An Empirical Study On The Comparison Between RSBY And AB-PMAJAY Publicly Sponsored Health Insurance Schemes

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ABSTRACT
Good Health is the basic necessity of life in modern complex world. A country like India which is highest populated country in world providing good health to all is the difficult task before the government of the country. Health insurance is one of the many ways through which health services are being provided to the citizen of the country. Rashtriya Swasthya Bima Yojana (RSBY) is a national level government sponsored health insurance scheme, implemented in 2008. Its objective was to provide health care services and benefits to those who enrolled under the scheme. The coverage of this scheme is Rs. 30,000. In 2018, Government of India announced another national health insurance scheme and that is Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (AB-PMJAY). Its objective is to cover approximately 12 core poor and vulnerable segment of population and Rs. 5 lakhs per family per year on floater basis. The study elicits the comparative analysis of both RSBY and AB-PMJAY national health Insurance schemes.

Introduction

Health is considered as the real asset of a human being. Healthier the person healthiest the nation. Because only a healthy person can contribute into the growth of the economy in a way by involving in productive activities and income generation. In case of India, health care sector has been facing several challenges and complications. Only 1.9% of GDP spend on healthcare in FY 2023-24 (NHP,2017). It is estimated to increase by 2.5% of GDP in 2025. As per the department of health and family welfare there is increase a 12.93% in budget allocation of FY 2024-25 for the healthcare. In India public health care sector confines the 18% of total outpatient care while 44 % of total inpatient care (Thsyyil, Jayakrishnan; Jeeja, Mathummal Cherumanalil (2013). The development of public health care system was started to all regardless of their caste, color and creed. Despite all the spending there is high OOPE on health in India. OOPE on health refers to the money spend on doctor's visit, medicines and diagnose and stay at hospitals. No doubt it showing positive trend in year 2021-22 which was 39.4% (NHA, 2024) declining from 62.6% in 2014-15. There are several reasons for this decline. Like increase in government's health expenditure, continuous increase in government's social security expenditure and one of most important is growth of government/ public funded health insurance schemes. There are several schemes at both center and state level which contribute a lot in decline in OOP health expenditure and reduction in reliance of personal finance for health care spending. It was the report of Bhore Committee in 1946 which laid the foundation of India's healthcare system i.e. National Health Service (NHS). Then in 1983 the first National Health Policy (NHP) was launched. In 1997 Rashtriya Aarogya Nidhi Scheme was launched and then the NHP- 1983 was replaced by NHP- 2002 and later on replaced by NHP-2017. Rashtriya swasthya Bima Yojana (RSBY) is a government sponsored health insurance scheme launched in 2008 by GOI (Government of India) at national level. One more scheme Ayushman Bharat -Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) had been launched in 2018 just after 10 year of the launch of RSBY. Both schemes have significant impact on health care expenditure by the vulnerable section of the society.

Objectives of the Paper

- To bring forth the various aspects of both RSBY and AB-PMAJY Nation ala Health Insurance Scheme**.**
- To make comparative analysis of both the schemes and future prospect of AB-PMJAY scheme.

Rashtriya Swasthya Bima Yojana (RSBY)- An Overview

Rashtriya Swasthya Bima Yojana (RSBY) was launched in 2008 by the Ministry of Labour and Employment, government of India. In order to protect from financial burden due to hospitalization of economically weaker section of society specifically for the families of below poverty line. Because poor people are unable to take

any health insurance sometime because of its costs and lack of knowledge of its benefits. This problem become more severe in case of rural areas and uneducated segment. The RSBY scheme provides insurance a sum of rupees 30,000 per family per year for cashless treatment at empaneled hospitals and nursing homes. In this scheme GOI contributes 75% of total premium i.e. maximum of Rs. 565 per family per year. Remaining 25% bear by the concerned state government. In this scheme beneficiaries have to pay a registration fee or Rs. 30 per year as renewal fee. All other cost associated with administrative work is borne by the concerned state government. Those who are eligible after enrolment get smart card with their fingerprints and photographs. Beneficiaries can choose between public and private hospitals. This scheme is basically for informal sector.

Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (AB-PMJAY)

Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana is a scheme of GOI. Which aim is to provide Universal Health Coverage (UHC) to all vulnerable sections of the society. This scheme was launched in September 2018 to meet the sustainable development goals which aim is 'leaving no one behind'. Because they are the hardest to reach and cannot afford any premiums, the poorest and most vulnerable citizens of any nation are sometimes the toughest to include in health insurance programs. They frequently lack literacy as well, necessitating a completely different strategy for raising awareness. The majority of Lower and Middle-Income Countries (LMIC) share this trait, and India is also part of it. Bottom 40% of the impoverished and vulnerable population is being covered under Ayushman Bharat scheme. This amounts to over 12 crore households in absolute numbers. The Socio-Economic Caste Census 2011 (SECC 2011) deprivation and occupational criteria for rural and urban areas, respectively, are used to figure out which families are included. Those families which were included in the RSBY but not in the list of SECC 2011 database are also included in this figure. Eligibility criteria and databases varied greatly between States, although the fact that these initiatives were aimed at the poor and disadvantaged. While some states had developed an entirely separate database for their welfare programs, few states were using the food subsidy database.

