

Executive Summary

Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was launched on 23 September 2018.

The Scheme aims to provide health cover of ₹ five lakh per family per year for secondary and tertiary care hospitalization to over 10.74¹ crore families from the poor and vulnerable section of the population, based on the deprivation and occupational criteria of the Socio-Economic Caste Census (SECC), 2011. The aim is to improve affordability, accessibility, and quality of care for the poor and vulnerable section of the population.

The Scheme has been launched for achieving a significant reduction in out-of-pocket expenditure due to health care costs and achieving reduction in proportion of households experiencing catastrophic health expenditures and consequent impoverishment. The eligible beneficiaries are entitled under AB-PMJAY for cashless and paperless access to services at the empanelled hospitals.

Audit noted that the PMJAY Scheme, an ambitious and well-intentioned programme to provide healthcare access to most vulnerable sections in the country, has had a strong positive impact on the economically weaker sections of the society who need healthcare facilities. However, the implementation of the Scheme needs improvement in the light of the findings made in the report. It is expected that the compliance to the observations and recommendations made in this Report will help in improving the implementation of the Scheme.

Key findings in each of the focus area of examination are provided as under:

Beneficiary Identification and Registration

As per NHA records, 7.87 crore beneficiary households were registered, constituting 73 *per cent* of the targeted households of 10.74 crore (November 2022). Out of this, 2.08 crore households had been identified from SECC-2011 database, as envisaged in the Scheme guidelines. In reply, NHA conveyed that Government of India (GoI) has approved (January 2022) the expansion of the beneficiary base to cover 12 crore families based on NFSA data.

(Paragraph 3.2, Page no. 11)

The match confidence score, which the online system of beneficiary registration, generates based on matching the documents of a beneficiary with the SECC list of eligible beneficiaries, has been rendered ineffective as applications for registration were approved or rejected irrespective of the match confidence score. Data analysis revealed that match confidence score was not applied during the approval/rejection process of registration of a person.

(Paragraph 3.4, Page no. 13)

¹ GoI has approved (January 2022) the expansion of the beneficiary base to cover 12 crore families based on NFSA data.

In the absence of adequate validation controls, errors were noticed in beneficiary database *i.e.* invalid names, unrealistic date of birth, duplicate PMJAY IDs, unrealistic size of family members in a household etc. In 36 cases, two registrations were made against 18 Aadhaar numbers and in **Tamil Nadu**, 4761 registrations were made against seven Aadhaar numbers. Registration of multiple beneficiaries against same or invalid mobile number ranging from 11 to 7,49,820 beneficiaries were noted in the Beneficiary Identification System (BIS). In **Jammu & Kashmir** and **Ladakh**, during the period 2018 to 2021, 16865 and 335 ineligible beneficiaries respectively were identified by the SHA after cleaning the SECC data.

(Paragraphs 3.6.1 to 3.6.5, Page nos. 15 to 18)

In six States/UTs, ineligible households were found registered as PMJAY beneficiaries and had availed the benefits of the Scheme. The expenditure on these ineligible beneficiaries ranged from ₹0.12 lakh in **Chandigarh**, to ₹22.44 crore in **Tamil Nadu**.

(Paragraph 3.7, Page no. 19)

In nine States/UTs, there were delays in processing of rejection cases. The delay ranged from one to 404 days.

(Paragraph 3.8, Page no. 20)

In seven States/UTs, Information, Education and Communication (IEC) cell was formed. In 12 States/UTs, IEC Cell was not formed whereas no information was available in the remaining States. IEC plan was prepared only in four States, **Chhattisgarh, Madhya Pradesh, Manipur and Rajasthan**. In **Maharashtra**, although plan was prepared in 2020-21, it was not implemented.

In 14 States/UTs, expenditure on IEC activities ranged from 0 to 20.24 *per cent* of the allotted budget against the prescribed benchmark of 25 *per cent*.

(Paragraph 3.9, Page no. 21)

Hospital Empanelment and Management

In several States/UTs, there was shortage of infrastructure, equipment, doctors, etc. The available equipment were found non-functional. Some of the Empanelled Health Care Providers (EHCPs) neither fulfilled minimum criteria of support system and infrastructure nor conformed to the quality standards and criteria prescribed under the Guidelines.

In several States/UTs, mandatory compliances criteria for empanelment of hospitals relating to infrastructure, fire safety measures, Bio-medical waste management, Pollution Control and Hospital registration certificate were not fully followed. In some EHCPs, fire safety certificates had expired before empanelment under PMJAY.

