

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 1304

TO BE ANSWERED ON MONDAY, DECEMBER 6, 2021/ 15 AGRAHAYANA, 1943 (SAKA)

HEALTH INSURANCE

†1304. Shri Dinesh Chandra Yadav:

Will the Minister of FINANCE be pleased to state:-

- (a) whether it is a fact that according to the report of NITI Aayog there are 40 crore people who are not having any health insurance cover and a large population of middle class is unable to bear this financial burden in the country;
- (b) if so, whether the Government proposes to accept the recommendations of the NITI Aayog; and
- (c) if so, the details thereof?

ANSWER

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

(a) to (c): NITI Aayog, in its report titled “Health Insurance for India’s Missing Middle”, published and placed in the public domain this year, states that 40 crore individuals are devoid of health protection through insurance.

The recommendations in the report relate to possible pathways to increase health insurance coverage on commercial basis to reduce operational and distribution costs and increase enrolment, and to strengthen regulatory mechanisms for policyholder confidence.

Expansion of health insurance on commercial basis lies in the domain of insurers, which draw up their business and growth strategies with the approval of their respective Boards, and economies of scale from such expansion help bring in cost efficiencies. As the report is in the public domain, the insurance industry may take into account the recommendations made therein.

Strengthening of regulatory mechanisms for policyholder protection is a function vested by the Insurance Regulatory and Development Authority Act, 1999 in the insurance regulator, which reviews regulations on an ongoing basis in light of the experience of their working and the needs of insurance industry.

While public health is a State subject and accordingly the State Governments primarily draw up public health interventions from time to time, the Central Government has launched Ayushman Bharat — Pradhan Mantri Jan Arogya Yojana as a centrally sponsored scheme for an annual family health cover of Rs. 5 lakh for 10.74 crore families (approximately 50 crore beneficiaries), thereby massively expanding health insurance coverage.
