



HEALTH INSURANCE SCHEMES IN INDIA-AN OVERVIEW

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ABSTRACT

Health insurance is an emerging social security instrument for the rural poor, for whom, chronic health problems, arising due to prevalence of diseases and inaccessibility to an affordable health care system is major threat to their income earning capacity. In present study health insurance schemes are to increase the access to healthcare services and to protect families from high medical expenses at the time of illness. In India, it's the high time to take some steps and these shortcomings need to be addressed so that every poor or rich, urban or rural person should take advantage of the health insurance scheme.

KEYWORDS : Health Insurance, Schemes**INTRODUCTION**

Health insurance in India is in nascent stage but growing fast. Health insurance was introduced in 1986, when mediclaim policy was launched by government owned insurance companies. Health insurance is a type of insurance that pays for all or part of person's health care bills. It can be defined as "any form of insurance whose payment is contingent on insured incurring additional expenses or losing income because of incapacity or loss of good health" (Phillip 2007).

Various Health Insurance Schemes Available In India

The existing health insurance schemes available in India can be broadly categorized as:

1. Social health insurance schemes

- (I) National Government health insurance schemes.
- (ii) State Government health insurance schemes.

2. Private Health Insurance Schemes**3. Community Health Insurance Schemes**

Diagram 1: Health Insurance Schemes in India

1. Social Health Insurance Schemes**1.1. National Government Health Insurance Schemes****Rashtriya Swasthya Bima Yojana-(RSBY)**

The objective of Rashtriya Swasthya Bima Yojana (RSBY) is to provide protection to the unorganized sector, the Government of India, Ministry of Labour and Employment has launched RSBY, Indian Government to provide health insurance coverage for Below Poverty Line (BPL) families. The objective of RSBY is to provide health security to BPL households from financial liabilities arising out of health shocks that involve hospitalization. The Beneficiaries under RSBY are entitled to hospitalization coverage up to Rs. 30,000/- for most of the diseases that require hospitalization.

Employment State Insurance Scheme-(ESIS)

Employees' State Insurance Scheme (ESIS) was formed with regard to the enactment of the Employees state Insurance Act 1948. The ESIS scheme to provide socio-economic protection to worker population and their dependants covered under the scheme. Also full medical care for self and dependants; that is admissible from day one of insurable employment; the insured persons are also entitled to a variety of cash benefits in times of physical distress due to the inability to work due to sickness, maternity, temporary or permanent disablement etc., resulting in loss of earning capacity, the confinement in respect of insured women, dependants of insured persons who die in industrial accidents or because of employment injury or occupational risk are entitled to a monthly pension called the dependants benefit.

Central Government Health Scheme-(CGHS)

In India Central Government Health Scheme (CGHS) to provide comprehensive healthcare facilities for the Central Government employees, pensioners and their dependents residing in CGHS covered place/cities. The scheme started in New Delhi in 1954, CGHS Health Scheme is now in operation in various cities in India. The Central Government Health Scheme provides comprehensive healthcare to the CGHS Beneficiaries in India and the medical facilities are provided through Wellness Centre's polyclinics under Sidha, Ayurveda, Yoga, Allopathic, and Homeopathic systems of medicines.

Aam Aadmi Bima Yojana-(AABY)

Aam admi bima yojana (AABY) provides a social security scheme for rural landless household. It was launched on 2nd October, 2007. The head of the family or one earning member in the family of such a household is covered under the scheme. The premium is shared equally by the State Government and the Central Government. Under the scheme, the member to be covered should be aged between 18 to 59 years. It a separate fund called Aam Admi Bima Yojana Premium Fund has been set-up by Central Government to pay the Government contribution. Fund is maintained by Life Insurance Corporation (LIC). It provides to free add on benefit in the form of scholarship to children is also available under the scheme.

Janashree Bima Yojana-(JBY)

Janashree Bima Yojana (JBY) is to provide protection to people who are below poverty line. It was launched on 10th August 2000. The scheme (JBY) replaced Social Security Group Insurance Scheme (SSGIS) and Rural Group Life Insurance Scheme (RGLIS). Totally 45 occupational groups have been covered under this scheme. It provides life insurance (LIC) protection to people who are below poverty line or marginally above poverty line. Persons between aged 18 years to 59 years and who are the members of the identified 45 occupational groups are eligible to be covered under the Scheme.

Universal Health Insurance Scheme-(UHS)

Universal Health Insurance Scheme (UHS) to provide protection for improving the access of healthcare to poor families. The scheme UHS for implemented by four public sector general insurance companies. This scheme was launched in the year 2003. It provides for reimbursement of medical expenses up-to Rs.30,000/- towards hospitalization floated amongst the entire family, and death cover due to an accident Rs.25,000/- to the earning head of the family and compensation due to loss of earning of the earning member Rs.50/- per day up-to maximum of 15 days. The scheme has been redesigned targeting only the Below Poverty Line (BPL) families. The scheme provide the premium subsidy has been enhanced from Rs.100/- to Rs.200/- for an individual, Rs.300/- for a family of five, and Rs.400/- for a family of seven, without any reduction in benefits.

