SUMMER INTERNSHIP PROGRAM

at

CARE HEALTH INSURANCE

From May 12,2025 to July 11,2025

A REPORT BY

AYUSHI NEMA

Master of Business Administration

HOSPITAL AND HEALTH MANAGEMENT

Roll no 1921

2024-26

under the Mentorship of

Dr. Varsha Tanu

(Associate Professor)

BEST CLAIM SETTLEMENT COMPANY OF THE YEAR
9th ANNUAL INDIA INSURANCE SUMMIT & AWARDS 2025

July 11,2025

Ms. Ayushi Nema

Dear Ayushi,

This is to certify that you have successfully completed your Training for Claims Medical Department of Care Health Insurance Limited.

Period of Training: May 12,2025 to July 11,2025

We wish you all the best for your future endeavours.

For Care Health Insurance Limited

(Authorized Signatory)

Rashi Ramani (Head – Human Resources)

IIHMR UNIVERSITY

IIHMR University Faculty Mentor Approval

This is to certify that **Dr. AYUSHI NEMA** of academic year 2024-26 of Institute of Health Management Research has prepared a poster with respect to her summer internship held during May-July 2025.

She has carried out work as per guidelines. Her poster is approved for presentation.

July, 28, 2025
Date:

28/7/2025
(Signature)

Dr. Varsha Tanu

Associate Professor

TRENDS IN INCREASE IN AVERAGE CLAIM SIZE

Mentor: Dr. Varsha Tanu
Presented by: Dr Ayushi Nema

BRIEF HISTORY

Inception in June 2012, formerly known as Religare Health Insurance, emerged as one of India's leading health insurance provider. Received multiple awards, moving onwards and upwards

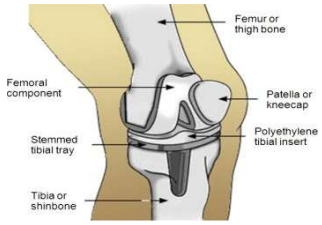
VISION

Being the most preferred health service provider, which is caring, cost effective, innovative and reachable.

MISSION

provide health insurance solutions advantageous to all parties involved, including our clients, distributors, staff, and shareholders.

A. Implant Overpricing | B. Fraud Identification | C. Trends in Possible Recovery



TKR is a surgical process to replace damaged knee joint surfaces with artificial components

The 4 artificial components in TKR:

1. Femoral
2. Tibial
3. Patellar
4. Articulating

The rates of these components are regulated by NPPA

Interval	Femoral Component			Tibial Component (Rs.)		
	Fem Tit	Fem OZ	Fem CC	Tibia Tit	Tibia OZ	Tibia CC
Sep 24 - Sep 25	51,563	51,563	32,064	32,317	32,317	22,614
Sep 23 - Sep 24	42,614	42,614	26,499	26,708	26,708	18,689

Assumption

- Unilateral TKR
- NPPA prices @date of discharge is considered for comparison with actual implant billing
- If alloy is not specified, then its price is matched with the nearest known alloy of the same component and the same alloy is considered

Findings

₹ 4.37 lakhs
Recovery from femoral component

₹ 5.80 lakhs
Recovery from tibial component

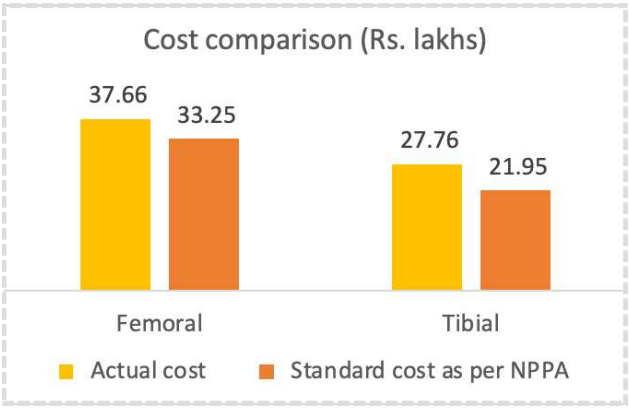
Approach

- Compared the implant prices of Femoral and Tibial component with the ceiling price set by NPPA
- NPPA ceiling price of implants are grossed-up with taxes and possible deviations are identified from the actual billing of the implants

Limitations

- Many hospitals lacked information on alloys used in implants
- Invoices were not present at many cases

4 hospitals in Bangalore were analysed for identifying the overpriced implant rates in TKR surgeries



A. Implant Overpricing | **B. Fraud Identification** | C. Trends in Possible Recovery

Risk Care Hospital

- Multiple patients with similar vitals
- All patients suffering from similar medical condition (AFI and LRTI)
- Similar billing pattern and line of treatment

