

PolicyPin

AI-assisted health insurance claim documentation + appeal-letter drafting + TPA navigation for Indian families. Claim rejection rate is brutal; appeal opaque. Structured workflow drives 30–50% recovery uplift.

Category	Set 8 · Mixed Round
Customer	Indian families navigating health insurance claims (cashless + reimbursement) + rejected-claim appeals across major insurers (HDFC Ergo + Star + Niva Bupa + Care + ICICI Lombard + etc.)
Monetisation	■999 per claim Standard + 8% on recovered rejected-claim amount · ■4,999/yr Family Premium
Build effort	Med
Plan version	v1.0 — 2026-05

Executive Summary

PolicyPin addresses the brutal Indian health insurance claim experience. Estimated ~35% of submitted health insurance claims in India face initial rejection (vs. ~15% in US); appeal processes are opaque + bureaucratic + most families abandon valid claims after first rejection. The financial loss is severe: aggregate ~■15,000 crore annually in legitimate-but-rejected health claims across the segment.

Product: AI-assisted claim documentation (structured documentation preparation reducing initial-rejection rate) + appeal-letter drafting (when rejection occurs, structured appeal-letter generation citing policy clauses + IRDAI regulations + medical-necessity arguments) + TPA navigation (Third Party Administrator relationship management) + insurer-escalation support.

Year-1 target: 12,000 paid claims + 2,500 successful recoveries on rejected claims generating ■2.8 crore annual revenue against ■55 lakh costs. Cash-positive month 3-4.

The Problem

Indian health insurance claim experience is one of the most-complained-about consumer experiences in financial services. Specific failure modes. (1) Initial-claim rejection at high rate: ~35% of claims face initial rejection often for documentation issues (missing form + missing report + wrong format) rather than substantive coverage issues. (2) Appeal process opaque: most families don't know they can appeal + don't know how + don't have time to navigate bureaucracy. (3) TPA + insurer maze: claim goes through TPA → insurer → potentially appeals; multi-step process intimidating.

Result: aggregate ~₹15,000 crore annually in legitimate-but-rejected claims; families absorb cost they should not.

Existing options. Insurance brokers + agents: focused on selling new policies; weak claim-support. Independent claim consultants: exist but charge ₹5k-15k per claim + difficult to find. Most families navigate alone + give up after first rejection.

The Solution

PolicyPin structured around the claim journey. Pre-submission documentation prep (₹999 per claim Standard): structured documentation checklist + AI-review of submission completeness + claim-letter drafting for clarity. Reduces initial-rejection rate from ~35% to ~12% baseline.

Rejected-claim appeal (8% recovery fee on rejected-claim amount): when claim is rejected, PolicyPin's structured appeal workflow — analyse rejection reasons + cite policy clauses + cite IRDAI regulations + draft medical-necessity arguments + draft formal appeal letter + escalation guidance.

TPA + insurer navigation: relationship + escalation knowledge across major insurers (HDFC Ergo + Star + Niva Bupa + Care + ICICI Lombard + others).

Family Premium tier (₹4,999/yr): unlimited claims + priority appeal support + annual policy review + cashless-hospital navigation support.

Three structural differences. First, structured documentation prep reducing rejection at source. Second, success-fee model on recovered rejected-claims (PolicyPin only earns when family recovers). Third, IRDAI + insurer relationship knowledge consolidated.

Market Opportunity

Indian health insurance claim volume: ~28-35M claims annually. Subset paying for claim-assistance: ~1-2M annually.

At blended ₹2,500/yr ARPU + recovery-fee revenue, SAM is ~₹600-1,200 crore. Realistic 3-year capture: 0.5-1.5% = ₹3-18 crore ARR.

Adjacent expansion. Year 2: pre-policy-purchase advisory (recommending policies based on actual claim-experience data). Hospital-side cashless support. Year 3: motor + travel + other-insurance claim adjacency.

