SAAL EK

AYUSHMAN ANEK

ANNUAL REPORT
2018-19

Pradhan Mantri
Jan Arogya Yojana
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It gives me great pleasure to release the First Annual Report of the National Health Authority for the implementation of the flagship scheme of the Ministry of Health and Family Welfare: Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY) for the period 2018-19.

September 23, 2019 marks the completion of PM-JAY’s first year. During the year gone by, NHA has covered substantial ground. It is my privilege to acknowledge the role of NHA in working towards transforming secondary and tertiary healthcare delivery in India. 10.3 crore e-cards have been issued to beneficiaries and treatment amounting to Rs. 7,490 crore was pre-authorised in different parts of the country. Every second, three e-cards are being distributed and every day, 51 hospitals are joining the network which brings healthcare to PM-JAY beneficiaries.

At a time when millions of households are pushed below the poverty line due to exorbitant out-of-pocket expenditure, NHA is committed to the goal of changing the lives of India’s poorest and most vulnerable people by delivering free, high quality healthcare in the most efficient and accountable manner. People are now accessing health services in different parts of the country irrespective of their place of residence. Lives are no longer shortened because the financial burden of disease is too heavy to bear. There is a veritable army of people acting as point of contact between the beneficiary and the Scheme, facilitated by State Governments, Common Service Centres and hospitals. Through the adoption of the latest technology, PM-JAY has a system of real-time monitoring which ensures that only genuine beneficiaries are able to secure services.

On this occasion, I wish National Health Authority and Ayushman Bharat Pradhan Mantri Jan Arogya Yojana great success in all their endeavours.

Dr. Harsh Vardhan
Message from Chief Executive Officer

In terms of Section 71 of the Gazette Notification No. 3 (4)/2018-H&FW (Part-III) Vol. 2 dated 1st February, 2019, NHA is required to prepare an annual report presenting all activities undertaken during the preceding year.

On this occasion, I would like to highlight some of the important activities we carried out. Accordingly, the present report accounts for activities of the organisation till 22nd September, 2019.

The Pradhan Mantri Jan Arogya Yojana (PM-JAY) evolved with the idea of making high quality healthcare accessible to the most deprived sections of India’s population. The idea was not a new one. However, what is different this time is that we learnt from experience and applied the lessons in the new scheme. We decided that we would design a scheme that would use evidence to define policy, the organisation which would implement it would be agile and would use innovation to drive healthcare initiatives.

It is amply clear today that any project or entity which fails to harness the power of information technology is going fall behind in the race to optimise service delivery. I firmly believe that the information technology systems of PM-JAY will have a far-reaching impact. They will provide the platform necessary to bring quality healthcare to those who can least afford it, and also transform hospital information systems, electronic records, clinical decision support systems and the monitoring of the entire flow of transactions between patient, healthcare provider and the strategic payer i.e. government. PM-JAY’s information system is cloud-based and fully scalable. It has the capacity to rapidly provide timely and accurate data.

I am fully aware of the innumerable threats posed by unscrupulous entities and individuals to the people we serve and to the information held by us. Hence, the NHA is using Artificial Intelligence (AI) and predictive analytics to identify problem areas and patterns of abuse before they become serious frauds.

I would like to conclude by saying that NHA has been granted a massive opportunity to transform healthcare service delivery in India and we have picked up the gauntlet to serve those who deserve our help the most.

The NHA and PM-JAY have a long way to go. Our journey so far has been an exciting one, which has been made possible thanks to the steadfast support of our stakeholders, States, research organisations, governmental and non-governmental organisations. I would like to thank all our stakeholders, employees and associates who have worked with passion and commitment to bring the Prime Minister’s dream to fruition.

Dr. Indu Bhushan
1. VISION AND MISSION of PM-JAY

The vision for PM-JAY has been aligned with global visions in this field and therefore, it will further strengthen India’s efforts towards achieving the Sustainable Development Goals (SDGs). Universal Health Coverage is a broad concept. The vision deals with aspects related to financial protection against catastrophic health expenditure and access to affordable quality healthcare.

The Vision of PM-JAY for the next five years is: “Achieving SDG 3.8: Ensuring financial protection against catastrophic health expenditure and access to affordable and quality healthcare for all”.

To achieve this vision, a mission statement has also been developed. The Mission of PM-JAY for the next five years is “Creating the world’s best health assurance programme on an efficient and technologically robust eco-system”.

The objectives of PM-JAY are to improve coverage of the Scheme, to improve access to quality healthcare at affordable prices and strengthen the health insurance ecosystem.
2. **SALIENT FEATURES of PM-JAY**

- **Health cover of up to Rs. 5,00,000 per family per year**
  - on family floater basis, for secondary and tertiary care hospitalisation through a network of Public and Empanelled Private Healthcare Providers

- **3 days of pre-hospitalisation and 15 days of post-hospitalisation expenses**
  - medicines, follow-up consultation and diagnostics

- **Cashless and paperless treatment for the beneficiary**
  - at the point of care

- **No cap on family size, age or gender**
  - All pre–existing conditions are covered

- **1,393 procedures covering 24 specialties**

- **Benefits are portable across the country**
  - in hospitals empanelled with PM-JAY
3. BENEFICIARIES COVERED under PM-JAY

PM-JAY has been rolled out for the bottom 40 percent of poor and vulnerable population. In absolute numbers, this is close to 10.74 crore households. The inclusion of households is based on the deprivation and occupational criteria of the Socio-Economic Caste Census 2011 (SECC 2011) for rural and urban areas, respectively. This number also includes families that were covered in the Rashtriya Swasthya Bima Yojana (RSBY) but were not present in the SECC 2011 database. In line with the approach of the Government to use the SECC database for social welfare schemes, PM-JAY also identifies targeted beneficiary families through this data.

