

## **The Fate of Health Insurance Company under Diminishing Environmental Value**

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**ABSTRACT:** *The running theory of environmental issue is based on hypothesis that diminishing value of environment by air pollution does not affect adversely on health market comprised of health insurance. In this paper I formulates certain principle that governs the shifting of air pollution to various part of world and its impact the health insurance market and try to see how health insurance suffers heavily in less polluted nation more than that of big pollutes,. The air pollution particles is tend to move from heavily polluted nations such as USA and China to less polluting nations such as Pakistan, Burma, Afghanistan etc in search of final resting place with the help of conductivity character of air movement and impose artificial health cost on all health components such as health education and pharmaceutical and health insurance market. The diminishing environment value by air pollution is penetrates from top polluting nation and effect adversely on health insurance initially and then goes to pharmaceutical market and finally health education market .Interestingly particles of pollution of least polluting nation such as Pakistan , Bangladesh , Latin American nations do not travels from there to more to more polluted nation .This is because air always tend to move from less densely polluted nation to more density polluting nation and produce no negative impact on health insurance in more polluted ones .More people from less polluted, most of whom were malnutrition is often falling victims of air pollution other nation and put forth new demand for compensation to victim nations*

### **KEYWORDS:**

- 1) *Conductivity Effect of Nature (CEN)- The movement of air pollution according to conductivity character of air*
  - 2) *Surplus pollution. Air pollution particle remaining in the bottom of atmosphere after self dusting mechanism of nature*
  - 3) *Zero Conductivity Effect of Nature- The conductivity ceased to function due to high density of air pollution*
  - 4) *Self Generated Pollution (SGP) Total unit of pollution particles released from all industrial units within mother land in a given time, except pollution arrived from other nation*
  - 5) *External Surplus Effect of pollution (ESP Effect)—The negative effect of air pollution penetrated from polluting nation on the nation of less pollution*
  - 6) *Shrinking Effect of Diseases Gap (SEDG) – The gap between two successions of diseases that required help of physicians, shrinks as pollution grows*
  - 7) *Excess Service Operation (medicine and nursing service given to patient in private hospital are above normal requirement.*
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**ACKNOWLEDGEMENT :** This paper carries memories of all those poor and downtrodden who died out lack of sufficient health insurance to meet ever growing medical cost and for those who dies out of insufficient medical felicities in public hospitals .A tearfull bench of roses is laying on the memories of numerous poor living beings whose life ended prematurely due to the adverse consequences of the External Effect of surplus pollution generated by the most polluted nations and I submit this work to readers as my tribute to them.

### **I. INTRODUCTION**

In ever increasing air pollution particularly in China and USA (shares 24 and 18 % of Global Emission of co2 respectively), the most adversely effecting business is Health Insurance Company. In the first examination we feel that Health insurance will get more business when people health risk are increasing due to pollution induced illness. But the picture is reverse. The claim for medical reimbursements exceeds the premium collected in most of countries including India and fails to reimburse. Besides when the pharmaceutical company influence physician and hospital that can encouraged to exceed the business target, the health cost of policy holders increase heavily and health insurance have to reimburse this unnecessary drugs and, the final incidence is fall up on health insurance In spite of the fact that health insurance does not cover majority of the people as much as anticipated, the demand for pharmaceutical product grows more than growth of Health Insurance. What

it means is that demand for pharmaceutical product preciously grows at the rate of 9% per annum against the growth of population at 2.8% covering 6% of GDP. Because Non- Insured Fund (NIF) is flowing into health market, at increasing rate when the people do allocate more fund for health protection by borrowing or from sale of residential property.. The insured fund used for medical cost does not impose heavy financial burden on the family budget in lump sum, as long as it is evenly distributed over the long period of years. However, in respect of uninsured fund by middle class towards medical cost, in fact, it impose heavy burden on the family budget. In brief the meaning of various terms in this paper in to be understood for analyzing the effect of pollution on health insurance

**The methodology :** In this paper, conceptual and hypothetical approach are used simultaneously to analyze issue of distribution of pollution particles, produced in one or two nation to all over the world especially effect on health insurance company .The empirical data relating to growth of pollution related illness and increasing health cost in less polluted nation are analyzed ,with that of polluting nations to prove the fact worst negative impact of pollution penetrated is fall on people developing nation with special reference to health insurance company. To prove concept, scientific method is used .This help to determine direction in the movement of polluted air that proves how free air movement from less to most polluted one are restricted .This shift of air of pollution is interpreted for its economic impact and used economic tool to analyze systematic interrelation between arrived pollution and economic crises and try to prove less polluting nation undergoes more adverse effect than polluted nations. The ideal experimentation, and logical observation methodology, helps to conclude that pollution penetrated from other nation can bring about drastic degradation in life expectancy and adverse effect on Health Insurance Company and standard of living mortality rate and finally to debt trap in less polluting nations

## II. ENVIRONMENT VALUE (E- VALUE)

At present the value of environment is estimating as total monetary value contributed by various environmental organs such as fresh air, tropical forest, rivers, and mountain, and rain, marine products towards to the Gross National Product Dr. Glenn Marine Lange) This version rejected non monetary and environment degradation based definition and lead to wrong conclusion In this, we approach environment value as natural and unpolluted state of environment giving safe air and water as basis of determination of environment value The natural value of environment is immeasurable value at the time no one dies out of degradation of it, *Environmental value is the social value obtained from the perfect unpolluted atmosphere where there is no inhabitant who suffers out of pollution that is either penetrated from other nation or generated within the country.* The value is said to diminish at the time the excess pollution particles (*'surplus pollution'*) remaining in the atmosphere after adjusting pollution content exceeds pollution above self-healing power of the species on the earth 'This surplus gets live and moves ridding through the 'Conductivity Effect of Nature' (CEN) to less polluted nation in search and effect all segment of economy including health insurance market. In this paper a brief discussions is done on the issue of shifting of diminishing environmental value generated from one or two nations to another and its effect various segment of economy including on health insurance in developing nations..Here we examine the scope of health insurance in the diminishing environment value penetrated from big polluters.

