

Concerns in Ayushman Bharat

What is the issue?

\n\n

\n

- The Ayushman Bharat-National Health Protection Mission (AB-NHPM) needs a relook, given the implementation concerns with it.

\n

- Click [here](#) to know more on the scheme.

\n

\n\n

Why AB-NHPM?

\n\n

\n

- Rising out-of-pocket expenditure (OOPE) of the citizens is a key concern in the healthcare sector.

\n

- Among different sources of healthcare financing, 67% of the total health expenditure comes from households' pockets.

\n

- Health expenses push about 7% of the population below the poverty threshold every year.

\n

- In this backdrop, the government launched the Ayushman Bharat-National Health Protection Mission (AB-NHPM) to reduce OOPE.

\n

\n\n

Is it a workable measure?

\n\n

\n

- The AB-NHPM shares its objectives with the Rashtriya Swasthya Bima Yojana (RSBY) scheme.

\n

- RSBY sanctioned Rs 30,000 health insurance coverage per family per year

for secondary and tertiary hospitalisation.

\n

- In the nearly 9 years of RSBY's existence, the scheme objectives are yet to be met.

\n

- The quality of healthcare provisioned under the RSBY was compromised because of insufficient coverage.

\n

- In this respect, the Ayushman Bharat scheme is a positive step up, with an increased coverage limit of Rs 5 lakh.

\n

- However, some less-desired aspects of the RSBY are reflecting in the AB-NHPM scheme as well.

\n

- The capacity of increased coverage to reduce the actual OOPE is limited in the current form of this scheme.

\n

\n\n

What are the continuing concerns?

\n\n

\n

- **Coverage** - Despite the increase in coverage amount, the AB-NHPM is limited to only inpatient care.

\n

- The Rs 5 lakh cover is intended for secondary and tertiary care 'hospitalisation' only.

\n

- The outpatient expenditure, which forms a major part of OOPE, has been left out of the ambit of the AB-NHPM.

\n

- Poorer people, functioning on daily income, tend to avoid hospitalisation due to the associated loss in working income.

\n

- Therefore, outpatient care inclusive of diagnostics and medicines needs to be insured for them.

\n

- **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.

\n

- In 2014-15, over 68% of hospitalised cases in urban areas, and 42% in rural areas, got recorded in private hospitals.

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

\n\n

What is to be done?

\n\n

- \n
- Cooperative federalism can go a long way in addressing the above challenges.
- \n

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

\n\n

\n\n

Source: Financial Express

\n