Even though PM-JAY uses the SECC as the basis of eligibility of households, many States are already implementing their own health insurance schemes with a set of beneficiaries already identified. Thus, States have been provided the flexibility to use their own database for PM-JAY. However, they will need to ensure that all the families eligible based on the SECC database are also covered.
4. INSTITUTIONAL STRUCTURE of PM-JAY

A. National Health Authority

The Union Cabinet in its meeting held on 21st March 2018 had approved Ayushman Bharat National Health Protection Mission, now renamed as Pradhan Mantri Jan Arogya Yojana (PM-JAY). Based on the approval of the Cabinet, the National Health Agency was set up as a society, under Societies Registration Act 1860, on 23rd May 2018. On 2nd January 2019, the Union Cabinet approved the restructuring of the existing National Health Agency as the National Health Authority (NHA). Earlier, the National Health Agency functioned as a registered society which has now been dissolved and its status is enhanced to that of an Authority. With the approval of the Cabinet, the National Health Authority has been provided with full autonomy, accountability and mandate to implement PM-JAY through an efficient, effective and transparent decision-making process.

The National Health Authority is governed by a Governing Board which is chaired by the Minister of Health and Family Welfare and has 11 members as follows:

- Chief Executive Officer, NITI Aayog, *ex officio*.
- Secretary, Department of Expenditure, Ministry of Finance, GoI, *ex officio*.
- Secretary, Department of Health and Family Welfare, Ministry of Health and Family Welfare (MoHFW), GoI, *ex officio*.
- CEO, National Health Authority, Member Secretary.
- Two domain experts appointed by the Government of India in the areas of administration, insurance, public and private healthcare providers, economics, public health management.
- Five Principal Secretaries of Health of State Governments, one representing each of the zones viz. North, South, East, West and North Eastern States on a rotational basis.

A full-time CEO in the rank of Secretary, appointed by Government of India, oversees the NHA under the guidance of the Governing Board.

Organisation structure of NHA

The National Health Authority is divided into seven verticals. These cover the operational as well as the support functions for the organisation in implementing PM-JAY. Each vertical is headed by an Executive Director and staffed by personnel skilled and experienced in their specific area of work. These are Finance, Administration, Policy & Knowledge Management, Information Technology, Beneficiary Empowerment, Hospital Networking & Quality Assurance, and State Partnerships.
B. State Health Authority

For effective implementation of PM-JAY, State Governments have set up State Health Agencies (SHA) or designated the function to an existing agency, trust, or any other society. The SHA is the nodal agency responsible for implementation of PM-JAY in the State headed by a Chief Executive Officer. The SHA can hire additional staff or Implementing Support Agency (ISA) to perform required tasks for implementation of the scheme. The CEO, SHA is appointed by the State Government and is ex-officio member-secretary of the governing council of the SHA.

Along with day-to-day operations of implementation of PM-JAY in the State, the SHA is also responsible for data sharing, verification and validation of family members, IEC, monitoring of the scheme, etc.

C. District Implementation Unit

In addition to the State-level entity, a District Implementation Unit (DIU) has also been established to support the implementation in every district included under the scheme. This team will be in addition to the team deployed by the insurance company/ISA. The DIU will be chaired by the Deputy Commissioner / District Magistrate / Collector of the District. This Unit will coordinate with the implementing agency (ISA/insurer) and the network hospitals to ensure effective implementation and send review reports periodically. The DIU has to work closely and coordinate with the District Chief Medical Officer and his/her team.

5. FINANCING OF THE SCHEME AND CO-OPERATIVE FEDERALISM

PM-JAY is completely funded by the Government and costs are shared between Central and State Governments. The ratio for all States, except North-Eastern States and three Himalayan States and Union Territories with legislature, is 60:40, with the Centre’s share being 60 percent and the State’s, 40 percent. For North-Eastern States and three Himalayan States (viz. Jammu and Kashmir, Himachal Pradesh and Uttarakhand), the ratio is 90:10, with the Centre’s share being 90 percent and the State’s, 10 percent. For Union Territories without legislatures, the Central Government may provide up to 100 percent on a case-to-case basis.

In the spirit of cooperative federalism, various meetings, workshops and conclaves were held between Centre and States.

Also, keeping in mind variations across the States, considerable flexibility was incorporated in the scheme design and implementation. States have been provided flexibility in terms of the following parameters:

a. **Mode of implementation**: States can choose the implementation model and can implement the scheme through Trust, Insurance company or Mixed model.

b. **Usage of beneficiary data**: PM-JAY uses SECC data for targeting the beneficiaries. However, States have been provided the flexibility to decide on the dataset for this purpose, if they are covering more beneficiaries than SECC defined numbers. However, the State will need to ensure that all beneficiaries eligible as per SECC data are covered.

c. **Expansion of cover to more people**: States can cover a greater number of families than those defined as per SECC data. For these additional families, full cost will need to be borne by the States.
d. **Co-branding:** States can co-brand their existing health insurance/assurance schemes with PM-JAY as per co-branding guidelines of the scheme.

e. **Increasing benefit cover to higher value:** If the States want, they can even expand the benefit cover beyond Rs. 5 lakh per family per year. However, in this case, cost of additional cover will need to be completely borne by the State.

f. **Revision in package numbers and pricing:** PM-JAY provides cover of more than 1,300 packages and their prices have been fixed by the NHA. However, keeping in view the different disease profile and variation in cost of services across the States, flexibility has been provided, albeit within a limit, to the State to revise the package prices.

