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### [Financial strain of disability in India high, insurance aims to bridge gap](#)



A staggering number of Indians face financial hardship due to disability, with lakhs suffering temporary or permanent limitations each year and recognising this critical gap in financial security, insurance companies are stepping forward with innovative solutions, officials said on Sunday.

A 2018 report by the Ministry of Road Transport and Highways (MoRTH) revealed that India, despite having only 1 per cent of the world's vehicles, accounts for 6 per cent of all road crashes.

According to experts, close to 5 to 7 lakh people in the country suffer from temporary or permanent disability each year due to the high rates of accidents and crippling diseases and lose their ability to work and earn a livelihood.

"The onset of disability often brings substantial healthcare expenses, making comprehensive insurance coverage crucial to prevent social and financial decline," Future Generali India Insurance, Chief Distribution Officer, Ramit Goyal said.

A study titled 'Measuring the financial impact of disabilities in India' available on the National Institutes of Health (NIH) website, suggests around one-fifth (20.32 per cent) of the household's monthly consumption expenditure was spent on out-of-pocket expenses for disability.

More than half (57.1 per cent) of the households were pushed to catastrophic health expenditure due to one of the members being disabled. Almost one-fifth (19.1 per cent) of the households that were above the poverty line before one of the members was treated for disability were pushed below the poverty line.

According to R Garg, Head-Term Insurance, Policybazaar.com, in a country like India where there is no social security coverage like those in developed nations and where 2.2 per cent of the population is disabled, having disability income protection becomes prudent.

FGII's said recently launched group health insurance product covers both temporary and permanent disabilities arising from physical or mental illnesses, accidents, and unforeseen events that result in income loss.

The plan provides a safety net by replacing up to 75 per cent of pre-disability income per month, along with potential coverage for loan EMIs and credit card minimum payments.

Bajaj Allianz another leading insurer said it has seen a steady increase in personal accident insurance uptake, which includes disability income protection.

Bhaskar Nerurkar, Head of the Health Administration Team at Bajaj Allianz General Insurance, noted that rising living costs and greater awareness of financial security through insurance are driving this trend. He added that as accident rates climb, more individuals and companies are seeking disability and income loss coverage, leading to higher penetration rates.

Continued support and favourable regulations from IRDAI can further boost this growth, Nerurkar emphasised. P Nanda Gopal, Founder and CEO of Upsure, emphasizes the critical need for DIP plans among vulnerable groups like daily wage earners and gig workers.

"These individuals face a devastating financial situation when disability strikes," said Gopal.