Fraud: ₹ 3 lakhs+

Riddhi Siddhi Hospital

- Same diagnosis
- Same length of stay
- Same line of treatment
- Same surgical note

Fraud: ₹ 50k +

Oracle Hospital

- Same product charged different in different cases in the same month
- Variation in charges for products ranged between Rs. 100-200 per product

Fraud: ₹ 5k +

A. Implant Overpricing | B. Fraud Identification | **C. Trends in Possible Recovery**

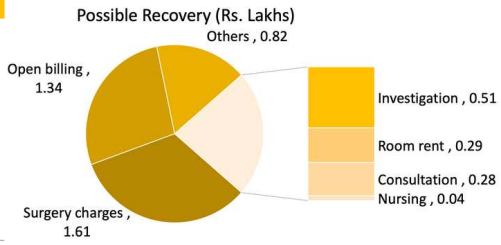
Approach

- Reviewed hospital bills generated in last 6 months and cross-verified it with tariffs defined
- 75 hospitals reviewed | 343 cases analyzed

Findings

- 46 hospitals billed as per tariff
- 29 hospitals cumulatively billed Rs. 4.89 lakhs extra than the defined tariffs
- Higher recoveries observed in cases following open billing: Rs. 1.34 lakhs (27%)

Finding	Impact
100% surgrey charges billed for all surgeries of a patient	33% of total recovery
Billing based on open billing instead of following rates specified in MoUs	27% of total recovery
Higher charges for investigation, room rent, consultation and nursing	23% of total recovery



Key recommendations

- Hospitals tied up with insurance companies should bill as per medical package
- Charges should be levied as per defined tariff in MoU

Strength	Weakness	Opportunity	Threat
• Established brand with a wide customer base • Comprehensive health plans and benefits • Strong tie-ups with multiple hospitals • Good claim settlement ratio	• Hospitals not following tariff strictly • Implants (e.g., TKR) overpriced despite NPPA cap • Increasing average claim size affecting margins • Limited awareness in rural areas	• Increasing demand for health insurance • Scope for tariff standardisation with hospitals • AI analytics for claim cost control • Wellness and preventive health programs as CSR initiatives	• Rising medical inflation and implant costs • Regulatory pressure (NPPA compliance) • High competition among insurers • Less time to resolve claims increases fraud risk

Weekly Report 1

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 1 **From: 13-05-2025 to 16-05-2025**

Activity Done	• Attended orientation to understand the organization structure and core values • Explored various departments like underwriting, provider relations, claims, and audit.
Linking theory (Classroom learning) with practice at your organization	• Concepts of health systems, stakeholder mapping from classroom sessions were reflected in the organizations verticals.
Gaps identified on the working area.	• Limited documentation provided to interns on claim processing • Lack of clarity on hospital contract structures initially delayed understanding.
Suggestions for improvement	• A short training module or handbook for interns on basic claim terms and workflow would be helpful
Plan for the next week	• Work on data provided and do more research work on the project decided

Signature of the Student

Approved by the IIHMR University's Mentor

Weekly Report 2

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 2 **From: 19-05-2025 to 23-05-2025**

Activity Done	• Extracted TKR claim data with an emphasis on the tibial and femoral components. • Made preliminary observations regarding cost deviation •
Linking theory (Classroom learning) with practice at your organization	• Cross checked prices with NPPA capped price • Applied classroom knowledge of public health regulations and pricing ethics • Learned how to apply regulatory policies such as the NPPA in pricing
Gaps identified on the working area.	• Hospital bills lacked standard formatting, making comparison time-consuming. • Inconsistent naming of implants across hospitals and not clearly mentioning the alloy of component • Invoices are not available for implant.
Suggestions for improvement	• A uniform billing template could reduce pricing mismatches. • Hospitals could be nudged to follow NPPA codes more systematically
Plan for the next week	• Expand sample size and compare data across 3 4 hospitals

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Weekly Report 3

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 3 **From: 26-05-2025 to 30-05-2025**

Activity Done	• Analyzed implant data cost as per bill from three hospitals • Found differences in billed price and NPPA capped cost • Created a summary sheet that details each cases cost overruns.
Linking theory (Classroom learning) with practice at your organization	• Realized how insurance payouts are hampered by noncompliance with pricing regulations. • Associated with the study of health policy enforcement gaps in the classroom
Gaps identified on the working area.	• Hospitals not adhering to NPPA pricing despite being empaneled • Variation in implant brand usage with unclear justifications
Suggestions for improvement	• Empanelment agreements must mention NPPA compliance clearly • Random audit of high cost claims should be mandatory
Plan for the next week	• Being identifying fraud patterns and work on suspected claim files.