g. **Reservation of packages for public hospitals:** To ensure that services that can be provided well by Government health facilities are not misused by private providers, NHA has defined a set of medical conditions that can be treated only in public healthcare facilities. States can revise the list of such conditions that are reserved for public hospitals.

h. **Payment to public hospitals:** States have also been provided flexibility to deduct a certain percentage of claims amount that is paid to public hospitals.

i. **IT Systems:** Before the launch of PM-JAY some of the States were implementing their own health insurance schemes and were using their own IT systems. PM-JAY provides flexibility that State can continue using their own IT system and share data with NHA on a real-time basis in specified format.
THE JOURNEY SO FAR
6. THE LAUNCH

Honourable Prime Minister Sri Narendra Modi had launched PM-JAY on 23rd September 2018 from Ranchi, Jharkhand.
7. IMPORTANT MILESTONES

- **FEB 1 2018**: Union Budget Announcement
- **MAR 1 2018**: Cabinet Approval
- **MAR 21 2018**: NHA Incorporated
- **MAR 27 2018**: Health Ministers Conclave
- **MAY 11 2018**: PM Announces Ayushman Bharat PM-JAY Launch
- **JUN 14 2018**: PMJAY
- **AUG 15 2018**: Health Ministers Conclave
- **JUN 24 2019**: 30 Lakh Beneficiaries Availed Treatments
- **APR 11 2019**: 20 Lakh Beneficiaries Availed Treatments
- **JAN 24 2019**: MoU Signed with Ministry of Railways
- **DEC 11 2018**: 100 Days of PM-JAY & Formation of NHA
- **SEP 23 2018**: Ayushman Bharat PM-JAY Launched
- **JAN 02 2019**: 5 Lakh Beneficiaries Availed Treatments
## 8. THE HIGH POINTS

(as on 22nd September 2019)

| **32** | **10.3 crore** | **46.5 lakh** |
| States and Union Territories implementing the scheme. | e-cards issued | hospital treatments |

| **Rs 7,490 crore** | **18,236** | **42,725** |
| Value treatments provided | hospitals empanelled | portability cases |

| **45 lakh** | **1.5 crore** | **3.8 lakh** |
| calls answered by NHA Call Centre (14555) | users on mera.pmjay.gov.in | PM-JAY app installations |

**Note: The above information relates to beneficiaries supported under PM-JAY, in alliance with State schemes.**

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Percent eligible families with at least one member having a e.card

### Top States
- Andhra Pradesh
- Kerala
- Rajasthan
- Jharkhand
- Madhya Pradesh

### Top UT/NE/Hilly states
- Assam
- Dadra And Nagar Haveli
- Uttarakhand
- Daman And Diu
- Himachal Pradesh
Empanelled beds per 1000 beneficiaries

**Top States**
- Goa
- Haryana
- Tamil Nadu
- Kerala
- Gujarat

**Top UT/NE/Hilly states**
- Puducherry
- Himachal Pradesh
- Chandigarh
- Sikkim
- Jammu And Kashmir

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Hospitalisation per lakh beneficiary population

**Top States**
- Rajasthan
- Chhattisgarh
- Kerala
- Gujarat
- Jharkhand

**Top UT/NE/Hilly states**
- Dadra And Nagar Haveli
- Daman And Diu
- Meghalaya
- Mizoram
- Jammu And Kashmir

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Yet to join/Withdrawn
9. IMPLEMENTATION MODELS IN STATES/UTs

Various States are using different models for implementing their own health insurance/assurance schemes. Some of them are using the services of insurance companies while others are directly implementing the schemes in their States.

Considering the fact that States are at different levels of preparedness and have varying capacity to manage such schemes, PM-JAY provides the States with the flexibility to choose their implementation model. They can implement the scheme through assurance/trust model, insurance model or mixed model.

The following diagram depicts the list of States with respective models of PM-JAY implementation:
1. Total number of States and Union Territories who have joined the NHA: 32 (Delhi, Odisha, Telangana have not joined. West Bengal withdrew from the scheme).
2. 23rd September 2018: Formation of National Health Agency.
3. 2nd January 2019: National Health Agency restructured as National Health Authority (NHA).
4. SHAs set up in all implementing States.
5. Workshops, meetings, conclaves conducted for productive dialogues between NHA and the States/UT:
   • 23rd April 2018: National consultation with States/UTs to seek feedback on draft guidelines for implementing the scheme
   • 14th June 2018: Health Ministers’ Conclave. Signing and exchanging MOUs
   • State level meetings held throughout the year
10. PARTNERSHIPS

NHA has entered several partnerships with government, non-government, multilateral and not-for-profit organisations. The goal is to synergise knowledge and skills in order to make the implementation of PM-JAY more effective.

- **German Government through GIZ**

- **The World Bank**
  - Fraud Management, Monitoring and Evaluation, Health Benefit Package, IEC & Beneficiary Empowerment, Medical Audits and Claims Adjudication, Capacity-building and Policy Support

- **World Health Organisation**
  - Health Benefit Package, Research, Provider payment methods, Fraud and quality, and IT

- **Bill and Melinda Gates Foundation**
  - All areas of support

- **International Innovation Corps, University of Chicago**
  - Innovations in Healthcare, Cancer Care Strategy

- **Clinton Health Access Initiative**
  - Data analytics, Monitoring and Evaluation

- **Asian Development Bank**
  - Operational and Policy Support

- **National Skill Development Corporation**
  - Skill Development

- **Department of Health Research**
  - Health Benefit Packages

- **National Cancer Grid**
  - Cancer Care Strategy

- **Quality Council of India**
  - Quality Frameworks

- **ICICI Foundation for Inclusive Growth**
  - Skill Development

- **Common Service Centres**
  - Beneficiary Outreach and Verification

- **NATHEALTH**
  - Innovations in Healthcare

- **WISH Foundation**
  - Innovation in Healthcare, Continuum of Care

- **Health Systems Transformational Program**
  - Research, Policy Support

- **Public Health Foundation of India**
  - Research, Policy Support

- **Insurance Institute of India**
  - Capacity-building
11. BENEFICIARY IDENTIFICATION PROCESS

Established under PM-JAY, the Beneficiary Identification System (BIS) helps verify beneficiaries from the entitled database and create an authenticated beneficiary registry.

