

Does Morbidity among Elderly Increase Household Health Care Expenditure?

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The study examines the effect of population ageing on health expenditure at the household and individual levels utilising NSS 60th Round data. It found that one quarter of the elderly reported their health as poor and the proportion increased with increase in age. Disease prevalence among elderly was high. It was more than 40 per cent and it increased with age so that per capita hospitalization cost for the elderly is four times higher than for others. The skewness in health expenditure towards the elderly tends to diminish when we adjust the aged population for their higher risk of getting diseases. Presence of elderly in the household augments per capita hospitalisation cost for the household.

Introduction

Ageing is associated with increasing risk of disease and disability. Increasing age is characterized by progressive erosion of safety margins which leads to several physical and mental problems (Young 1997, Wensing 2001, Bhatia *et al.* 2007). Most aged people suffer from some ailment, are generally not aware of the consequences and need health care services (Goswami *et al.* 2005). Often, health problems lead to major disabilities and restrict an individual's movement, which makes his life miserable (Nandal, Khatri and Kadian 1987, Gupta and Vohra 1987, Nagla 1987). Further, changing household structure implies an alteration in the living arrangements of the elderly, making them more insecure (Johnson, Stevens and Irudaya Rajan 2005).

The combined effect of ageing and its associated vulnerability to health problems results in rising health expenditure and, therefore, old age becomes a

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This paper was presented at the conference on 'Knowledge–Evidence–Action: Striving Towards Better Health Outcomes', organized by the Indian Health Economics and Policy Association (IHEPA) held at the Institute of Economic Growth, Delhi during November 18-19, 2011. The authors acknowledge the comments and suggestions of anonymous reviewers of IHEPA and also the participants of the conference. They also thank Dr. S. Irudaya Rajan for his suggestions.