

Study of Health Insurance in India & Australia



ERNST & YOUNG LLP (India)

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Screenshot of Approval



Nishikant Bele

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Approved

Regards

Nishikant

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Sent: Friday, November 18, 2022 11:27:17 AM

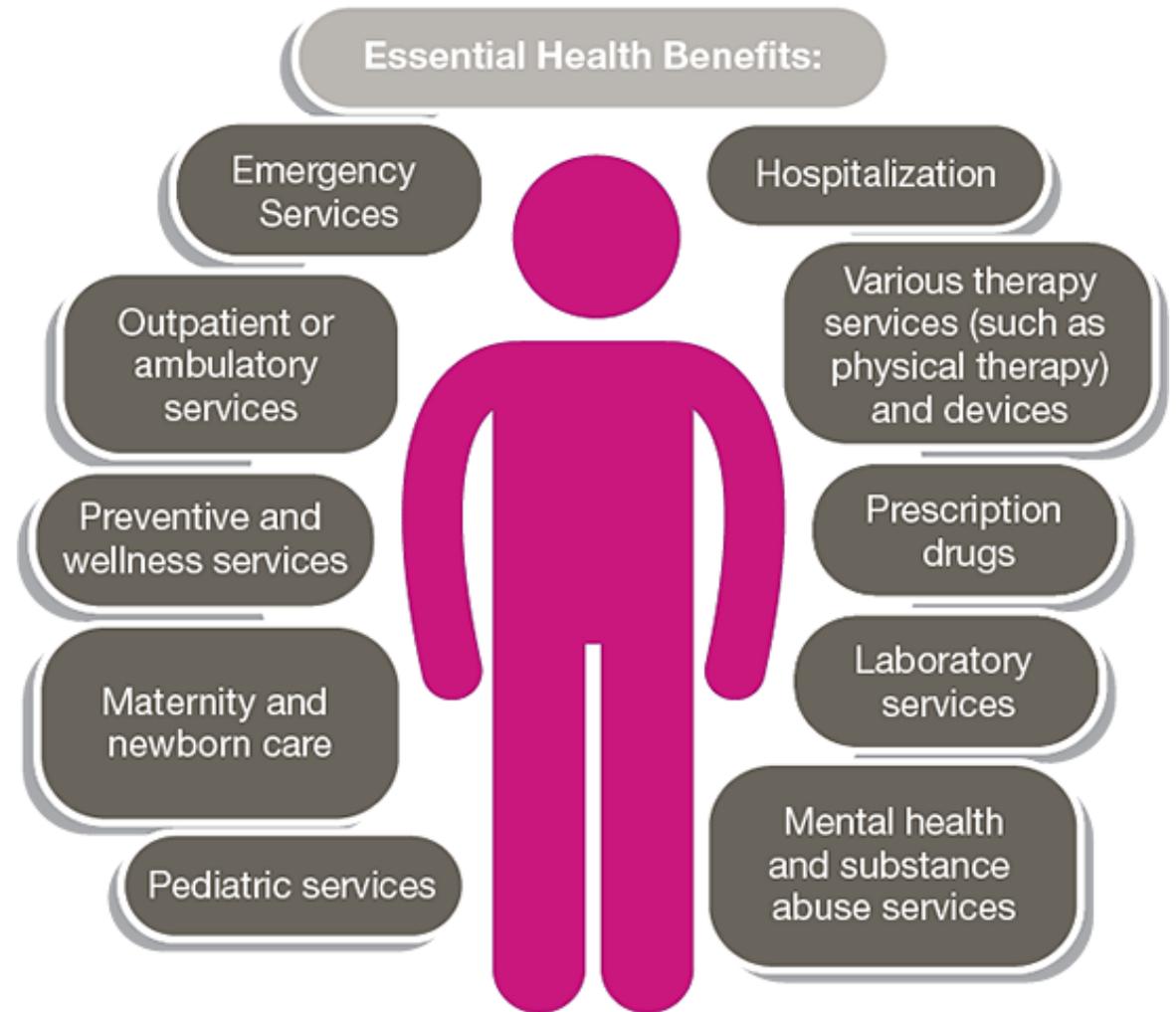
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Subject: PRESENTATION FINAL -Dr Aakanksha Tejrana



Introduction

- Health Insurance is a comprehensive protection policy that represents a contract between policy provider and individual so as to limit the effect of financial burden when faced with catastrophic health expenditure.
- **Health insurance policy** extends coverage against medical expenses incurred owing to accidents, illness or injury.
- An individual can avail such a policy against monthly or annual premium payments, for a specified tenure.