The BIS is one of the components of NHA’s information technology backbone. It allows for searching for beneficiaries through SECC or additional datasets through Application Programme Interface (APIs) and supports Aadhaar eKYC (electronic Know Your Customer) and non-Aadhaar based KYC for authentication.

12. CREATION OF HOSPITAL NETWORK

In order to cater to the increased demands under PM-JAY and to ensure quality care to the beneficiaries, it is imperative to maintain and grow a network of hospitals that also conform to the quality standards and criteria. This leads to the need of empanelment of hospitals on a pre-emptive basis so that beneficiaries are certain of their rights being honoured in the most convenient, cashless and quality manner.

A. Empanelment criteria

Considering the supply side characteristics (nearly 71 percent of the hospitals are running as proprietorship businesses with less than 25 beds capacity and offering non-specialised general clinical care), two types of empanelment criteria (general criteria and special criteria for clinical specialities) have been evolved. These criteria have been evolved based on the experience of the prevalent practice in other Government-funded health insurance schemes, State-specific regulations related to the quality of care and Clinical Establishment Act 2011. The detailed criteria for empanelment are available on www.pmjay.gov.in.
B. Process of hospital empanelment in PM-JAY

PM-JAY prescribes a two-tier approach to the empanelment of hospitals which is online, transparent and efficient and is completely free for all steps of the process. A hospital can be empanelled by the District Empanelment Committee or by the State Empanelment Committee. States occupy the stewardship position in the entire process of hospital empanelment, and they have the final decision-making power in this regard. The process is given below:

Statistics related to hospital empanelment and hospital admissions are summarised below:
(as on September 22, 2019)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Public</th>
<th>Private</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals</td>
<td>8,571</td>
<td>9,665</td>
<td>18,236</td>
</tr>
<tr>
<td>Hospital admissions</td>
<td>21.8 lakh</td>
<td>24.7 lakh</td>
<td>46.5 lakh</td>
</tr>
<tr>
<td>Amount for Hospital Admissions</td>
<td>2,846 crore</td>
<td>4,644 crore</td>
<td>7,490 crore</td>
</tr>
</tbody>
</table>

C. Continuous quality improvement and other incentives to empanelled hospitals

PM-JAY incentivises the empanelled hospitals to continuously strive for the attainment of higher quality standards. These incentives are certainly a motivation for the hospitals to attain the said quality standards.

D. National healthcare providers

Although States are in charge of the empanelment of hospitals, there are eminent tertiary care hospitals and specialised care hospitals that operate as autonomous institutes of excellence directly under the MoHFW or some other department. Most popular examples of such hospitals are AIIMS, Safdarjung Hospital, JIPMER, PGI Chandigarh, etc. The NHA has empanelled these hospitals directly by signing an MoU with each of the facilities. Also, all NABH accredited private hospitals in the National Capital Region (NCR) are directly empanelled by NHA to widen the network of service providers.
E. Hospital Empanelment System

This information system allows for registration and approval of hospitals for empanelment. Features related to Hospital Quality Assurance are also being made available in this system.

F. Hospital Transaction Management System (TMS)

Allows for capturing of in-patient data on admission, treatment and discharge, and onwards to hospital claims and financial settlement. It is integrated with other State-based and external systems through APIs.

13. HEALTH BENEFIT PACKAGES

PM-JAY has 1,393 treatment packages out of which 1,083 are surgical, 309 medical and 1 unspecified package.

Packages and Rates

To ensure that the hospitals do not overcharge, and rates do not vary across hospitals, empanelled healthcare providers (EHCP) are paid based on specified package rates. A package consists of all the costs associated with the treatment, including pre- and post-hospitalisation expenses. The specified surgical packages are paid as bundled care, where a single all-inclusive payment is payable to the EHCP by insurer/SHA.

The medical packages, however, are payable to the EHCP on a per day rate depending upon the admission unit (general ward, HDU, ICU) with certain pre-decided add-ons payable separately.

Day-care packages are payable just like surgical packages. The treatment packages are very comprehensive, covering treatment for nearly 24 specialities that include super speciality care like oncology, neurosurgery and cardio-thoracic and cardiovascular surgery, etc. The package rate (in case of surgical or defined day-care benefits) includes:

- Registration charges
- Bed charges (general ward)
- Nursing and boarding charges
- Surgeons, anaesthetists, medical practitioner, consultants’ fees, etc.
- Anaesthesia, blood transfusion, oxygen, O.T. charges, cost of surgical appliances, etc.
- Medicines and drugs
- Cost of prosthetic devices, implants (unless payable separately)
- Pathology and radiology tests: radiology to include but not be limited to X-ray, MRI, CT Scan, etc. (as applicable)
- Food to patient
- Pre- and post-hospitalisation expenses: Expenses incurred for consultation, diagnostic tests and medicines before the admission of the patient in the same hospital, and up to 15 days of the discharge from the hospital for the same ailment/ surgery
- Any other expenses related to the treatment of the patient in the EHCP
As mentioned in the previous section based on a few criteria, hospitals can be paid a higher amount. For such surgical conditions that are not listed in the package list, an EHCP will need to take approval and fix the rate from the insurer/ SHA before providing treatment up to a limit of Rs. 1,00,000.

