

## Pradhan Mantri Jan Arogya Yojana (PMJAY)

### What is the issue?

- It has now been a year since the health care scheme known as the Pradhan Mantri Jan Arogya Yojana (PMJAY) was launched.
- To know about the scheme, [click here](#).

### What do the facts say?

- There were about **4.5 million cases** of hospital treatment under the scheme, a large figure until the number of possible causes in the country is considered.
- The relative smallness of this number points to an issue yet to be addressed: **Public awareness and access**.
- The PMJAY has spread across practically the entire country, with 33 states and Union territories.
- The only big hold-outs to the scheme are some of the Opposition-ruled states including Delhi, West Bengal and Telangana.
- But the number of claims is considerably higher in the richer states like Gujarat (650,000) and Tamil Nadu (400,000).
- Another million or so is accounted for by Karnataka, Andhra Pradesh, and Maharashtra.
- As with many other all-India schemes, states with better resources are managing to implement it better.

### What are the problems in the scheme?

- While the **slow scale-up of the scheme** is a problem, it does mean that its fiscal impact has not yet been felt fully.
- It is possible that the **fear of the fiscal impact** is why some poorer states have not expanded it as much as they should have.
- **Cost control** is going to require more attention.
- The **package rates for private providers** will be the cause of resistance in the future.

### What could be the solution to the above problems?

- The PMJAY authorities will have to take pro-active **measures to reduce**

**costs** - Collective bargaining with pharmaceutical companies or the makers of medical equipment.

- There may be a **sharp expansion in the number of for-profit private hospitals** empanelled under the scheme.
- The current number of hospitals is only a whisker more than the number of public hospitals so registered.
- There should be a **clear understanding about package costs** to pan this out as expected.
- With the expansion of for-profit hospitals, questions will also begin to be asked about widespread fraud.
- This was visible in the first year of the PMJAY, with an unnecessary increase in the rates of some treatments.
- The PMJAY highlights its **data-based intervention** to identify such possibilities of fraud.
- But in the end, disputes will have to be settled by old-fashioned human intervention.
- There is simply no capacity yet planned for in the Union government or in the states to manage such disputes.

### **What is needed for the success of any model?**

- The PMJAY has multiple different models in different states.
- The common requirement for the success of any of these models will be the **expansion of state capacity**, whether in terms of regulation, dispute settlement or in the public sector hospitals themselves.
- It is impossible to build universal health care on the cheap. The PMJAY has so far not been a fiscal drain.
- If it is to succeed, it will certainly require more resources, many of which will have to be diverted to support the poorer states.

**Source: Business Standard**