Some of the EHCPs did not conform to the prescribed quality standards and criteria, which were crucial to the safety and wellbeing of the beneficiaries in care and were mandatory minimum conditions for empanelment.

(Paragraphs 4.2.1 and 4.2.2, Page nos. 25 and 26)

The availability of Empanelled Health Care Providers (EHCPs) per lakh beneficiaries is very low in the States/UTs, **Assam** (3.4), **Dadra Nagar Haveli-Daman Diu** (3.6), **Maharashtra** (3), **Rajasthan** (3.8) and **Uttar Pradesh** (5), etc. Further, availability of EHCPs per one lakh beneficiaries ranged from 1.8 EHCPs in **Bihar** to 26.6 EHCPs in **Goa**.

(Paragraph 4.3, Page no. 26)

Physical verification was not conducted by District Empanelment Committee (DEC) before empanelment in 163 EHCPs in **Manipur** (17), **Tripura** (103) and **Uttarakhand** (43).

(Paragraph 4.4, Page no. 27)

In **Jharkhand**, two private EHCPs were not providing three specialities under the PMJAY, which were otherwise available for the general public. In **Assam**, 13 EHCPs were providing 4 to 80 *per cent* of available facilities to PMJAY beneficiaries. In four States/UTs, lack of Specialities were noted in EHCPs.

(Paragraphs 4.5 and 4.5.1, Page no. 28)

In five States, **Assam** (18), **Chhattisgarh** (65), **Gujarat** (20), **Jharkhand** (08) and **Manipur** (15), EHCPs treated beneficiaries for non-empanelled specialities.

(Paragraph 4.6, Page no. 29)

In **Andhra Pradesh** (524 EHCPs), **Jharkhand** (59 EHCPs), **Punjab** (5 EHCPs), **Tamil Nadu** (19 EHCPs) and **Uttar Pradesh** (40 EHCPs), no treatment was provided by the EHCPs.

(Paragraph 4.7, Page no. 30)

In 14 States/UTs, 2,733 hospitals were empanelled with delay ranging for period of more than one day to 44 months. Further, in six States, empanelment of 418 Hospitals was under process with delay ranging from two days to 29 months.

(Paragraph 4.8, Page no. 31)

In **Himachal Pradesh** (50) **Jammu and Kashmir**, (459), **Jharkhand** (36) and **Meghalaya** (13,418) beneficiaries were charged for their treatment in empanelled EHCPs resulting in increase in out-of-pocket expenditure of beneficiaries.

(Paragraph 4.9, Page no. 32)

In **Bihar**, empanelment of Ananya Memorial Hospital was suspended on 30 August 2019, but payment of 12 claims amounting to ₹67,900 was settled during 2018-20. SHA did not

conduct necessary investigation of the claims paid to the hospital. In **Jharkhand**, five de-empanelled EHCPs treated 1,777 patients and got claim amount of ₹1.37 crore. In 11 States, 241 hospitals were de-empanelled either voluntarily or due to low-performance and mal-practices noted in EHCPs.

(Paragraph 4.10, Page no. 33)

In **Jharkhand**, eight EHCPs were empanelled twice by SHA with different identification, though locations of the EHCPs were the same. In **Tamil Nadu**, 57 empanelled Government/private EHCPs were allotted two or more unique ID.

(Paragraph 4.11, Page no. 34)

Claims Management

As of November 2022, 3.57 crore claims amounting to ₹42,433.57 crore were settled. Out of these, claims amounting to ₹22,619.86 crore (53.30 *per cent*) pertained to the six brownfield States *viz.* Andhra Pradesh, Arunachal Pradesh, Rajasthan, Karnataka, Maharashtra and Tamil Nadu. These States use their own IT Platform to process the claims and subsequently feed into Transaction Management System of PMJAY through an Application Programming Interface (API). With no segregation of PMJAY beneficiaries in such cases, there is a possibility of overlap of PMJAY with state specific schemes.

(Paragraph 5.1.1, Page no. 35)

Data analysis revealed that 39.57 lakh claims took more than the specified time of 12 hours in approval of pre-authorisation.

(Paragraph 5.1.3, Page no. 36)

In four States, excess payment amounting to ₹57.53 crore were made to the EHCPs.

(Paragraph 5.2, Page no. 37)

In several States/UTs, revenue received from PMJAY was not utilised by Public/Government Hospitals for the purpose defined under PMJAY scheme.

(Paragraph 5.3, Page no. 38)

In **Andhra Pradesh** and **Punjab**, private hospitals were performing procedures reserved for public hospitals.

