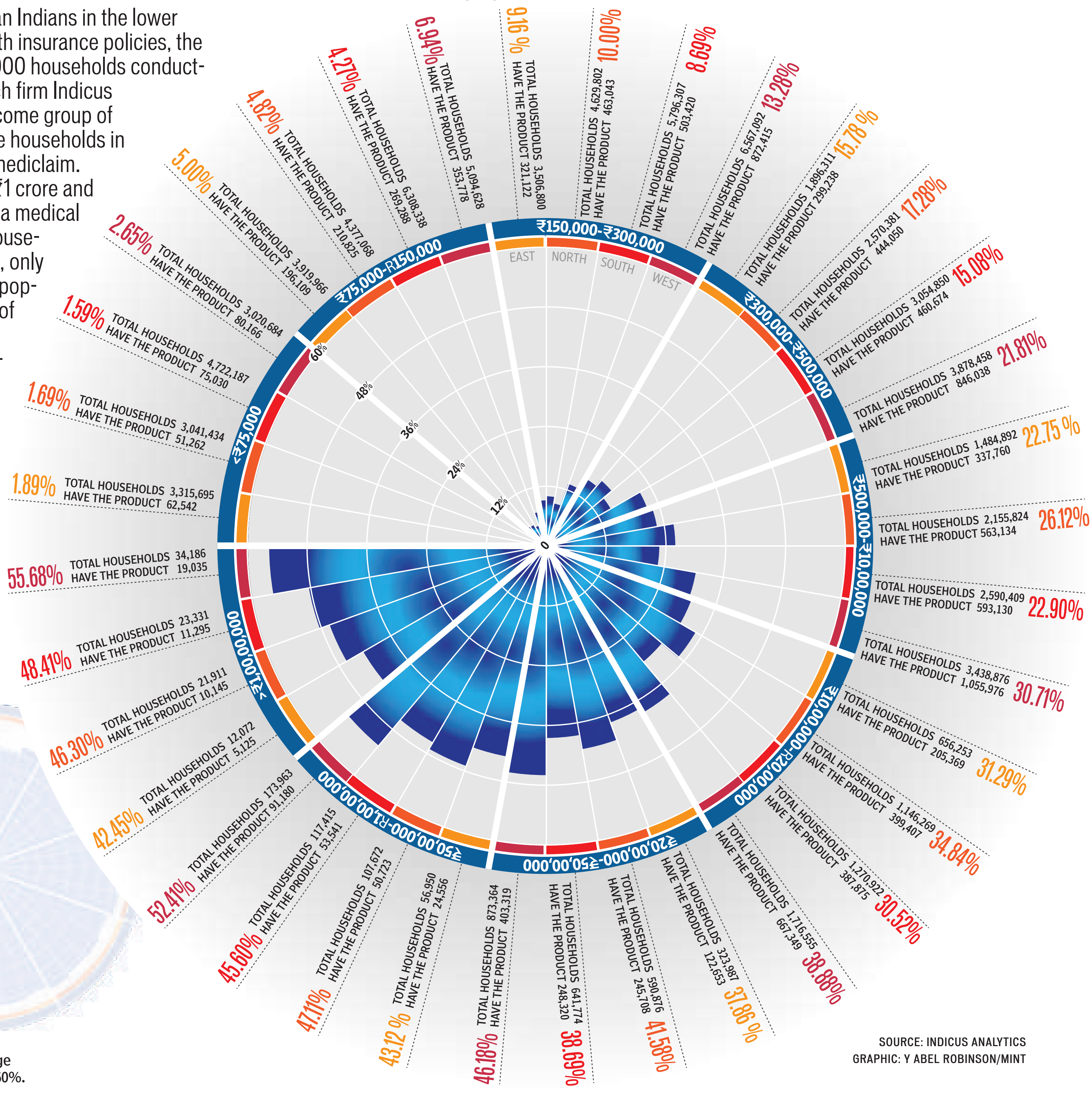
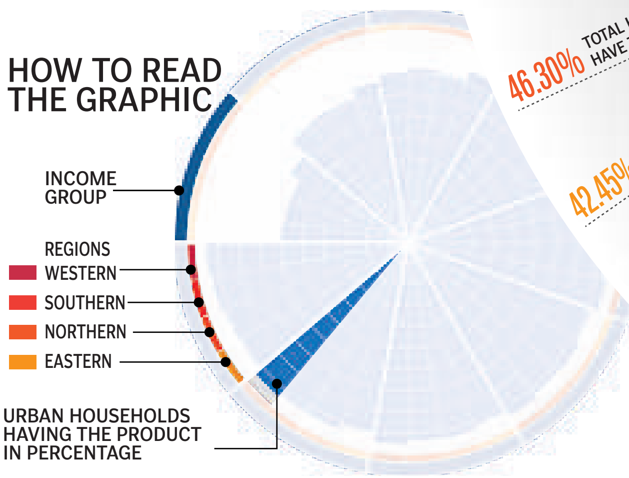
CRACKS IN THE UMBRELLA Urban Indians in the lower income group are unlikely to buy health insurance policies, the Indian Financial Scape survey of 35,000 households conducted by Delhi-based economics research firm Indicus Analytics, has found. In fact, in the income group of below ₹75,000, fewer than 2% of the households in the southern part of the country buy mediclaim. Even in the highest income group of ₹1 crore and above, a basic insurance product like a medical cover is only owned by just half the households. According to various estimates, only 320 million people or 26% of India's population are covered under some form of medical insurance. In other words, large uncovered sections of the populace are forced to meet medical costs via out-of-pocket spends, causing immense financial burden. Lack of financial resources also forces poeple to forgo medical care.

KEY TAKEAWAYS

- The pan-India ownership of health insurance policy by households is low as 26%.
- In the lowest income group of below ₹75,000, the average ownership is below 2%
- The ₹1 crore-plus income household in western India is the most savvy with about half the households having medical cover.



HOW TO READ THE GRAPHIC



A 0-60% scale has been used as some percentage figures were too low, the highest being around 60%.

SOURCE: INDICUS ANALYTICS
GRAPHIC: Y ABEL ROBINSON/MINT