

EPFO expands 'Ease of Living': Reducing service delivery time for claim settlement

EPFO enhances limits for auto-mode of claim settlement

EPFO introduces Auto claim settlement for Education, marriage & housing

Posted On: 13 MAY 2024 6:58PM by PIB Delhi

Shri Anirudh Prasad had applied for advance for illness under para 68J on 09.05.2024. His advance claim was settled on 11.05.2024 for an amount of Rs. 92,143/- within 03 days. There are many such stories like that of Shri Anirudh Prasad in EPFO.

For enhancing ease of living for its crores of members, EPFO has now introduced auto-mode settlement of advance claims for the purpose of education & marriage and housing. EPFO has introduced an Auto Claim Solution where in claim is processed automatically by IT system without any human intervention.

Auto mode of claim settlement was introduced in April, 2020 for the purpose of advance for illness. Now this limit has been enhanced to Rs.1,00,000/-. During the current year, around 2.25 crore members are expected to reap the benefits of this facility.

During the financial year 2023-24, EPFO settled around 4.45 crore claims, out of which more than 60% (2.84 crore) claims were advance claims. Out of total advance claims settled during the year, around 89.52 lakh claims were settled using auto-mode.

To facilitate "Ease of living", the auto claim solution has now been extended for all claims under para 68K (education & marriage purpose) and 68B (housing purpose) of EPF Scheme, 1952. In addition, the limit has been doubled from earlier Rs. 50,000/- to Rs.1,00,000/-. This move is expected to benefit lakhs of EPFO members.

The entire process in auto-settlement is IT system driven, eliminating human intervention. Any claim with KYC, eligibility and bank validation is processed for payment by IT tools automatically. As a result of this, the periodicity of claim settlement is reduced significantly from 10 days to within 3-4 days for such advances. The claim that are not validated by system are not returned or rejected. They are further, undertaken for second level of scrutiny and approvals.

The expansion of the scope of the auto claims to the housing, marriage and education purposes as well as enhancement will directly help many members to avail their funds within the shortest possible duration, which will substantially aid them in promptly meeting their education, marriage, or housing requirements.

Introduced on 6th May 2024 pan India and since then EPFO has approved 13,011 cases for Rs. 45.95 crores vide this initiative providing speedy service.

MJPS

(Release ID: 2020461)