(Paragraph 5.4, Page no. 42)

In six States/UT, there was delay in submission of claims by hospitals and payment was made to hospitals without any penalty and even inadmissible payments were also made to these hospitals.

(Paragraph 5.5, Page no. 42)

In **Gujarat** and **Uttarakhand**, payments were made in cases of death, without obtaining death summary by SHA and without receiving the mortality audit reports.

(Paragraph 5.6, Page no.44)

In eleven States/UTs, inadequate validation checks such as admission before pre-authorization, transaction before inception of the Scheme, surgery after discharge of patient, payment prior to submission of claims, non-availability/invalid dates and other entries etc. were noted.

(Paragraph 5.7, Page no. 44)

Common format for maintaining the data was not used by States specific IT Platform in **Andhra Pradesh, Arunachal Pradesh, Rajasthan, Karnataka, Maharashtra** and **Tamil Nadu**. Master data of these patient IDs was not being maintained and available in NHA. In the absence of the master data (in Beneficiary Identification System or otherwise) audit could not ascertain as to how the terms and conditions of scheme was being monitored in these States as well as ensured in NHA.

(Paragraph 5.8.1, Page no. 47)

Inadequate pre-validation control on data captured through Transaction Management System (TMS)/States specific IT Platform was noted. Many discrepancies such as invalid dates of admission/pre-authorization/claim processing, non-availability of certain crucial dates, date of surgery after date of discharge of the patient, invalid/null entries in patient age column were noted. In certain cases, the date of discharge was earlier than admission date. TMS allowed pre-authorisation request of treatment of a beneficiary shown as 'died' in many cases.

(Paragraphs 5.8.2.1 to 5.8.2.10, Page nos. 49 to 55)

Financial Management

In contravention of guidelines, NHA released grants of ₹ 280.20 crore, ₹ 217.60 crore and ₹ 112.62 crore in three different bank accounts to SHA **Chhattisgarh** during 2018-21.

(Paragraph 6.3.1, Page no. 63)

Three State Health Authorities (SHAs) **Chhattisgarh, Punjab** and **Uttarakhand** had not maintained separate escrow account for PMJAY and State sponsored scheme. Both the schemes were operated through combined account.

(Paragraph 6.3.2, Page no. 63)

During 2018-19, NHA released grant amounting to ₹ 185.60 crore to eight States without ensuring release of upfront shares by the respective States.

(Paragraph 6.3.3, Page no. 64)

NHA released excess grant to **Andhra Pradesh** (₹ 8.37 crore) and **Mizoram** (₹ 10.86 crore) without considering previous year's balances and upfront shares.

(Paragraphs 6.4.1 and 6.4.2 Page nos. 64 and 65)

In **Jharkhand**, the PMJAY was launched in September 2018 by subsuming Rashtriya Swasthya Bima Yojana (RSBY) but ₹ 96.63 crore is still lying in RSBY fund.

(Paragraph 6.4.3, Page no. 66)

NHA released grants amounting to ₹ 3.76 crore to SHAs Puducherry and Punjab before implementation of the Scheme in the respective State/UT. This resulted in avoidable parking of grants for a period ranging from four to nine months.

(Paragraph 6.4.4, Page no. 66)

Seven SHAs diverted the grant of ₹50.61 crore from one head to another head.

(Paragraph 6.5, Page no. 67)

In 20 SHAs, administrative grant of ₹ 98.98 crore, ₹ 128.13 crore and ₹ 139.67 crore remained unspent at the close of 2018-19, 2019-20 and 2020-21 respectively.

(Paragraph 6.6, Page no. 67)

10 SHAs did not remit interest of ₹ 22.17 crore earned by them on unspent grants to NHA.

(Paragraph 6.7, Page no. 67)

₹ 458.19 crore was recoverable from the insurance companies in six States/UTs.

(Paragraph 6.8, Page no. 68)

The State of **West Bengal** withdrew from PMJAY in January 2019 but did not refund ₹31.28 crore to NHA.

(Paragraph 6.9, Page no. 68)

18 SHAs furnished 212 Utilisation Certificates (UCs) amounting to ₹ 4,115.35 crore without audited statements of accounts during 2018-21. Out of these 18 SHAs, seven SHAs furnished UCs without signature of the competent authority. Six SHAs furnished to NHA, inflated Utilization Certificates amounting to ₹38.24 crore.

(Paragraph 6.10, Page no. 69)

The instructions of Government of India to track the expenditure flow through PFMS had not been fully complied with by NHA and SHAs.

