



Ref: IRDAI / HLT/ MISC / CIR / 189 / 07/ 2020

14th July, 2020

To

All General and Health Insurers (Except ECGC and AIC)

Re: Provision of cashless facility to the policyholders

1. It has been brought to the notice of authority that certain hospitals are denying cashless facility to policyholders for treatment of covid-19.
2. Attention is drawn to the provisions of regulation 31 (d) of IRDAI (Health insurance) Regulations, 2016 wherein every general and health insurance company shall endeavour to enter into agreements with adequate number of both public and private sector network providers across the geographical spread.
3. Further, in terms of Regulation 31 (a) of IRDAI (Health Insurance) Regulations, 2016, general and health insurance companies may offer policies providing cashless services to the policyholders. For the purpose of providing cashless services insurers / Third Party Administrators (TPAs) shall enlist network providers (hospitals) to provide medical services and shall also enter in to a service level agreement.
4. In this regard, insurance companies are advised to ensure that where the policyholder is notified about availability of cashless facility at the empanelled network provider, the cashless facility at such network provider shall be made available to the policyholder in accordance to the terms and conditions of the policy contract and as per the terms agreed in Service Level Agreement (SLA).
5. Insurance companies are also advised to put in place an exclusive grievance redressal mechanism to address the grievances of policyholders relating to the denial of cashless facility for covid-19 and other grievances against such hospitals that are enlisted as network providers. Insurance companies shall also put in place continuous communication channel with all the network providers for prompt resolution of the grievances of policyholders.
6. Where any network provider denies cashless facility and deviates from agreed terms of the SLA, insurance company shall take an appropriate action against such network providers as provided in SLA.

7. Also, where policyholders' interests are adversely affected because of the conduct of the network providers, such instances may be immediately reported to the appropriate Government agencies of the concerned State/area. Action taken against such network providers may also be published on the website of the insurance company for the information of the insured public.
8. This has the approval of the competent authority.



(D V S Ramesh)
General Manager (Health)