Scenario In India & Australia

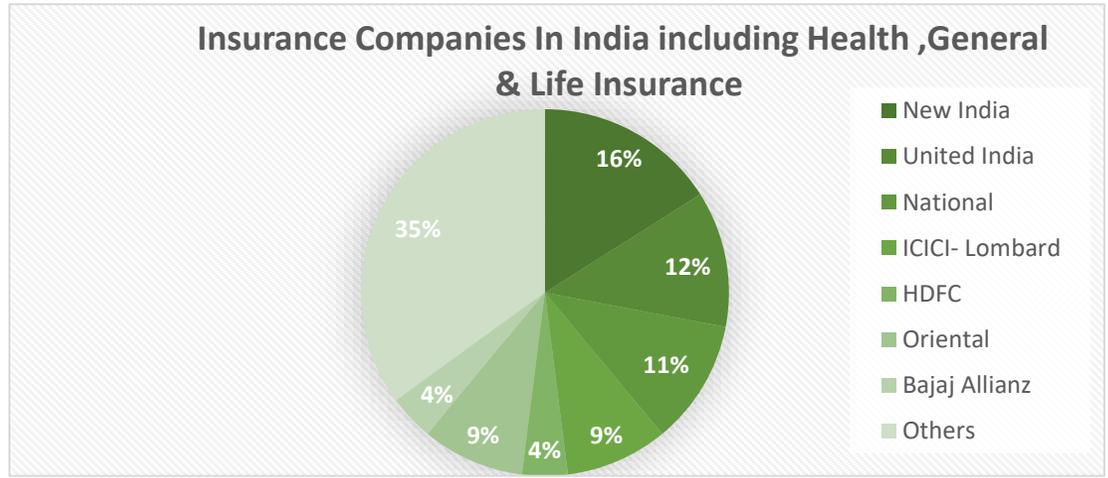


Figure 1 Health insurance companies In India

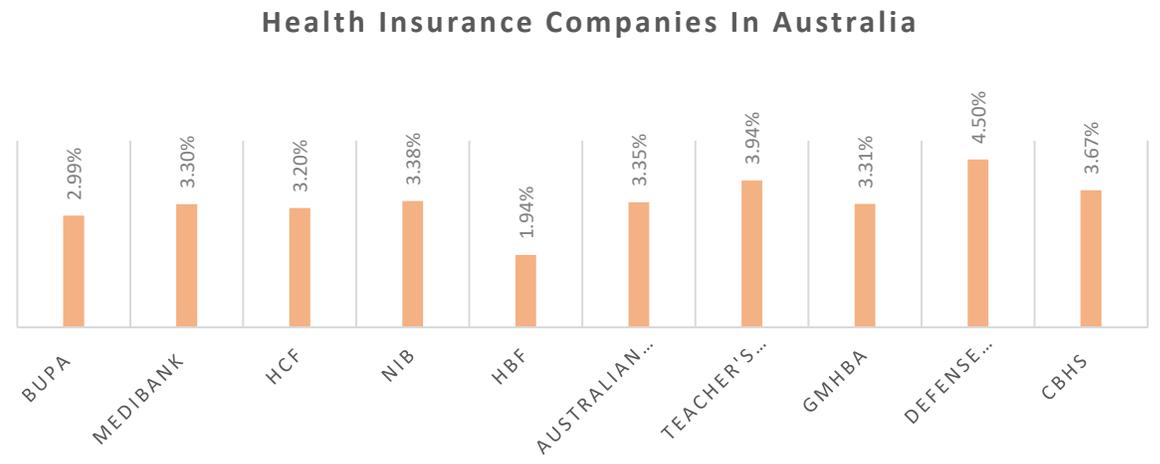


Figure 2 Health insurance companies In Australia

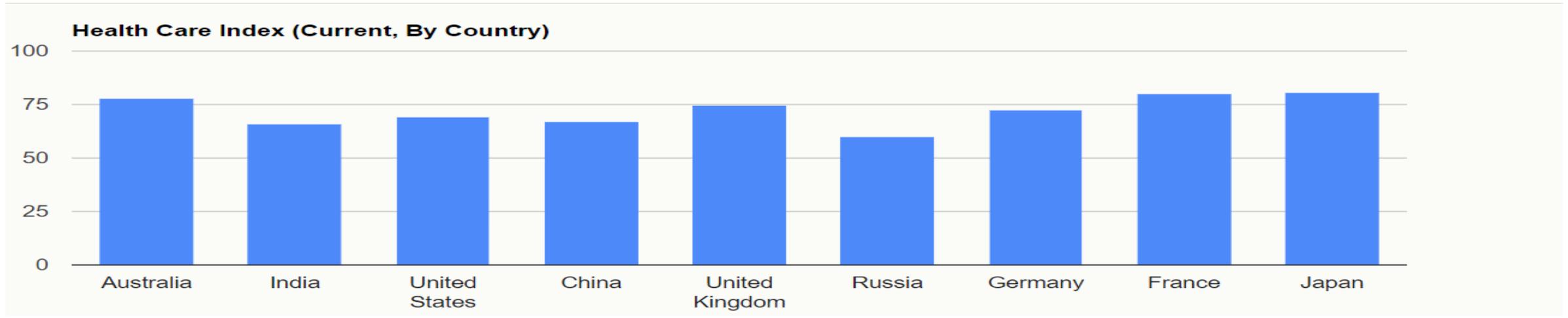


Figure 3 Healthcare Comparative Results -Numbeo

Objectives

- To study the prevalent health policies in India and Australia
- To find out the challenges in Indian health Insurance Policies



Methodology (1/2)

- This study is a secondary data study which is done on the basis of available data in order read about the different health Insurance policies and their system in India and Australia

Study Tool

- The study tool includes articles, research papers & Google search for the data collection and analysis



Results (1/3) India

Health expenditure per person

Among the BRICS and other newly industrialised nations, India spends the least on health per capita.

