

# **Report on AB – PMJAY (Ayushmann Bharat Pradhan Mantri Jan Arogya Yojana)**



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## Topics of Content

SI No.	Title	Page No.
1	About Ayushman Bharat PM-JAY (Pradhan Mantri Jan Arogya Yojana)	3 - 6
2	Eligible Households across States	7 - 9
3	Analysis of Hospitals Empanelled Across States	10 - 13
4	PMJAY HBP 2.0 Package Analysis	14 - 20
5	References	21

**Note: This report contains a part of the work that I have done during my Internship. The analysis presented in this report has been done on MS Excel.**

## **About Ayushman Bharat PM-JAY (Pradhan Mantri Jan Arogya Yojana)**

Ayushman Bharat is a flagship programme of the government of India launched on September 23, 2018, aimed at providing health insurance to more than 10.74 crore poor and vulnerable households (approximately 50 crore households). The scheme was launched in Ranchi by our honourable Prime Minister. The programme was launched based on the recommendation of the National Health Policy 2017. In early 2018, the Indian government has described that around six crore Indians were pushed into poverty every year by their out-of-pocket medical expenses.

### **Key Timelines of AB PM-JAY Events:**

- February 1, 2018: Union Budget Announcement of the scheme
- March 21, 2018: Cabinet approval of the scheme
- March 27, 2018: First CEO was appointed of AB PM-JAY. Indu Bhushan became the first CEO.
- May 11, 2018: NHA (National Health Agency) was incorporated
- August 15, 2018: Prime Minister announced the launch of AB PM-JAY
- September 23, 2018: Prime Minister launched the AB PM-JAY scheme in Ranchi.
- December 11, 2018: 5 Lakh beneficiaries availed treatment under AB PM-JAY within 50 days of the launch of the scheme
- January 24, 2019: MoU was signed with the Ministry of Railways and 91 railway hospitals got empanelled with the scheme.
- April 11, 2019: 20 lakh beneficiaries have availed treatment under the scheme.
- June 24, 2019: 30 lakh beneficiaries availed treatment under the scheme.
- September 23, 2019: First anniversary of the launch of the scheme. 18,236 hospitals were empanelled in the scheme in one year. 10.39 crore e-cards were issued to the beneficiaries. Hospital admissions reached 46.62 lakhs.

- May 20, 2020: 1 crore hospital admissions
- August 10, 2020: 22,796 hospitals were empanelled in the scheme.

#### Key Features:

- PM-JAY is the world's largest health insurance/ assurance scheme fully financed by the government.
- It provides a cover of Rs. 5 lakhs per family per year for secondary and tertiary care hospitalization across public and private empanelled hospitals in India.
- Over 10.74 crore poor and vulnerable entitled households (approximately 50 crore beneficiaries) are eligible for these benefits.
- PM-JAY provides cashless access to health care services for the beneficiary at the point of service, that is, the hospital.
- PM-JAY envisions to help mitigate catastrophic expenditure on medical treatment, which pushes nearly six crore Indians into poverty each year.
- It covers up to 3 days of pre-hospitalization and 15 days of post-hospitalization expenses such as diagnostics and medicines.
- There is no restriction on the family size, age or gender.
- All pre-existing conditions are covered from day one.
- Benefits of the scheme are portable across the country, i.e., a beneficiary can visit any empanelled public or private hospital in India to avail cashless treatment.
- Services include approximately 1,393 procedures covering all the costs related to treatment, including but not limited to drugs, supplies, diagnostic services, physician's fees, room charges, surgeon charges, OT and ICU charges etc.

- Public hospitals are reimbursed for the healthcare services at par with the private hospitals.

### **Benefit Cover Under PM-JAY**

Benefit cover under various Government-funded health insurance schemes in India has always been structured on an upper ceiling limit ranging from an annual cover of INR30,000 to INR3,00,000 per family across various States, which created a fragmented system. PM-JAY provides cashless cover of up to INR5,00,000 to each eligible family per annum for listed secondary and tertiary care conditions. The cover under the scheme includes all expenses incurred on the following components of the treatment.

- Medical examination, treatment and consultation
- Pre-hospitalization
- Medicine and medical consumables
- Non-intensive and intensive care services
- Diagnostic and laboratory investigations
- Medical implantation services (where necessary)
- Accommodation benefits
- Food services
- Complications arising during treatment
- Post-hospitalization follow-up care up to 15 days

The benefits of INR 5,00,000 are on a family floater basis, which means that it can be used by one or all members of the family. The RSBY had a family cap of five members. However, based

on learnings from those schemes, PM-JAY has been designed in such a way that there is no cap on family size or age of members. In addition, pre-existing diseases are covered from the very first day. This means that any eligible person suffering from any medical condition before being covered by PM-JAY will now be able to get treatment for all those medical conditions as well under this scheme right from the day they are enrolled.

## Eligible Households Across States

The following chart represents the count of eligible households across states.

