Cost Control in Health Insurance – Insights from a Claim Tariff Audit

Name -: Dr. Bhavya Chawla **Roll Number -: 1928 (MBA HM-42)** **University Mentor -: Dr. Arindam Das** **Organization Mentor -: Rishav Kumar Singh**

About Care Health Insurance

Formerly known as Religare Health Insurance, Care Health Insurance is a prominent speciality health insurer in India that provides a wide range of products, such as retail health insurance, top-up plans, maternity, critical illness, personal accident and travel insurance. In addition, it offers complete wellness services and group and microinsurance options.

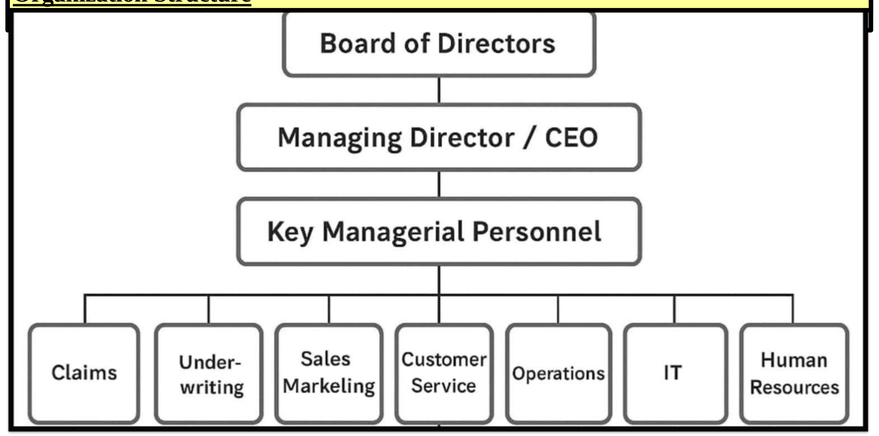
Vision

Becoming the most favored supplier of health services, which is compassionate, economical, creative, and accessible.

Mission

- Create value for all stakeholders.
- Extend benefits to rural and social sectors.
- Lead in customer care, products, and communication.

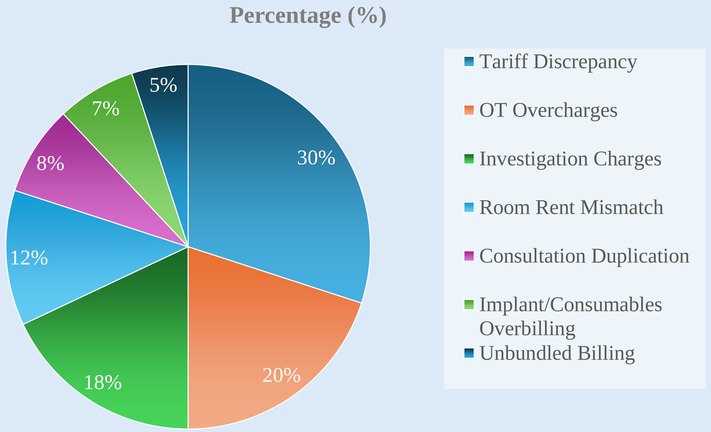
Organization Structure



Objectives

- Find overpayments brought on by discrepancies in tariffs and invoices.
- Sort the underlying reasons, such as overcharging for consultations, diagnostics, and overtime.
- Quantify excess payments and assess recovery potential.

Classification of Financial Leakages



Root Causes of Financial Analysis

The recurring financial deviations identified during the claim audit were not isolated billing errors, but symptoms of systemic process gaps and operational inefficiencies. The root causes are outlined below, backed by observed patterns in the data.

1. Lack of real-time tariff validation
2. Non-adherence to agreed hospital packages
3. Limited use of ICD-to-Package mapping
4. Consultation and investigation duplication
5. Blind spots in existing claim review workflows
6. Absence of data driven monitoring

Trends in Financial Leakages

Tier	Total cases reviewed	Number of cases with recovery	Total claim amount	Recovery amount	Percentage of Recovery Amount
1	311	50	25885720	293957	1.1
2	210	25	15040687	193223	1.2
3	42	4	2273192	33790	1.4

Challenges Faced

- Complicated medical terminology
- Learning curve for software
- Variability in regional processes

Key Learnings

- Tariff Benchmarking and ICD Coding
- Decision-Making from Data
- Cross-Team Communication

Theoretical Learning

- Structured curriculum
- Sample data
- Ideal procedures
- Hypothetical cases
- Classroom presentations
- Concept understanding

Practical Exposure

- Dynamic workflow
- Real claims data
- Case-wise variations
- Real-time decisions
- Team interaction
- Outcome delivery

SWOT ANALYSIS

Strengths
- Dependable cashless claims procedure
- Extensive network of hospitals
- Efficient internal auditing

Weaknesses
- Hospital Tariff deviations
- CMS has no real-time monitoring
- Manual dependency in audits

Opportunities
- Automate alerts for deviations
- Make hospital billing more uniform

Threats
- Network hospitals overcharging
- Pressure to comply with regulations

Recommendations

Based on the findings from the audit, the following recommendations are proposed to improve internal controls and reduce financial leakage in claims.

- Automate Tariff Validation
- Establish ICD-to-Package Mapping SOPs
- Audit High-Risk Claims Monthly
- Escalate Repeated Overcharging

Key Learnings

01 Financial Deviations Quantifier
Identified ₹ 4 lakh+ in recoverable excess payments across 500+ cashless IPD claims

02 Structured Categorisation of Leakages
Classified deviations into 7 key types

03 Root Cause Mapping Developed
Identified systemic Issues

04 High Value Cases Prioritised
Identified claims with recoverable amount more than 15000

05 Cross Functional Application of Finding
Insights relevant for audits, operations

06 Strengthened Internal Cost Control Practices
Project contributions can be used for long term improvements in financial governance