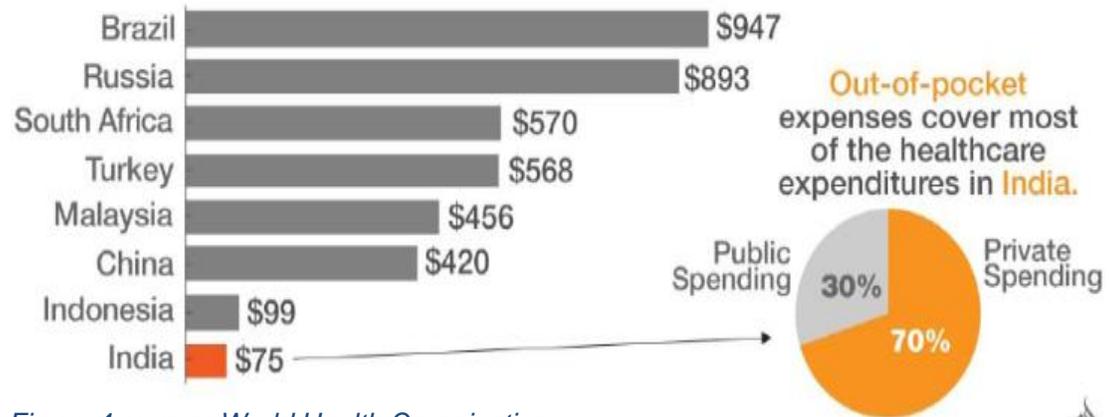


Figure 4 source- World Health Organisation

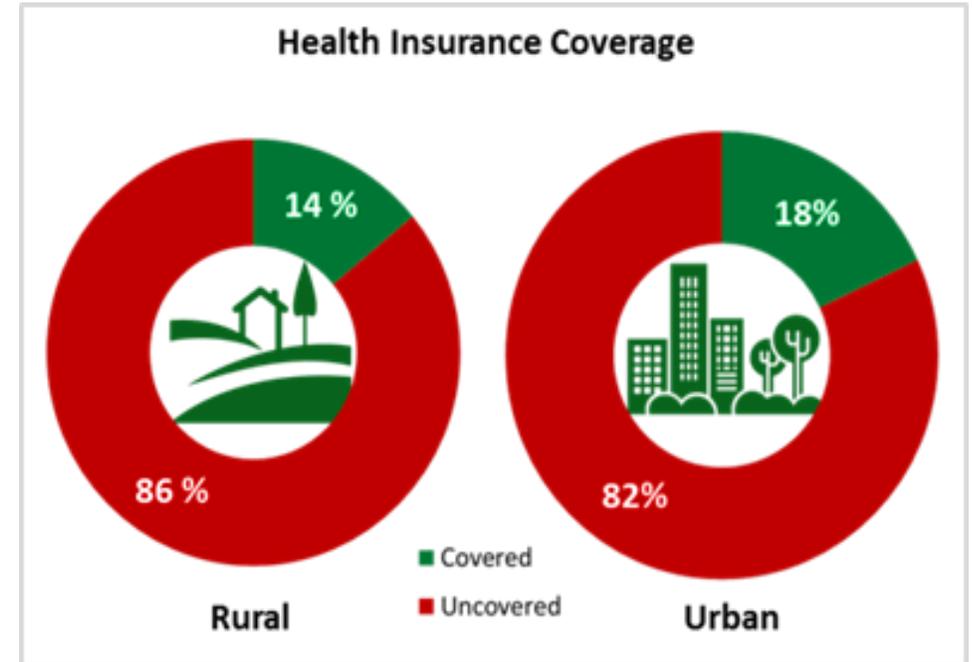
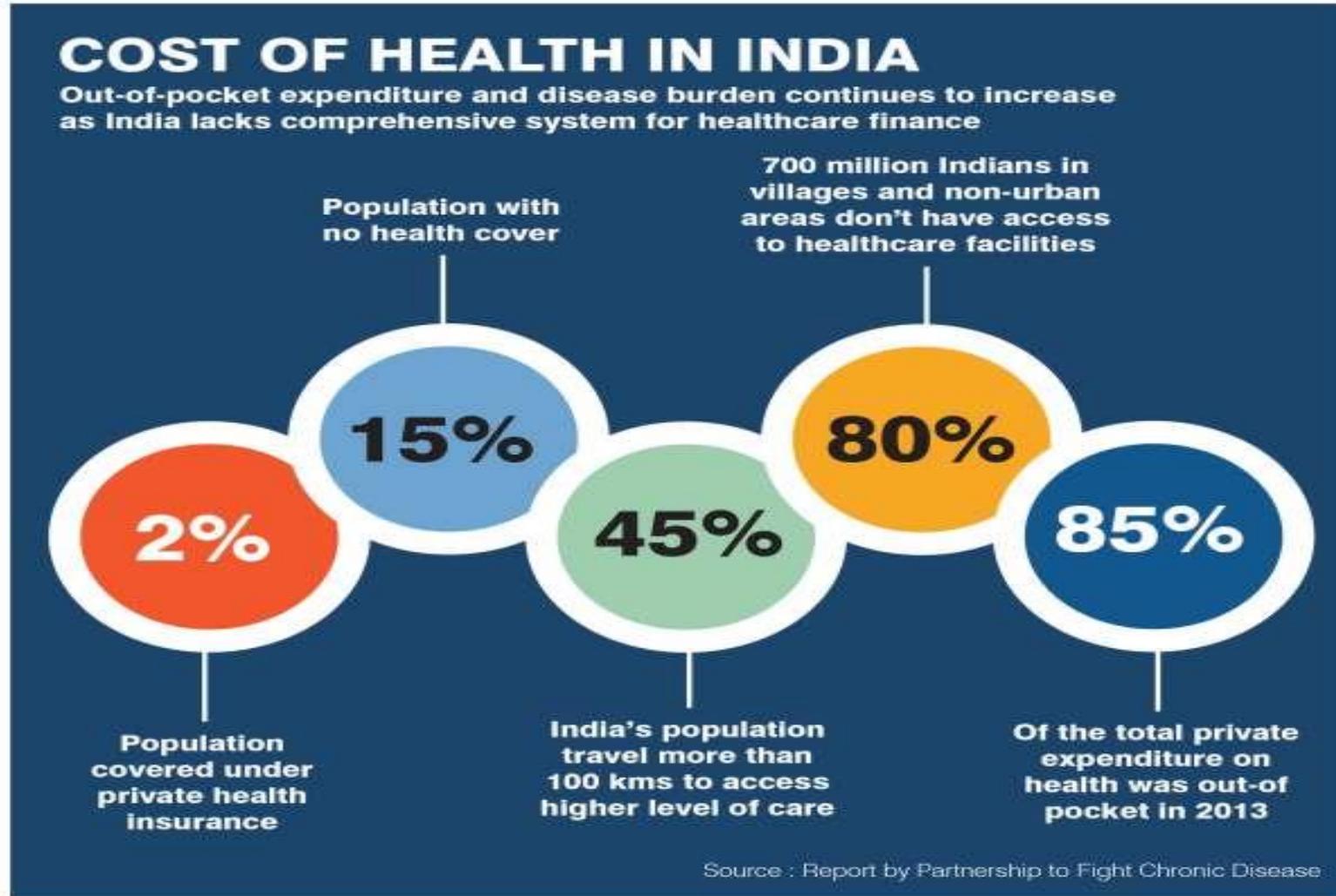