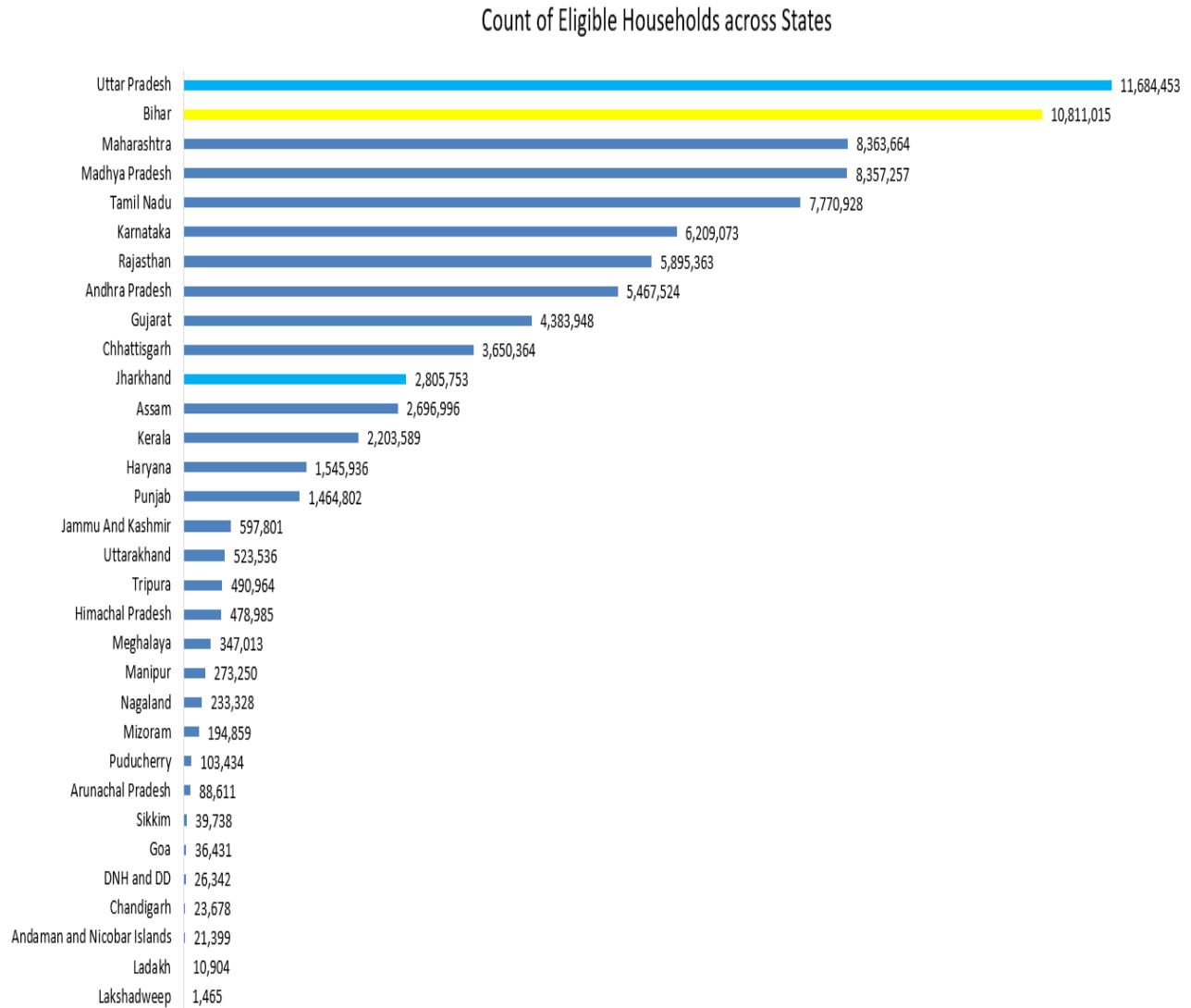


Chart 1: Count of Eligible Households across States

The following chart excludes the state of West Bengal, Odisha, Telangana, and the Union Territory of Delhi.

In total, we have 13,44,21,869 households eligible under the scheme which implies nearly 67 crores of the Indian population are eligible representing the bottom % of the population. Tamil Nadu has the highest number of eligible households followed by Andhra Pradesh and Lakshadweep has the lowest number of eligible households.

The state of interest Bihar ranks no. 2 with 1,08,11,015 households eligible for the scheme indicating approximately 5 crores of the state population is eligible for the scheme. The neighbouring states of Jharkhand and Uttar Pradesh are ranked 11th and first respectively with 2,805,753 and 11,684,453 households being eligible for the scheme respectively. However, it would be of more interest if we look at the percentages of households eligible under the scheme out of the total households in respective states.

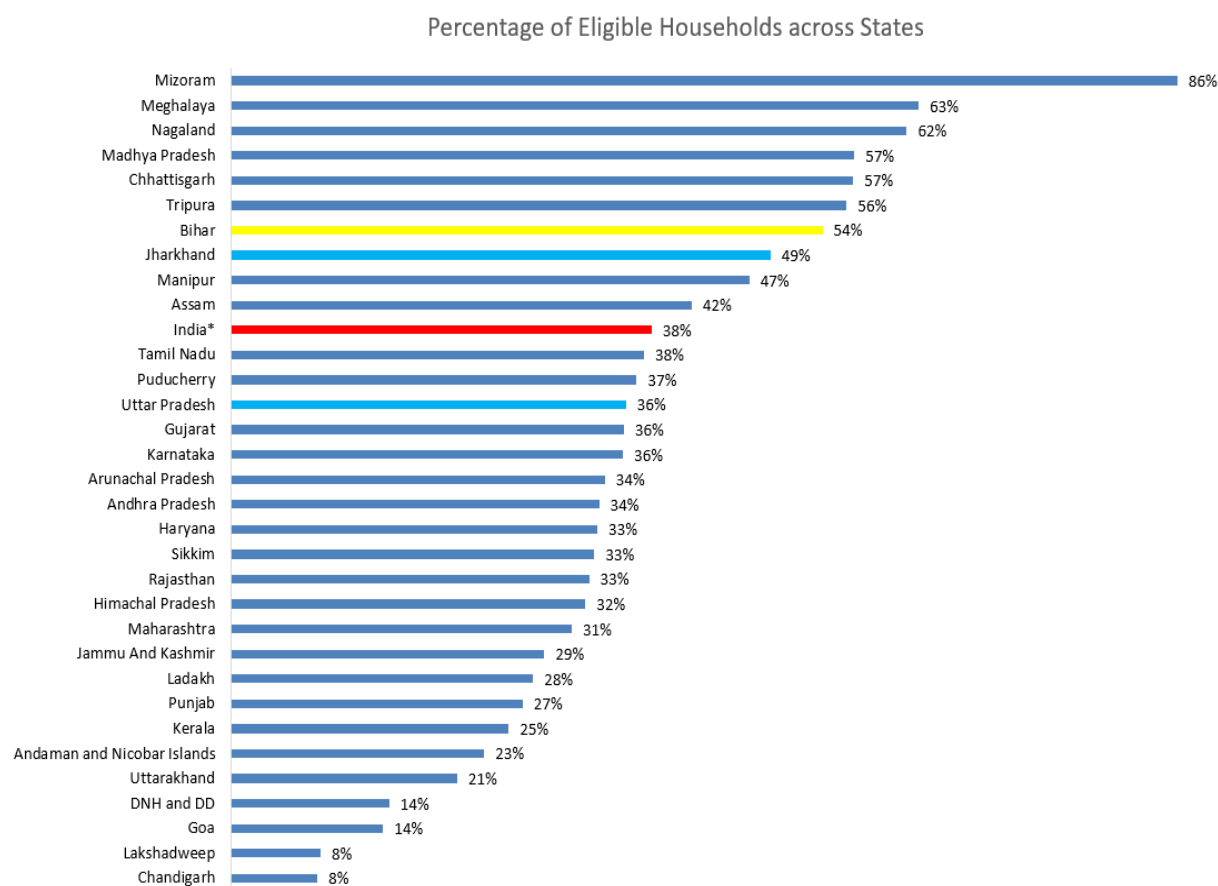


Chart 2: Percentage of Eligible Households across States

\*(excluding the state of West Bengal, Odisha, Telangana, and the Union Territory of Delhi.)



From the above chart, we can observe that 38% of the country's households are eligible for the programme. Mizoram top the chart with 86% of the households being eligible while Chandigarh is at the bottom with 7.89% of the households being eligible. In Bihar, 53.86% of the households are eligible, and its neighbouring states Jharkhand and Uttar Pradesh have 49% and 36% of the households being eligible.

### Key Figures:

Total No. of Households eligible for AB PM-JAY\* = 13,44,21,869

Total No. of Households in India\* = 22,65,93,557

Numbers/ States	Bihar	Jharkhand	Uttar Pradesh
No. of Households Eligible	1,08,11,015	2,805,753	11,684,453
Total No. of Households	2,00,74,242	5,710,933	32,475,784
Percentage of Households Eligible	53.86	49	36

Table 1: Analysis of Households eligible for PMJAY in Bihar, Jharkhand, and Uttar Pradesh

\*

## Analysis of Hospitals Empanelled Across States

Let's look at the number of hospitals that are empanelled across states that are offering PMJAY services.

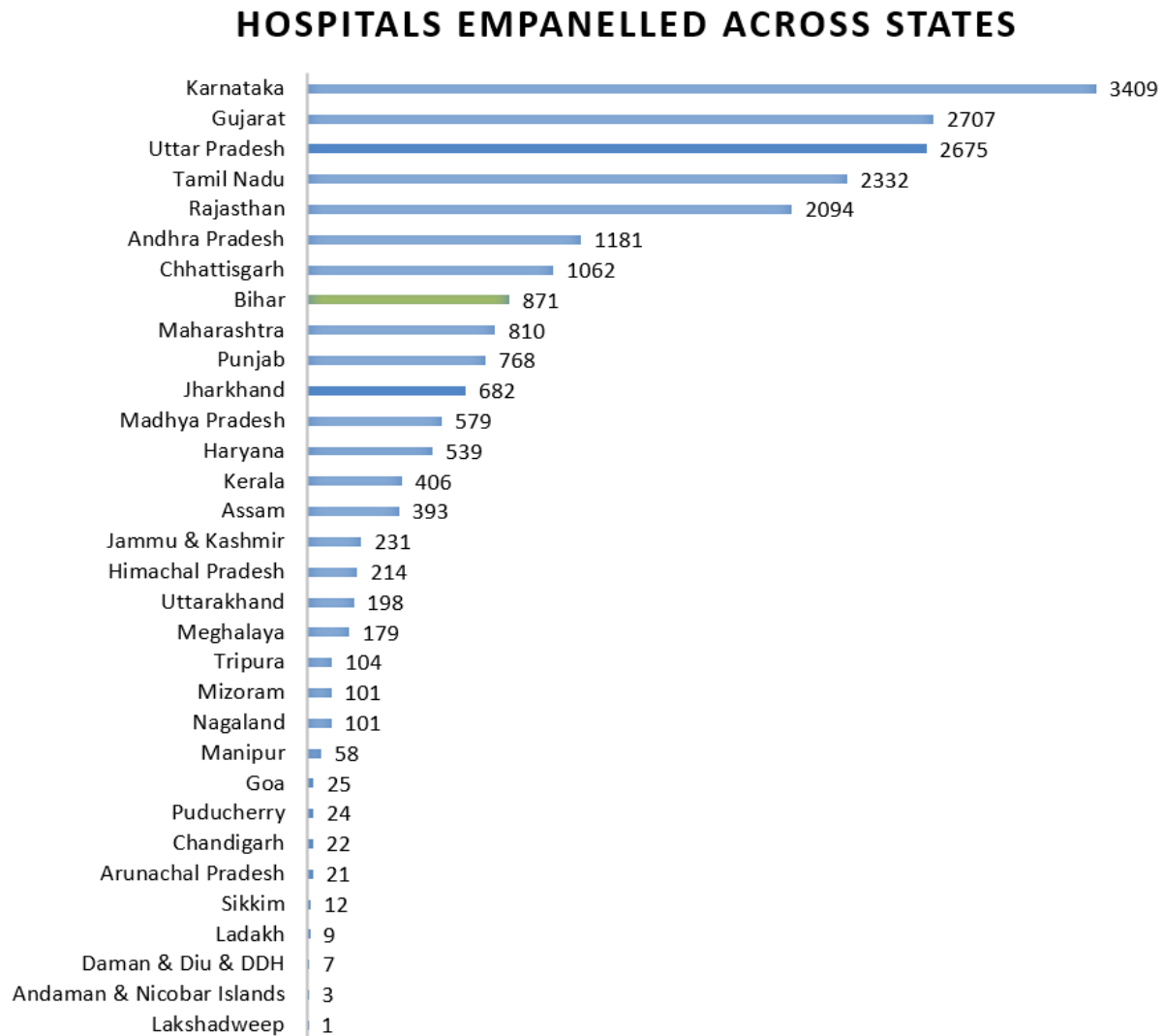
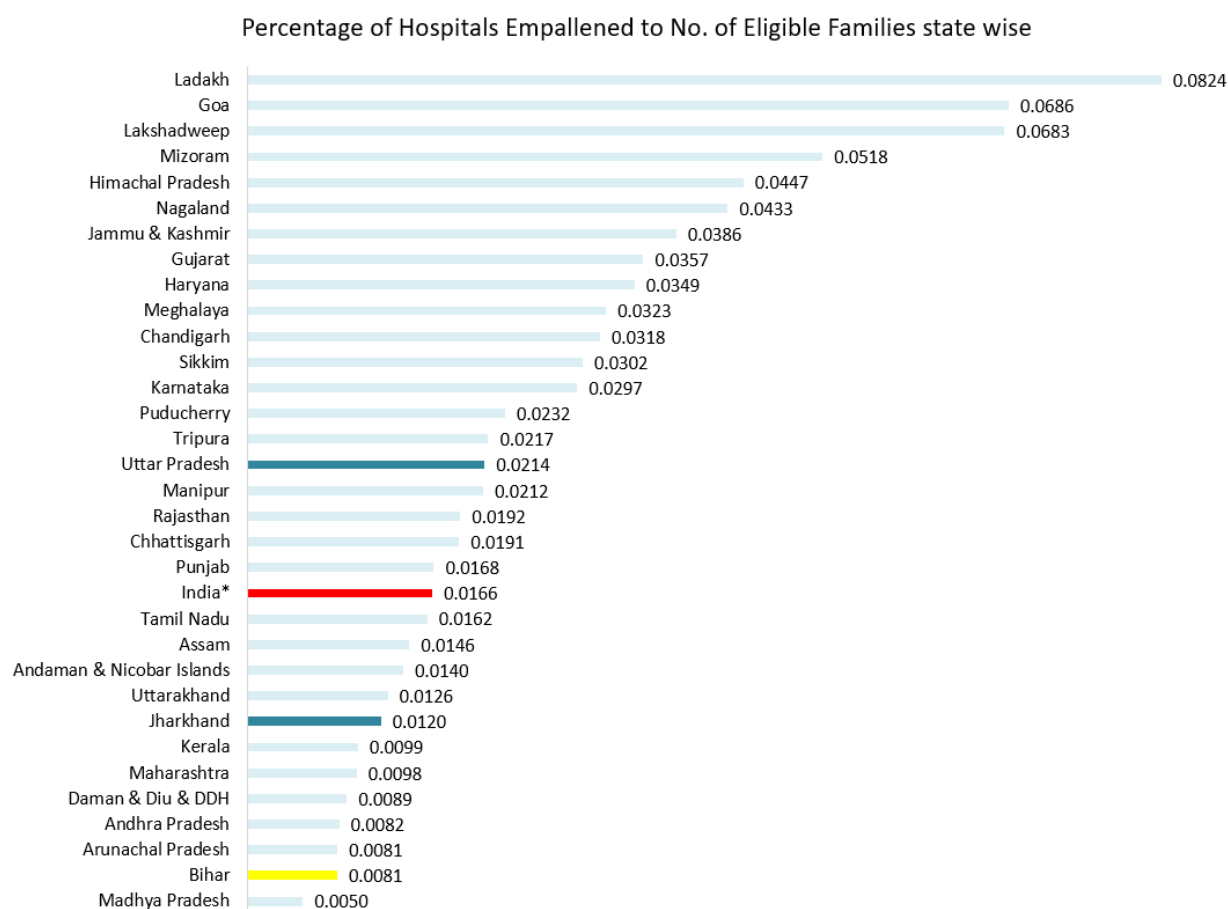


Chart 3: No. of Hospitals Empanelled across States

If we observe the above chart, we can see that Karnataka has the highest number of empanelled hospitals for PMJAY with 3409 hospitals while Lakshadweep has the least with one hospital empanelled.

Bihar ranked eighth in the list with 871 hospitals empanelled while its neighbouring states Jharkhand and Uttar Pradesh are ranked eleventh and third with 682 and 2675 hospitals empanelled respectively.

What's more important is to look at the number of hospitals empanelled with respect to the total number of eligible families in the state.



**Chart 4: Percentages of Empanelled Hospitals to No. of Eligible Families in that state**

**Key Figures for the above chart:**

Total No. of Hospitals empanelled in India\*: 21,818

Total No. of Households Eligible under AB PM-JAY\*: 13,11,88,598

\*(excluding the states of West Bengal, Odisha, Telangana, and the Union Territory of Delhi)

From the above chart we can observe that Ladakh has the highest no. of hospital empanelled with respect to the total no. of eligible households while Madhya Pradesh has the least. Ladakh has 1 hospital serving 1213 eligible households (approximately 6000 eligible persons) while Madhya Pradesh has 1 hospital serving 20,000 eligible households (approximately one lakh eligible population). The state of interest Bihar ranks second from bottom in the chart while Jharkhand ranks eight from the bottom serving 8,333 eligible households (approximately 40,000 eligible people)

Following is the table which shows the no. of eligible households and population that a single hospital serves in states of interest:

State/ Hospital serving eligible (households/population)	One Hospital serving eligible households	One Hospital serving eligible population(approximately)
Ladakh	1,213	6,000
Uttar Pradesh	4,672	23,000
India*	6,024	30,000
Jharkhand	8,333	40,000
Bihar	12,345	61,500
Madhya Pradesh	20,000	1,00,000

Table 2: Analysis of No. of Hospitals serving with respect to eligible population in Bihar, Jharkhand, Ladakh, Madhya Pradesh, and Uttar Pradesh

So, taking the Union territory of Ladakh as a benchmark, Bihar have to add up approximately ten times the hospitals empanelled for PMJAY that it currently has. It implies that Bihar has to increase its hospital empanelment number from currently 871 to 8710. To reach the national average, Bihar needs to approximately double its current empanelled hospital count.

Similarly, if we look for Jharkhand, it needed to take its hospital empanelment number to approximately 7 times what it currently has i.e., from 682 to 4774 empanelled hospitals.

For the state of Madhya Pradesh which has the lowest rank, it has to add almost 16.4 times the hospitals of what it currently has empanelled.

## PMJAY HBP 2.0 Package Analysis

PMJAY HBP (Health Benefits Package) 2.0 follows the HBP 1.0 packages with some additional packages being added in HBP 2.0 compared to HBP 1.0.

PMJAY HBP 2.0 has 23 specialities being offered, each speciality has a certain number of packages, and each package has a certain number of procedures.

Now, Mediversal offers packages under the Specialty of Orthopedics, General Surgery, Interventional Cardiology, CTVS, Neuro Surgery, and Urology. So, these six specialities become specialities of interest for the purpose of this project.

### Key Numbers:

No. of Specialty	23
No. of Packages	872
No. of Procedures	1578

Table 3: Description of PMJAY HBP 2.0 Packages

### PACKAGES COUNT ACROSS SPECIALTIES

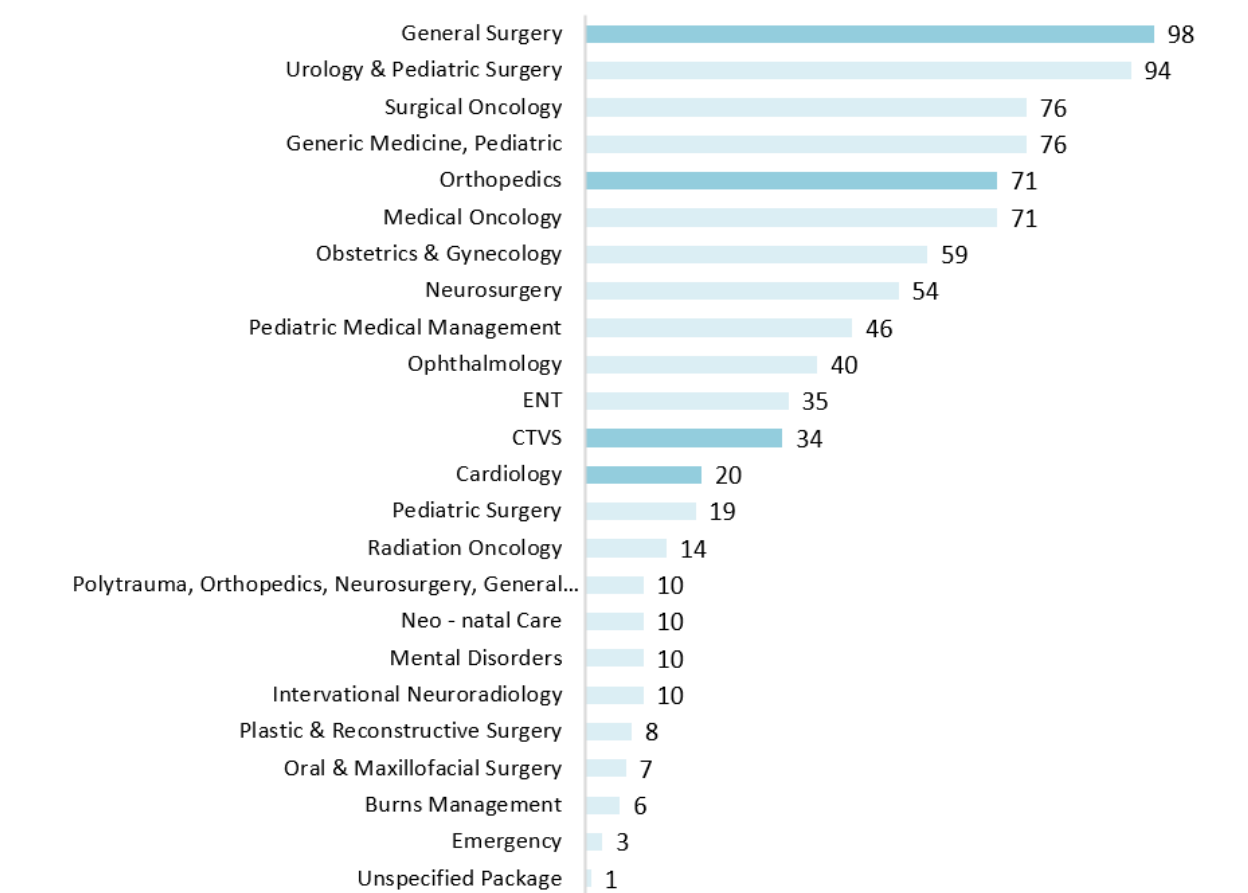


Chart 9: Count of PMJAY HBP 2.0 Packages across Specialties

If we look at the count of packages, General Surgery has the highest count of packages with the count being 98, while Emergency has the least with only 3 packages, and there is one unspecified package being also offered.

Now, if we look at the specialties of interest, the counts look like following:

Orthopedics	71
General Surgery	98
CTVS	34
Cardiology	20

Table 4: Package count in specialities of interest

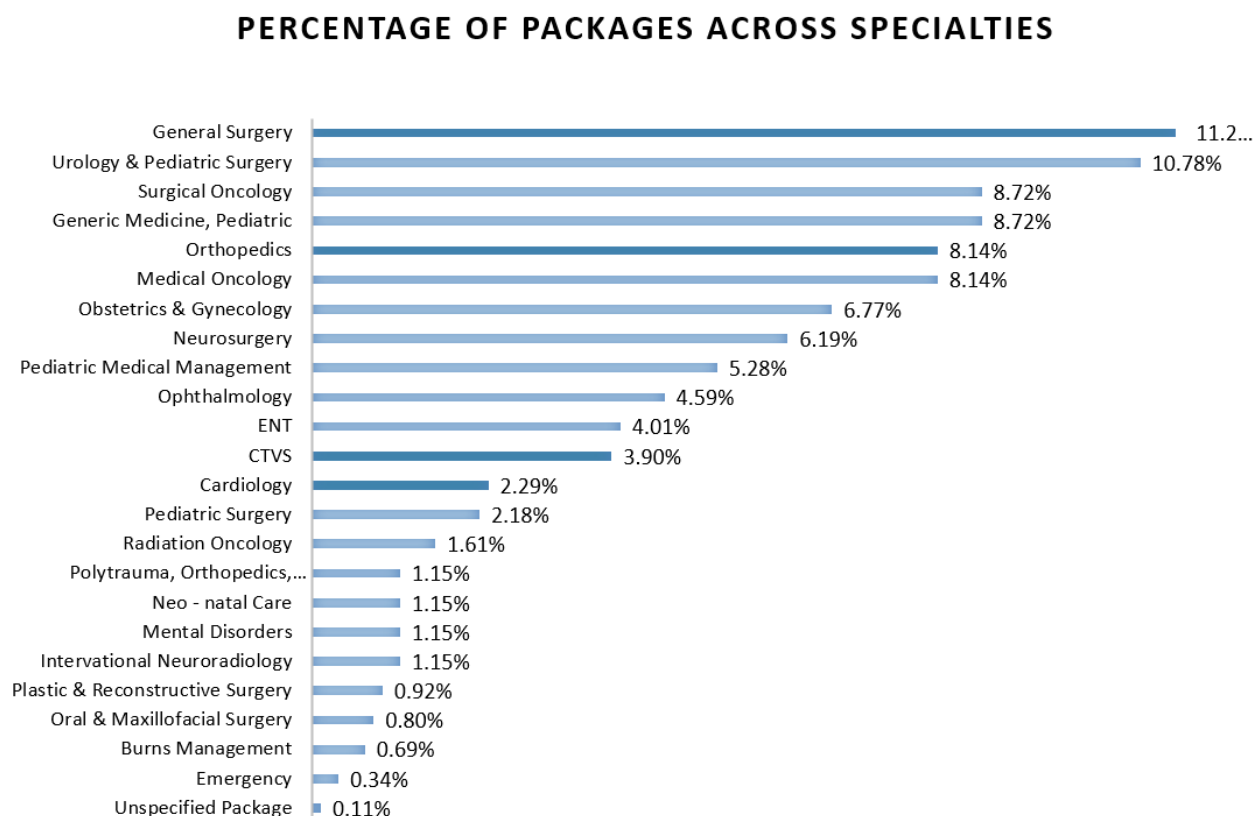


Chart 10: Share of Packages across specialities in PMJAY HBP 2.0

If we look at the percentage of packages being offered across specialities, General Surgery has the highest share with 11.2% of packages being offered, while Emergency has the least share with only 0.34%.

