

Socio-economic and regional inequality in coverage of public health insurance before and after PM-JAY in India

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BACKGROUND

Non-contributory public health insurance (NPHI) is a vital instrument to improve financial protection and healthcare access among the socially disadvantaged. India launched Pradhan Mantri-Jan Arogya Yojana (PM-JAY) --- the world's largest NPHI scheme --- in September, 2018 with the aim of achieving universal health coverage. In 2015-16 prior to PM-JAY, health insurance coverage was only 29.0% (IIPS & ICF, 2017; IIPS & ICF, 2021). PM-JAY has been adopted in all states and union territories except West Bengal, Delhi and Odisha, and the budgetary allocation has been tripled to Rs. 7,200 crore (FY 2023-24). This study documents the level of NPHI coverage and the extent of socio-economic and regional inequality in this coverage before and after implementation of PM-JAY in India.

METHODS

Data are from the National Family Health Survey (NFHS) in 2015-16 and 2019-21 (IIPS & ICF, 2017; IIPS & ICF, 2021). NPHI includes central and state funded health insurance schemes, excluding employment-related insurance and private insurance. We examine NPHI coverage by a number of socio-economic characteristics, including those that determine PM-JAY eligibility in rural areas. For Uttar Pradesh, we compare the change in NPHI coverage in districts where PM-JAY was implemented between the survey rounds with the change in other districts where PM-Jay was not implemented in this period.

KEY FINDINGS

- ✚ Health insurance coverage increased from 29.0% to 41.0% between 2015-16 and 2019-21.
- ✚ The expansion of NPHI coverage accounts for most of this increase.
- ✚ NPHI coverage increased from 26.9% to 38.6% in rural India.
- ✚ In Uttar Pradesh, PM-JAY accounts for most, but not all, of the increased in NPHI coverage.
- ✚ Socio-economic and geographic inequalities in NPHI coverage have fallen.
- ✚ In Uttar Pradesh, the most populous state in India, PM-JAY accounts for one-thirds to two-fifths of the increase in NPHI coverage.
- ✚ The NPHI coverage has increased significantly among SC/ST, possibly due to targeted intervention of PM-JAY.

Figure 1: NPHI coverage for PM-JAY eligibility criteria for the deprivation criteria in rural India, 2015-2021

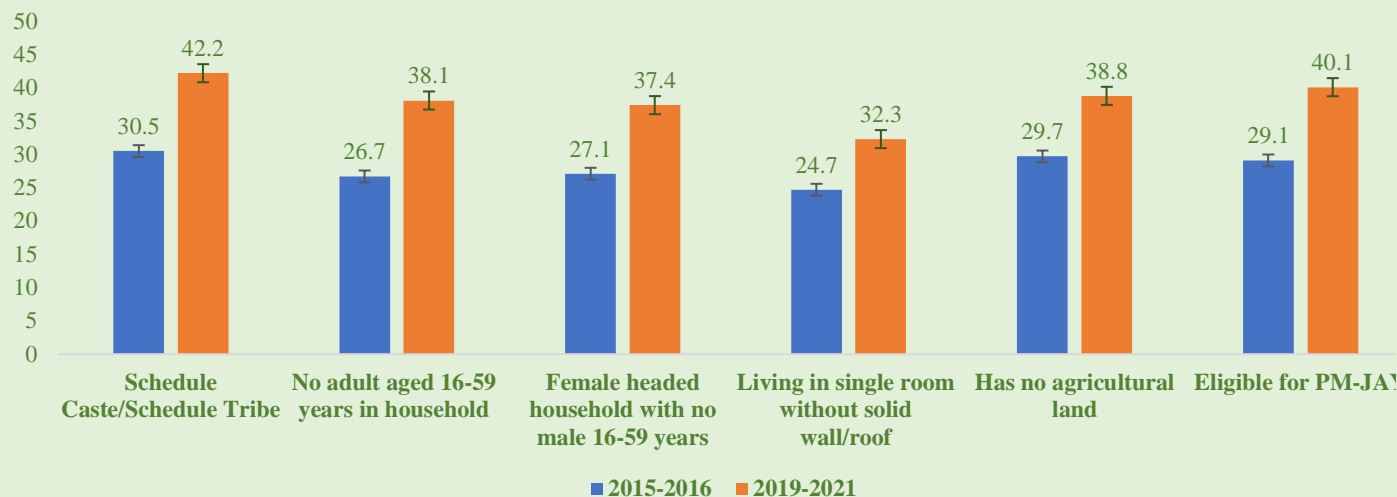


Figure 2: Change in NPHI coverage between 2015-16 and 2019-21 against coverage in 2015-16 by district, India



IMPLICATIONS

NPHI has been the main driver in increasing the health insurance coverage in India. There has been substantial reduction in socio-economic and regional inequality in public health insurance coverage during the period that PM-JAY was implemented. NPHI coverage increased among social minorities targeted by PM-JAY. While the goal of universal coverage is far from achieved, PM-JAY is a welcome step in that direction.

REFERENCES

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Full Paper

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