

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**RAJYA SABHA**  
**UNSTARRED QUESTION No. 3426**  
**ANSWERED ON TUESDAY, 1 APRIL, 2025/ 11 CHAITRA, 1947 (SAKA)**

**EXPANDING HEALTH INSURANCE COVERAGE**

3426. Shri Babubhai Jesangbhai Desai:

Will the Minister of FINANCE be pleased to state:

- (a) the action taken by the Ministry to expand health insurance coverage in the country at low cost so as to reduce burden on Government hospitals;
- (b) whether Government is aware that health insurance providers have shown displeasure towards unrealistic charges claimed by private/corporate hospitals in absence of any Government regulation on such charges; and
- (c) whether the Ministry, in consultation with the Ministry of Health and Family Welfare, State Governments and other stakeholders, regulates charges of private hospitals so that concerns of health insurance providers may be addressed and they come forward with low premium policies for general public?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

**(a) to (c):** Insurance Regulatory and Development Authority of India (IRDAI) has issued 'IRDAI (Insurance Products) Regulations, 2024' and 'Master Circular on IRDAI (Insurance Products) Regulations, 2024-Health Insurance' which inter alia, stipulate that insurers will ensure that the premium rates are fair and not excessive, inadequate or unfairly discriminatory and provide value for money.

Also, Arogya Sanjeevani is a standard health insurance product which provides basic health insurance cover for a minimum sum of Rs. 1 lac and the premium priced on all-India basis for a policy period of one year. IRDAI has mandated all General and Health insurers to offer this product.

The charges levied by the healthcare providers vary based upon several factors including type of hospital i.e. primary, secondary and tertiary, area of operation i.e. metros, class of city/town, type of facilities etc. The onboarding process of healthcare providers by insurance companies ensures that hospitals meet a basic criteria to be a part of the insurers' network of empaneled hospitals with clear and standardized rates for medical procedures. These rates are negotiated and agreed upon during the empanelment process as per respective insurer's board approved policies, to ensure transparency and consistency. These terms are formalized through agreements further to ensure that healthcare providers adhere to the established pricing structures, preventing arbitrary charges.

Further, all insurance companies have on-boarded the National Health Claim Exchange, an initiative of Ministry of Health and Family Welfare, intended to enable standardized and faster health insurance claim processing, enhance efficiency in the insurance industry and improve the patient experience.

Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY), world's largest public funded health insurance scheme is a flagship scheme of Government of India, implemented in partnership with the States/UTs. The scheme provides health coverage of up to Rs. 5 lakh per family per year for secondary and tertiary care hospitalization and is implemented by 34 states. The scheme has witnessed 904,54,241 hospital admissions and issuance of 36,85,97,312 cards since its launch in September, 2018. With effect from 29.10.2024, all senior citizen above 70 years irrespective of income are eligible for this scheme. As on 16.03.2025, over 25 lakh Ayushman cards have been issued to senior citizens and treatment for over Rs. 40 crores has been availed by senior citizens.

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