Figure 5 Source: WHO

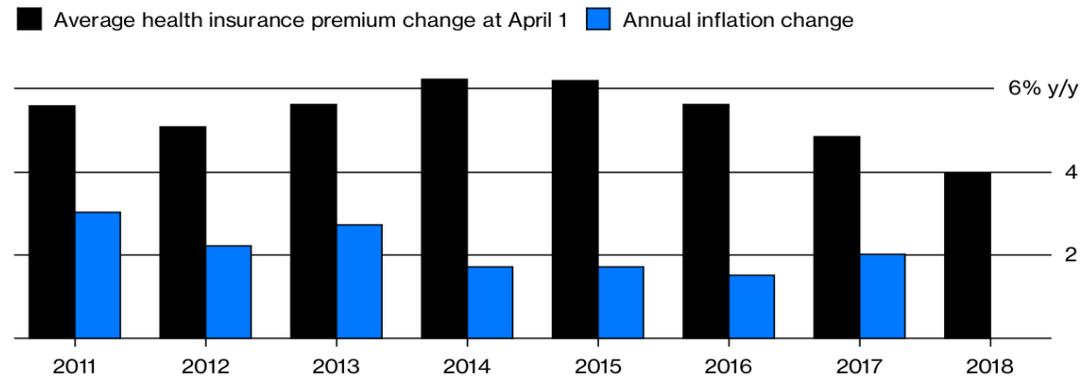
Results (2/3)



Results (3/3) Australia

Cost of Being Healthy

Australia's health insurance is still rising faster than inflation



Note: 2017 inflation value is based on median estimate of Bloomberg survey
 Data: Bloomberg, Australian Bureau of Statistics, Department of Health, graphic by Bloomberg Businessweek

