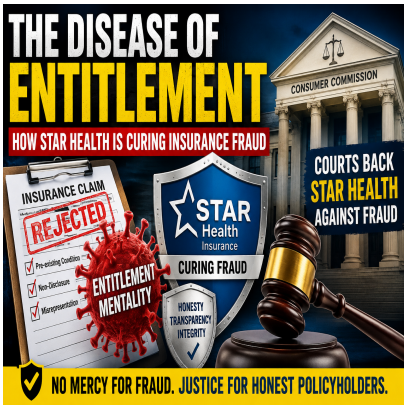

Star Healthâ??s Tough Stand on Insurance Claims Gets Backing from Consumer Commissions

Description

Hyderabad: The growing tendency among some policyholders to assume that payment of a health insurance premium automatically guarantees a claim payout is facing scrutiny from consumer courts. Recent orders in cases involving Star Health Insurance have underlined the importance of disclosing pre-existing medical conditions and complying with policy terms while seeking insurance benefits.

In three separate cases before consumer commissions in Yamuna Nagar, Khandwa and Ahmedabad, claim repudiations by Star Health were upheld after medical records indicated that the illnesses or injuries existed before the respective policies were purchased or were not disclosed by the insured.

â?¹2.02 lakh ACL claim rejected

The Yamuna Nagar District Consumer Commission upheld the rejection of a â?¹2.02 lakh claim for ACL surgery. According to the case details, the insured had suffered a knee injury about a month before purchasing the health insurance policy.

Medical records reportedly established that the injury pre-dated the policy. The commission therefore upheld the insurerâ??s decision to repudiate the claim, emphasizing the relevance of the insuredâ??s medical history and the terms under which coverage was provided.

Porting a policy does not erase medical history

In another case, the Khandwa District Consumer Commission upheld the rejection of a â?¹2.59 lakh claim involving AVN (Avascular Necrosis) of the hips.

The case involved a policyholder with a history of earlier surgeries and an existing medical condition that had not been disclosed. The commission rejected the contention that portability of an insurance policy relieved the insured of the obligation to disclose material medical information.

The ruling effectively clarified that porting a health insurance policy does not wipe out an insured personâ??s medical history or eliminate the duty of disclosure.

Ahmedabad commission backs â?¹1.64 lakh repudiation
The Ahmedabad City Consumer Commission also upheld the repudiation of a â?¹1.64 lakh claim relating to SUI/Cystocele. Hospital records indicated that the condition had existed for several years before the policy was purchased.

The commission relied on the medical records to establish the pre-existing nature of the condition and upheld the insurerâ??s decision.

Disclosure remains a key obligation
Taken together, the three cases highlight a fundamental principle of health insurance: paying a premium does not, by itself, guarantee payment of every claim. Coverage remains subject to the policyâ??s terms, exclusions, waiting periods and disclosure requirements.

For insurers, accurate disclosure of material medical history is critical to assessing risk and determining the terms of coverage. For policyholders, withholding significant medical information can result in a claim being rejected even when treatment is subsequently required.

Star Healthâ??s position in these cases reflects a broader industry concern over fraudulent or misleading claims. The company maintains that its objective is not to deny legitimate treatment-related claims, but to ensure that claims are assessed in accordance with the contractual terms of the policy.

The consumer commission orders serve as a reminder that insurance is a contract based on mutual disclosure and good faith. While genuine medical emergencies deserve protection, concealment or misrepresentation of material facts cannot automatically create an entitlement to insurance benefits.

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