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Cabinet approves Ayushman Bharat – National Health Protection Mission

Benefit cover of Rs. 5 lakh per family per year More than 10 crore families to be covered RSBY and SCHIS to be subsumed under Ayushman Bharat - NHPS

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi today has approved the launch of a new Centrally Sponsored Ayushman Bharat -National Health Protection Mission (AB-NHPM) having central sector component under Ayushman Bharat Mission anchored in the MoHFW. The scheme has the benefit cover of Rs. 5 lakh per family per year. The target beneficiaries of the proposed scheme will be more than 10 crore families belonging to poor and vulnerable population based on SECC database. AB-NHPM will subsume the on-going centrally sponsored schemes - RashtriyaSwasthyaBimaYojana (RSBY) and the Senior Citizen Health Insurance Scheme (SCHIS),

Salient Features:

1. **AB-NHPM will have a defined benefit cover of Rs. 5 lakh per family per year.**

This cover will take care of almost all secondary care and most of tertiary care procedures. To ensure that nobody is left out (especially women, children and elderly) there will be no cap on family size and age in the scheme. The benefit cover will also include pre and post-hospitalisation expenses. All pre-existing conditions will be covered from day one of the policy. A defined transport allowance per hospitalization will also be paid to the beneficiary.

2. Benefits of the scheme are portable across the country and a beneficiary covered under the scheme will be allowed to take cashless benefits from any public/private empanelled hospitals across the country.

3. AB-NHPM will be an entitlement based scheme with entitlement decided on the basis of deprivation criteria in the SECC database, The different categories in rural area include families having only one room with kucha walls and kucharoof; families having no adult member between age 16 to 59; female headed households with no adult male member between age 16 to 59; disabled member and no able bodied adult member in the family; SC/ST households; and landless households deriving major part of their income from manual casual labour, Also, automatically included families in rural areas having any one of the following: households without shelter, destitute, living on alms, manual scavenger families, primitive tribal groups, legally released bonded labour. For urban areas, 11 defined occupational categories are entitled under the scheme.
4. The beneficiaries can avail benefits in both public and empanelled private facilities. All public hospitals in the States implementing AB-NHPM, will be deemed empanelled for the Scheme. Hospitals belonging to Employee State

Insurance Corporation (ESIC) may also be empanelled based on the bed occupancy ratio parameter. As for private hospitals, they will be empanelled online based on defined criteria.

5. To control costs, the payments for treatment will be done on package rate (to be defined by the Government in advance) basis. The package rates will include all the costs associated with treatment. For beneficiaries, it will be a cashless, paper less transaction. Keeping in view the State specific requirements, States/ UTs will have the flexibility to modify these rates within a limited bandwidth.

6. One of the core principles of AB-NHPM is to co-operative federalism and flexibility to states. There is provision to partner the States through co-alliance. This will ensure appropriate integration with the existing health insurance/ protection schemes of various Central Ministries/Departments and State Governments (at their own cost), State Governments will be allowed to expand AB-NHPM both horizontally and vertically. States will be free to choose the modalities for implementation. They can implement through insurance company or directly through Trust/ Society or a mixed model.

7. For giving policy directions and fostering coordination between Centre and States, it is proposed to set up Ayushman Bharat National Health Protection Mission Council (AB-NHPMC) at apex level Chaired by Union Health and Family Welfare Minister. It is proposed to have an Ayushman Bharat National Health Protection Mission Governing Board (AB-NHPMGB) which will be jointly chaired by Secretary (HFW) and Member (Health), NITI Aayog with Financial Advisor, MoHFW, Additional Secretary & Mission Director, Ayushman Bharat National Health Protection Mission, MoHFW (AB-NHPM) and Joint Secretary (AB-NHPM), MoHFW as members. CEO, Ayushman Bharat - National Health Protection Mission will be the Member Secretary, State Secretaries of Health Department may also be members as per the requirement. It is proposed to establish an Ayushman Bharat - National Health Protection Mission Agency (AB-NHPMA) to manage the AB-NHPM at the operational level in the form of a Society. AB-NHPMA will be headed by a full time CEO of the level of Secretary/ Additional Secretary to the Government of India.