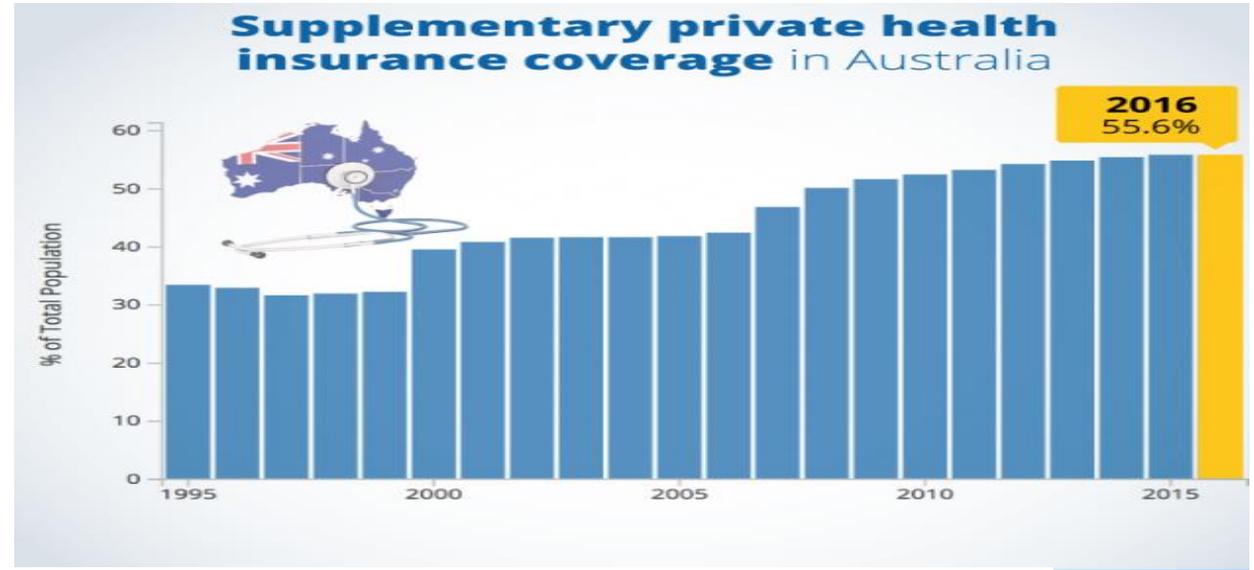


Figure 7 source: Organisation for economic development & Cooperation

