

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 350

TO BE ANSWERED ON MONDAY, FEBRUARY 5, 2024/MAGHA 16, 1945(SAKA)

HEALTH INSURANCE PENETRATION

350. SHRIMATI SARMISTHA SETHI:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the insurance penetration in the country, State/UT-wise;
- (b) whether the Government is taking any measures to promote health insurance in the country;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the other measures proposed to be taken in this regard, if any?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a): Insurance penetration is measured as the percentage of insurance premium to GDP. As per the sector regulator, Insurance Regulatory and Development Authority of India (IRDAI), insurance penetration in India stands at 4 per cent in 2022-23.

(b) to (d): Ayushman Bharat Pradhan Mantri - Jan Arogya Yojana (AB PM-JAY) is the largest publicly funded health assurance scheme in the world which aims to provide health cover of Rs. 5 lakhs per family per year for 12 Crore families which consists of 8.19 Crore rural families and constitute the bottom 40% of India's population. Further, 23 states and Union Territories have further expanded the beneficiary base under the scheme and some offer higher coverage at their own cost.

IRDAI has been taking various steps to promote Health Insurance and increase insurance penetration to bridge the protection gap. A few such measures are permission to introduce wellness and preventive features, introduction of standard products offering basic coverage, ensuring guaranteed renewability for health policies throughout one's life-time, portability of Health Insurance policies, enabling provisions for Aayush coverage, mandatory coverage for persons with disabilities (PWDs) mental illness and HIV/AIDS, mandatory insurance to provide customer information sheet giving summary of coverage and exclusions under the policy etc.
