Indian Economy · GS - III

Health insurance is an important instrument of social security, particularly for senior citizens. Discuss the challenges in ensuring affordable and accessible health insurance in India.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 19/10/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
10	~150 words

Answer Hint

IRDAI, ageing population, healthcare affordability, health insurance penetration, high premiums, pre-existing diseases, policy exclusions, financial inclusion, consumer protection, universal healthcare.

Model Answer

Introduction

Health insurance protects individuals from high medical expenses and strengthens financial security. For senior citizens, it is particularly important because healthcare needs generally increase with age. However, affordability and accessibility remain major challenges in India.

Main Body

Key challenges

1. High premiums: Insurance costs may rise with age, making policies unaffordable for elderly people on fixed incomes.

2. Pre-existing diseases: Existing health conditions may affect premiums, coverage and policy terms.
3. Policy exclusions: Waiting periods, co-payments, deductibles and exclusions can increase out-of-pocket expenditure.
4. Low awareness: Many consumers struggle to understand policy conditions, claim procedures and coverage limits.
5. Unequal access: Low-income households and people in rural areas may face difficulties accessing suitable insurance and quality healthcare.

Way forward

- IRDAI should strengthen transparency, consumer protection and grievance redressal.
- Insurers should clearly explain premiums, exclusions and claim conditions.
- Government-supported health schemes should complement private insurance.
- Public awareness and accessible healthcare infrastructure should be improved.
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Conclusion

Affordable health insurance is essential for dignity and financial security in old age. A balanced approach combining effective regulation, consumer awareness and public healthcare support can improve insurance access and reduce the financial burden of medical treatment.