

INSURANCE FOR MENTAL HEALTH PATIENTS: WELL BEGUN BUT FAR FROM DONE

Relevant for: Government Policies & Welfare Schemes | Topic: Welfare of Persons with Disability - Schemes & their performance; Mechanisms, Laws, Institutions & Bodies

In a first for India, medical insurance for the treatment of mental illnesses will be available as in cases of physical illnesses, Union Health Minister J P Nadda announced on Twitter on August 19. Three days before Mr Nadda's tweet, the Insurance Regulatory and Development Authority of India (IRDAI) had issued a directive that asked insurance companies to make provisions to cover mental illnesses in their policies along with physical illnesses. India's progressive mental health legislation, the Mental Healthcare Act, 2017, kicked in on May 29 this year. According to the Act: "Every insurer shall make provisions for medical insurance for treatment of mental illness on the same basis as is available for treatment of physical illness." According to the Union Ministry of Law and Justice, mental illness is defined as substantial disorder of thinking, mood, perception, orientation or memory that grossly impairs judgement, behaviour, the capacity to recognise reality or ability to meet the ordinary demands of life.

Both the IRDA directive and Mr Nadda's announcement are steps in the right direction. This will benefit millions of patients as well as help create awareness about mental health issues in the country. According to the World Health Organisation, with more than 300 million people suffering from it, depression is the leading cause of disability worldwide, and a major contributor to the overall global burden of disease. In India, according to the National Mental Health Survey, 2016, carried out by the National Institute of Mental Health and Neurosciences, an estimated 150 million people require mental health interventions. With only 5,615 psychiatrists — almost all of them in big cities and state or district capitals — registered with the Indian Psychiatric Society, there's a clear paucity of professionals to diagnose and treat them.

Although mental health experts have welcomed the announcement, a few anomalies need to be addressed. The insurance market in India is yet to evolve when it comes to outpatient treatment. Typically, most health insurance policies pay only for hospitalisation. As things stand, an insurance policy is likely to cover the patient if the person is hospitalised owing to a mental illness but not cover counselling fees for a psychiatrist or medication. Only a small fraction of people with mental health ailments need hospitalisation. Thanks to the push from the government, once insurance firms switch to underwriting outpatient costs, it could encourage people to seek help and reduce the stigma.

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