If the surplus pollution from china and USA retain there, nobody would be in live there and everybody would have dies of their own pollution. Why does Chinese and American people escapes from the adverse effects of Pollution generated from nations like India, Pakistan Afghanistan etc? Astonishingly, why do these least polluting countries cannot escape from the adverse effect of Pollution emitted by China and USA? No one in America and China suffers from illness generated out of surplus Pollution emitted from the least polluting nations such as India and Pakistan.. Chinese and American air, shares 24 and 26 % of global co2 emission contains Pollution particles above 2.5 microns has high density of pollution towards which no pollution is strong enough to penetrate in to them, and has been protected from effects of surplus, as if the Army/ military force protect the nation from external aggression and threat . It is termed as *'Zero Conductivity Effects of Nature'* As long as air moves from thick density place to less thick density place, as obtained from peculiar movement of air derived from the rotation of earth — air move from most polluted place to less polluted place, — USA, and China — most polluting nations — can never face suffering from surplus Pollution from other countries. But the adverse effect of the Pollution of USA and China can be shifted to other nations so as to let them enjoy the benefit of less polluted air of other nations and to push their Pollution in to other nations until particles are distributed all over the nation thereby keeping the density of Pollution of polluting nation only slightly thicker than other nations.The total unit of Pollution particles released from all polluting industries within the Motherland in a given period taken together, except Pollution particles penetrated from other nations vide operation of Conductivity Effect of Nature is *'Pollution Self Generated'(SGP)* and that effect adversely on

health insurance company. Since SGP generates income from various polluting unit in own country, the health insurance get fertile ground to grow from increased enrolment from people who likes to avert health risk aroused out of pollution induced illness .

**List of countries by 2008 emission of CO2  
(In per-cent age basis**

**Table 1**

Rank	country	Global% of emission
1	China	23.53%
2	USA	18.27%
3	European Union's27 Nations	13.98%
4	India	5.83%
32	Pakistan	.051%
127	Nepal	0.01%
162	Afghanistan	.0001%

Source .CDAIC UN estimate 2005-2011

The pollution particles found in less polluting nation is larger than total unit of pollution produced within the country and health insurance Company in such nations suffers out of low income of people as well as increasing pollution induced illness penetrated from top polluting nations. The health insurance company HIC has to reimburse health cost emerged out of SGP and pollution penetrated from other nations. Such inverse happening—pollution penetrated from polluting nation-- is neglected by many of thinkers including Nurkse and Coarse. It should be corrected. The adverse the effect of surplus Pollution vide diminish in the Environment value ,generated and moves by ECN from outside the country and penetrated in to health insurance segments of economy is termed as ‘*External Surplus Pollution Effect*’ (ESP Effect) on health insurance. *This also affect adversity on family budget, Health Cost, life expectancy and mortality rate .* But we study here health insurance only The gap between appearance of two the consultable illness, is now a days diminishes according to growth of pollution induced illness either by ESP effect or by SGP and produce considerable impact of health insurance. Patients for example, older days approach4-5 time in a year for consultation is increased to 8 to 9 time in year due to increasing diseases. The period two diseases diminish. The concept is termed as ‘ ‘ Shrinking Effect of Diseases Velocity Gap’ (SEDVP) which is important for explain crises in the health insurance company .This the situation in the health market where in gap between two periods within which patients approach for a physician’s help is found to be diminishes according to the diminishing e-value either by SGP or ESP Effect . It measures the impact of increase in the rate of diseases (per thousand of population) on the demand for pharmaceutical products, Health Insurance market, and its impact upon the family budget in a given period of time.

**III. HEALTH INSURANCE MARKET-(HIM)**

Health market is comprised of Health Insurance, Pharmaceutical, and health education market which is formed and grows out of diminishing environmental value that put risk to human life. The HIM is emerges due to operation of ESP effect or SGP or by both and is created by health insurance dealers who covers Risk of illness under reimbursements option and offers at the premium that give maximum benefit to both to owners of company and holders of policy. The three submarket- drug and health insurance and health educational market-- -- are mutually interdependent, between them through pollution induced illness borne out of ESP effect or SGP or both. Pollution Induced Diseases (PID) bound them together. Health Insurance helps, to avoid unexpected health cost vide reimbursement medical cost. The diminishing environmental value inserts risk in human life, and the health insurance gets fertile ground to grow. In spite of this advantage, this Component (HIC), in almost all countries, fails to grow in the same proportion to the growth of other segments of health market and is able to penetrate only to the extent of 3% to 5% of Indians ever since its starting .At the same time the pharmaceutical market has penetrated, to almost all section of people covering 80% to 90%, earns highest return on the investment at the rate of 17%.This is because both Insured Fund—health insurance reimbursement from private and public insurance company (3 to 10%) ---and Non Insured Fund--- obtained by creating debt or liquidating asset ( 90 to 97 %)----reaches in drug market and stimulate drug market to grow fast .Thirty percent of people in the U.S., or 55 million, were uninsured. Another 30 million people, or 16 percent of the population, were "underinsured," If health insurance covers 90% of population , there will not be much difference in then the growth of them. The uninsured fund (fund obtained from selling dwelling or land or from borrowing from NBFi, curtailing other forms of demotic expense or of all) are tragedy for insurance market itself when fall in to debt trap and move to low income class .Similarly if public hospitals are equipped with all facilities, both health insurance and drug market find no place in our daily life. , The health insurance facility is to use forcibly by the middle-income classes, under no alternative situation when there is acute absence of medical facility in the public

Hospitals, and at the same time, when subscribers of Health Insurance are provided with sufficient fund to meet their Medical Cost and reduce risk. The growth health insurances encourage, the health spending in USA, to increase more than any other industrial nation and provide sufficient ground for pharmacy company to grow at amazing rate. US per capita spending on health was \$ 2001, which was the double of the averages of six developed countries — France, china, England, Germany and Mexico — which has per-capita health spending of \$ 10, 33. In spite of, US, health spending is largest in the world in both obsolete and relative terms, the benefit is far away from lowest income class constituting and hence life expectancy became stagnant and death rate steams up in USA (*Data watch – 1987 estimate of George J Shieber as Jean-Pierre Pouller.*),

