an ideal choice for a growing number of digitally savvy consumers.

Blockchain and Smart Contracts in Insurance

Blockchain technology has found its way into insurance by creating "Smart Contracts." These self-executing contracts enable automated claims processing and ensure settlement transparency, eliminating the need for intermediaries. As a firm believer in the potential of blockchain, I was thrilled to witness how this immutable ledger could revolutionise the insurance industry, streamlining processes and boosting trust among policyholders.

Cyber Insurance

My journey into the digital age of insurance exposed me to Cyber Insurance. In a world where cyber threats constantly evolve, businesses and individuals face significant risks from data breaches and cyber-attacks. Cyber insurance products protect against financial losses from

CONSUMER AWARENESS

EXPLORING INNOVATIVE INSURANCE PRODUCTS FOR THE DIGITAL AGE (CONTINUED)

such incidents, emphasising the importance of safeguarding our digital lives in an interconnected world.

As I explored these innovative insurance products, I realised that the digital age has opened new avenues for risk management and financial protection. From usage-based and parametric insurance to peer-to-peer models and on-demand coverage, these products cater to consumers' diverse and ever-changing needs.

Challenges and Considerations

However, despite the myriad benefits, the digital age brings unique challenges. Data privacy, cybersecurity, and ensuring fair treatment for all policyholders remain critical concerns that demand constant attention from the insurance industry. Moreover, the transition to digital platforms may inadvertently exclude specific population segments, highlighting the need for equitable access to innovative insurance solutions for all.

Conclusion

In conclusion, my journey exploring innovative insurance products for the digital age has been an eye-opening and transformative experience. Witnessing the convergence of technology and insurance has solidified my belief that embracing change and innovation is essential for this industry's continued growth and relevance. As we forge into an increasingly digital future, I am excited to see how these insurance products will evolve further, shaping a more secure and connected world for future generations.



**GI COUNCIL NEWSLETTER****CONSUMER AWARENESS*****PET INSURANCE IN INDIA: GIVING YOUR FURRY FRIEND THE PROTECTION THEY DESERVE*****Introduction**

Pets are not just animals; they are integral members of our families, providing us with love, companionship, and unwavering loyalty. As responsible pet owners, it is our duty to ensure their well-being, and one significant aspect of this is safeguarding them from unforeseen medical expenses. In India, the concept of pet insurance is rapidly gaining traction, and it's proving to be a game-changer for pet lovers across the nation. In this article, we will delve into the world of pet insurance in India and explore why it's an essential investment for your beloved pets.

What Is Pet Insurance?

Pet insurance is a specialized insurance policy designed to cover the medical expenses of your pets. When your pet falls ill or faces an accident, the financial burden can be significant. Without insurance, these expenses come directly out of your pocket. The annual cost of pet healthcare can be steep, making pet insurance a more cost-effective option. It ensures that your pets receive the best possible care and that you can keep your feline friend happy without breaking the bank.

One notable player in the Indian market is Bajaj Allianz Pet Insurance, which offers comprehensive protection against unexpected and expensive veterinary bills. Here's why you should consider pet insurance for your furry friend.

Why Should You Buy Pet Insurance?

- **Financial Security:** Pet insurance provides peace of mind, knowing that you won't have to drain your savings when your pet falls ill or requires medical attention.
- **Safeguard Your Savings:** Veterinary bills can be substantial, and they can take a toll on your finances. Pet insurance ensures that your pet's health is secured without compromising your financial stability.
- **Access to Quality Healthcare:** With pet insurance, you can provide your pet with top-notch medical treatment whenever it's needed.
- **Cover for Expensive Treatment:** Sometimes, pets may face critical illnesses, and prevention is always better than cure. Pet insurance offers coverage for these significant expenses, allowing you to focus on your pet's recovery rather than worrying about the cost.

Eligibility Criteria to Buy Pet Insurance

Before purchasing pet insurance, it's crucial to understand the eligibility criteria. The policy terms vary depending on factors like breed, age, and coverage options. Here's a brief

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PET INSURANCE IN INDIA: GIVING YOUR FURRY FRIEND THE PROTECTION THEY DESERVE(CONTINUED)

overview:

- **Breed Type:** Dogs (35 breeds) and Cats (Indigenous & exotic)
- **Entry Age:** Dogs (3 months to 7 years), Giant Dogs (3 months to 4 years), Cats (3 months to 7 years)
- **Exit Age:** Dogs (up to 10 years), Giant Dogs (up to 6 years), Cats (up to 12 years)
- **Policy Period:** Short-term policies (less than a year) and long-term policies (up to 3 years). Special conditions might allow for higher entry/exit ages based on your pet's health.

Benefits of Pet Insurance

Pet insurance offers various benefits, ensuring that your pet's health is a top priority. Depending on the policy you choose, the coverage includes:

- **Surgery Expenses**
- **Outpatient Department (OPD) Coverage**
- **Third-party Liability**
- **Long-term Care**
- **Theft/Loss/Straying**
- **Hospitalization**
- **Terminal Diseases**
- **Mortality Benefit Cover**

It's essential to review the product brochure for specific details on each coverage option.