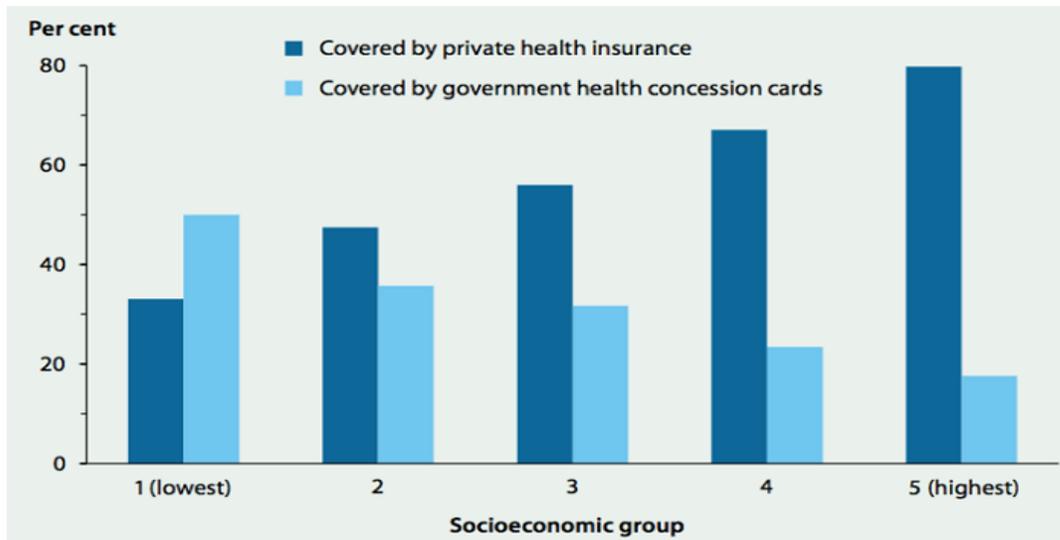


Figure 6 source: Fran Baum of Flinders University

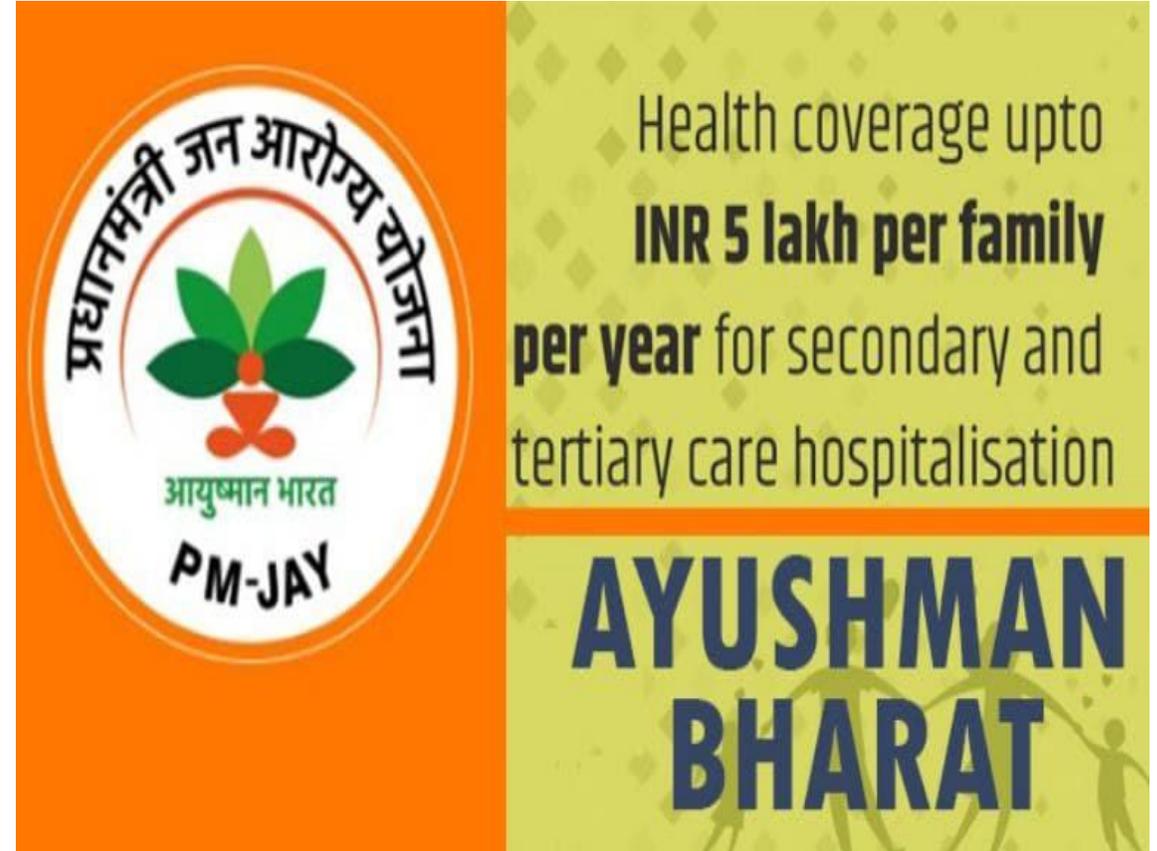
Discussion (1/2)