The 'great Depression of 1930 puts the Insurance Companies to severe crisis out of decline in the remittance of premium due to low employment and income. The role of SEDG due to growth in ESP effect and SGP has accelerates the crisis in developing nations by frequent reimbursement of medical cost on HIC and which is neither interpreted nor analyzed properly and thinks that all is due to natural growth of diseases. In growing SEDG by ESP Effect, not knowing about real reason, certain Private Insurance Companies declined to reimburse Hospitalization charges, on one or other technical reasons believing that it is due to policy mistake. In developing and less polluting nations, the ESP Effect is additional negative impact other than unforeseen contingencies like war, depression, natural calamity. The ESP Effect reduce the capability of public, especially middle-income class to proceed with regular remittance of the insurance premium.. In 1990's, throughout Europe and Western countries there was loss of confidence in the private Insurance Companies in their capability of reimbursement of medical bills and middle class withdraw from insurance This is big blow for them and fails to take benefit of diminishing environment value. In complex inter relationship between various segments of health market, health Insurance Company cannot exist and develop without the coverage of middle class who constitute majority The-- elite class --reverse one and is not required insurance for meet unexpected health cost and they are only minority. Since high class depend less on health insurances for they have sufficient liquidity at deposit to meet any unforeseen health cost, the health insurance cannot grow out of there fund. The only safe way to get feed for growth health insurance companies is to approach middle and lower income class. .. This seems to be contradictory. But, the fact is that insurance company cannot move ahead without undertaking insurance of high risk class(middle class) .

The company faces the crisis in between unwilling on the part of HIC to enroll middle class in insurance due to SEDVG and insufficient potential among high income class to feed for growth of HIC. This dilemma raised out of trap — is called '**Health Insurance Trap**'. The insurance companies have to face crisis from Shrinking Effect of Disease Velocity Gap, which is working largely on middle class. The Companies have the option of either to cover risk of affluent and high middle class constituting only minority of population or to insure lower income and middle income class covering majority. Undertaking risk of middle class who is subject of SEDVG is equal to accept heavy reimbursement option As long as affluent class constitutes very low percentage of people, and the area to which insurance can expand among these people is limited and cannot meet the target of business fixed by the company., the disappearance of middle as seen USA limit growth of health insurance company. However, in spite of Health risk is comparatively high among middle class in relation to rich group, they cannot revert from undertaking health risk of such middle and lower income people as long as large percentage of fund for health Insurance — source of its existence — is taped from such class in all period since starting of insurance. Since private insurance seeking only profit out of Insurance business, they render less care for low income and high-risk involved people. Hence, Government of Democratic country cannot escape from expanding Health Insurance to poor at any cost in order to reach the target of covering the whole people over the net of Health Insurance. The fact is cannot be denied that USA contribute 21 percent of global emission of CO<sub>2</sub>, and it's the adverse effect of Pollution does not account for some percentage. The effect on human being in USA is more or less similar to the nation which contributed 1% of global emission of Pollution. The Growth of health insurance market cannot be found in isolation with the so-called diminishing e-value. This association arises from the Pollution induced illness generated either from Self-Generated Pollution or from imported through ESP effect. As such, an imported illness leads to uncertainty and risk in the health market and makes it fertile ground for the growth of health insurance. At this instant, we cannot misunderstand that health risk and uncertainty generated in the Pollution generated nations such as China (21.30%), USA (19.10%) and India (5.50%) are not concentrated in these nations itself and rather transfer health risk to other nations vide CEN and helps these Nations to transfer the effect of Pollution to the Nations. The least per capita CO<sub>2</sub> emitting nations like Chard (0.1% of global emission of CO<sub>2</sub>), Bangladesh (0.3%), Zambia (0.3%) etc, cannot escape from the adverse effect of diminishing e-value of developed nations such as USA and China as long as ESP vide CEN is in- the operation and their health insurance companies undergoes severe strain of crises generated out of SEDVP developed from ESP effect. JibanBima Corporation of

Bangladesh has undergoes severe issue of rising medical cost and increasing medical reimbursement due to pollution induced diseases despite it generate less than 0.3 % of share of co2 emissions and but having burden of PID similar or more than that of USA or China cannot be remained unseen for long time The Health Insurance Market of developed nations like USA, and China are not able to develop, by all endeavor, in proportion to growth of per capita income. Same is in the nations such as Qatar (\$8 3841), Luxemburg (\$78395), and USA (\$46381) is still lagging behind even when there is high growth rate in per-capita income. These cannot be attributed to single reason. Since Zero Conductivity Effect are in operation in USA, the ESP effect is plays no role in raising the insurance business. But in such nations SEDVP are in the operation due to SGP and impose heavy reimbursement on health insurance companies. Despite per capita income, the education level, can promote for growth of health insurance, it is of spurious help for health insurance company unless effect among large percentage middle and lower income. In USA Middle class — the group from which fund mobilized for health insurance — began to disappear since 2000 and enfolded and enervate its growth and forced the company elite class oriented business. SEDVP also cause for diminishing trend of Health insurance as long as middleclass do not grow Robert Wood Foundation reports “middle class are losing their health insurance faster than any other group.” The health insurance company in USA grows in a lesser than per capita income and are able to penetrate only 16% of the population until day despite increase in the per capita income has ranked USA to seventh position in the world. Two things are revealed from this. (1) The growth of Health Insurance Company is not much dependent on per capita income. (2) Theoretically diminishing-value support the growth of Health Insurance.. But in practice this market cannot penetrate into majority of people of high Pollution generating nations like USA.\

**Table 2 shows difference in average premium collected average claim paid per life in India**

company	Average	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
NIC	premium	0.48	1.35	0.85	1.21	1.23
	Claim	0.65	1.74	1.01	1.22	1.12
NIA	premium	1.26	1.03	1.20	1.33	2.24
	Claim	1.35	1.23	1.19	1.09	2.22
OIC	premium	0.87	1.04	1.38	1.55	2.06
	Claim	1.03	1.25	1.70	1.70	2.26
UIIC	premium	2.75	1.25	1.25	1.42	1.61
	Claim	3.75	1.45	1.50	1.55	1.88

**NIC** (National Insurance Company Ltd- **NIA** (New India assurance Company ltd—**OIC** (Oriental Insurance company Ltd—**UIIC** (United India Assurance Company Ltd.  
Source: Ministry of Finance-India Report NO.—10 of 2010-11

