



# Health Insurance In Achieving Sustainable Development Goal 3-An Analysis

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**Abstract:** Health insurance is an important component in the achievement of the Sustainable Development Goals, particularly Goal 3 (SDG 3), which aims to ensure healthy lifestyles and promote well-being for people of all ages. Health insurance enables equitable and inexpensive health care services by shielding families from costly or unexpected health-care expenses. In Assam, the government has created a number of health insurance policies to safeguard individuals from catastrophic medical expenses. Assam has higher coverage for health insurance than the national average. Still, out-of-pocket expenses are higher in the state. It will be easier to achieve SDG3 by raising awareness, enhancing accessibility, and affordability, as well as upgrading health infrastructure.

**Key Words:** Health Insurance, out of pocket expenditure, SDG3, catastrophic effect

## 1.INTRODUCTION:

The SDGs are development-oriented agenda comprising 17 goals and 169 targets with an overarching aim of achieving global environmental, social and economic development by 2030(UNO,2015). Health insurance is a critical component in the pursuit of Sustainable Development Goals Specially Goal 3 (SDG 3), which aims to ensure healthy lives and promote well-being for all at all ages. Health insurance, also called medical insurance, helps policyholders protect themselves and family from expensive or unexpected health care-related expenses (Kumar et.al, 2014). By providing financial protection, health insurance enables individuals to access quality healthcare services, reducing the risk of catastrophic health expenditures. This, in turn, promotes health equity, as vulnerable populations, such as the poor and marginalized, are more likely to seek medical care when needed. Moreover, health insurance encourages preventive care, enabling individuals to undergo regular check-ups and screenings, which can help detect health issues early on. This not only improves health outcomes but also reduces mortality rates. people who are uninsured are less likely than individuals who have any type of health insurance to receive preventative and screening treatments, and they are less likely to receive them on time. Health insurance that covers more preventative and screening treatments is more likely to be used more frequently and appropriately (Committee on the Consequences of Uninsurance,2002).

Assam is a state where IMR is times greater than the national average. Similarly, all significant health indicators, including CDR, CBR, MMR, and under-five mortality, are higher than in India(choudhury et.al

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2018). High death rates imply that the state's healthcare services are inadequate. The neonatal death rate is slightly lower than in India. These statistics highlight Assam's need for improved healthcare infrastructure, increased access to quality services, and focused actions to reduce mortality and improve life expectancy. IMR, under five mortality, neo natal mortality are lesser in assam comparing to India but still higher in comparing to all northeastern states. CDR is higher than all northeastern states except Tripura and Manipur. CBR is higher than all northeastern states except Manipur and Meghalaya (NFHS 5). Health insurance is an essential tool for improving the health of a state like Assam. The current study seeks to highlight the situation of health insurance coverage in Assam. The study also intends to investigate the link between health insurance and SDG 3.

## 2. DATA AND METHODS

The study is based on secondary data only. Data has been collected from national family health survey (NFHS 5). The National Family Health Survey 2019-20 (NFHS-5), the fifth in the NFHS series, provides information on population, health, and nutrition for India and each state/union territory. The data has been also collected from the 60<sup>th</sup> round (2004), and 75<sup>th</sup> round of the National Sample Survey (2017-18) published by the Ministry of Statistics and Programme Implementation. The 60<sup>th</sup> round of NSS is on morbidity and health care in India. The 75<sup>th</sup> round of NSSO comprise of key indicators of social consumption on the health of India. The key indicator document is based on the response of households of the central sample data collected through the survey on health. Data of state health accounts 2019-20 is also analysed in the study. Health Accounts describe health expenditures and flow of funds for a financial year in State. It answers important policy questions such as what sources of healthcare expenditures are, who manages these, who provides health care services and which services are utilized. All the data are examined using tabulation method.

