

All about Pradhan Mantri Jeevan Jyoti Bima Yojana

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Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a one-year life insurance scheme, renewable from year to year, offering coverage for death. The cover under PMJJBY is for death only and hence benefit will accrue only to the nominee. PMJJBY is a pure term insurance policy, which covers only mortality with no investment component.

PMJJBY is available to people in the age group of 18 to 50 years (life cover up to age 55) having a savings bank account who give their consent to join and enable auto-debit. The cover is for a one-year period, starting June 1 to May 31. As on May 8, 2017, nearly 3.11 crore people had enrolled under PMJJBY, and the total number of claims received till date were nearly 65,083.

Under PMJJBY scheme, life cover of Rs. 2 lakhs is available at a premium of Rs.330 per annum per member and is renewable every year. In the case of a joint account, all holders of the said account can join the scheme provided they meet its eligibility criteria and pay the premium at the rate of Rs.330 per person per annum.

This is how the break-up of the premium works - a. Insurance Premium to the insurance company: Rs.289 per annum per member; b. Reimbursement of expenses to agent/bank: Rs.30 per annum per member; c. Reimbursement of administrative expenses to the participating bank: Rs.11 per annum per member.

For the cover period 1st June 2017 to 31st May 2018, subscribers are required to enrol and give their auto-debit consent by 31st May 2017. Those joining subsequently would be able to do so with payment of full annual premium for prospective cover.

Waiting period for claims

Risk cover under PMJJBY is applicable only after the first 45 days of enrolment. In other words, insurers do not have to settle claims during the first 45 days from the date of enrolment. However, deaths due to accidents will be exempt from the lien clause and will still be paid.

Enrolment

PMJJBY is administered through LIC and other Indian private life insurance companies. One may also approach their bankers as for the process of enrolment banks have tied up with insurance companies. In the case of multiple bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through one bank account only.

For those who wish to join the scheme now may still do so. One may join or renew the scheme anytime during the year by paying the full premium and not the proportionate amount. However, the renewal date will remain June 1 for all of the subscribers.

It's better to join now and get the cover for the entire 12 months. If you had exited the scheme at any point, you may still re-join the scheme by paying the annual premium.

The enrolment process has been kept simple and easy. To enrol, you can download the form and submit it to your banker. Some banks have initiated an SMS-based enrolment process too. It can be done through net banking also. To join/pay by auto-debit from the designated individual bank account on the prescribed forms will be required to be given by 31st May of every year.

CLAIM SETTLEMENT

The death claim will be settled by the designated Office of Insurance Company concerned. The process followed will be as under:

Steps to be taken by the Nominee

1. Nominee to approach the bank wherein the member was having the 'savings bank account' through which he/she was covered under PMJJBY, along with the death certificate of the member.

2. Nominee to collect claim form, and discharge receipt, from the bank or any other designated source like insurance company branches, hospitals, insurance agents etc., including from designated websites.

3. Nominee to submit duly completed claim form, discharge receipt, death certificate along with a photocopy of the cancelled cheque of the nominee's bank account(if available) or the bank account details to the bank wherein the member was having the 'savings bank account' through which he/she was covered under PMJJBY.

Steps to be taken by the Bank

1. Upon receipt of death intimation, the Bank should check whether the cover for the said member was in force on the date of his death, i.e., whether the premium for the said cover on Annual Renewal Date, i.e. 1st of June, prior to the Member's death was deducted and remitted to the Insurance Company concerned.

2. Bank to verify the claim form & the nominee details from the records available to them and to fill in the relevant columns of the claim form.

3. Bank to submit the following documents to the designated office of the insurance company concerned:

- a. Claim Form duly completed
- b. Death certificate
- c. Discharge Receipt
- d. Photocopy of cancelled cheque of the Nominee (if available).

4. Maximum time limit for the bank to forward duly completed claim form to the insurance company is thirty days from the submission of the claim to it.

Steps to be taken at the designated office of Insurance Company

1. Verify that the Claim form is complete in all respects and all the relevant documents have been attached. If not, take up with the Bank concerned.

2. If the claim is admissible, the designated office of the insurer shall check whether the member's coverage is in force and no death claim settlement has been effected for the member through any other account. In case any claim has been settled, then the nominee shall be intimated accordingly with a copy marked to the bank.

3. In case the coverage was in force and no claim has been settled for the said member, payment shall be released to the nominee's bank account and a communication shall be sent to the nominee with a copy marked to the bank.

4. Maximum time limit for the insurance company to approve claim and disburse money is thirty days from the receipt of the claim from the bank.

In the case where the claim form is directly submitted to any office of the insurer by the claimant, then the insurer's office would forward the same to the concerned bank of the deceased account holder immediately to get necessary verification etc. done from the bank concerned. The concerned bank branch will forward the claim form to the designated office of the insurance company for processing the claim.

Source: www.jansuraksha.gov.in