The degradation of Health, from ESP Effect and sub sequent arrival of disease such as cardio vascular disease HIV/ AIDS, T.B. cases, Blood pressure and hypertension; kidney fail from polluted food ingredient, requires large fund for the treatment, for which people seeks, monetary protection through Health insurance. In other words diminishing e-value, create all favorable condition for the growth of Insurance Company and also leads to its crisis. The cardiac disease, which is proved to be most import advance effect of Pollution, contributed a great role in the growth of health insurance. The air pollution killed, 2, 82,000 burden of disease in 1998’. However, looking at the prospect of Health Insurance Market in the free market economy, the diminishing e-value, can produce both ‘positive’ and ‘negative’ effects simultaneously on the Health Insurance Company. Many factors are responsible for the positive development of HIM. The increasing Health problem due to ESP effect or SGP or by both, and subsequent raising the element of uncertainty and risks and mobilize fund on needy time, and expanding SVDG and anticipation of reduction in the monetary risk on diseases, are some of positive factors for the expansion of insurance. The operation of SDVG is not a small part in the stimulation of Health Insurance and it has resulted in multiplying the need for monetary protection from anticipated illness, and makes demand more health insurance. It often develops and grows sucking the blood of middle class of various sub-segments such as health insurance and drug market and supply the capital to elite class. This exchange of fund from middle to elite class cannot continue indefinitely as long as each transaction results in debt and leads to disappearance of them self and put them in to ‘Disease Debt’ and ‘Health Insurance Trap’. Similarly the SDVG, affect the growth of national income and of budget portfolio of the family as well

#### IV. THE CRISIS IN HIC

The crisis for insurance company arises when there appears disequilibrium between of medical cost incurred and monetary risk assured by Insurance institution. There are two situation of inequality between medical cost incurred and monitory risk assured. First medical cost of its subscriber is less than Risk Coverage

Assured (RCA) where in premium collected from them is higher than Actual Risk Cost (ARC). This is the situation, under which Actual Risk Cost (ARC) is growing more than Risk Coverage Assured in a premium and, the health insurance companies, - whether public or in private - are needed to operate invariably within the risk zone and it would pass through this zone as long as e-value goes diminishing. The negative impact of diminishing e-value also develops within the positive development of HIM. With growth in Health insurance, the seed for destruction of its growth also develops in the health market. The health insurance companies can expand its operation among more and more percentage of middle class if middle class can earn income more according to diminishes in E-value. But this become increasingly a 'dreamful target' to realize as long as there is operation of diminishing E- value that release more monetary burden to Health Insurance Companies than risk undertaken. This situation will be more serious when, the income, in real terms, diminishes after the operation of the ESP effect that, deteriorate the human health. The SGP can stimulate Health insurance, whereas ESP effect cannot stimulate Health insurance. This is because the growth of income under pollution from ESP Effect is slower than the situation of Self Generated Pollution (SGP). More over the velocity of diseases is fast in such under developed nation where there will be more victims of ESP- effect, due to malnutrition problem. But the demand for Pharmaceutical product and Health Insurance product never increase in accordance with diminish is E-value. If the income of people do not grew proportionately, according to diminish in e-value, how can we anticipate that the demand for Health Insurance Product, in developing economy, can raise in accordance with diminish in e-value as well as increases DVDG. Therefore, the demands for HIP in developing economy is not able to push up in accordance with diminish in e-value. Similarly the ESP effect, undoubtedly accelerate the E-value to diminish at fast in least prosperous nation. Hence, there is great need for Public Health Insurance Company to expand in less developed nations and save victims of ESP affected nations who suffer from diseases, of various natures.

The growth rate of increase in illness per thousand is extremely large in these nations than developed nations. The private Insurance Company does not venture to expand its branches in rural area of less prosperous nation following two factors. a) Diminishing per capita income is an important constraint in the family budget for allocating a fixed sum for Health Insurance. b) In least prosperous nation, where ESP effect high, the diminishing immunity power is caused for spreading various viral diseases so that private Insurance Company is unwilling to expand insurance to these people. The Insurance Company is capable to canvass about 25 to 30 per cent of total population in developed nation like China and USA, which covers 21 and 20 percent of Global Pollution respectively. This is because additional per capita income, generated from intensive Pollution generating industries makes sufficient capacity to demand more health insurance. India shares only 5% of Global Pollution and the slow growth of basic industries achieved out of it can render low employment and income and makes to grow at less than 2.5percent pa, which is not sufficient to obtain HIP according illness. Hence growth of Insurance Company has not reached majority of the deserving class. The second unfavorable state of affairs is related to occurrence of the situation where by the Actual Risk Cost is higher than Risk Coverage Assured ( $ARC < RCA$ ) and reaches invariably in the health market crisis. This is due to the operation of diminishing e- value and its subsequent effect of shrinking velocity of disease gap. Suppose 100 Health Insurance Products (HIP) are held by middle income class in a region and insurance company is earning an income of Rs 50 lakhs per year. The SVDG appears, but medical reimbursable amount comes only 30 laths during the same period ( $ARC < RCA$ ). This is happiest stage for company. On other side if reverse is situation, the 320 Silent Victims Emerging issue of environment health insurance will be unhappy.

The Increasing Actual Risk Cost and additional commitment imposed by ESP effect — the two serpent creeps into the Health Insurance Company that release more commitment to its subscriber- destroy the structure of health insurance market and transfer crisis into other segments of commodity market(. See table 2) The health Insurance companies cannot exist and expand its operation into majority of people as long as diminishing e-value and DVDG are to hold grip more and more on general health of public. The liquidity of health insurance companies does not adversely affected from the Self generated Pollution as long as it generates income and employment .This is not produce dangerous effects of pollution like ESP effect which leads to raise ARC over CRA. The ESP effect discourages health insurance. Because it never results in rise in per capita income and instead it reduces income further. The growth of the health insurance companies generated from growth of percapita income by SGP is self propeller and results in growth of health insurance, though it is for short while. But, in ESP effecting nation, which is supposed to be less developed country, the insurance companies cannot get into expansion spontaneously without assistance from government and have to be developed from fund from government. Moreover, the private HIC cannot go on with the business, as long as the DVDG has been aggravated from ESP effect and multiply medical cost, because it releases risk into Health Insurance Companies. It means that health risk increases day by day due to surplus Pollution and its subsequent effect on health vide climate change by ESP effect or by SGP.

