

Micro Health Insurance Programmes Available in Rural Area of Uttar Pradesh for Entrepreneurial Workforce

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Abstract:

Various micro health insurance programmes, have aroused much more interest and hope in meeting health care challenges that face the poor in rural area. In this paper we explore the various micro health insurance programmes, such as Community based health micro insurance, RSBY, National Rural Health Mission (NRHM) etc. available in rural area of Uttar Pradesh which are affect the poor household by the demand and supply of health insurance products and insurance could potentially prevent poor household from falling into the poverty trap. This paper is an attempt to focus on micro health insurance programmes, which are available in rural area of Uttar Pradesh. This is done on the basis of the availability of micro health insurance programmes in India.

Introduction:

Health risks expose dangerous threats to the lives and livelihoods of the poor. In developing countries, many low income people cannot pay for medical treatments, or finance the buy of medicines. These actions have often been known as one of the main causes of poverty (see, e.g., Leatherman et.al. 2010). Because governments in most developing countries have not been able to provide the health care needs of their poor population, many community-based health insurance programs (CBHI) have emerged during the last decade to provide financial security against costly health care for the poor. In general, a CBHI program is a local healthcare financing option for the poor that provides a defined set of health benefits and services, such as hospitalization or inpatient benefits. Insurance is not the only method to deal with risks, and not all risks are insurable.

Health insurance in India

Health Financing:

Financing of healthcare is an important determinant of the presentation of health services. As it is generally true that the higher the expenditure on healthcare, the better the outcomes, it also depends on many other factors – essentially how competently the resources are translated into effective outputs. Yet it is agreed that low spending on healthcare results in poorly functioning health services and therefore poor healthcare. India spends 4.6% of its GDP on healthcare, but this is a paltry Rs. 1021 per capita, which is one of the lowest globally. What is inferior is that most of this Rs 1,057 billion is spent by individual households, who pay for care at the point of use. As in most high and middle-income countries, the governments contribute a considerable portion of the health expenditure, in India it is one of the lowest, less than a quarter of the total expenditure. In fact, as a percentage of GDP it has declined from 1.3 in 1990 to 0.9 at present.