8. States would need to have State Health Agency (SHA) to implement the scheme States will have the option to use an existing Trust / Society / Not for Profit Company/ State Nodal Agency or set up a new Trust / Society / Not for Profit Company/ State Health Agency to implement the scheme and act as SHA. At the district level also, a structure for implementation of the scheme will need to be set up.
9. To ensure that the funds reach SHA on time, the transfer of funds from Central Government through AB-NHPMA to State Health Agencies may be done through an escrow account directly. The State has to contribute its matching share of grants within defined time frame.

10. In partnership with NITI Aayog, a robust, modular, scalable and interoperable IT platform will be made operational which will entail a paperless, cashless transaction. This will also help in prevention / detection of any potential misuse / fraud / abuse cases. This will be backed by a well-defined Grievance Redressal Mechanism. In addition, pre-Authorisation of treatments with moral hazards (Potential of misuse) will be made mandatory.

11. In order to ensure that the scheme reaches the intended beneficiaries and other stakeholders, a comprehensive media and outreach strategy will be developed, which will, inter alia, include print media, electronic media, social media platforms, traditional media, IEC materials and outdoor activities.

Implementation Strategy:

At the national level to manage, an Ayushman Bharat National Health Protection Mission Agency (AB-NHPMA) would be put in place. States/ UTs would be advised to implement the scheme by a dedicated entity called State Health Agency (SHA). They can either use an existing Trust/ Society/ Not for Profit Company/ State Nodal Agency (SNA) or set up a new entity to implement the scheme. States/ UTs can decide to implement the scheme through an insurance company or directly through the Trust/ Society or use an integrated model.

Major Impact:

In-patient hospitalization expenditure in India has increased nearly 300% during last ten years. (NSSO 2015). More than 80% of the expenditure are met by out of pocket (OOP). Rural households primarily depended on their 'household income / savings' (68%) and on 'borrowings' (25%), the urban households relied much more on their 'income / saving' (75%) for financing expenditure on hospitalizations, and on '(18%) borrowings. (NSSO 2015). Out of pocket (OOP) expenditure in India is over 60% which leads to nearly 6 million families getting into poverty due to catastrophic health expenditures. AB-NHPM will have major impact on **reduction of Out Of Pocket (OOP) expenditure** on ground of:

1. i) Increased benefit cover to nearly 40% of the population, (the poorest&the vulnerable)
2. ii) Covering almost all secondary and many tertiary hospitalizations. (except a negative list)

iii) Coverage of 5 lakh for each family, (no restriction of family size)

This will lead to **increased access to quality health and medication**. In addition, **the unmet needs** of the population which remained hidden due to lack of financial resources will be catered to. This will lead to **timely treatments, improvements in health outcomes, patient satisfaction, improvement in productivity and efficiency, job creation thus leading to improvement in quality of life.**

Expenditure involved:

The expenditure incurred in premium payment will be shared between Central and State Governments in specified ratio as per Ministry of Finance guidelines in vogue. The total expenditure will depend on actual market determined premium paid in States/ UTs where AB-NHPM will be implemented through insurance companies. In States/ UTs where the scheme will be implemented in Trust/ Society mode, the central share of funds will be provided based on actual expenditure or premium ceiling (whichever is lower) in the pre-determined ratio.

Number of Beneficiaries:

AB-NHPM will target about 10.74 crore poor, deprived rural families and identified occupational category of urban workers' families as per the latest Socio-Economic Caste Census (SECC) data covering both rural and urban. The scheme is designed to be dynamic and aspirational and it would take into account any future changes in the exclusion/ inclusion/ deprivation/ occupational criteria in the SECC data.

States/Districts covered:

AB-NHPM will be rolled out across all States/UTs in all districts with an objective to cover all the targeted beneficiaries.

Background:

RSBY was launched in the year 2008 by the Ministry of Labour and Employment and provides cashless health insurance scheme with benefit coverage of Rs. 30.000/- per annum on a family floater basis [for 5 members], for Below Poverty Line (BPL) families, and 11 other defined categories of unorganised workers. To integrate RSBY into the health system and make it a part of the comprehensive health care vision of Government of India, RSBY was transferred to the Ministry of Health and Family Welfare (MoHFW) w.e.f 01.04.2015. During 2016-2017, 3.63 crore families were covered under RSBY in 278 districts of the country and they could avail medical treatment across the network of 8,697 empanelled hospitals. The NHPS comes in the backdrop of the fact that various Central Ministries and State/UT Governments have launched health insurance/ protection schemes for their own defined set of beneficiaries. There is a critical need to converge these schemes, so as to achieve improved efficiency, reach and coverage.

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