Ayushman Bharat has two important components which are;

- Health and Wellness Centers (HWCs)
- Pradhan Mantri Jan Arogya Yojana (PM-JAY)

Health and Wellness Centers (HWCs): Indian government construct 1,50,000 health and wellness centers (HWCs) by converting sub centers and primary health centers. In order to provide healthcare services at the people's door step Comprehensive Primary Health Care (CPHC), is being established. They provide medications and diagnostic services, as well as coverage for non-communicable diseases and maternity and child health services at free of cost.

Pradhan Mantri Jan Arogya Yojana (PM-JAY): Ayushman Bharat's second element is the Pradhan Mantri Jan Arogya Yojana, or PM-JAY as it is commonly known as. The Hon. Prime Minister of India, Shri Narendra Modi, introduced this program at Ranchi, Jharkhand, on September 23, 2018.

Key Parameters of Comparison Between RSBY and AB-PMJAY Schemes

Population Coverage

RSBY: Workers from unorganized sector or BPL category are under the ambit of RSBY.

AB-PMAJY: In fact, senior citizen will issue a new card. Approximately 37 lakh ASHA workers, AWWs and AWHs are also covered under this scheme. This scheme covers all the eligible members of the families enrolled under the scheme regardless of their age**.**

Scope and Coverage

RSBY: Sum of Rs. 30,000/- per family per annum on floater basis is assured to a beneficiary under this scheme. It covers almost all types of hospitalization expenses except few and all pre-existing diseases are covered under this scheme. Transportation Costs up to Rs. 1000/- is also covered under the scheme. There is provision of cashless treatment of all covered diseases.

AB-PMJAY: Under this scheme a beneficiary is assured a sum of Rs. 5,00,000/- per family per year on floater basis. This scheme provides a wide range of coverage in the verticals of delivery of healthcare like primary, secondary and tertiary care. Its aim is to provide all the range of preventive, promotive, curative, diagnostic, rehabilitative and palliative care of services. An additional top-up cover of upto Rs. 5 lakh per year is provided to the senior citizen regardless of their income. Under this scheme approximately 12 crores of poor and

vulnerable sections that are from bottom 40% of Indian population. The scheme covers 1949 medical procedures and 1393 treatment packages that is taken care of under the scheme.

Mechanism of Implementation

RSBY: RSBY scheme was launched by ministry of labor and employment, Government of India in 2007 and implemented in the year 2008. The insurer receives an electronic list of BPL families that qualify using a predetermined data format. With the assistance of district-level officials, the insurance firm creates an enrolment plan and dates for each village. According to the schedule, the date and location of the village's enrolling are announced beforehand, and the BPL list is displayed at the enrolment station and other conspicuous locations before the enrolment. In every hamlet, mobile enrolment booths are positioned near neighborhood hubs, such as public schools. The insurer outfits these stations with the necessary technology to gather fingerprints and photos of the home members who are insured, as well as a printer to manufacture smart cards featuring a photo. After the beneficiary has paid the Rs.30 as charge and the concerned Government Officer has verified the smart card, the smart card and an information booklet outlining the scheme and the list of hospitals are immediately delivered. Usually, the procedure takes less than ten minutes. A plastic cover will be used to deliver the cards.

AB-PMJAY: National Health Authority (NHA) of Ministry of Health and Family Welfare has implemented this scheme. At state level it is State Health Agencies (SHAs) which implement this scheme at state level**.** There is District Implementation Units (DIUs**)** that ensures coordination between stakeholders and smooth implementation at district level. State governments' empaneled hospitals also working efficiently to provide care under the scheme.
There are three models of implementations and they are –

Assurance / Trust Model: In this model State Health Agency (SHA) manages the program directly with any involvement of insurance companies.

Insurance Model: In this form SHA through a process of tendering to manage the program select insurance company. And in this case state pays a premium for eligible family to the insurance company.

Mixed Model: Mixed model is a combination of both assurance/trust model and insurance model.
It's totally depends on the capacity of state to choose among above said models.

Ayushman Bharat Digital Mission: The objectives of this effort are to expedite healthcare delivery, improve patient outcomes, and strengthen clinical decision-making. Furthermore, it will make patient histories easily accessible to medical professionals, empowering them to make better judgements that will result in more accurate diagnoses and better treatment outcomes.

Funding Mechanism

RSBY: RSBY scheme is funded by the central government and state governments. Central government pay 75% of annual premium and 25% is paid by state governments. Central government is also bearing the cost of smart cards. While the administrative cost is bear by state government. Every year beneficiaries pay registration and renewal fee of Rs. 30.

AB-PMJAY: AB-PMJAY scheme is fully sponsored by central government both central and state governments shared the cost of its implementation. The ratio of sharing cost is 60:40 for most of the states and union Territories. While in case of North- Eastern and three Himalayan states this ratio is 90:10. Under this scheme government of India (GOI) sets a limit at national level for per family that determines the maximum limit of the central share. Some time GOI provide 100% funding depends on case.