- Despite the fact that medicinal services are a major right, the central part of human services essential social insurance — is wrecked, for India
- Even though India has horribly under-put resources into the territory that should matter the most, it has a medical coverage infiltration pace of just about 20%, the world's most elevated paces of out-of-pocket spending in social insurance
- In the interim, medical coverage brands should be proactive in spreading the correct information about protection and help the regular masses comprehend the minor subtleties of purchasing health insurance coverage
- Uncomplicating protection for the basic man is the need of great importance
- All things considered; medical coverage isn't simply one more item in the market. It's a guarantee of insurance against the medicinal costs of things to come

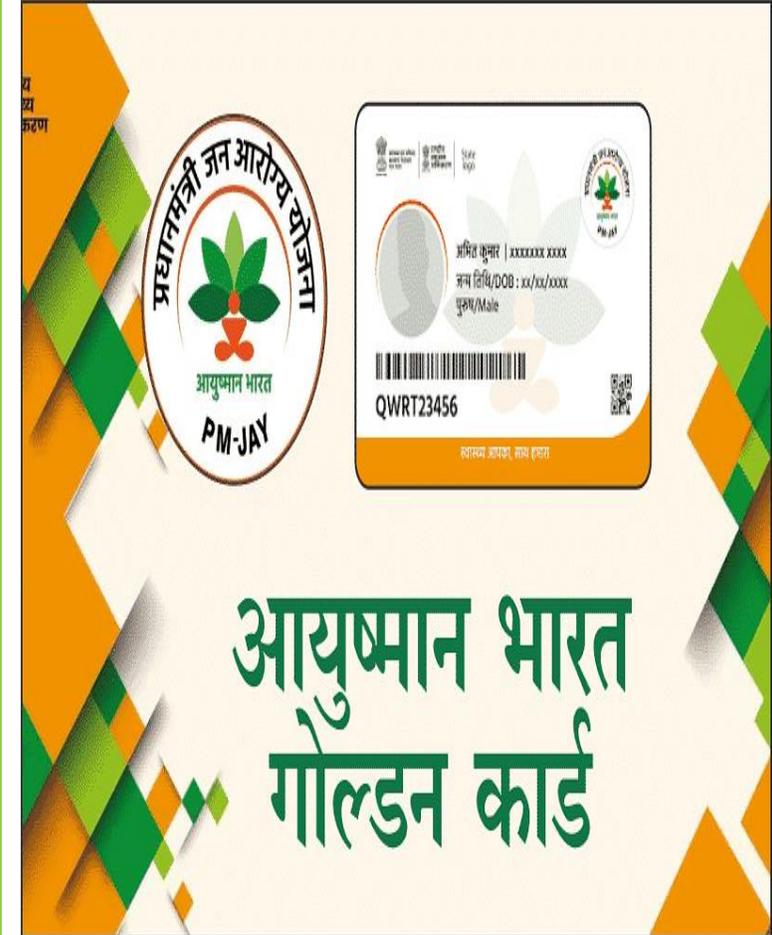


Impact Of Ayushman Bharat Yojana(PMJAY) On Indian Health Insurance Sector

- Ayushman Bharat Yojana: It is a universal health insurance scheme of the Ministry of Health and Family Welfare, Government of India. PMJAY was launched to provide free healthcare services to more than 40% population of the country.
- The scheme offers a health cover of Rs 5 Lakh. In this scheme, it covers medicines, diagnostic expenses, medical treatment, and pre-hospitalization costs.
- The poorest families of India can benefit from this healthcare scheme. The scheme aims to cover more than 50 crore Indian citizens
- Under the scheme, the beneficiary receives an e-card, wherein any of the family members can avail cashless treatment at any empaneled hospitals across the country.



- Healthcare services are merely available for the poor section of the country. Ever since the PMJAY scheme introduction, it is expected to bring significant benefits to the health insurance sector. At the same time, expanding the presence of the health insurance market.
- With the implementation of Ayushman Bharat Yojana, the health insurance penetration will grow from 34% to 50%, according to a report by Credit Rating Information Service of India (CRISIL).
- The scheme runs in two modes – insurance mode and trust mode. Under trust mode, the premium is paid by the trust by pooling money from the state. In the insurance model, the state pays the premium to the insurance company. The insurance company is also responsible for compensating for the expenses incurred during hospitalization.
- With the smooth implementation of the scheme by insurers, government, and third-party administrators, there will be a paradigm shift in the health insurance sector. This will lead to the standardization of regulations pertaining to the working of the PMJAY scheme.