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Weekly Report 4

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 4 **From: 02-06-2025 to 06-06-2025**

Activity Done	• Investigated hospital A- six bills from same month having same line of treatment, diagnosis, ward type, length of stay • Only demographic data are different.
Linking theory (Classroom learning) with practice at your organization	• Applied fraud detection theory from college learning • understood how frauds would happen by making minimum edits.
Gaps identified on the working area.	• no robust technical tools or AI is used to identify frauds • manual audits are done which increase the chances of manual errors
Suggestions for improvement	• Use AI based tools to flag duplicate records • Regular training for claim auditors on fraud signals
Plan for the next week	• Move to hospital B and study screw pricing inconsistencies.

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Weekly Report 5

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 5 **From: 09-06-2025 to 13-06-2025**

Activity Done	• Checked hospital bills of hospital B- cost of cortical screw in three different claims is different although they are from same brands • prepared a report comparing prices of implant
Linking theory (Classroom learning) with practice at your organization	• Recalled concepts from hospital finance and billing structures • Saw pricing loopholes exploited in real time
Gaps identified on the working area.	• Lack of centralized consumable price list. • Absence of alert system for unusual price variations
Suggestions for improvement	• Tariff agreement must include a consumables rate list • Discrepancy tracking tools needed for consistency
Plan for the next week	• Review hospital C claims with suspected varicose vein surgery duplicates

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Weekly Report 6

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 6 **From: 16-06-2025 to 20-06-2025**

Activity Done	• Audited two claim IDs from hospital c- same procedure, doctor, ward, admission/discharge date • Suspected reuse of same claim under different IDs
Linking theory (Classroom learning) with practice at your organization	• Applied concepts of claim lifecycle and billing workflow from classroom • understood how lack of verification can lead to double claims
Gaps identified on the working area.	• No cross verification between multiple departments before finalizing claim • Hospital shared no surgical notes or intraoperative details
Suggestions for improvement	• Claim system should flag identical data overlaps • Require mandatory surgical report uploads
Plan for the next week	• Study general trends in rising average claim size.

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Weekly Report 7

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 7 **From: 23-06-2025 to 27-06-2025**

Activity Done	• Collected data across hospitals showing charges in room rent, consultation, investigations • Compared charges with agreed tariffs
Linking theory (Classroom learning) with practice at your organization	• Related pricing behavior to supply demand and provides induced demand theories • Observed real application of insurance hospital contractual obligations
Gaps identified on the working area.	• Hospitals routinely breach tariff limits • Insurance companies lack enforcement power
Suggestions for improvement	• Introducing monetary penalty on hospitals for violation of tariffs. • Regular internal audits needed for claim categories prone to upcoding
Plan for the next week	• Start compiling final analysis and summarizing trends.

Signature of the Student

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Weekly Report 8

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 8 **From: 30-06-2025 to 04-07-2025**

Activity Done	• Combined all findings- Implant overpricing, claims frauds and other general trends • created hospital wise report summary • Adding recommendation
Linking theory (Classroom learning) with practice at your organization	• Consolidated learnings from multiple health management subjects • Gained confidence in translating observations into actionable insights
Gaps identified on the working area.	• Fragmented data management during initial weeks delayed compilation. • No centralized tracking of ongoing investigations
Suggestions for improvement	• Use shared drives with naming conventions for easy tracking • Allocate a mentor for weekly file checks
Plan for the next week	• Finalize report and prepare for presentation.

Signature of the Student

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Weekly Report 9

Name of the Organization: Care Health Insurance

Area/ Department/ Project: Claims Department "Trends in increase in average claim size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital and Health Management)**

Week no: 9 **From: 07-07-2025 to 11-07-2025**

Activity Done	• Finished project report that includes observations, graphs, and pie charts • Gave presentation Infront of panel
Linking theory (Classroom learning) with practice at your organization	• Demonstrated how data, policy and compliance intersected • Validates classroom theories on the ground realities
Gaps identified on the working area.	• Limited time to explore more hospitals and departments • Some claim data lacked complete information
Suggestions for improvement	• Ensure hospital file submission are completed and standardized
Plan for the next week	• Submit final report and reflect on key takeaways

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Compiled Report

Name of the Organization: Care Health Insurance

Area/Department/ Project: Claims Department "Trends in Increase in Average Claims Size"