A. Development of Packages and Rates

The MoHFW followed a two-level procedure for deciding the reimbursement mechanism and rates. In the first level, a committee was constituted under the chairmanship of Director-General of Health Services. The committee comprised of medical and non-medical experts from all important stakeholder groups. The committee, by way of devolution, formed specialty wise sub-committees of clinical specialists from Government, for-profit and non-profit sector hospitals. The specialist committees worked for a period of almost one year and kept meeting at regular intervals to develop the packages and their indicative package rates. Continuing the work done by Director-General Health Services (DGHS committee), the MoHFW requested the NITI Aayog to review the package rates through a peer review process. The NITI Aayog adopted various strategies for review. Rapid survey data on prevailing hospital rates from both for-profit and charitable hospitals were collected. The budget utilisation data of several health insurance schemes were reviewed to develop the list of prioritised packages. The Insurance Regulatory and Development Authority of India (IRDAI) was also consulted on reimbursement rates of insurance companies. After carrying out these various discussions and reviews, the final recommendation on rates was provided by the NITI Aayog. Based on these recommendations and internal exercise by MoHFW, the final package rates were fixed by the Government for PM-JAY.

The NHA had been receiving feedback on various aspects of the scheme including existing Health Benefit Packages (HBP). The feedback received on HBP could be primarily grouped under following broad headings:

- Inconsistencies in the nomenclature
- Duplication
- Unviable rates
- Large difference in rates of similar procedures
- Implants included in the rates
- Different rates for same procedure in different specialties
- Overlap with national health programmes

These were brought to the notice of the Governing Board in the meeting on 19th April 2019. The Governing Board decided to undertake an exercise to remove the aberrations and anomalies in the HBP. The following procedure was agreed to:

- A specialist committee to examine relevant sections of the HBP and make suggestions.
- Review committee to examine the suggestions made by specialist committee and moderate them.
- Recommendations of review committee to be put up to the Governing Board for consideration.

After completing the first two steps, the recommendations of the review committee were put up to the Governing Board for consideration. The Governing Body approved the proposal on the following:

- Discontinuation of 554 packages (final decision pending on cataract related packages)
- Reduction in the rate of 57 packages
- No change in rate of 469 packages
• Increase in the rate of 270 packages
• Addition of 237 new packages
• Adoption of 43 stratified packages

It was also decided that the increase on packages, wherever proposed, should be reduced by 10 percent. The final decision on the cataract packages will be taken by the Chair of the Governing Board.

B. Flexibility to States on Packages

States with a State-owned health insurance scheme can keep their own rates for all the packages. However, they are required to adhere to the mandatory 1,393 packages as specified in the PM-JAY list. The list can be expanded based on additional packages from their own scheme which were not a part of the national package master.

States with no health scheme other than PM-JAY can adopt the national package master with context-specific variations such as revision of prices in the range of 10 percent, reservation of procedures for public hospitalisation, additional packages under mandatory pre-authorisation, etc.

States do have the flexibility to add packages or modify rates according to their requirements; further, they even have the flexibility to change terms of pre-authorisation and modify the list of public hospital only packages which was devised to prevent any misuse.

The Way Forward

An institutional mechanism has been created so that the work is accomplished in a thorough manner in the endeavour to achieve all the stated objectives. The following tasks will be performed:

1. Collate existing and collect new evidences to make specialty-wise recommendations, about the HBP’s composition and pricing.
2. Review these recommendations in the light of the available resources, overall policy directions and the mandate of the programme and make necessary modifications to align the recommendations with the objectives of PM-JAY.
3. Get the necessary executive and legislative backing for the recommendations thereby making them available for implementation at ground level to the implementing agency/authority (NHA).

14. BENEFICIARY AWARENESS AND EMPOWERMENT

Beneficiary Awareness

Since PM-JAY is an entitlement-based scheme where there is no advance enrolment process, making beneficiaries aware of the scheme is a very critical aspect. Information, Education and Communication (IEC) activities need to be carried out to educate beneficiaries about the scheme. Various modes were adopted in order to reach the last mile. A detailed communication strategy has been developed by NHA, which is implemented at the national and regional levels. Various modes of communication such as leaflets, booklets, hoardings, TV, radio spots, interpersonal communication, etc., have been used as important elements for creating a comprehensive communication strategy for disseminating the desired messages across the target
Audience. The NHA also worked on capacity-building within States for implementation of the communication strategy required for increasing awareness about PM-JAY.

Due to the large number of people being covered under PM-JAY, there is a strong need to spread awareness with the right message, choosing the right media at the right time.

**Additional Data Collection Drive (ADCD)**

The first major awareness generation initiative was the Additional Data Collection Drive (ADCD). It was undertaken by participating in “Gram Swaraj Abhiyaan” of the Ministry of Rural Development on 30th April 2018, and it was named as “Ayushman Bharat Diwas.” It covered around 3 lakh villages across the country. Various posters, banners, etc., were designed and deployed in Hindi as well as regional languages across all camps and village meetings.

**Beneficiary Awareness and Verification Drive with Indian Railways**

Indian Railways has signed an MoU with the National Health Authority wherein railway contractual staff can avail services under PM-JAY in railway hospitals free of cost. In this regard, mass beneficiary verification drives for railway contractual staff was conducted at four places in the country. Event collaterals were used, press meets were organised, and press release circulated for wider coverage of these events.

