# Concerns in Ayushman Bharat

## What is the issue?

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- The Ayushman Bharat-National Health Protection Mission (AB-NHPM) needs a relook, given the implementation concerns with it.
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- Click here to know more on the scheme.
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## Why AB-NHPM?

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- Rising out-of-pocket expenditure (OOPE) of the citizens is a key concern in the healthcare sector.
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- Among different sources of healthcare financing, 67% of the total health expenditure comes from households' pockets.
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- Health expenses push about 7% of the population below the poverty threshold every year.
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- In this backdrop, the government launched the Ayushman Bharat-National Health Protection Mission (AB-NHPM) to reduce OOPE.
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## Is it a workable measure?

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- The AB-NHPM shares its objectives with the Rashtriya Swasthya Bima Yojana (RSBY) scheme.
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- RSBY sanctioned Rs 30,000 health insurance coverage per family per year

for secondary and tertiary hospitalisation.
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- In the nearly 9 years of RSBY's existence, the scheme objectives are yet to be met.
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- The quality of healthcare provisioned under the RSBY was compromised because of insufficient coverage.
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- In this respect, the Ayushman Bharat scheme is a positive step up, with an increased coverage limit of Rs 5 lakh.
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- However, some less-desired aspects of the RSBY are reflecting in the AB-NHPM scheme as well.
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- The capacity of increased coverage to reduce the actual OOPE is limited in the current form of this scheme.
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## What are the continuing concerns?

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- **Coverage** - Despite the increase in coverage amount, the AB-NHPM is limited to only inpatient care.
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- The Rs 5 lakh cover is intended for secondary and tertiary care 'hospitalisation' only.
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- The outpatient expenditure, which forms a major part of OOPE, has been left out of the ambit of the AB-NHPM.
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- Poorer people, functioning on daily income, tend to avoid hospitalisation due to the associated loss in working income.
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- Therefore, outpatient care inclusive of diagnostics and medicines needs to be insured for them.
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- **Private players** - Private sector participation in healthcare services has been increasing at a quick rate in urban areas, while remaining more or less constant in rural areas.
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- In 2014-15, over 68% of hospitalised cases in urban areas, and 42% in rural areas, got recorded in private hospitals.

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- Even in top-performing states with the highest government health expenditure, the spending in private sector in OOPE form is quite high.
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- But the scheme, in its current form, may not be able to account for this rising private players' participation.
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- The increase in compensation under AB-NHPM holds value only when it is able to induce insurance coverage for healthcare services provided by the private sector.
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- The list of hospitals empanelled under the scheme does contain many private hospitals.
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- But under the single rate card provision of the scheme, the private sector’s willing participation seems unlikely.
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- This is because the prices proposed under the rate card fall much below the expectations of private sector healthcare providers.
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- **Medical packages list** - Preparing the entire medical procedure list at the central level is a potentially suboptimal move.
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- This is a challenge given the heterogeneity in healthcare needs and disease prevalence across the country.
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- A study under the India State-Level Disease Burden Initiative highlights the need for state-specific health interventions.
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- There are comprehensive inequalities in disease burden and its causes across states.
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- So there is a deep-rooted need for disease-specific interventions, with specialised attention to associated risk factors.
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## What is to be done?

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- Cooperative federalism can go a long way in addressing the above challenges.
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- States’ role needs to be enhanced at planning stages, a shift from their current role as implementers.
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- E.g. states could be given the responsibility of preparing the medical package list
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- This will encourage cost-effective accounting for inter-state variation.
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- Also, if poorer states could set up lucrative prices for healthcare packages, it could augment private investment in these states.
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- So, while the objective of the scheme is welcome, the implementation challenges deserve some serious thought.
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- Increased states’ participation and inflation-adjusted rates for procedures could help India progress towards its universal healthcare goal.
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**Source: Financial Express**

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