1.2. State Government Health Insurance Schemes**Chief Minister's Comprehensive Health Insurance Scheme Tamilnadu**

Chief Minister's Comprehensive Health Insurance Scheme, to provide free medical care facilities for the members of family. This scheme launched by the Tamilnadu State Government, to provide free medical and surgical treatment in Government and Private hospitals to the

members of any family whose annual family income is less than Rs.72,000/-It provides coverage for meeting all expenses relating to hospitalization of beneficiary as defined in the Scope of the Scheme. Chief Minister's health insurance scheme seeks to provide cashless hospitalization facility for certain specified ailments and procedures

Rajasthan's Chief Minister's Relief Fund - Rajasthan

Rajasthan's Chief Minister's Relief Fund to provide the assistance, to accident victims and to victims of severe diseases. Details of the assistance given below:-

(i) Assistance to accident victims:-

The scheme was launched on 13th December, 2012. After the date Those affected in natural disasters or accidents are entitled to receive insurance under this scheme.

(ii) Assistance to victims of severe diseases:-

Any family or patients in Rajasthan whose annual family income is less than Rs.1,00,000/ and are admitted in any Government hospital suffering from a severe disease such as cancer, heart disease, kidney diseases etc., are entitled to receive treatment in a super specialty hospital under this scheme.

Chief Minister's Relief Fund - Madhya Pradesh

Chief Minister's Relief Fund is to provide protection to the immediate financial assistance to the victims of natural calamities like fire, earthquakes, flood, accidents and also Madhya Pradesh people suffering from various ailments.

The Chief Minister's Distress Relief Fund - Kerala

The objective of setting-up the 'The Chief Minister's Distress Relief Fund' provides financial assistance for the distressed people affected by major natural calamities like fire, flood, drought etc., The scheme also provides financial assistance to the individuals for their treatment of major diseases like cardiac surgery, cancer, brain tumor, kidney transplant, liver and multi organ failure etc., The scheme aim of the fund is to provide protection to the immediate relief to the people in distress and the resource for the same is gathered by voluntary donations from any person viz., Government employees, semi-government employees, bank or insurance employees, Non-Resident Indian (NRIs), various service organizations, industrialists, artists or writers etc.

Mukhyamantari Amrutam (MA) - Gujarat

Mukhyamantari Amrutam (MA) to provide protection to the quality medical care for Below Poverty Line families (BPL). This population is especially susceptible to the devastation health risk. In order to address this key susceptible faced by the BPL population in the Gujarat, so the state Government has launched a medical care scheme (MA) called. The objective of the MA is to improve access of BPL families, to quality medical care and surgical care for the treatment of identified diseases involving hospitalization, surgeries and therapies through an empanelled network of healthcare providers.

Rajiv Aarogyasri - Andhra Pradesh

Rajiv Aarogyasri (RAS) to provide financial protection for Below Poverty Line (BPL) families. The scheme is a exclusive Community-Health Insurance Scheme being implemented in Andhra Pradesh, was launched on 1st April, 2007. It provides financial protection to families living below poverty line, up-to Rs.2 lakhs in a year for the treatment of serious ailments requiring hospitalization and surgery. Totally 938 treatments are covered under the scheme. The objective of the RAS is to improve access of BPL families, to quality medical care for treatment of identified diseases involving hospitalization, surgeries and therapies through an identified network of healthcare providers.

2. Private Health Insurance Schemes

This type of PHI policy is joining with health insurance in India under the one roof of the General Insurance Companies (GIC). It was launched in 1986, and it is a voluntary health insurance scheme offered by the public sector insurance companies. In the year 1999, health insurance scheme was introduced in the private health insurance companies. The scheme provides a standard Mediclaim policy covers only hospital care and domiciliary hospitalization benefits.

The PHI scheme includes 3 months to 80 years of age and who can afford the risk-rated premium is eligible to join the scheme. The scheme premium depends upon the age, risk and the benefit package for selected.

3. Community Health Insurance Schemes

Community Health Insurance (CHI) was defined as any not-for-profit that is aimed primarily at the informal sector and formed on the basis of a collective pooling of health risks. It includes Mutual Health Organizations (MHOs), local health insurances and Micro Health Insurances (MHI). While the CHI movement is spirited in Africa, it is slowly picking up motive in India. Currently there are about 30 CHI units operate in India, many of which have begun operations in the past two years. There are three types of CHIs in the country.

First type Community Health insurance scheme:-

The first and the oldest type is the "direct model", where a hospital has initiated a health insurance product. The hospital is both the provider of care as well as the insurer.

Second type Community Health Insurance scheme:-

The second type is the "mutual model", where the Non Government Organization (NGO) organizes and implements the insurance scheme and purchases care from various insurance providers. There are very few examples of this, the most famous being the "Yeshasvini model".

Third type Community Health Insurance scheme:-

Third type is the most common type is the "linked model", where the NGO collects premium from the community and purchases insurance from a formal insurance company and healthcare from insurance providers. The membership to these CHIs varies from 1000 to more than 2 million. Most of these schemes operate in rural areas and cover people from the informal sector. It enrolment is usually facilitated by membership organizations, (micro-finance groups, co-operatives, trade unions.

CONCLUSION

Health insurance is going to develop rapidly in future. The main challenge is to see that it benefits the poor and the weak in terms of better coverage and health services at lower costs without negative aspects of cost increase and overuse of procedures and technology in provision of health care.

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