## V. HIC AND STRATEGY OF PHARMACY COMPANY

The Marxian Philosophy points to this truth involved in the capitalist mode of production and predicted danger of over exploitation of natural resources. The health insurance companies are also committed to undertake risk on health inflicted from operation of 'Big pharmacy.' No health insurance company is bothered about it. Drug companies create artificial Health risk, among human for steady growth of demand for their drug and transfer this risk and monetary burden to Health Insurance Company. For example, nationally and internationally banned drugs are in sales in India in spite of they knew its adverse effect on in patient either in form of cardio vascular disease or in the form of kidney problem. The drug including those like nimesulide (pain/ fever-side effect - liver damage) droperidol (anti-depressant side effect - irregular heart beat) Furozolidone (anti-diarrhoeal - side effect - cancer) Nitrofurazone (anti-bacterial-side effect cancer) are some of which have been banned in several part of the world including UK and US, but are in sales. No doubt that these side effect to patient is produced or inserted artificially by drug companies to promote sales bestows the financial commitment to health insurance companies whether in private or in public. Insurance Company faces financial commitment directly and indirectly from the diminishing E-Value. Obviously, the direct commitment on Health Insurance Sector is from the diminishing e-value generated illness. The indirect commitment on Health Insurance Company is related to growth of disease generated from side effect from drug consumption. The risk involved in the anticipated Pollution induced illness is determined by velocity of diminishing E-value and acquired increasing resistance Power of human organ to prevent external Pollution generated problem. In USA the Health insurance provided two tier systems- Insurance Private and Public Health Insurance and is the primary source of coverage of Health Insurance. According to CDC, approximately 58% of American has private Health Insurance. The Public Health Insurance programs in USA are 1) Medicare 2) Medicaid. The Medicare is Federal Social Insurance programs for senior and disabled individuals. The Medicaid founded jointly by Federal Government and USA to cover insurance for low-income people and children fails to achieve for which it is established They formulate and administrate insurance company at state level. ..It is observed from the study that co-existence of both public and Private Health Insurance, in almost, equal strength, certainly encourage Private Health Insurance Company, to develop in fast exploiting the weakness of former. The recent policies of privatizations, as a part of Globalizations strengthen the private Insurance Company. However, the growth of insurance and pharmaceutical Industry and Health education need not completely rest on the volume and depth of Diminish in E-value that generated illness for public. No doubt it effect positively on the growth of Health market and Insurance Company. However, the extent to which the insurance company obtains advantages of diminishes in E-value, depends on factors such as (a) growth of per capita income (b) Risk in Pollution induced illness (c) property or asset owned by family (d). The percentage of risk covers by the insurance company and (e) the EMI of insurance amount for a given risk covering period But all these positive growth of health insurance is nullified by ESP effect stimulated SEDVG and 'excess service operation'(medicine and nursing service given to patient in private hospital are above normal requirement) in private Hospitals. The HIC has to bear Health Cost imposed by excess service operation and push them in to crisis

The demand for Health Insurance are not, equal to growth of surplus Pollution generated in the motherland. Its demand for Health Insurance Product HIP is more than the expected for HIP for a given in the growth self generated surplus Pollution.. This is because, the ESP effect push up the demand for medicine and insurance more than what is anticipated from given growth of SGP. It should be noted that volume of Pollution induced disease spread in the domestic nations is not be always equal to volume of Pollution generated and growth of immunity power of the people in mother land .For nation, theoretically the Pollution induced diseases should be equal to value of Pollution (surplus) generated and growth of immunity power in the mother land. However, practically it should be higher than the Pollution generated in less developed nation. Why? The answer to the question obtained on the explanation of the concept of ESP Effect. We found in the earlier portion that ESP effect is the economic and social negative impact of Pollution in the less developed nation, from the adverse effect penetrated from the Pollution generated outside the nations or adjacent nations.

Our analysis of economic consequence of ESP effect is mainly to prove that the problems raised out of Health deterioration out of illness, caused from the economic activity of rest of the world. The surplus Pollution, that aroused in the nation, is mainly due to the development activity undertaken in respect of industry, agriculture, etc., which enhances per capita income, employment and raised standard of living of the majority of people. However, by ESP effect, health degradation, generated from Pollution generated illness, penetrated from outside the nation, and worsened the situation further by reducing income and employment and by raising death rate. ESP effect explains the sufferings undergone by the domestic people from the Pollution generated outside the nation.. CEN through expansion of industries effects raise in per capita income and standard of living and enable people to obtain protein contained food sufficient enough rise them self above poverty Line.

The ESP effects do not increase per capita income in least prosperous nation. However, the CEN effect, rise positively the per capita income and employment. In less prosperous nation where per capita income, in real terms, diminishes and where per capita emission of CO<sub>2</sub> is low in comparison with developed nation, the ESP effect from adjacent nation, can deteriorates the human health faster than prior to the operation ESP effect ... Hence, there is great need for Public Health Insurance Company to expand in less developed as long as ESP affected nation suffered from diseases, of various nature, growth rate of increase in illness per thousand is extremely large in these nations than developed nation.

## **VI. PHARMACY MARKET V/S HEALTH INSURANCE MARKET**

The demand for pharmaceutical product in all over the world is far away actual demand, despite the fact that this company has achieved tremendous progress during last two decades. The actual demand for drugs is much below realized demand for drug. The growth of Health Insurance Company either sector, promotes the Pharmaceutical Company. The Health insurance in India is interested to cover affluent class who least need insurance for mobilizing the Fund. But, contradiction that of middle and lower income class who is in need of health insurance is out of coverage. The pharmaceutical Market is least affected by Health Insurance of middle class in USA and is absorbing market from outside the country where ESP effect operate out of their own pollution. How is it possible as long the middle class evaporating?. But in India the Pharma growth cannot be separated from middle class which is expanding. The least coverage of health of health insurance makes per-capita consumption of drug/medicine low in India (US \$3). This is very low compared to developed nation such as Germany (\$222) USA (US \$ 192) and Japan US \$ 412 where health Insurance is covered by above 18 to 20% of the people.