## 3. ANALYSIS OF DATA

**Table 3.1** shows that more than 40% of health expenditure is borne by out of pocket. It suggests that many households are vulnerable to financial hardship due to healthcare costs, potentially leading to poverty and decreased economic productivity. High out of pocket expenses indicate weak financial protection within the health system meaning people must pay directly for healthcare because government funding and insurance coverage are inadequate. In addition, OOP expenditure highlights an inadequate and undefended health system where many individuals may delay or avoid treatment due to cost (Mukherjee et.al 2020). Government health insurance schemes, such as Ayushman Bharat, account for a relatively small 3.29% of expenditure, while private health insurance covers a mere 0.66%. The data underscores the need for increased investment in health insurance and financing mechanisms to protect households from financial shocks and ensure universal access to quality healthcare service

**Table 3.1: Distribution of current health expenditure according to health financing schemes**

Health financing schemes	Percentage of expenditure
Government health insurance	3.29
Union Government	27.39
State government	19.80
Out of pocket expenditure	40.96
Private health insurance	0.66
other schemes	7.85

Source: SHA

**Table 3.2** shows the out-of-pocket expenditure of public and private hospitals in rural and urban regions of Assam. Out-of-pocket expenditure is higher than the national average in Assam. This will have a negative repercussion on the health and wealth of the people, especially the poor ones, who do not have the financial capacity to cope with the high OOP spending when they get health shocks. Many poor will go untreated and many who need to get inpatient treatment will not be able to make it and will end up with over-the-counter treatment from the local pharmacies. This will give health problems and prolonged disease burden to the individual and the family in the long run. Additionally, out-of-pocket expenditure for private hospitals is higher than the public hospitals in both rural and urban areas of Assam. The high out of pocket may deter rural residents from seeking necessary medical care worsening health disparities (Riley 2012)

Components	Assam		All India	
	Rural	Urban	Rural	Urban
Out of Pocket expenditure on hospitalization				
Out-of-pocket expenditure of patients in public hospitals	1362	1318	472	486
Out-of-pocket expenditure of inpatient in Private hospitals	29,392	63346	28816	34122

NSS 75<sup>TH</sup> round

**Table 3.3** shows the average medical and total expenditure per hospitalization case and loss of household income due to hospitalization in Assam and all over India. Table shows that in Assam loss of household income due to hospitalization is different in rural and urban areas. The loss of income is higher in urban areas(Rs 1714) in comparison to rural areas(1025). Further, the loss of household income in Assam is approximately two times higher than the national average. This will have a negative impact on the health and wealth of the people making it harder for families to absorb the financial shocks of hospitalization.

Average expenditure on per hospitalization cases	Assam		India	
	Rural	Urban	Rural	Urban
Average expenditure on hospitalization				
Total Expenditure	4697	11459	6225	9367
Medical expenditure per hospitalization	4197	10467	5695	8851
Other expenditure	502	991	530	516
Loss of Income	1025	1714	636	745

NSS 60<sup>TH</sup> round

#### 4.CONCLUSION

Health insurance coverage in Assam is improving, with more than 60% of the population covered by a health insurance system; nonetheless, more than 40% of health care expenses are paid for out of pocket. It demonstrates a disparity in the availability and use of health insurance systems. It is necessary to make people aware of available services of health insurance to bridge gaps of coverage improve health outcomes. This can be achieved through community outreach programs, mobile health units, and leveraging technology like telemedicine. By continuing to strengthen its health insurance framework, Assam can further improve healthcare outcomes, reduce out-of-pocket expenditure, and move closer to achieving Sustainable Development Goal 3. To accelerate progress towards the achievement of SDG 3 targets related to the reduction of maternal mortality and achievement of UHC, countries should adopt interventions to increase maternal insurance coverage, which may lead to higher maternal healthcare access (Amu et.al 2022) To address these challenges, policymakers and stakeholders must work together to increase awareness about health insurance, improve accessibility, and make it more affordable. This can be achieved through innovative insurance products, subsidies, and public-private partnerships.

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