

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**  
**UNSTARRED QUESTION No. 2549**

ANSWERED ON MONDAY, 17 MARCH, 2025/26 PHALGUNA, 1946 (SAKA)

**INCREASING EXPENDITURE UNDER HEALTH INSURANCE**

2549. Shri Ashok Kumar Rawat:

Will the Minister of FINANCE be pleased to state:

(a) whether any assessment has been conducted on increase in the expenditure under Health insurance; and

(b) if so, the details thereof and the year-wise rate of such an increase during the last three years?

**ANSWER**

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

**(a) to (b):** In health insurance policies, premiums are structured based on several factors including the age of the policyholder, with older individuals generally facing higher premiums due to increased health risks. Also, the sum insured for greater coverage amounts, leads to higher premiums. The specific coverage options selected, such as additional treatments or enhanced benefits, may also drive the premium up.

In addition, insurers look into factors such as actuarial principles, and claim experience, morbidity, medical inflation, medical conditions and pre-existing diseases, commission and expenses of management, interest rates, cost of capital, product features etc. in computing/revising the premium.

The details of number of policies, premium and claims with respect to health insurance business for last 3 financial years is enclosed as Annexure.

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**Annexure referred in reply of Lok Sabha Unstarred Question No. 2549 for 17.03.2025**

(Figures in Crores)

FY	Number of Policies	Premium	Number of Claims paid	Amount of Claims paid
2023-24	2.68	1,07,681	2.69	83,493
2022-23	2.26	89,491	2.36	70,930
2021-22	2.26	73,051	2.19	69,498

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