

The government has proposed to impose the penalty on [insurance companies](#) for delay in payment to hospitals for settlement of claims under its ambitious [Ayushman Bharat National Health Protection Scheme](#) (NHPS).

Under the scheme, if an insurance company delays the claim payment beyond 15 days, then it would have to pay a penalty of 1 per cent interest on the claimed amount per week till it finally settles the claim.

The insurance company will pay the penalty directly to the hospital concerned, according to the model tender document that was released on Thursday, a health ministry official said.

The model tender document also comprises a list of the procedures and their rates which would be covered under the scheme along with the ones which require pre-authorisation.

Twenty states and Union territories have so far signed MoUs with the Union Health Ministry for implementing the NHPS that aims to provide a cover of Rs 500,000 per family annually to 100 million vulnerable families.

Four states - Delhi, Odisha, Punjab and West Bengal - have not yet given any positive response towards adopting the scheme, the official said, adding that discussions with these states are on to bring them onboard.

Prime Minister [Narendra Modi](#) is expected to roll out the scheme on August 15.

The initiative would eventually become the world's largest healthcare programme as India has the second largest population globally and will change India's health landscape, J P Nadda had said.

The centrally-sponsored scheme will target poor, deprived rural families and identified an occupational category of urban workers' families, 80.3 million in rural and 23.3 million in urban areas, according to the latest SECC data, and will cover around 500 million people.

"The states will be allowed to implement the scheme through [insurance companies](#) or Trust/Society or a mixed model and will be an entitlement based scheme with entitlements decided on the basis of deprivation criteria in the SECC database.

The Health Ministry officials said the government has allocated Rs 100 billion for the scheme on initial estimation for the financial years 2018-19 and 2019-20.