(Paragraph 6.11, Page no. 70)

Monitoring and Grievance Redressal

In five States/UTs, District Implementing Units (DIUs) had not been formed by SHA. In **Tripura**, DIUs have only been constituted in five Districts.

(Paragraph 7.2, Page no. 72)

In 22 States/UTs, shortage of manpower at various posts in SHAs and DIUs were noticed.

(Paragraph 7.3.1, Page no. 73)

In three States/UTs, State Grievance Redressal Committees (SGRCs) were constituted with delay up to approx. one year. In **Punjab**, representation of members has not been made as required under grievance redressal guidelines. In **Rajasthan**, records related to the formation and function of the SGRC was not produced to audit. In **Puducherry**, SGRC has not been formed with requisite manpower.

(Paragraph 7.4.1 (a), Page no. 74)

In **Chhattisgarh** and **Manipur**, District Grievance Redressal Committees (DGRCs) have not been constituted in some districts. In **Jharkhand**, DGRCs have been constituted with delay. In **Ladakh** and **Madhya Pradesh**, DGRCs were not constituted at all. In **Punjab**, Chief Executive Officer or District Development Officer or Additional Deputy Commissioner/ Additional District Magistrate (Development) in charge of *Zilla Panchayat* was not nominated in the DGRC.

(Paragraph 7.4.1 (b), Page no. 74)

In five States/UTs, no meeting of State Grievance Redressal Committee (SGRC) was held while in **Punjab** and **Jharkhand** less than prescribed number of meetings were organised.

(Paragraph 7.4.2 (a), Page no. 75)

In six States/UTs, no meeting of DGRC was held while in three States, shortfalls in meetings of DGRC were 53 to 100 *per cent*.

(Paragraph 7.4.2 (b), Page no. 75)

Out of 37,903 grievances, only 3,718 complaints (9.80 *per cent*) were redressed within turn-around-time and 33,100 complaints (87.33 *per cent*) redressed beyond turn-around-time. While 1,085 complaints were under process for redressal.

(Paragraph 7.5.1 (i), Page no. 76)

Out of 1,111 appeals received, 593 appeals (53.38 *per cent*) were resolved beyond turn-around-time.

(Paragraph 7.5.1 (ii), Page no. 76)

Out of 40 grievances received, SHA **Chhattisgarh** had not redressed any grievance. In six States, 582 grievances were under process for disposal. Data related to the redressal of the

grievances within the Turn Around Time (TAT) and beyond TAT was not provided by nine States/UTs.

(Paragraph 7.5.2, Page no. 77)

In **Andaman and Nicobar Islands**, Nodal Officer has not been nominated to address the grievances at the State level under PMJAY.

(Paragraph 7.6, Page no. 77)

Anti-Fraud Cell in four States/UTs, Claim Review Committees in eight States/UTs and Mortality and Morbidity Review Committees in 11 States/UT were not formed.

(Paragraph 7.7, Page no. 78)

Three States/UT of **Bihar, Chandigarh** and **Uttar Pradesh** did not plan/conduct anti-fraud awareness activities.

(Paragraph 7.8, Page no. 79)

In **Assam** (01 hospital) and **Jharkhand** (12 hospitals) had indulged in mal-practices; however, no action was initiated against these hospitals.

(Paragraph 7.9.1 Page no. 79)

Seven States/UTs had not adopted Whistle Blower Policy to receive complaints relating to disclosure on any allegation of corruption, medical and non-medical fraud, etc. against any stakeholder involved with the implementation of PMJAY.

(Paragraph 7.10, Page no. 80)

In 22 States/UTs, audits were either not conducted or conducted in less numbers.

(Paragraph 7.11, Page no. 80)

Penalty amounting to ₹12.32 crore from 100 hospitals was pending in nine States/UTs. SHAs **Jammu & Kashmir** and **Ladakh** failed to levy penalties amounting to ₹20.93 crore and ₹ 39.66 lakh respectively on Insurer for non-performance of various activities.

(Paragraph 7.12, Page no. 83)

In two States, **Himachal Pradesh** and **Tamil Nadu**, PMAMs were not rotated frequently.

(Paragraph 7.13, Page no. 84)

Key initiatives undertaken in PMJAY are given in Chapter-VIII. These include launching of programme for converging major insurance schemes and programme for ESIC and CAPF, Building and other Construction workers on NHA IT Platform, issuance of PVC quality cards etc.

(Chapter-VIII, Page no. 85)