

Health Insurance Scenario in India

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Health Insurance in India

- Has significant coverage
- Consists of diverse types of arrangements (employer provided, government mandated, health care providers initiated etc.)
- Offers varying levels of benefits
- Covers cross section of population (in terms of age groups, income groups etc.)
- Includes some newer initiatives

Diverse Schemes/Arrangements

| | | |
|--|-----------------------|--|
| Public Sector Employees | | |
| | Central Government | |
| | Railways and P&T | |
| | Defence Personnel | |
| | Quasi-Govt. (Central) | |
| | State Govt. | |
| | Quasi-Govt. (State) | |
| | Local Bodies | |
| Private Sector Employees | | |
| Govt. initiatives for unorganised | | |
| CBHI/Micro health insurance | | |
| Individuals | | |

Coverage of health insurance

Table 1: Employees/workers covered under different arrangements
(number in millions)

| | Contributory | Non-contributory | Total |
|------------------|---------------------|-------------------------|--------------|
| Mandatory | 9.1 | 13.18 | 22.28 |
| Voluntary | 18.6 | 10.22 | 28.82 |
| Total | 27.7 | 23.40 | 51.1 |

However, total number of beneficiaries is around 110 million or about 11% of population. 30 million organised sector workers times the scaling factor of 3 = 90 million. Add to this, 20 million unorganised sector workers and individuals.

Table 2: Types of Schemes

| | | | | | | | Employees |
|--|--|--|-------------|--------------|--------------|--------------|--------------|
| | | | Mandatory | | Voluntary | | on March |
| | | | Contribut. | Non-cont. | Contribut. | Non-cont. | 2002 |
| | | | | | | | (in Million) |
| Public Sector Employees | | | | | | | |
| Government | | | CGHS, EHS | EHS | | | 10.76 |
| Other Departments | | | | EHS | | | 3.62 |
| Quasi-Govt. | | | | | | EHS | 6.02 |
| Pvt. Sector Employees | | | | | | | |
| Low-income | | | ESIS | EHS | | | 7.90 |
| Others | | | | | INS. | EHS, INS. | |
| Govt. initiatives for unorganised | | | | | | | |
| Social Security Scheme | | | | | INS. | | |
| Universal Health Insurance | | | | | INS. | | |
| Central Welfare Funds | | | | | | EHS | 4.20 |
| State Welfare Funds | | | | | EHS | EHS | |
| CBHI Schemes | | | INS. | | INS. | INS. | 5.00 |
| Individuals | | | | | INS. | | 11.00 |
| Total | | | | | | | |
| | | | 9.10 | 13.18 | 18.60 | 10.22 | 71.50 |

Table 3: Types of Medical Benefits Covered

| | | Diagnostic | Out-pat. | In-pat. | P&P Care | Wage loss |
|--|---------------------------------------|------------|----------|---------|----------|-----------|
| Public Sector Employees | | | | | | |
| Government | | X--XXX | X--XXX | X--XXX | | X |
| Quasi-Government | | X--XXX | X--XXX | XX--XXX | X--XXX | X |
| Other Departments | | XXX | XXX | XXX | | X |
| Pvt. Sector Employees | | | | | | |
| Low-income | | XX--XXX | XX--XXX | XX--XXX | XX | |
| Others | | XX--XXX | XX--XXX | XX--XXX | XXX | |
| Govt. initiatives for unorganised | | | | | | |
| Social Security Scheme | | | | XX | | X |
| Universal Health Insurance | | | | XX | | X |
| Central Welfare Funds | | XX--XXX | XX--XXX | XX--XXX | | |
| State Welfare Funds | | X--XX | X--XX | X--XX | | |
| CBHI Schemes | | X--XX | X--XXX | XX--XXX | X--XXX | XX |
| Individuals | | XX | | X--XXX | | |
| | | | | | | |
| X | Covers some of the costs | | | | | |
| XX | Covers most of the costs | | | | | |
| XXX | Covers entire costs | | | | | |
| X--XXX | Cover ranges from some to entire cost | | | | | |

Barriers to Development of Health Ins. in India

- Little or no regulation of healthcare provision
- Insurance regulation confined to legally-defined health insurance
- Lack of consumer awareness
- Low confidence among people due to past image of health insurance
- Delivery of health insurance products to individuals is difficult