In other words, per capita consumption of medicine in India is low, and Drug Company does not grow in line with developed nation mainly due to slow penetration of Health insurance among middle class. It is observed that, wherever health insurance sector, become weak pillar in that Health component and fails to cover the middle class, at all that time demand for Pharmaceutical product in India is less than actual demand and divergence occurs. In spite of growth of pharmaceutical market all over the world at amazing rate of average 9% per annum; this growth is less than actual demand for the nation. As long as Health Insurance does not protect the very middle class people, especially poor people, it produces undesirable consequence in the economy. The kith and kin of the patients are more likely to sell off their property to obtain “exchange surplus” for the treatment. In order to meet fund for the chronic and life style related disease such as diabetic; Cardio Vascular disease, kidney problem which requires heavy cost for the treatment, for which lump sum fund required and, unless Health Insurance protect them ,they have to resort for ‘Exchange surplus from Land’ or have to move for debt. 50% of domestic market for pharmaceutical product in India is covered by medicine for Cardio Vascular problem and disorder central nervous system, for which heavy cost is required (.WHO Report 2005).In spite of the fact that health insurance does not cover majority of the people as much as anticipated, the demand for pharmaceutical product grows more than growth of Health Insurance. What it means is that demand for pharmaceutical product preciously grows at the rate of 9% per annum against the growth of population at 2.8% covering 6% of GDP. Because Non- Insured Fund (NIF) is flowing into health market, at increasing rate when the people do allocate more fund for health protection by borrowing or from sale of residential property as said. The insured fund used for medical cost does not impose heavy financial burden on the family budget in lump sum, as long as it is evenly distributed over the long period of years.

However, in respect of` uninsured fund by middle class towards medical cost, in fact, it impose heavy burden on the family budget. Moreover, it is to be paid in lump sum and cannot be distributed evenly through a given period. Such fund will eventually leads to medical debt. The ‘insured’ and non-insured’ fund mobilized for the health cost, do produce impact differently in the family budget of middle class. In other words, uninsured fund indicate, personal debt, which can totally dislocate the financial portfolio of middle class and move ultimately to deprived class. It took place among the people who got health consciousness particularly after increase in the investment in health education through social welfare program. The ESP Effect is one of the dominant factors for transfer of Non Insured Fund into Drug Market. Because, as long as ESP effects cannot help to increase in per capita income, we cannot anticipate that the growth of Drug Market derived from growth of per capita income. But it is channelized from Non Insured Fund. It may be from exchange surplus of sales of property or may be from Debt. The ESP Effect results in transfer of NIF in to Drug Market whenever there is the existence of “Non Poor Pretence Behavior” (NPPB) among middle class and inadequate medical facility in government hospital. The Self Gene rated Pollution (SGP) which results in growth in per capita income does not lead to growth of NIF in the drug market. The demand for pharmaceutical product is also associated with variation in the e-value, ESP effect, and conductivity effect of nature.

In least developed and least self-generated polluted nation, the ESP effect, can play a significant part in generating illness among these nations and accelerating the demand for pharmaceutical. The demand for pharmaceutical product does not grow according to diminishes in e-value generated by ESP effect as long as income and employment are not increased by ESP effect. The diminishing e-value in under developed nation does not relate to growth of domestic business, generated .This is related to ESP effect and demand for drugs is not bone out of SGP in developing economy But demand for all other goods except medicine falls according to fall in income, but its demand does not fall and rather remains unchanged following the arrival ‘Non Insured Fund’ in to health market. In order to maintain sustained growth for medicine, certain Drug Companies adopt heartless strategy of creating artificial demand for Pharmacy product, like expanding sale of banned drugs and stimulate demand for drug through side-effect created health problems. In other words, per capita income of domestic nation does not rise, according to the surplus Pollution penetrated into through ESP Effect, For this we cannot anticipate that the demand for drugs can rise, but if it rises, it is from the Non-Insurance Fund and is not derived from the industrial growth



of domestic nation, but it is penetrated and superimposed artificially through the operation of ESP effect. Hence, the demands for pharmaceutical product cannot increase merely by extension of diminish in value. In Developed Nation, when, Pollution is generated through increase in investment in various Pollution generating industries, which generate income and employment, the demand for drug also increase according in e-value. The loss of demand for drugs is intolerable for “Big Pharmacy” (Big pharmaceutical companies) who revises the budget every year in anticipation of profit. Every Pharmacy announces its own strategy to realize the budget target. The bigger pharmaceutical companies adopt competing strategy. Sometimes aggressive methods are used to canvas greater share of market and to achieve budget target. For example, in same geographical area, there are five medical representatives for just one company or different representatives for same drug. PW House Coopers in his report advocated Block Buster model as an effective strategy, and advocated for search of distribution of small number of drugs that achieve substantial global share. (Analysis and adoption of MSA Activity-1999) Mckingscy & Company’s in their study found that the market will triple to US \$ 20 billion by 2015 and move towards top 10th Rank at world Pharmaceutical market. The Pharmaceutical market revise the budget target every year and achieves 9 to 10 percent growth per annum, unlike the Health Insurance whose growth rate lags behind in every year due to fast diminishing E-value that bestows heavy burden on insurance company. The non- proportional relationship between pharmaceutical market and Health insurance market point to the truth that the uninsured Health Expenditure is increasing fast, putting middle class, more and more in to ‘Disease debt’. Such deviation between health insurance market and pharmaceutical market would take place if Government Hospital is not sufficiently equipped with medicine and equipment. It is seen that the spending behavior of the people, for of HPE, is altered in response to growth of middle class, who allocate good proportion of net growth of income for health care.

