

## **FICCI HEALTH SERVICES COMMITTEE TO DISCUSS THE IMPACT OF WITHDRAWAL OF CASHLESS FACILITY BY PUBLIC SECTOR INSURANCE COMPANIES**

New Delhi, July 10, 2010: Reacting to the reported news of **withdrawal of cashless facility by public sector insurance companies**, **Mr Anjan Bose, Chairman, FICCI Health Services Committee** said **“The withdrawal of cashless facility by companies is a retrograde measure**. This will put the policy holders, particularly the middle class patients, who do not have ready cash available with them at a disadvantage. Such a step will have adverse impact on the penetration of Health Insurance market in India”. The Public sector companies understandably were in a hurry to plug the losses that were accruing to them on account of huge adverse claim ratio on the mediclaim portfolio. However the sudden withdrawal of a facility without providing sufficient time for consultation has pained the policy holders tremendously. Withdrawal of an important component of a financial contract without sufficient notice is also not fair and just. Of course the Private Sector Insurance companies continue to provide the cashless facility and policy holders of mediclaim through these companies therefore have some consolation.

In fact FICCI for past two years has been working with Health care providers and Insurance companies with the support of IRDA on ways and means to streamline various issues and concerns in order to facilitate growth of health Insurance in India. Some of FICCI Health Insurance initiatives include standardizing treatment procedures, definitions, billing formats etc. which will help improve transparency and build trust amongst the stakeholders, says Mr Anjan Bose. He added that FICCI firmly believes that it is only through consultation and consensus that appropriate results can be achieved. Knee-jerk reaction like these will only hurt the Industry further. It is in this context that FICCI is organizing its 3rd Health Insurance Conference on the theme **"De-bottlenecking of Health Insurance Growth"** on 30th July in New Delhi.