**Letter from the Prime Minister to Beneficiaries**

A letter from the Prime Minister was sent to all beneficiary families to make them aware about their entitlements under the scheme and provide them with a card with their unique family ID.
Various media activities

Standardised design materials have been prepared by the NHA that are being used by States for making beneficiaries aware about the scheme. Various communication channels like print media, television, radio, social media, etc., are being used to reach beneficiaries and other stakeholders.

A dedicated web portal for the scheme www.pmjay.gov.in has been created to provide all the details about the scheme to various stakeholders. Relevant information and links, list of empanelled hospitals, Am I Eligible portal, grievance redressal portal, gallery, operational guidelines are placed here.
National Communication Workshop and IEC guidebook

A national communication workshop was organised on 12th November 2018 and attended by IEC personnel from SHAs. An IEC guidebook was released in order to help in standardisation of communications.

Preparation of films featuring PM-JAY beneficiaries and various celebrities

Several testimonial films have been made with beneficiaries. The NHA has also made films with sports personalities like Mary Kom and Saina Nehwal, wherein they are endorsing PM-JAY with ‘call-to-action message’ for beneficiaries.

Coffee Table Book

About 700 coffee table books with 100 success stories of PM-JAY beneficiaries were circulated across all Indian embassies, High Commissions, development support partners, Cabinet Ministers, MoS, GOI Secretaries, State Health Agencies, Chief Secretaries and Health Ministers of all the States/UTs.

Newsletters and PM-JAY Brochures

Arogya Samvad Newsletter is being issued by the NHA on a monthly basis which features achievements of the Scheme, inside stories on best practices by the States, stories on fraud prevention and detection, any recent developments in the scheme, opinion editorials and most followed social media posts.
Beneficiary Empowerment

Beneficiary empowerment is critical to a scheme such as PM-JAY. Given below is a diagrammatic representation of the various ways in which the NHA is empowering the beneficiaries:

Call Centre

One of the important aspects of PM-JAY is to ensure that the entitled beneficiaries of the programme can reach out to know the details of the scheme, have recourse to raise a query or a grievance, seek information and support at any time during day or night, especially during hour of need. The National Helpline – 14555/1800 111 565 was set up by the National Health Agency on 24th August 2018.
Starting with 37 call centre executives, services are now being provided through more than 600 call centre executives in four different locations (Hyderabad, Bengaluru, Kolkata and Delhi) in the country. Apart from the incoming calls campaign, various outbound calling processes are also being carried out in the National Call Centre.

The main outbound calling process is the Beneficiary Feedback campaign. Outbound calls are made to beneficiaries for collecting their post-discharge feedback from hospital, to know their experience, whether they faced any difficulty during the process, etc. Outbound calls have also been made to hospitals to help them complete application for support, handholding and training for providing services to PM-JAY beneficiaries and to encourage these hospitals to raise pre-authorisation.

**Month-wise Number of Incoming Calls Answered (September 2018-August 2019)**

<table>
<thead>
<tr>
<th>Month</th>
<th>Number of Calls Answered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-18</td>
<td>211,704</td>
</tr>
<tr>
<td>Oct-18</td>
<td>446,625</td>
</tr>
<tr>
<td>Nov-18</td>
<td>215,437</td>
</tr>
<tr>
<td>Dec-18</td>
<td>255,734</td>
</tr>
<tr>
<td>Jan-19</td>
<td>309,915</td>
</tr>
<tr>
<td>Feb-19</td>
<td>1,015,369</td>
</tr>
<tr>
<td>Mar-19</td>
<td>912,808</td>
</tr>
<tr>
<td>Apr-19</td>
<td>260,209</td>
</tr>
<tr>
<td>May-19</td>
<td>155,173</td>
</tr>
<tr>
<td>Jun-19</td>
<td>162,971</td>
</tr>
<tr>
<td>Jul-19</td>
<td>175,069</td>
</tr>
<tr>
<td>Aug-19</td>
<td>123,581</td>
</tr>
</tbody>
</table>
NHA has completed the integration of State Call Centre of 5 States already and discussion is going on with other States on having dedicated call centre for PM-JAY scheme and integration of their call centres. After the integration of State Call Centres, 21 percent of the inbound calls have been forwarded to respective States.

**Grievance Redressal**

The grievance redressal system is designed to address grievances of all PM-JAY stakeholders based on the principles of natural justice while ensuring that cashless access to timely and quality care remains uncompromised. A three-tier Grievance Redressal Committee structure has been set up at National, State and District levels for this purpose. These committees track and monitor the grievances and its status, collect additional information from parties involved, facilitate hearings, review records, adjudicate and issue orders on grievance and ensure compliance of committee orders. The Central Grievance Redressal Management System (CGRMS) is an online web-enabled system developed to redress PM-JAY related grievances. The CGRMS primarily aims to enable submission of grievances by the aggrieved party from anywhere and anytime (24x7). Steps were taken to revamp the existing portal to make it more user friendly. A detailed grievance redressal guideline was drafted by the NHA team which focuses on redressing the grievances effectively.

**Types of Grievances under CGRMS**

(till 22nd September 2019)

- **Money Collected**: 93%
- **Treatment Denial**: 3%
- **Demographic Data Related**: 1%
- **Eligibility Related**: 1%
- **Others**: 2%

The Centralised Public Grievance Redressal and Monitoring System (CPGRAMS) is an online web-enabled system developed by NIC, in association with Directorate of Public Grievances (DPG) and Department of Administrative Reforms and Public Grievances (DARPG).

