

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 1036

TO BE ANSWERED ON MONDAY, DECEMBER 2, 2024/AGRAHAYANA 11, 1946 (SAKA)

HIGH PREMIUMS OF HEALTH INSURANCE

1036. Shri Adhikari Deepak Dev

Will the Minister of Finance be pleased to state:

- (a) whether the Government is aware that health insurance premiums are exorbitantly high during the current financial year;
- (b) if so, the reasons therefor; and
- (c) the details of senior citizens who have taken health insurance coverage of Rs. 5 Lakh during the last five years and the current year, year-wise?

ANSWER

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

(a) & (b): IRDAI has informed that insurance companies design and price the health insurance product based on Board approved underwriting policy of respective insurers, which considers actuarial principles and parameters like age, morbidity data, inflation, interest rates, product features etc., for determining the premium.

Further, IRDAI has issued 'IRDAI (Insurance Products) Regulations, 2024' dated 20.03.2024 and 'Master Circular on IRDAI (Insurance Products) Regulations 2024-Health Insurance' dated 29.05.2024 containing provisions to ensure that the health insurance premiums are not exorbitantly high. These regulations inter-alia stipulate that insurers will ensure that their premium rates are fair and not excessive, inadequate or unfairly discriminatory and provide value for money. Also, the insurers may reward the policyholder for claim free year by giving an option at the time of renewal of policy to choose the 'No Claim Bonus' either by increasing the sum insured or decreasing the premium amount.

(c): The number of Senior Citizens who have taken health insurance coverage of Rs.5 Lakh during the last five years, as furnished by Insurance Information Bureau of India (IIB), are as below:

	2019-20	2020-21	2021-22	2022-23	2023-24
Number of senior citizens who have taken health insurance cover of Rs. 5 lakh	2,86,530	5,25,638	6,45,214	8,43,633	9,03,934