No wonder that it helps to remove alternative illness caught from ESP effect or by SGP or by both and minimize the Medical Cost vide reducing the operation of Shrinking Effect of Diseases Gap. Rejection of Yoga of on religious ground is like rejection of our existence and seemed to be the result of religious slavery and working of penurious ghost of this slavery. The Yoga helps to save health insurance companies from the financial crisis generated from SEDVG motivated medical re- imbursement expenses and reduce medical re –imbursement. The Yoga is a plausible solution to the alternative occurrence of illness, against expected minimum occurrences and it is also way out for threat for the growth of Health Insurance Company that prefer to cover only those classes who are capable pay heavy premium. This kind of trap created by middle class on health insurance company, as we have explained under the heading Health Insurance Trap is emerged out of operation of shirking Effect of Disease Velocity Gap among lower and middle-income classes — the most dependable category of people for the development of Health Insurance. Under this crisis, the expansion of Health Insurance among this class brings in increasing burden of reimbursable Health cost and it increases as long as SVDG works. The free training of Yoga programs among its subscribers can help to escape from this trap and can expand business among middle income class without fear of SVDC. The Yoga by all as far as possible is a solution for the amazing reduction of Insurance, among these groups, and resultant in deficiency of insurance fund for claim. Both expansion of and reduction of Health Insurance is dependent on percentage of middle class The Yoga practice is more required for civil servant than others to rise there life expectancy which is lower than others. The stress and strain is incomparable for them and disorder cell function and reduce life expectancy. A summary article from The Wired Cortex, in wired.com, by Jonah Lehrer, states that: “between the ages of 40 and 64, workers at the bottom of the hierarchy had a mortality rate four times higher than that of people at the top

## **VII. COMPENSATION FOR ESP EFFECT**

The objective, of this portion is to prove the role of ‘Compensation for ESP effect’ in correcting and balancing Social Cost of Pollution of ‘victim nation’, — the nations that suffers from ESP effect. For this pollution tax within the mother nation is insufficient tools

The pollution tax is designed to compact increasing cost on human behavior to our natural environment (Groosman) But it never tell whose anti-environmental behavior – whether on motherland polluter or on polluters outside the mother nation — should be taxed. Such definition misleads us from real problem and makes feel that all nations are equally responsible contributions for pollution .The justification of this compensation is simple. The benefit of production is never shares, between nations, on which cost imposed and cost is significantly larger than the nation that caused it. The ESP effect, does not work, to share the benefit and shares only the disadvantage of Pollution between less polluted nations. The tax on ESP Effect solves this issue.

Nobel Prize laureate Ronald Coase and AC Piqué, try to equalize social Cost and Social Benefit of pollution generated by pollution within the mother land, ignoring the aspect of Social Cost Pollution (SCP) generated out of ESP effect. In such disequilibrium brought about by ESP Effect, the SCP and SBP is never tally and SCP triggers upwards with every impact of ESP effect. Such disequilibrium develops as long as no compensation is paid to victim nations in proportion social cost undergone by E SP effect. The Piqué’s concept of internalization ---the processes of investing fund obtained from tax for business which does not directly or indirectly leads to further emission of surplus Pollution-- to equalize SOP and SMP is self-defeating and breakup the whole objective of tax and leads to negative internalization of Pollution. This also ignored ESP Effect induced Social cost Coase ignored poor victims of other nations affected by ESP effect –third party- who has no bargaining strength. The tax for ESP effect is the compensation paid by polluter nation, to the least polluted nation in proportion to amount gained by polluting nation at the cost of less polluting nation situated as adjacent boundary or on distant nations, and for the damages created by ESP effect on the Nation’s Life Expectancy and Mortality Rate, etc.

### VIII. DETERMINATION OF COMPENSATION RATE FOR ESP EFFECT

The estimation of Tax on ESP Effect based on the percentage of Global Emission of  $CO_2$  of the Nation under concern can however, remove the disadvantages of estimating tax based on per capita Emission and if per capita emission method is accepted, the Pollution seem to fall, according to growth of population and lead to misleading conclusion, concealing fact. The Zero Conductivity Effect of Pollution, of polluting countries — a gift of nature — can protect nation from imminent danger of ESP Effect. A part of the per capita income of developed nation that is obtained at the cost of less polluted nation, is belonged to such Nations and need to disburse to victim nation, as compensation for the adverse effect on environment and abstemious through food. Let us now estimate, what percentage of per capita income of China is belonged to rest of the Nations for unloading the adverse effect occurred from ESP effects. . In order to estimate Tax on ESP effect, we need to calculate what percentage of compensation is to be paid to each victim Nations, and for this estimation, we should take into consideration the parameters as shown. (1) The percentage of Global Emission of  $CO_2$  by nation that liable to pay compensation. (2) Per capita income of the nation on who tax falls. (3) Difference between Global percentage of  $CO_2$  emission of most polluting nation and least polluting nation (4). Difference in per capita income of polluting Nation, with those of Average Per capita Income of Nation that receives compensation, assumed to exist in economy of free market. USA never entitled to shares compensation to China that pollute more than former. Likewise, India never compensates for USA, China, and E U Nations as long as rate of Pollution from India is small in relation to them. If we calculate Tax on ESP effect of India, first of all, we have to deduct, total number of all other nations that emit Pollution rate above that of Pollution rate of India, from the total number of nations including 0% Pollution emitting nations like Maldives, Afghanistan etc. For example, if we need to calculate tax on ESP effect on Mexico, then we have to estimate world Rank of Mexico in respect of rate of  $CO_2$  emission. As seen in the table, Mexico stands at 12th rank in respect of emission rate, and these figures must deduct from total number of nations in the rank list prepared on the basis of rate of Pollution. ( $214-12=202$ ). The per capita income of Mexico ( \$ 15340) should be divided by total number of nations with whom compensation is to be paid. ( $15350/202=$ ). For example, how many per thousand of people, if estimated at thousand measures, (rate of per capita income) in USA have per capita income worth of \$ 48442 in the group and can it be denounce in public? Amazingly, it is found that less than 30 people in every club of hundred people have income equals to or more than per capita income of \$ 48442 of USA. However, in China, more than 900 people in every thousands of people have income equal to or greater than \$ 8442, which makes clear that social value of per capita income of China, is larger than USA as it covers large number of people per thousand.. In the other case, let us take reverse of it, i.e. USA has per capita income of \$ 8442. It is found that number of people per thousand having income worth 8442 in the thousand people club of USA is  $107/1000$  which is very much less than that of China. . Nations — China and USA — cannot enhance its present income level if all other Nations - less polluting nations - re - transmit Pollution particles, in to their nations themselves without accommodating and depositing them in human. Hence some portion of per capita income is the result of dispersing dangerous  $CO_2$  and other pollutant gases, to every corner of world at free of cost and cause to increase the suffering, out of illness and increase cost of living of victim nations. There is no doubt that some portion of per capita income of polluting nations can recollect as compensation and pay to victims We know that per capita income of USA is \$ 48442. The averages of per capita income of other polluting nations except China and USA are, assumed conveniently as \$, 8000. The difference is \$ 40442. This part of per capita income has lot of obligation to emission rate and cannot achieve it without pushing up emission rate. Certain portion of it is entitled for distribution as compensation.  $40442 / 214 - 2 (\text{minus USA and China}) = 188.98$ . Each nation has right to receive compensation worth of \$ 188.98 from per capita income if all Pollution of  $CO_2$  is released from this nation alone.