Discussion (2/2)

- Australia has an institutionally set openly subsidized healthcare framework (for example Medicare) that is supported by an 'all-inclusive access' standard
- This qualifies Australian occupants for sponsored treatment from medicinal services experts (for example specialists, therapeutic experts, and so on.) and access to free treatment in openly supported medical clinics
- Australians have a decision to get to private medical coverage (which covers private emergency clinics, dental, experts, and so forth.); notwithstanding, the expense of this is overwhelmingly borne by the safeguarded making instalment to a couple of private insurance suppliers. Australia's freely supported Medicare framework positions well globally (for example high future, low new born child death rates, and so on.)
- Australia, in the same way as other industrialized nations, will stand up to significant issues and difficulties throughout the following decade in keeping up and critically, improving patient health service insurance



Challenges In Indian Health Insurance Policies

- The statistical system is a lifeline for health insurance. India lacks appropriate data and information system for planning and management of health insurance schemes.
- High claim-paid out ratio of insurer specially of public insurer is the main hindrance in the development of health insurance sector as due to high claim paid out ratio, insurer have to face high loss and they lose their interest in this sector.
- Agencies such as State Health System, Indian Medical Association and Third Parties Administrators (TPAs) are not working for professional regulation of health insurance in India.
- Insurance Regulatory and Development Authority (IRDA) is not more effective and concentrate on accessibility, quality and affordability dimensions of the health insurance sector.



- There are no attractive health insurance policies or scheme for informal sector and the people Below Poverty Line (BPL)
- Adverse selection of health insurance policies by policyholders is another problem
- Lack of proper awareness about health insurance policies and insurers is one of the main problems in development of health insurance
- Health insurance as a human right is no basically linked with the distributive social justice for health security

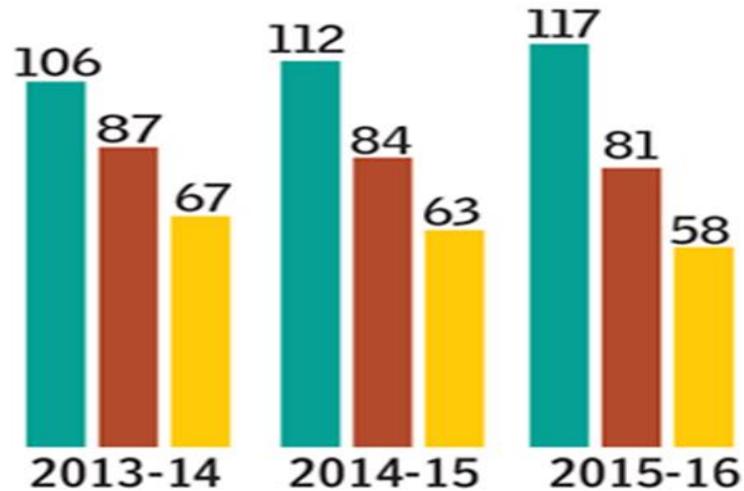


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- Lack of Public and Private Partnership (PPP) is another hindrance in progress path of health insurance sector in India.
- No proper attention is given to rural areas for development of health insurance.
- Delay in payment of insurance premium to policyholders by insurance companies.

SHARE OF PAYOUTS VS PREMIUMS COLLECTED LOWEST FOR PVT HEALTH INSURANCE COS

● Govt-General ● Pvt-General ● Pvt-Health



India Had Highest Rate Of Complaints* Related To Claims



*Per 10 lakh people insured, 2013-14

Limitations of the Study

- The study was limited to available secondary data only
- Limited data could be found in relevance to the year 2022
- The study is restricted to the general health insurance policies and trends in India, & Australia

Conclusion

- Despite the fact that medicinal services are a major right, the central part of human services essential social insurance — is wrecked, for India.
- The financial improvement and the health of the nation are dependent on each other.
- Australia, in the same way as other nations, will confront genuine arrangement challenges that it should address throughout the following decade; specifically, an expanding maturing populace, expanded medicinal innovation costs, the open private blend of healthcare consumption, basic research issues inside the therapeutic division, value contemplations crosswise over gatherings and fast urbanization



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Thank You



Suggestions to the Organization where the Study was Conducted

- There is less work-life balance so more resources should be added but the exposure in the company is great . You get to learn new things everyday .
- A great place to start career but the pressure of deadlines is always there on the top .

Dissertation Experiences

What did you learn (skill/ topic)?

- To Face the client with confidence
- To be quick on analysis and solutions
- To conduct due diligence and financial analysis of any project

Overall self comments on Dissertation

- Quick analysis
- Better understanding of the scenario related to health insurance in India
- What are the challenges that are being faced in India related to healthcare insurance

Pictorial Journey (1/2)



Pictorial Journey (2/2)