Name of the Student: Ayushi Nema

Roll no: 1921 **Stream: MBA (Hospital & Health Management)**

Activity Done	• The internship project focused on analyzing the increasing trend in average claim size within the health insurance sector. The project was divided into three main components. • Implant overpricing- Total Knee replacement cases, analysis was conducted on TKR claim files from 4 Tertiary Hospitals of Bangalore city • Price details for Tibial and Femoral components were extracted and compared with NPPA (National Pharmaceutical Pricing Authority) capped prices. • Hospital overcharging was found in multiple cases when implant cost was higher than government set maximum retail prices. This overcharging was a direct cause of the inflated claim amounts. • Claims frauds: questionable billing practices in a particular medical facility • A thorough analysis pf claim data identified possible fraud trends in three hospitals. • Hospital 1- six claims with remarkably identical billing patterns, diagnosis, treatment plans, and vital signs were submitted in a single month Only demographic details such as patients name, age and ID were different. • Hospital 2- Bills showed inconsistent pricing for the same brand and type of cortical locking screws, all billed in the same month. • This consistency raised concerns about non standardized billing or possible manipulation • Hospital 3- two different claim IDs for varicose vein surgeries reflected the same admission and discharge dates, same doctor, same ward and even identical operations times. • The duplication of multiple variables suggested a high probability of fraudulent claims. • General trends- Tariff Non compliance by hospitals • Hospitals were found to be violating tariff agreement signed with the insurance company • Overbilling was identified in the following areas • Room rent charges exceeded agreed limits, consultation fees were billed multiple times or inflated, investigation were above the fixed package rates, surgical packages were broken down and billed separately to increase total charges. • The total claim size rises as a result of these variations.

Linking theory (Classroom learning) with practice at your organization	• Health policy and NPPA regulations; real claim data demonstrating regulatory infractions provided context for classroom learning about NPPA role in price regulation • Fraud detection and ethics; red flag patterns in actual claims were found by using theoretical frameworks on ethical billing and fraud prevention. • Contract management; first hand knowledge of tariff agreements and memorandums of understanding (MoUs) between providers and insurers was gained. • Data analysis tools; to filter, compare, and summarize data for research and reporting needs, basic analytics and excel abilities were applied. • Health systems insights- The practical setting provided a comprehensive understanding of the relationship between cost control, transparency, and regulation in healthcare financing.
Gaps identified on the working area.	• Non compliance with NPPA pricing by several hospitals in implant related claims. • Inconsistent billing practices for the same medical consumables (e.g. cortical screws) • Reliance on manual red flagging results from the lack of automated fraud detection tools. • The tariff accord was only partially enforced while the claims were being settles. • Inadequate real time verification tools to compare invoiced prices to tariff approved or NPPA rates • Some claims have inadequate documentation standards, which makes validation challenging.
Suggestions for improvement	• Routine compliance audits; to guarantee conformity to NPPA pricing and tariff contracts, conduct recurring internal and external audits of hospital billing. • AI based tools implantation; use AI systems to identify fraudulent or duplicate claim patterns early on in the process. • The centralized pricing dashboard is a real time tool that claim processors can use to confirm implant and service costs at the time of billing. • Standardization of billing formats- mandate a uniform billing structure for hospitals to promote transparency and comparability • Training and awareness for provider partners • Conduct regular training sessions for hospital billing teams on tariff adherence, NPPA guidelines, and ethical billing norms. • Enforcing policies more strictly will increase hospitals accountability by imposing harsher sanctions for breaking agreements
Key Learnings	• Acquired firsthand knowledge of the entire process of processing health insurance claims, including hospital submission of claims, bill and document verification, internal audits and cross checking by the insurance company, and claims, underwriting and provide management teams play. • Observed how government initiatives, such as NPPA price caps are meant to keep healthcare costs down, spotted numerous instances where hospital overcharges for implants. Particularly tibial and femoral components in TKR. • Realized the importance of strong policy enforcement and

	regular compliance checks to protect policyholders from financial exploitation • Got real world exposure to how fraudulent claims may be disguised as genuine. Detected suspicious claim such as repeated treatments with same diagnosis and vitals but different patient details • Identical surgeries billed on the same date, same doctor, same timing, for different patients • Inconsistent prices for the same surgical item (e.g. cortical screw) billed in the same month • Developed a strong observational mindset to identify billing irregularities and question inconsistencies • Gained confidence in using data to spot patterns that indicate potential manipulation or duplication • Learned how to document findings in a structure, professional format. Prepared excel reports and summaries that could be understood by both technical and non-technical stakeholders • Developed clarity in communication explain billing mismatched and trends in simple convincing terms

Signature of the Student

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