

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5349
ANSWERED ON:22.12.2000
REIMBURSEMENT INSURANCE CLAIMS
CHANDRA NATH SINGH

Will the Minister of FINANCE be pleased to state:

to the reply given to Unstarred Question No.2004 dated December 1, 2000 and state:

(a) the action the Government propose to take to ensure that the insurance companies reimburse claims at the rate at which premium is charged; and

(b) the steps taken to ensure that hundred percent accidental claims are reimbursed?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) : There is no direct relation between the premium charged and the amount of claim settled. The rates of premium are charged according to the risk exposure but the claims are paid according to the extent of loss suffered by the insured subject to the terms, conditions, exclusions and limitations of the policy.

(b) : The reimbursement is made upto market value or insured value whichever is less. The insurance companies have initiated several measures for expeditious settlement of accidental claims. These include settlement through Lok Adalats and Jald Rahat Yojana, simplification and standardisation of claims settlement procedures, setting up of permanent claims review Committees at regional offices, etc.