**Beneficiary Empowerment Guidelines**

The Beneficiary Empowerment Guidebook seeks to outline the role of the NHA and the SHA in ensuring that beneficiaries are empowered by having access to accurate, complete and timely information in a transparent manner so that they can fully avail their rightful entitlements under PM-JAY. The guidebook also provides examples of standard messages that could be used by the NHA and the SHA in communicating with entitled beneficiaries at critical touchpoints in the process of accessing hospitalisation services under PM-JAY.
The Way Forward

The focus of connecting with the last mile will remain to be critical in the coming time period. Localised media to reach the beneficiaries will be used even further. Ensuring the capacity of the Call Centres and integration with State Call Centres will continue to be important, as the scheme grows.

Beneficiary Awareness & Empowerment: Highlights

1. April 30, 2018: ADCD drive conducted
2. August 24, 2018: National Helpline started
3. November 12, 2018: National IEC workshop and IEC guidebook released
4. February 13, 2019: 1 lakh inbound calls answered in one day
5. August 21, 2019: New CGRMS portal launched
6. Number of letters from PM sent out: 7.6 crore
7. Total inbound calls: 45 lakh
8. National Call Centre locations: 4
9. Total railway contractual staff screened during the awareness drive: 1,800
10. Formation of Grievance Redressal Committee
11. Centralised Public Grievance Redressal and Monitoring System set up
12. Grievance Redressal guidelines issued
13. Beneficiary Empowerment guidelines issued and 100% states oriented

15. CAPACITY BUILDING

Capacity-building activities under PM-JAY attempt to address more than just training and cover all aspects of building and developing sustainable and robust institutions and human resource. Capacity building in PM-JAY has three components: (i) Setting up sustainable institutional structures, (ii) building and strengthening the human resource and institutional capacity, and (iii) sustaining knowledge and skill through knowledge management and use of appropriate tools. The roles of institutions as well as each of its personnel at National, State and District levels were defined as were the required skill sets. These personnel were further categorised based on role and appropriate knowledge and skill areas were mapped for capacity development. The NHA has taken the leadership role in assessing the requirements, making available resources, devising strategies for enabling States to undertake capacity-building activities and providing technical assistance to States. Standardised learning content on identified thematic areas has been developed by the NHA. States can customise these materials and deliver through various methodologies as per their annual training plan. Monitoring and quality assurance measures with feedback mechanism have also been put in place to ensure effectiveness and efficiency.

Capacity-building initiatives in PM-JAY started with the orientation of SHA officials followed by various workshops for personnel from specific portfolios like IT, fraud control, claim management, etc. Workshops
for ISAs and banking partners were also organised. Master trainers were created at the State level who in turn trained more than 10,000 Pradhan Mantri Arogya Mitras (PMAMs) at empanelled hospitals before the beginning of the programme. Various workshops, cross learning forums and thematic trainings are planned in the upcoming days.

A. Partnerships for capacity-building

The NHA has entered into partnerships with Administrative Staff College of India, National Skill Development Corporation through Ministry of Skill Development & Entrepreneurship and ICICI Foundation for Inclusive Growth.

Administrative Staff College of India (ASCI)

With the objective of streamlining the capacity building of personnel in SHAs, a series of training programmes were organised through Administrative Staff College of India. The target group for these trainings are newly employed SHA personnel, from CEOs to mid-level managers. Five batches of trainings have been organised where about 200 SHA officials were trained on various aspects of scheme implementation.

National Skill Development Corporation

The NSDC is a Public-Private Partnership Company managed by Ministry of Skill Development and Entrepreneurship. It manages and monitors more than 700 Pradhan Mantri Kaushal Kendras (PMKK) and 1,500 Pradhan Mantri Kaushal Vikas Yojana (PMKVY) Centres spread across all the Districts in India. 

The partnership aims to certify all Pradhan Mantri Arogya Mitra (PMAM) by conducting blended training and qualifying assessment. This blended training includes classroom sessions and an e-learning module. This model was first piloted in Uttar Pradesh and Himachal Pradesh to train 713 PMAMs. This will now be expanded to Jharkhand, Kerala, Bihar, Haryana, Punjab, Uttarakhand and Chandigarh. Around 49 certified trainers are available at present and this number will be increased as the programme is expanded to the above States.

An e-learning platform is in place with the support of the National Skill Development Council (NSDC) for training and certifying PMAMs.

ICICI Foundation for Inclusive Growth

The ICICI Foundation for Inclusive Growth is a part of the ICICI Group. The Foundation promotes initiatives in skill development among other areas. The Foundation has 19 training centres in 16 States and all centres are equipped with IT infrastructure with a capacity of 30-50 candidates. The Foundation has offered to provide these facilities to the NHA for organising capacity-building activities related to the scheme implementation. Ten master trainers were created under this partnership, and these services will be utilised for training various field-level stakeholders.
Knowledge Development: Content Development; e-module for Arogya Mitras

The course developed by NHA comprises of 45 e-learning videos which are available mainly in Hindi and English and will soon also be available in Malayalam. These modules are interactive and have been developed using animation, case scenarios, simulations of PM-JAY IT tools and assessments. The goal is to ensure all basic, technical, operational and theoretical concepts and challenges essential for day-to-day functioning of PMAMs are addressed. At present 300+ users across 17 States have undergone the curriculum which is accessed through the learning management system provisioned by NSDC.

The Way Forward

The focus on capacity building will be to ensure that not only all the stakeholders from National to State to District and field levels are trained but also these trained resources are effectively used for the scheme. NHA is creating a unique platform for all its stakeholders to enhance their skills and knowledge, whileorganising their learning material efficiently. This platform aims to empower learners belonging to any learner category or group to chart their learning journey and access information in a transparent way. The knowledge imparters will have the ability to draw real-time insights to track all training activities ranging from classroom sessions, virtual workshops to online e-learning modules. NHA shall launch this platform in November 2019.