However, thing are different and every nation contribute Pollution according to pattern of production adopted. USA emits 18.27% of global emission of  $CO_2$  and all other 212 nations (except USA and China) emit ( $100 \text{ less } 23.53 + 18.27 = 41.8$ ) = 58.2% of  $CO_2$ . Hence  $18.27\% \text{ of } 188.98 = \$34.52$  from every per capita income of \$ 40442 comes under divisible pool to distribute. For all nations, the total amount is  $34.52 \times 222 = 7664.91$ . In short \$76 65. is owes to the rest of the world per capita income Based on above details, let us estimate the amount of tax on China that shares 23.53% of global emission of  $CO_2$  followed by USA 18.27%. The per capita income of china is to be divided by total number of Nation (214) excluding concerned polluting nation, with whom tax for compensation should share, i.e.  $8442/214 - 1 = 39.63$ . The whole of this portion of per capita income is not entitled to distribute to rest of nations for infliction on environment vide ESP effect. This portion of per capita income can belong to rest of nations, if china is only the polluting nation. However, this is not the case. China is the largest contributor (23.33%) of  $CO_2$  among rest of 213 Nations. Hence  $23.33\% \text{ of } 39.63 = \$ 9.24$  is the portion of per capita income that comes under divisible pool. This means that China is s obliged to distribute \$ 9.24 to all victims nation, out of per capita income of \$8442. This is  $\$9.24 \times \text{population of china}$ . This is total contribution of China towards ESP effect on rest of the world is equal to amount calculated as compensation from each portion of per capita income multiplied by population i.e.  $9.24 \times \text{population of China}$  in the given period.

**Policy Implication :** The fixation of price of Pollution Control Devices (PCD) and amount of Pollution Tax are important determinant of pollution emission and work as best antidote against SEDVG and help for health insurance company The economic policy should be designed in such a way that polluter would install PCD , . The tradeoff between accepting pollution tax and install PCD would be a issue only when significant difference exist between them and if difference is not significant, polluter bear difference by himself .The policy should be designed in such a way that make significant difference. Coase's assumption of Trade off is holding true, only when, polluter strongly prefers either of them and do not accept both of them simultaneously .In the Western Nation, contrary to our belief (Coase and Piqué), that polluter accept, both of them simultaneously - accept Pollution choice and Pollution tax altogether and move to Non - Trade off stage (Negative trade off stage).In westerns country both pollution and pollution tax is increasing rejecting Coarse hypothesis The policy of any government is the formulation price, that create 'Positive Trade Off' (PTO) situation and generate incentive for polluter to move into tradeoff stage (assumed by Coase and Piqué) and accept either of them, without accepting both and

choose directly, the option of tax without any hesitation, reverting any chance of Negative Trade Off. Pushing up the price of PCD significantly above the amount of pollution tax is self defeating. The reduction of PCD very much below the Pollution tax is not possible as long as cost of production cannot reduce below minimum level. Subsidies to both ends- producers and buyers of PCD-- help, to bring about significant difference between the two options --is Kingsway to reach our goal . Pushing price of PCD without help of subsidies is foolish and it is equal to killing the goose that lays golden eggs. Because artificial hike in price of PCD, would lead in Negative Trade Off situation and leads in favor of acceptance Pollution, instead of installing PCD option. Thus only solution is deliberate reduction of price of PCD, at minimum possible level vide distribution of "Green Fund"(fund for subsidy collected from levying tax on the good that directly or indirectly promote Pollution and transfers to fund known as green fund) ... ..The intermediary role of Pollution tax, between producers of Pollution and victims of Pollution, neither analyzed nor interpreted... The great obstacles for polluters, to travel through 'trade offstage' is relates to expanding cost of PCD and increasing Pollution tax, which makes no significant difference. The social cost of Pollution can, therefore be able to keep at minimum acceptable level if subsidies are distributed both to polluters and producers of PCD in such a way that makes them to obtain production cost of PCD at minimum level and polluter to purchase, .. The allocation of 'Green Fund' to both ends – producers and purchasers of PCD – brings about a positive trade off situation, using 'Principle of Subsidies in both ends' –polluter to accept PCD at least price and producers to produce at least cost on subsidies. As long as maximum price of PCD is slashed down vide the enhancement of subsidies to manufacturers of PCD and purchasers of PCD, the polluter, is tend to accept option of PCD that would maximize benefit out of trade off situation.

### IX. CONCLUSION

To sum, uncontrolled growth of air pollution transform healthy men in to sick and wealth men in to debt trap and employed ones in to unemployed house owner in to rent payee and homeless, and above all it cause to fall more and more population in to pauper at growing medical cost. In short surplus pollution puts entire inhabitant of the world to live in sick for no cause of them leading to spend everything earned on illness caused by ESP effect. Our task will not end till up root the deadly strategy of USA and China in pushing toxic pollution in to developing world Pollution is crime against generation of years to come, whose demand for pure air to breathe is denied. . It is high time for the reunion of nations, irrespective economic system which follow, against this massive killing by one or two nations business. The yoga practice among all people and in school and older people financed by government and by all health insurance company can bring about tremendous positive impact on health insurance company The tax on ESP Effects, are not at all a strategy for a compensation of loss — which is unable to compensate in real terms — but rather a Kingsway for reverse thinking

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