Don't have health cover? Pay up to 60% more

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Big corporate hospitals today charge health insurance card holders much less than those paying in cash for the same procedures.
NEW DELHI: In a dramatic reversal of the trend that existed just three years ago, big corporate hospitals today charge health insurance card holders much less than those paying in cash for the same procedures. Those paying out of their pockets are now billed anywhere between 25% and 60% more than those with cashless health insurance schemes.

TOI did a comparative study of the amounts charged from the two categories of patients at Sir Ganga Ram, Max, Fortis and Apollo hospitals in Delhi, Medanta in Gurgaon and similar category hospitals in other metros. Sources say the trends are similar across most hospitals in India.

It appears that the Indian private healthcare system is moving closer to mirroring the situation in the US, where insurance firms are the prime factors in holding down healthcare costs and those without insurance can face crippling charges.

In 2010, TOI ran a campaign on how corporate hospitals were overcharging health insurance card holders. After the campaign, the claim ratio of four PSU insurers — National Insurance Company, New India Assurance, Oriental Insurance and United India Insurance Company — had come down to 98%. Before the campaign, this figure was as high as 130%.

This had forced insurers to take all corporate hospitals off their network when they refused to lower the rates. The insurers, 18 of them including the four PSUs, took this extreme step as they annually bled to the extent of Rs 1,500 crore, the difference between what they collected as premium and what they paid to hospitals for settling claims.

However, 80-85 % of the population is without any insurance cover and they are now feeling the pinch, more so in the absence of a health regulator . "While the insurance business is only Rs 17,000 crore, the country's total health spend is Rs 4-5

CUTTING INTO COSTS

Treatment	Payment with insurance	Cash
Heart surgery	2.25	3.63
Angioplasty	1.32	1.50-1.65
Knee replacement	1.60	1.80-2.44
Caesarean delivery	0.55	0.85-1.25
Cataract	0.24	0.33-0.45

Figures in ₹ lakh

lakh   crore a year," said Pawan Bhalla , CEO of Raksha TPA, responsible for back-end operations of the PSU insurers.

Knee surgery without cover can cost Rs 2.44L

Treatment cost for patients without any insurance is 25% to 60% higher than for those with health insurance cards, a comparative study by TOI has found. This figure was arrived at after obtaining exclusive details of treatment costs paid to hospitals by four public sector insurers, commanding a 60% share in the health insurance segment, and tallied with the schedule of charges (price list) of these corporate hospitals for other customers.

For instance, the package for a heart surgery at Sir Ganga Ram, Max, Fortis, Apollo hospitals in Delhi, Medanta in Gurgaon if you are holding an insurance policy — and other corporate hospitals across the country in the same category - is about Rs 2.25 lakh. This charge is for single-room occupancy and covers all expenses, including coverage for complications if any, and a stay for seven days and if required more. For the same treatment, if you are making out-of-pocket payment, it will cost you an average of Rs 3.63 lakh.

For a caesarean delivery, these hospitals have been charging a fixed package of Rs 55,000 — whether it is Apollo, Fortis or Ganga Ram — for a cashless insurance card holder . A knee replacement can cost you up to Rs 2.44 lakh in any of these hospitals, but the same comes at a fixed package of Rs 1.60 lakh if you are backed by an insurance policy.