

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**RAJYA SABHA**  
**UNSTARRED QUESTION No. 384**

ANSWERED ON 3<sup>rd</sup> FEBRUARY, 2026, TUESDAY/ 14 MAGHA, 1947 (SAKA)

**HEALTH INSURANCE CLAIMS FOR MENTAL HEALTH**

384 SHRI KARTIKEYA SHARMA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Ministry is aware that despite the 2017 Act, a very small percentage of health insurance claims in the country are for mental health;
- (b) whether Government plans to direct Insurance Regulatory and Development Authority of India (IRDAI) to mandate "Cashless OPD Coverage" for therapy sessions, as mental health treatment is mostly outpatient, if not, whether the Ministry consider for cashless OPD coverage for therapy sessions; and
- (c) the number of insurance companies penalized for rejecting mental health claims in the last three years?

**ANSWER**

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

(a) and (b): In compliance with section 21(4) of the Mental Healthcare Act 2017, Insurance Regulatory and Development Authority of India (IRDAI) vide its circular dated 16.8.2018 has directed insurers to make provision for medical insurance for treatment of mental illness on the same basis as is available for treatment of physical illness. Further, IRDAI has mandated insurers under Master Circular on Health Insurance Business, dated 29.5.2024 to make available products catering to all types of medical conditions and in compliance with various laws including Mental Healthcare Act, 2017.

Accordingly, all insurers have aligned their products in order to comply with the above provisions and insurance policies that cover OPD treatment for physical illness, have to cover mental illness on the same basis.

Further, various products offered by insurers provide cover for mental illness on par with physical ailments, cover for wellness sessions specifically for therapy and counseling without needing a hospital stay, consultation for psychiatric and psychosomatic disorders, outpatient (OPD) support, e-counseling with clinical psychologists, access to health experts, wellness coaches etc. in accordance with the terms and conditions of the policy.

IRDAI has advised insurers to strive for 100% cashless treatment in health insurance as provided in the Master Circular on Health Insurance Business dated 29.05.2024. To facilitate this, IRDAI has also advised insures to have in place quality standards and benchmarks for empanelment of all categories of hospitals considering the affordability of different segments of population and towards every situation of treatment including domiciliary hospitalization, outpatient treatment (OPD), Day Care and Homecare treatment.

However, IRDAI does not maintains data for mental health claims separately.

- c) No insurer has been penalized in respect of rejection of mental health claims in the last three years.

\*\*\*\*\*