

AS INTRODUCED IN THE RAJYA SABHA  
ON THE 3RD AUGUST, 2018

**Bill No. XIII of 2018**

THE UNIVERSAL HEALTH INSURANCE AND HEALTHCARE  
COVERAGE BILL, 2018

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BILL

*to provide for universal health insurance and healthcare coverage to all citizens and for matters connected therewith or incidental thereto.*

BE it enacted by Parliament in the Sixty-ninth Year of the Republic of India as follows:—

**1.** (1) This Act may be called the Universal Health Insurance and Healthcare Coverage Act, 2018.

Short title and commencement.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

5 (3) It shall come into force on such date, as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.	<p><b>2.</b> In this Act, unless the context otherwise requires,—</p> <p>(a) ‘appropriate Government’ means, in the case of a State, the Government of that State, and in other cases, the Central Government.</p> <p>(b) ‘Fund’ means the Universal Healthcare Fund constituted under section 6;</p> <p>(c) “prescribed” means prescribed by rules made under this Act;</p>	5
Central Government to provide Universal Health Insurance and Healthcare Services.	<p><b>3.</b> The Central Government shall ensure universal access to healthcare services for every citizen through health insurance in such manner as may be prescribed:</p> <p>Provided that citizens who are covered under any health insurance scheme or such other healthcare services as may be notified, shall be excluded from the purview of this Act:</p> <p>Provided further that no citizen shall be excluded from the purview of this Act only on the ground that he has any pre-existing disease.</p>	10
Annual Health Insurance premium.	<p><b>4.</b> (1) The appropriate Government shall pay an annual health insurance premium in respect of all citizens covered under this Act, which shall entitle them to access universal healthcare services.</p> <p>(2) Central Government shall cause the annual health premium to be collected in such manner as may be prescribed.</p>	15
Committee to decide health insurance premium.	<p><b>5.</b> (1) The Central Government shall, by notification constitute a Committee to decide on the health insurance premium to be paid in respect of citizens covered under this Act for availing the universal healthcare services.</p> <p>(2) The Committee shall consist of,—</p> <p>(a) the Secretary in the Union Ministry of Health and Family Welfare, Chairman <i>ex-officio</i>; and</p> <p>(b) the Principal Secretaries in-charge of the Department of Health and Family Welfare in the State Governments or such other officer as may be nominated by the State Government—<i>ex officio</i> Members; and</p> <p>(c) such number of professional members to be appointed in such manner as may be prescribed, having experience in the field of insurance, actuarial science and medicine.</p> <p>(3) The salaries and allowances payable to and other terms and conditions of service of the Members of the committee, shall be such as may be prescribed.</p> <p>(4) In determining the amount of annual health insurance premium for any class of citizens, the Committee shall give due regard to the annual income of such class of citizens.</p>	20
Universal Health Insurance and Healthcare Fund.	<p><b>6.</b> (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a Fund to be called as the Universal Health Insurance and Healthcare Fund.</p> <p>(2) The Fund shall be under the control of the Central Government and there shall be credited thereto—</p> <p>(a) any sums of money paid as annual health insurance premium under section 4;</p> <p>(b) any sums provided by the Central Government to carry out the purposes of this Act; and</p> <p>(c) such other sums as may be specified from time to time.</p> <p>(3) The Fund shall be utilised by the Central Governments,—</p> <p>(a) provide universal healthcare services as provided under this Act;</p> <p>(b) augment medical infrastructure in areas where such infrastructure is inadequate;</p>	25
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- (c) take any steps to promote maternal health and child health;
- (d) create awareness regarding any disease afflicting any area; and
- (e) carry out such other activities as may be specified.

5       **7.** The Central Government shall, after due appropriation made by law by Parliament, provide requisite funds for the purposes of this Act, from time to time. Central Government to provide funds.

**8.** The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force. Act to have overriding effect.

10       **9.** (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for removing the difficulty: Removal the difficulties.

Provided that no order shall be made under this section after the expiry of a period of two years from the commencement of this Act.

15       (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

**10.** (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act. Power to make rules.

20       (2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be  
25       without prejudice to the validity of anything previously done under that rule.

## STATEMENT OF OBJECTS AND REASONS

A major constituent of United Nations Human Development Index (HDI) is a long and health life. Despite being among world's leading economies, India has just managed only recently to enter the club of mid-ranked countries in terms of HDI. This, to a large extent, is attributable to the lack of universal health services.

The widespread disparities of income and wealth in India account for a largely skewed distribution of healthcare facilities. On one hand, we have world class healthcare system led primarily by private corporate hospitals which cater to not just domestic patients, but attract patients from world over, in what has flourished as medical tourism in India. On the other hand, large sections of population have little or no access to even primary and secondary healthcare services. The stark differences in access to healthcare are clearly evident by the differences in healthcare indicators in vital statistics. For example, according to 2013 statistics, the Infant Mortality Rate in urban areas was 27. The corresponding figure for rural areas was 44, which is, by any yardstick, substantially higher (almost 63%) than the urban areas.

The Central Government, alive to this fact, came out with the National Health Policy, 2017 with the object to provide access to healthcare with focus on the equity aspect so that the poorest in the country get affordable healthcare facilities. The prime target of the Policy is the vulnerable section of society, including the poor and the tribals, who are not able to utilise healthcare facilities either because such facilities are not available at their place or, if these are available, the costs of healthcare services makes them beyond their reach.

With the broad object to achieve universalisation of access to affordable healthcare, the Bill seeks to—

- (i) provide that the Central Government shall ensure universal access to healthcare services for every citizen through health insurance;
- (ii) provide for payment of annual health insurance premium in respect of citizens covered under this Bill by the appropriate Government; and
- (iii) establish Universal Health Insurance and Healthcare Fund to achieve universal access to health insurance and healthcare and to promote healthcare services.

The Bill seeks to achieve the above objects.

NARAYAN LAL PANCHARIYA

#### FINANCIAL MEMORANDUM

Clause 4 of the Bill provides that the appropriate Government shall pay annual health insurance premium for all citizens wherein burden in respect of UTs will fall on Central Govt. Clause 5 provides for salaries and allowance payable to and other terms and conditions of service of the members of the Committee. Clause 7 provides that the Central Government shall, after due appropriation made by law by Parliament, provide requisite funds for the purposes of this Bill.

The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. The recurring and non-recurring expenditure on this count cannot be estimated at this stage, but has to be worked out by the Central Government while implementing the provisions of the Bill.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the appropriate Government to frame rules by notification in the Official Gazette, to carry out the provision of the Bill. The rules to be framed by the Government pertain to matters of administrative detail, which cannot be laid down in the Bill itself. The delegation is, therefore, normal in character.

RAJYA SABHA

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*(Shri Narayan Lal Panchariya, M.P.)*