

How to protect yourself from insurance frauds

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With insurance frauds on the rise, it is important to know how to protect yourself from scams considering there are many fake insurance policies in the market. It is important for a customer to remain aware about such scams, as generally unsuspecting customers are targeted by fraudsters. There are many fly-by-night operators who try to fleece customers by offering huge discount on premium rates.

Though Insurance frauds are not something new but such incidents have been rising – particularly in motor, health and personal accident segments. Recently several news reports have also shown how fraudsters filed cases of natural deaths as road accident victims in order to claim money from their personal accident policies.

To counter such insurance frauds initiatives are needed from both the insurer and the insured side. For example: most of the insurance companies generally have their own call-back system to ascertain that the customer has understood the benefits and terms of the policy. Similarly, before signing on the dotted lines, insured should lookout for the warning signs that indicate an insurance policy could be fake. To help you check a fake or genuine policy here are few more tips:

Buy from licensed insurers & intermediaries

You can purchase a policy either through an online or an offline channel. When you make an offline purchase, ensure that you do it from a licensed agent. When you buy online, thoroughly check the credentials of the website and the service provider before you go ahead. Check the stability, experience and reviews of the company before you buy insurance.

Premium payment receipt

It is always preferable to pay online or by a cheque in the name of the company, as it often happens that an accused get money deposited in their own accounts. If not possible online, pay your premiums through cheque or demand draft payable to the insurance company.

When you purchase, you also must have a proof of purchase – a receipt. If possible, obtain a copy of the proposal form and review it. Keep the receipt and other documents safely with you for future reference, as the receipts can be produced as evidence in a court of law to prove your case.

Verify online

Several insurers give you an option of policy verification link on their websites. To check the genuineness of policy, you can visit the website of the company and use the link provided to check its validity. You can also cross check about the policy by calling the customer care executives of the insurance company and find out further details about the policy.

Verify through QR code

Insurance Regulatory and Development Authority of India (IRDAI), has made QR code compulsory for every motor insurance policy that is being issued from December 2015 onwards. Not only motor, you can also use QR Code to verify the authenticity of travel policies. By scanning the QR code, you can also find the status and other details of your insurance policy.

Never sign blank claim forms

When filing for a claim, you'll have to fill up a claim form. Do not sign a claim form without filling the details. Take time to fill-in the accurate details to steer clear of any fraudulent activity.

Don't be a victim of an insurance fraud. Stay alert, gather information, take your time, and be cautious of insurance scams. In such scenarios, paying heed can be a virtue.