Documents Required for Purchasing Pet Insurance

To buy pet insurance, certain documents are essential to ensure a smooth process:

- A completed proposal form
- Video and color photographs of your pet from all angles
- Diagnostic test results, if necessary
- Unique identification details for your pet
- Self-declaration on vaccinations
- Proof of purchase, if required
- Pedigree certificate, if applicable



Inclusions Under Pet Insurance

Pet insurance in India covers a range of benefits to protect your pet and your wallet. These include:



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- **Surgery Expenses Cover:** Covers treatments due to accidents or illnesses during the policy period.
- **OPD Cover:** Covers treatment costs for various illnesses and injuries up to a specified amount.
- **Third-party Liability Cover:** Provides coverage if your pet causes injury or damage to a third party, including legal expenses.
- **Long-term Care Cover:** Offers a lump sum for specific illnesses requiring extended care.
- **Theft/Lost/Straying Cover:** Reimburses expenses related to advertising or a reward if your pet is lost, stolen, or strayed.
- **Hospitalization Cover:** Pays for in-patient treatment at a veterinary hospital, subject to daily limits.
- **Terminal Diseases:** Covers specific terminal illnesses diagnosed during the policy period.
- **Mortality Benefit Cover:** Offers compensation for end-of-life arrangements in case of your pet's demise.

Exclusions Under Pet Insurance

It's crucial to understand the exclusions to avoid surprises when making a claim. Common exclusions in pet insurance policies in India include:

- Claims for diseases without preventive medicines or vaccines
 - Costs for experimental or alternative treatments
 - Loss or damage caused knowingly or willfully by the policyholder
 - Consequential losses
 - Claims occurring outside the territorial limits of India
 - Medication or treatment not recommended by a veterinarian
 - Illnesses contracted outside India that wouldn't typically occur within India
 - Legal expenses, fines, and penalties from criminal cases
 - Claims for diseases transmitted from pets to humans
 - Malicious or willful injury or neglect to an insured pet
 - Injuries due to war, invasion, acts of foreign enemies, riots, strikes, or terrorist activities
- This list is not exhaustive, so it's essential to review the policy wording for a comprehensive understanding of exclusions.

In conclusion, pet insurance in India is a vital tool for ensuring the well-being of your beloved pets. With comprehensive coverage, eligibility criteria, inclusions, exclusions, and a straightforward claims process, pet insurance can give you peace of mind and ensure that your furry friends receive the best possible care.

**GI COUNCIL NEWSLETTER****CONSUMER AWARENESS*****CASE STUDY FORGED HOSPITALIZATION CLAIM BY EMPLOYEE UNDER GROUP HEALTH INSURANCE POLICY*****Case Background**

Employee with the intention to gain undue amount in form of medical reimbursements raised forged documents and fake lab reports. The issue was brought to the notice of fraud & risk control team and it was investigated against the alleged customer.

Investigation Summary

A preliminary investigation revealed that the medical documents, pathology reports, Doctor's prescription were fake. The documents submitted appeared to be forged with Doctor's signatures, edited lab reports to showcase diagnosis and fake medical bills. It was startling to note that the documents submitted to NBHI and Paramount were in collusion with Third-Party.

Hence, post document's review, the investigation team conducted on ground investigation and met the employee who had raised fraudulent claim. It was further revealed that intentional greed and remissness on the part of an employee contributed to such a misconduct. The intention proven was to gain undue amount by the virtue of medical claim reimbursement. During verification, investigation team could also trace the editable copy of the certificates comprising of: handwritten medical bills, Doctor's prescription, medical reports and diagnosis with over-written dates to match the treatment date, fake pathology reports with Doctor's signature passed in the document, manually filled discharge summary with Doctor's signature in patient's handwriting and copied signature of Doctor. The alleged in the investigation process had confessed the modus operandi how a third-party with the help of accessing documents from alleged arranged the fake documents.

The Investigation revealed that the doctor whose signature was forged in all medical documents confessed to have never treated the alleged and confirmed to have not signing the documents. The hospital was not in NBHI's provider's list. Stolen pathology reports were used to align with the treatment showcased. Genuine doctors' forged signature was used in hospital stamped letter heads for creating discharge paper and medical prescriptions. The alleged cum employee in the said investigation never had any treatment taken and the same was confessed during investigation. The Third Party with the help of employee's personal documents; PAN Card, Aadhar, employee ID card sourced the forged medical documents and fake bills and reports.

Further investigation revealed another kind of fraud, which was taking place in the hospital. The hospital was found to be infamous for colluding in raising false claims and keep changing the hospital name. They facilitated the Third-party in procuring forge documents, lab reports and fake doctor's details.

Action taken

Getting all the facts of the cases with proper evidences the team represented this case in front

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CASE STUDY FORGED HOSPITALIZATION CLAIM BY EMPLOYEE UNDER GROUP HEALTH INSURANCE POLICY

of the concerned internal committee. Post discussions and seeing the evidences the committee decided to terminate employee involved in this matter.

Process improvement

Certain preventive measures were also recommended by the committee and implemented with immediate effect –

- The employee was terminated with immediate effect.
- Non- provider's list was revised.
- Stringent verification process in validating documents submitted for reimbursement by NBHI's TPA as per company's protocol prior disbursement of claim amount.



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GLOBAL HIGHLIGHTS



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WOODS YET ALTERNATIVE
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