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The long road to universal health coverage

The conclusion of two years of AB PMJAY should serve as an occasion to celebrate of how far India has come in its UHC journey, but also a reminder of the long and difficult road that lies ahead

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PMJAY has scored over its predecessor – Rashtriya Swasthya Bima Yojana (RSBY) – on several measures. It covers a larger population, provides a more comprehensive benefits package, and has a wider hospital network for availing care.(Express File photo)

Two years of Pradhan Mantri Jan Arogya Yojana (PMJAY) were celebrated in the third week of September at Arogya Manthan 2.0. The National Health Authority (NHA) is right to congratulate itself on envisioning, [SUBSCRIBE](#) [Sign in](#) re importantly, implementing a scheme of the ambition and scale of PMJAY. However, moments of celebration should also serve as moments of reflection.

Ayushman Bharat (PMJAY) was launched as a step towards Universal Health Coverage (UHC). UHC entails ensuring all people have access to quality health services – including prevention, promotion, treatment, rehabilitation, and palliation – without incurring financial hardship. The concept covers three key elements — access, quality, and financial protection. India is committed to achieving Universal Health care for all by 2030, which is fundamental to achieving the other Sustainable Development Goals.

The PMJAY was a step in this direction providing insurance cover to the poorest 40 per cent of the population. Over 50 crore Indians are covered under the scheme with an insurance cover of Rs 5 lakhs per family. PMJAY provides comprehensive hospitalisation cover for secondary and tertiary care.

The financial implications of hospitalisation can be devastating. PMJAY was conceptualized to provide financial protection against hospitalisation to the most vulnerable parts of our society. The average hospitalisation at Rs 20,000 per episode is more than the annual consumer expenditure of nearly half our population. Further, delayed hospitalisation can be debilitating and have long-lasting negative effects. PMJAY has averted these disastrous consequences for over 1.2 crore treatments under the scheme to date. Beyond providing much-needed cover, PMJAY also re-invigorated India's health landscape by ushering in demand-side financing and laying the foundations of a modern IT platform for health.

PMJAY has scored over its predecessor – Rashtriya Swasthya Bima Yojana (RSBY) – on several measures. It covers a larger population, provides a more comprehensive benefits package, and has a wider hospital network for availing care. In terms of operations, it has superior IT and governance systems, and is building state capacity in management and governance. Availability of portable benefits where eligible individuals can seek care anywhere in India is an example of this capacity.

provide comprehensive and quality primary care. These HWCs – of which almost 50,000 are already functional – will provide a wider range of service including screening and treatment for non-communicable diseases, and chronic communicable diseases like tuberculosis.

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These initiatives were in part a response to India's high Out-of-Pocket (OOP) spending — health spending through payments at the point of care — at almost 60 per cent, one of the highest in the world. Over two-thirds of OOP spending is on account of out-patient consultations, medicines and diagnostic tests accompanying it. In-patient care (hospitalisation) including its pre and post-event ambulatory care, which is the focus of PMJAY constitute less than a third of total OOP. In 2014, more than 300 million people in India bore the burden of catastrophic spending of 10 per cent or more of their household expenditure on healthcare; besides absolute spending, OOP spending was estimated to push an estimated 85 million people into poverty in the same year. Primary healthcare is the cornerstone of an effective and sustainable health system for achieving universal health coverage, and out-patient care is the principal means of accessing primary care.

As India marches down the path of UHC, the burden of household OOP spending on non-hospitalisation care (or out-patient care) must be the focus. Average OOP spending on out-patient care is over Rs 1,250 per person per annum, a conservative estimate based on NSS 2017-18. It has reduced from Rs 1,450 in the 2014 NSS primarily due to fewer reported outpatient visits per person. Lack of financial protection for out-patient care pushes millions into poverty each year. An average person seeks 1.8 consultations per year almost 70 per cent of which are in the private sector. Majority of out-patient spending – around 70 per cent — is on medicines.

OOP spending on out-patient care is a double threat. Not only is the financial burden larger, it is also harsher on poorer segments of the population. Imagine a family engaged in part-time agricultural labour in rural UP — they likely belong to the bottom 20 per cent and will spend almost 6.5 per cent of their total household expenditure on out-patient care. Contrast this to a typical urban household with the earning members employed in the IT industry. They will belong to the top 20 per cent and will spend less than 3.5 per cent of their household expenditure of out-patient care, nearly half that of the family in rural UP. This poses large costs –

education.

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The National Health Policy (NHP) 2017 commits to f **Sign in** vision of primary care by the public sector, an assured, comprehensive primary care with linkages to referral hospitals, assured free drugs, diagnostic and emergency services to all in public hospitals. Hence, it has to be provided by the government. Yet the public sector catered to only 30 per cent of all out-patient care in 2018 as per the 75th round of NSS.

There are three areas to focus on. First, to carry on the promise of the National Health Policy by ensuring availability, access, and utilization of high-quality primary care through government health services. Only one-fourth to one-third of out-patient care is sought in government facilities in urban and rural areas respectively, despite the availability of free or low-cost treatment for a wide range of primary care services. Researchers have pointed to issues like poor quality of care, long wait times and high health worker absenteeism with the government provided services, driving people – poor and rich alike – to private care. The public sector needs to be made accountable for providing accessible and efficient primary care and integrate it with secondary care under PMJAY.

Second, there is virtually no insurance product available for out-patient care. Inclusion of out-patient packages in insurance policies, including in PMJAY, can help improve financial protection. As a starting point, diagnostic services and preventive check-ups targeting common non-communicable diseases can be included in the benefits package. They will improve the chances of a complete cure, in addition to preventing cost escalation, by enabling earlier identification and management of NCDs. However, appropriate mechanisms will have to be designed to incentivize providers to focus on preventive rather than curative care.

Third, the high OOP spending on medicines must be addressed. Medicines account for 70 per cent of the total out-patient spending, more than twice that of consultation fees and diagnostic tests combined. Rationalizing the use of medicines and further increasing provision of free medicines can significantly help reduce the financial burden of out-patient care. National Health Mission's Free Drugs and Diagnostics Services Initiatives needs to be made more effective in line with the promise in the National Health Policy. Reducing overuse of medicines – especially

The way forward requires careful thought and planning. The National Digital Health Mission (NHDM) provides this opportunity to **SUBSCRIBE** **Sign in** viding data linkages between the National Health Mission (NHM) and PMJAY. Availability of portable benefits, telemedicine and wide network of diagnostic labs does hold the promise of extending the reach of primary care to all citizens.

The conclusion of two years of AB PMJAY should serve as both, a celebration of the long way India has come in its UHC journey, but also a reminder of the long and difficult road that lies ahead.

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