Target Customer

Primary persona: a 42-year-old whose family had recent hospitalisation + insurer rejected ₹3.5 lakh of ₹4.8 lakh claim. Will pay ₹999 Standard + 8% recovery fee on appeal.

Secondary persona: a 55-year-old elderly parent navigating frequent claims for chronic-condition treatments. Will pay ₹4,999/yr Family Premium.

Tertiary persona: a 38-year-old new health insurance buyer wanting claim-support relationship pre-emptively. Will pay ₹4,999/yr Family Premium.

Product

Pre-submission documentation prep: checklist + AI-review + claim-letter drafting.

Rejected-claim appeal: rejection-analysis + policy-clause citation + IRDAI-regulation citation + medical-necessity arguments + formal appeal letter + escalation guidance.

TPA + insurer relationship knowledge: per-insurer escalation paths + known-issue documentation.

Family Premium tier: unlimited claims + priority support + annual policy review + cashless-hospital navigation.

Technical Architecture

Frontend: Next.js + React Native mobile.

Backend: Python on Hetzner cloud, Postgres + encrypted document storage.

AI: GPT-4o + Claude for claim-letter + appeal-letter drafting (~15/claim).

Policy database: structured database of insurer policy terms + coverage rules + common rejection patterns.

Document handling: OCR + categorisation + encrypted storage.

Payments: Razorpay.

Compliance: IRDAI awareness + clear scope (we are claim-assistance not insurance-broker).

Business Model & Unit Economics

Per-claim Standard ₹999 + 8% recovery fee on rejected-claim amount recovered. Family Premium ₹4,999/yr.

Conversion: 6% of trial users convert to paid first claim. Premium tier converts at 15% of Standard-tier users within 6 months.

Gross margin: 78%. Costs: AI inference + appeal-team labour + customer support.

Per-claim economics: ₹999 fee × 78% margin = ₹780 contribution. Recovery-fee economics: average ₹85k recovery × 8% = ₹6,800 fee × 80% margin = ₹5,440 contribution.

Unit Economics (Year-1 base case)

Year-1 paid claims	12,000
Year-1 successful recoveries	2,500
Year-1 revenue (Standard fees + recovery fees + Premium subs)	₹2.8 crore
Gross margin	78%
CAC	₹450
Year-1 all-in costs	~₹55 lakh
Year-1 net contribution	~₹1.6 crore

Go-to-Market

Channel 1 — Content + SEO (45%): high-intent claim-rejection queries.

Channel 2 — Hospital partnerships (25%): hospitals refer families during cashless-claim friction.

Channel 3 — Insurance-broker referrals (15%): brokers refer claim-cases (they don't want to handle these).

Channel 4 — Paid acquisition (15%).

Roadmap (first 12 months)

- Month 1-3: MVP with per-claim Standard + 10 insurer policy knowledge bases. 1,500 paid claims.
- Month 4-5: Rejected-claim appeal + 20 insurer knowledge bases, 5,000 paid claims.
- Month 6-8: Family Premium + cashless-hospital navigation + 35 insurer knowledge bases, 9,000 paid claims + 800 Premium subs.
- Month 9-10: Hospital partnership programme, 11,000 paid claims + 1,800 Premium subs.
- Month 11-12: 12,000 paid claims + 2,500 Premium subs, ₹2.8 crore year-1 revenue.

Key Risks

- Insurer-pushback: insurers may complain to IRDAI about claim-assistance products. Mitigated by consumer-rights positioning + IRDAI-compliant operation + legal-grade documentation.
- Liability: bad claim-advice could result in further family loss. Mitigated by professional indemnity + clear scope + escalation discipline.
- AI hallucination on policy-clause citation: severe risk. Mitigated by structured policy database + human-review on appeal-letters + claim-team oversight.

- Recovery-fee billing complexity: tracking actual recovery amount + collecting fee from recovery is operational challenge. Mitigated by clear contracting + automated payment when family confirms receipt.
- Hospital-partnership channel sensitivity: hospitals may not want to be perceived as recommending claim-help. Mitigated by careful relationship management + win-win framing.