

It is also supplemented by services purchased from authorized medical attendants and private hospitals. The ESIS covers over 65.5 million beneficiaries as of March 2012.

**b) Central Government Health Scheme**

The ESIS was soon followed by the Central Government Health Scheme (CGHS), which was introduced in 1954 for the central government employees including pensioners and their family members working in civilian jobs. It aims to provide comprehensive medical care to employees and their families and is partly funded by the employees and largely by the employer (central government).

The services are provided through CGHS's own dispensaries, polyclinics and empanelled private hospitals.

It covers all systems of medicine, emergency services in allopathic system, free drugs, pathology and radiology, domiciliary visits to seriously ill patients, specialist consultations etc.

The contribution from employees is quite nominal though progressively linked to salary scale - Rs.15 per month to Rs.150 per month.

In 2010, CGHS had a membership base of over 800,000 families representing over 3 million beneficiaries.

**a) Commercial health insurance**

Commercial health insurance was offered by some of the non-life insurers before as well as after nationalisation of insurance industry. But, as it was mostly loss making for the insurers, in the beginning, it was largely available for corporate clients only and that too for a limited extent.

In 1986, the first standardised health insurance product for individuals and their families was launched in the Indian market by all the four nationalized non-life insurance companies (these were then the subsidiaries of the General Insurance Corporation of India). This product, **Medicla**im was introduced to provide coverage for the hospitalisation expenses up to a certain annual limit of indemnity with certain exclusions such as maternity, pre-existing diseases etc. It underwent several rounds of revisions as the market evolved, the last being in 2012.

**Health Insurance Market** The health insurance market today consists of a number of players some providing the health care facilities called providers, others the insurance services and also various intermediaries. Some form the basic infrastructure while others provide support facilities. Some are in the government sector while others are in the private sector. These are briefly described below:

**A. INFRASTRUCTURE:**

**1. Public health sector**

The Public health system operates at the national level, state level, district level and to a limited extent at the village level where, to implement the national health policies in villages, community volunteers have been involved to serve as links between the village community and government infrastructure. These include: