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