



# An Overview Of Ayushman Bharat: India's Health Assurance Scheme

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**Abstract:** Ayushman Bharat, launched by the Government of India in 2018, represents a landmark reform in the country's healthcare landscape. Envisioned as a step toward Universal Health Coverage (UHC), the scheme combines health insurance for secondary and tertiary care with the establishment of comprehensive primary healthcare infrastructure. This article examines the structure, objectives, implementation, achievements, and emerging challenges of Ayushman Bharat, with a focus on its role in transforming India's healthcare delivery system.

**Keywords:** *Ayushman Bharat. National Health Accounts (NHA), Universal Health Coverage (UHC), Sustainable Development Goals (SDGs).*

## I. INTRODUCTION

India's healthcare system, despite notable progress in recent decades, continues to face persistent challenges—marked by high out-of-pocket expenditures, limited access to quality care in rural and underserved regions, and inadequate public health infrastructure. According to the National Health Accounts (NHA) estimates, out-of-pocket expenditure still accounts for a significant portion of total health spending in India, pushing millions into poverty every year due to catastrophic health expenses. Moreover, the fragmented nature of service delivery—split across multiple tiers, with sharp disparities between public and private providers—has often undermined efforts toward achieving equitable and comprehensive healthcare.

In response to these systemic gaps, the Government of India launched Ayushman Bharat on September 23, 2018, under the broader vision of achieving Universal Health Coverage (UHC) and aligned with the global Sustainable Development Goals (SDGs), particularly Goal 3: Ensure healthy lives and promote well-being for all at all ages. Ayushman Bharat marks a paradigm shift in India's approach to healthcare delivery by moving from a segmented, disease-specific framework to a holistic, need-based model focused on both preventive and curative care.

This flagship program comprises two main components:

1. **Health and Wellness Centres (HWCs)** – aimed at strengthening the primary healthcare system by transforming over 1.5 lakh existing sub-health centres and primary health centres into upgraded facilities delivering comprehensive primary care, including non-communicable disease management, maternal and child health, diagnostics, and free essential drugs.
2. **Pradhan Mantri Jan Arogya Yojana (PM-JAY)** – a centrally sponsored health assurance scheme providing financial protection of up to ₹5 lakh per family per year for hospitalization in secondary and tertiary care institutions. It targets over 10 crore poor and vulnerable families, making it the world's largest government-funded health insurance initiative in terms of coverage.

Ayushman Bharat is not just a welfare scheme but a systemic reform initiative, aiming to strengthen infrastructure, improve service delivery, integrate digital health systems, and foster convergence between various levels of care. It represents a pivotal intervention in India's path toward building a resilient, inclusive, and sustainable healthcare ecosystem, especially for its most marginalized populations.

This article seeks to provide a comprehensive overview of the Ayushman Bharat initiative—its design, implementation strategy, achievements, and key challenges—and to examine its role in transforming the Indian healthcare landscape.

### **Objectives of Ayushman Bharat**

Ayushman Bharat was conceptualized with the following primary goals:

- Achieve Universal Health Coverage (UHC) by providing access to necessary health services for all citizens.
- Reduce catastrophic health expenditure and prevent impoverishment due to medical costs.
- Strengthen primary healthcare infrastructure and human resource capacity.
- Promote equity in access to healthcare by focusing on the underserved and marginalized populations.
- Foster convergence across sectors for health promotion and disease prevention.

### **Health and Wellness Centres (HWCs)**

HWCs represent the first level of care under Ayushman Bharat. These centres are designed to provide an expanded range of primary care services that go beyond reproductive, maternal, neonatal, child, and adolescent health (RMNCH+A) to include:

- Management of non-communicable diseases (NCDs)
- Mental health services
- Elderly and palliative care
- Emergency medical care
- Basic diagnostic and laboratory services
- Free essential drugs

As of December 2024, over 1.7 lakh HWCs have been operationalized, covering rural and urban populations across India. HWCs are staffed by a multidisciplinary team that includes a Community Health Officer (CHO), Auxiliary Nurse Midwife (ANM), and Accredited Social Health Activist (ASHA) workers. They serve as the first point of contact for individuals within the health system, thus enabling early diagnosis, treatment, and referral.

## Pradhan Mantri Jan Arogya Yojana (PM-JAY)

PM-JAY is the second pillar of Ayushman Bharat, providing financial risk protection against hospitalization expenses. The scheme covers over 50 crore individuals and offers the following features:

- Annual health coverage of ₹5 lakh per eligible family
- No cap on family size, age, or gender
- Cashless and paperless access to healthcare services
- Portability of benefits across India
- More than 1,500 treatment packages covering surgery, diagnostics, and post-hospitalization expenses

PM-JAY is implemented through three models: trust model, insurance model, and a hybrid model, depending on the state's preference. The National Health Authority (NHA) oversees the implementation at the central level, while State Health Agencies (SHAs) manage operations at the state level.

### Implementation and Governance

Ayushman Bharat employs a federated governance model, balancing central oversight with state-level flexibility. The NHA is responsible for policy formulation, IT infrastructure, and performance monitoring. States are empowered to select the implementation model that best fits their administrative and health system context.

A key innovation in implementation has been the development of a robust IT platform that supports beneficiary identification, hospital empanelment, claims management, and fraud control. The introduction of the Ayushman Bharat Health Account (ABHA) and integration with the Ayushman Bharat Digital Mission (ABDM) further enhance digital interoperability and patient data continuity.

### Achievements and Impact

Since its inception, Ayushman Bharat has achieved notable milestones:

- Over 5 crore hospital admissions have been processed under PM-JAY.
- More than 26,000 public and private hospitals have been empaneled.
- Significant reduction in out-of-pocket expenditure for beneficiaries.
- Increased healthcare utilization among women, children, and elderly.
- Promotion of digital health infrastructure through ABDM and ABHA.
- Strengthened referral mechanisms from HWCs to higher care facilities.

Studies indicate that the scheme has begun to address regional disparities in healthcare access and improved financial protection for vulnerable populations.

### Challenges and Criticisms

Despite its success, Ayushman Bharat faces several implementation and operational challenges:

- **Awareness gaps:** Many eligible beneficiaries remain unaware of their entitlements.
- **Uneven implementation:** Variation in state-level performance and infrastructure readiness.
- **Quality assurance:** Need for stronger regulation of empaneled private hospitals to prevent overcharging and substandard care.
- **Human resource shortages:** HWCs often face staffing shortages, particularly in remote areas.
- **Data integrity and privacy:** Ensuring secure and ethical use of health data remains a concern.

## Policy Recommendations

To enhance the effectiveness of Ayushman Bharat, the following policy measures are recommended:

- Increase investments in primary healthcare infrastructure and workforce.
- Strengthen capacity-building and training programs for CHOs and frontline workers.
- Enhance public awareness campaigns to improve scheme utilization.
- Foster public-private partnerships with clear quality and pricing benchmarks.
- Improve integration between HWCs and PM-JAY for a seamless continuum of care.
- Develop a comprehensive monitoring and evaluation framework to guide future reforms.

## Conclusion

Ayushman Bharat represents a transformative step toward inclusive and equitable healthcare in India. By integrating primary care through HWCs with financial protection via PM-JAY, the scheme has laid the foundation for a resilient health system responsive to the needs of its population. Continued political will, sustained investments, and strategic policy reforms will be essential in realizing its full potential and advancing toward the goal of Universal Health Coverage.

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