Administrative Efficiency

RSBY: Under this scheme government provides the electronic list of eligible households to the insurer then insurance company works with administration of district and block level to create an enrollment schedule for each village. Insurer sets up in public schools a mobile enrollment station in local centers. Then they collect biometric data photographs of household members. Field Key Officer (KPO) which is a government employee verifies all the enrollment process. Later on, beneficiaries will receive their smart cards along with a pamphlet consisting information about the list of hospitals.

AB-PMJAY: Under this scheme Aadhaar card is the only document which is required for the enrollment. Enrollment under this scheme is very easy. Just by following the instruction on official website if PMJAY one can easily enroll under the scheme. Third-Party Administrators (TPAs) used by state government to implement AB-PMJAY. Central government does not select any TPAs for the scheme. It is the NHA who manages and administer AB-PMJAY on behalf of Ministry of Health and Family Welfare.

Utilization and Outcomes

RSBY: Till March 2013, under RSBY 34,285,737 smart cards had been generated and 5,097,128 hospitalization cases had been registered. Then in 2019 this scheme was subsumed in AB-PMJAY scheme.

AB-PMJAY: This scheme was launched in September 2018. Till December 22,2024 about 36.29 crore Ayushman cards had been generated and 6.86 crore authorized hospitals admissions were reported and total 30,932 hospitals are empaneled among which 17,102 are public in nature and 13,830 are private empaneled hospitals. Majority of people uses this scheme for general medicines. While hemodialysis is the top procedure which card holders prefers.

Challenges under RSBY Scheme

There are a number of challenges that are being faced by beneficiaries under the RSBY scheme. Some are at the time of enrolment or some are at the time of execution.

Issues Related with Eligibility

In order to identify beneficiaries below poverty line (BPL) lists is being used. Updating of this list is the major problem in fact some time eligible people also not get benefit because of the exclusion from list (Nandi et.al., 2015).

Lack of Awareness

Lacking in awareness is due to many reasons like sometime geographical limitation is there. Lack of proper awareness campaign is also one of reasons which causes lacking of awareness. (Boyanagari et.al.,2019).

Limited Network of healthcare providers

In rural areas there are limited number of empaneled hospitals which restricted its uses. It also hinders the quality of services provided by the empaneled hospitals. Region wise there is difference in providing these services of the beneficiaries (Trivedi M. et. al., 2013).

Issues related with claim settlement

lengthy and difficult claim procedure that causes patient discontent and reimbursement delays. Beneficiaries become distrustful of the claim rejection process due to its lack of transparency. insufficient technical capability and infrastructure to handle claims efficiently (Malhi R.et.al., 2020).

Limitation of Coverage and Fraudulent Practices

Outpatient care is excluded, requiring beneficiaries to pay more for non-hospitalized care. Limited coverage for costly procedures or certain medical problems. possibility of beneficiaries or healthcare professionals making false claims. Fraud detection and prevention can be challenging (Nandi et.al.,2015).

Lesson learnt from RSBY

Ayushman Bharat (AB) is a kind of lesson learnt from RSBY health insurance scheme.

Broad coverage both in terms of population and Financial

Ayushman Bharat provides healthcare coverage to a wider range of people, including more vulnerable households, than RSBY, which mainly targeted Below Poverty Line (BPL) families (Vitsupakorn S. et.al., 2021). Compared to RSBY, Ayushman Bharat provides a substantially larger insurance sum, enabling more comprehensive treatment options for severe ailments (nha.gov.in).

More focus on Quality of healthcare

Ayushman Bharat prioritizes quality control procedures by appointing both public and commercial hospitals in an effort to improve healthcare standards, acknowledging problems with quality under RSBY (nha.gov.in).

Unified Approach
Ayushman Bharat places a significant emphasis on primary healthcare by creating Health and Wellness Centers, encouraging preventative treatment, in contrast to RSBY, which mostly concentrated on secondary and tertiary care.
Cashless Treatment
Although both programs provide cashless care at the time of service, Ayushman Bharat has made additional procedural simplifications to guarantee easier access to medical care.

Conclusion
It is clear that the motive of both the schemes are to provide quality healthcare services to those segments of society or that part of population which is unable to meet their healthcare expenses. AB-PMAJY scheme's coverage is wider than the RSBY and it also incorporate those things which were not there in the RSBY like larger portion of population is covered under AB and benefit cover is also very high i.e. Rs. 5 lakhs instead of 30,000 in RSBY. Except this, more packages and procedures are covered under the AB-PMJAY. But there are some more changes needs to do in AB-PMJAY scheme.

A Way Forward
Ayushman Bharat is a scheme that can be proved as boon for those segments of society which are most vulnerable in term of health care treatments or services. But there are some suggestions or we can say recommendations that our policy makers need to incorporate. Like AB-PMJAY covers only in-patient cost of treatment and there is no provision of ay kind of financial support to outpatients. Sometime visitation cost to a specialist is very high which causes high out of pocket expenditure of the patients. Another important recommendation is that it should cover the diagnostic expenses because sometime diagnostic expenses are very high which is again beyond the reach of pocket of middle and marginal people. No doubt, AB-PMJAY worked in a very desired manner and reaching its goal too.

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