The specialities of interest i.e., General Surgery, Orthopedics, Cardiology, and CTVS has 11.2%, 8.14%, 2.29%, and 3.9% of the package being offered.



## Pricing of PMJAY HBP 2.0 Packages

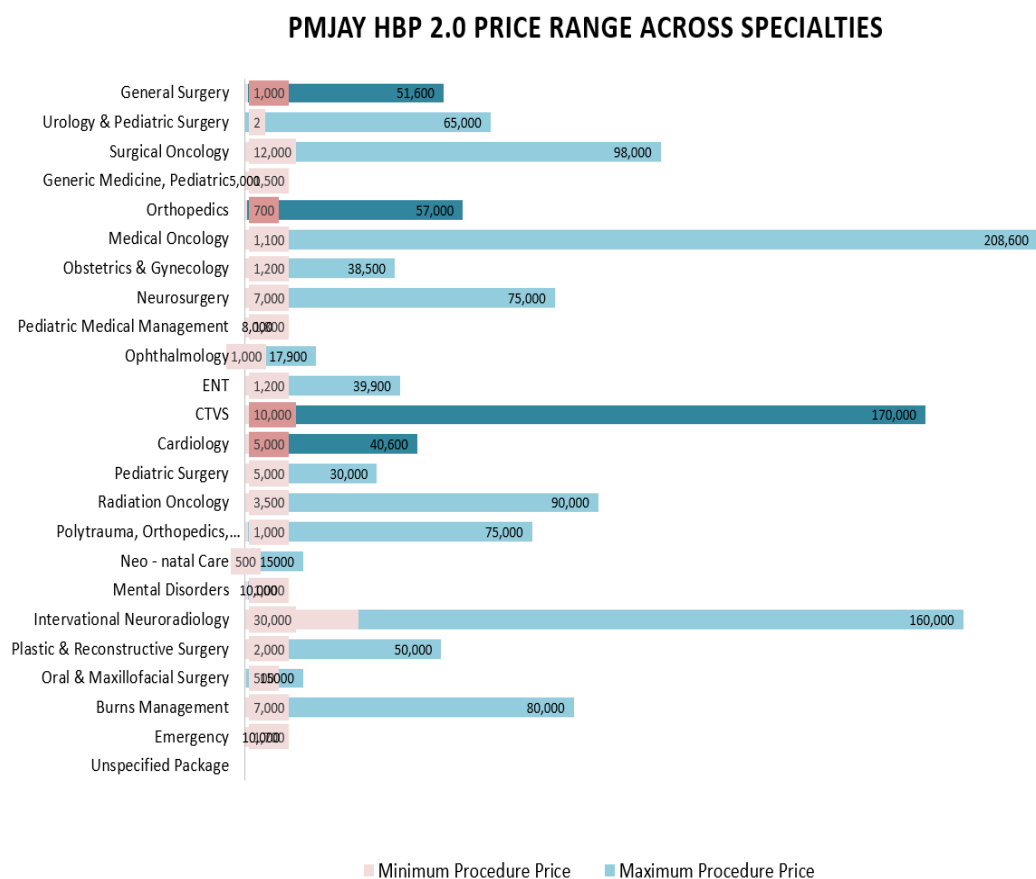


Chart 11: Price range of Packages across specialities

## AVERAGE PRICE PER SPECIALTY

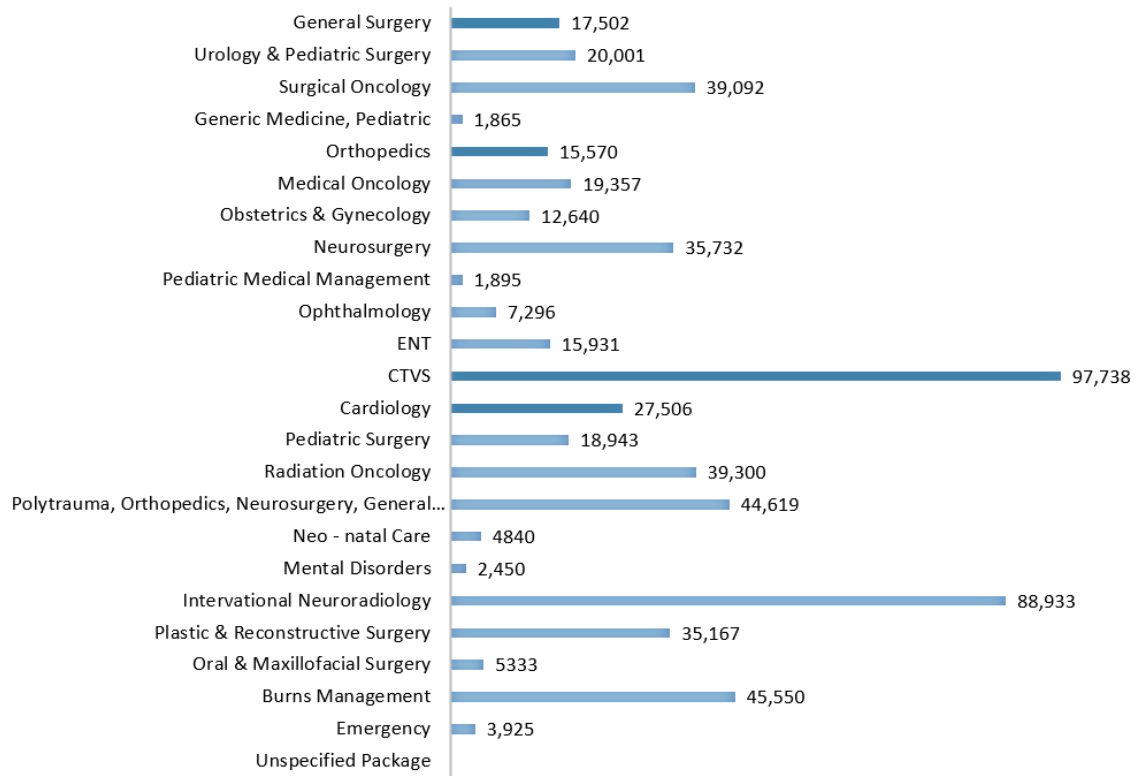


Chart 12: Average Package Price per Specialty

### Median Procedure Price Across Specialties

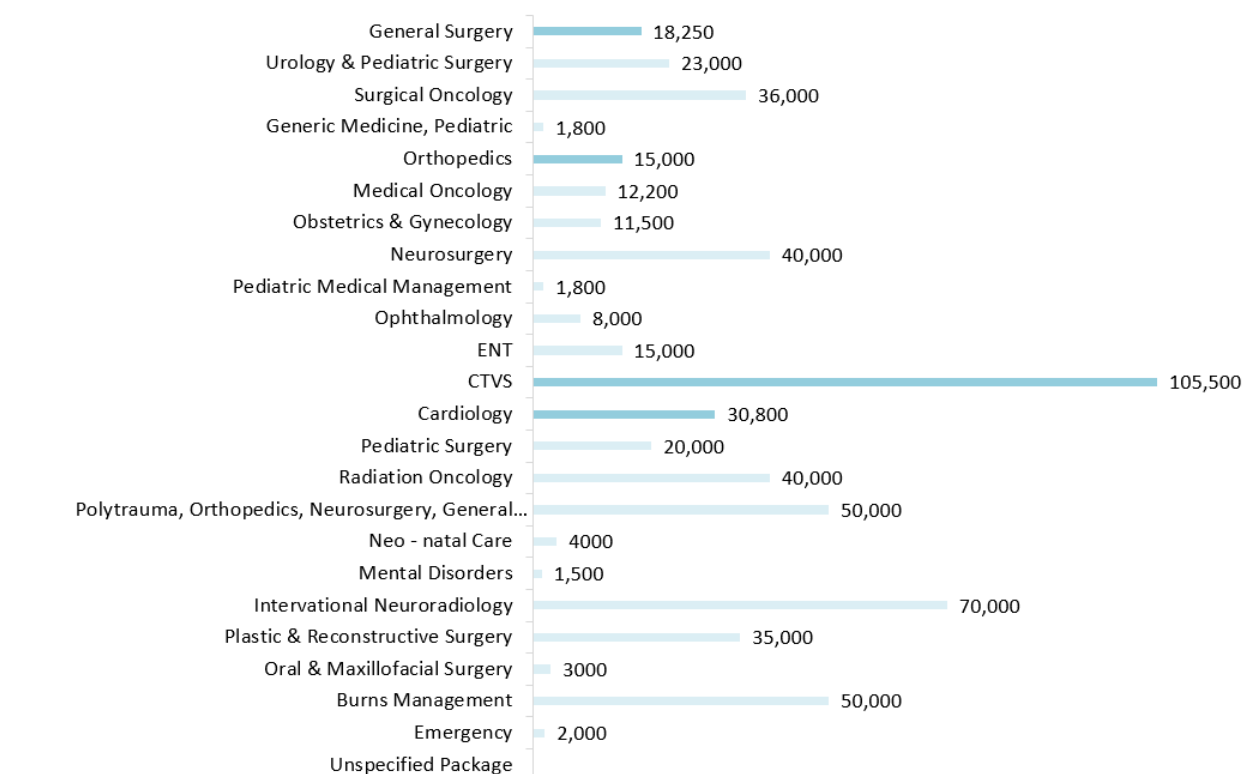


Chart 13: Median Package Price per Specialty

#### Key Facts:

- Minimum Package Price across all specialities: Rs 2
- Maximum Package Price across all specialities: Rs 2,08,600
- Average Package Price across all specialities: Rs 26,139
- Median Package Price across all specialities: Rs 18,250

Therefore, the whole price range across all specialities is from Rs 2 to Rs 2,08,600.

For the specialties of interest i.e., Orthopedics, General Surgery, Interventional Cardiology, and CTVS, the key facts are

Orthopedics:

- Minimum Package Price: Rs 700
- Average Package Price: Rs 15,570
- Median Package Price: Rs 15,000
- Maximum Package Price: Rs 57,000

Cardiology:

- Minimum Package Price: Rs 5,000
- Average Package Price: Rs 27,506
- Median Package Price: Rs 30,800
- Maximum Package Price: Rs 40,600

CTVS:

- Minimum Package Price: Rs 10,000
- Average Package Price: Rs 97,738
- Median Package Price: Rs 1,05,500
- Maximum Package Price: Rs 1,70,000

General Surgery:

- Minimum Package Price: Rs 1,000
- Average Package Price: Rs 17,502
- Median Package Price: Rs 18,250
- Maximum Package Price: Rs 51,60

## References

- PMJAY Website (<https://pmjay.gov.in/>)
- PMJAY HBP 2.0 Packages