

practicing in the private sector. Private health expenditure accounts for more than 75% of all health spending in India. The private sector accounts for 82% of all outpatient visits and 52% of hospitalization at the all India level.

India also has the largest number of qualified practitioners in other systems of Medicine (Ayurveda/ Siddha/ Unani/ Homeopathy) which is over 7 lakh practitioners. These are located in the public as well as the private sector.

Apart from the for-profit private providers of health care, the NGOs and the voluntary sector have also been engaged in providing health care services to the community.

INSURANCE PROVIDERS:

Insurance Companies especially in the general insurance sector provide the bulk of the health insurance services. These have been listed earlier. What is most encouraging is the presence of stand-alone health insurance companies -five as on date - with likelihood of a few more coming in to increase the health insurance provider network.

INTERMEDIARIES:

A number of people and organizations providing services as part of the insurance industry also form part of the health insurance market. All such intermediaries are governed by IRDA. These include:

1. **Insurance Brokers** who may be individuals or corporates and work independently of insurance companies. They represent the people who want insurance and connect them to insurance companies obtaining best possible insurance covers at best possible premium rates. They also assist the insuring people during times of loss and making insurance claims. Brokers may place insurance business with any insurance company handling such business. They are remunerated by insurance companies by way of insurance commission.
2. **Insurance Agents** are usually individuals but some can be corporate agents too. Unlike brokers, agents cannot place insurance with any insurance company but only with the company for which they have been granted an agency. As per current regulations, an agent can act only on behalf of one general insurance company and one life insurance company one health insurer and one of each of the mono line insurers. at the most. They too are remunerated by insurance companies by way of insurance commission.
3. **Third Party Administrators** are a new type of service providers who came into business since 2001. They are not authorized to sell insurance but provide administrative services to insurance companies. Once a health insurance policy is sold, the details of the insured persons are shared with a appointed TPA who then prepares the data base and issues health cards to the insured persons. Such health cards enable the insured person to avail cashless medical facilities (treatment without having to pay cash immediately) at hospitals and clinics. Even if the insured person does not use cashless facility, he can pay the bills and seek reimbursement from the appointed TPA. TPAs are funded by the insurance companies for their respective claims and are remunerated by them by way of fees which are a percentage of the premium.