An online system will be put in place where each trainer and trainee will be registered, and their progress and engagement will be tracked. A certification system from the NHA for all trainees will also be introduced in the next year. The aim is to make capacity development a part of the strategy for the scheme and not only operations. Partnership with more institutions at national and regional levels will be developed. International partnerships on specific topics will be developed to ensure that PM-JAY implementation not only match the global standards but also set them.

### Capacity building: Highlights

1. July 2018: First targeted training for SHA personnel
2. August 2019: IT workshop for SHAs
3. Trainings conducted for Pradhan Mantri Arogya Mitras: 24,026
4. Trainings at various locations supported by NHA: 5,237
5. SHA and district officials trained: 1,767
6. Number of hospitals oriented: 18,210
7. SHAs and ISAs trained in fraud control, medical audits and claims adjudication: 482
8. Usage of learning management system provisioned by NSDC: 300+ users from 17 States
9. Number of certified trainers via NSDC: 49
16. FRAUD PREVENTION, DETECTION AND CONTROL

For a programme of the scale and complexity of PM-JAY, it is critical to put in place strong anti-fraud mechanisms not only from a financial perspective but also to safeguard people’s health from unethical malpractices. PM-JAY is being governed on a zero-tolerance approach towards any kind of fraud, and the anti-fraud framework rests on 3 key pillars:

Culture of Zero Tolerance

Prevention
- Anti Fraud Guidelines
- All inclusive package rates
- Fraud prone procedures reserved for Public hospitals
- Robust IT System with in-built checks
- Efficient Pre-authorization process

Detection
- Fraud Analytics – trends, outliers, collusion, over utilization
- Field Investigations
- Surprise visits
- Onsite Medical Audits
- Mobile App - for field investigation

Deterrence
- Contractual provisions with penalties
- Whistle Blower policy
- Suspension and De-empanelment of fraudulent Hospitals
- Financial recoveries
- FIR against errant hospitals
- Recovery guidelines post confirmation of fraud

Robust and best-in-class Anti-Fraud System

Some of the key actions taken are listed below.

A. Policy and Design Level

i) A transparent tendering process implemented for selection of insurance company, Implementing Support Agency and other service providers. Tightly worded legal document for service delivery as per pre-defined Service Level Agreements have been developed with penalty clauses and punitive action to deal with fraudulent activities on the part of any agency involved in delivering services under PM-JAY.

Capacity Building Workshop on ‘Fraud Control and Medical Audit’ and release of “Field Investigation and Medical Audit Manual”
ii) Hospital empanelment process has been developed with a two-tiered structure approach involving District level and State level committees, having due representation of senior officials – civil surgeon, chief medical officer and nodal officers of the district. The entire process is web enabled whereby a hospital can track the status of its empanelment from application to approval by the State Nodal Agency.

iii) IT systems and processes have been designed with checks and balances along with defined roles and responsibilities, role-based logins and audit trails for all processes – beneficiary identification, transaction management system, funds flow, claims payment, etc. Further, all pre-authorisations and claim transactions are carried out online for efficiency and complete transparency.

iv) The process of pre-authorisation has been designed such as to ensure maximum efficiency while avoiding abuse and fraud. Minimum requirements for claims investigation and medical audit have been laid down.

v) The tendency of healthcare providers to overcharge, bill extra and other related issues have been taken care of by introducing all-inclusive package rates. However sufficient flexibility has been given to treat patients requiring medical management and the list for procedures shall be enhanced as more experience and insights are gained.

vi) Comprehensive Anti-fraud Guidelines lay down detailed strategy, processes, systems and manpower for anti-fraud both at the national and State levels.

vii) NHA toll-free number 14555 has been set up on 24x7 basis for facilitating beneficiary reporting and feedback

The National Anti-Fraud Unit (NAFU) has been set up by NHA for implementing the above framework and monitoring performance with the support of State Anti-Fraud Units (SAFUs) created at the State level. The key tasks carried out by NAFU relate to capacity building, launch of Proof of Concept (POC) project for data analytics and commencing medical audits in States. It has also issued Anti-Fraud Advisory Notes for operational level actions to be taken by States in different areas, like beneficiary identification system, hospital monitoring, and action against fraudulent entities.
B. IRDAI-NHA Joint Working Group

A Joint Working Group (JWG) of the Insurance Regulatory and Development Authority of India (IRDAI) and the NHA was formed in March 2019 to work on key areas of mutual interest and co-operation for strengthening of the health insurance eco-system in the country for making it more efficient and effective.

Four key areas that were identified for JWG to deliberate and recommend included:

- Hospital Network Management
- Common IT Infrastructure for Health Insurance Claims Management
- Fraud and Abuse Control
- Data Standards and Exchange

The JWG members formed four sub-groups to work on each area and held extensive deliberations with domain experts and submitted their reports in July. The JWG Report was jointly released by Mr. Subhash Khuntia, Chairman IRDAI, and Dr. Indu Bhushan, CEO NHA, in Hyderabad on September 14, 2019. The recommendations include best practices, common standards, collaborative measures and IT framework that will benefit all stakeholders – beneficiaries, policyholders, insurers, state health agencies, healthcare providers, implementing agencies and intermediaries, etc. The reports of the Joint Working Group are currently available on IRDAI and NHA websites for comments by industry and public at large post which the same shall be approved for adoption by the IRDAI and the NHA.
**Actions taken against hospitals after audits**

- **J&K**: Actions Taken against: 18 Hospitals
  - Recovery Made: INR 19.31 Lakhs
- **Uttarakhand**: Actions Taken against: 2 Hospitals
  - Recovery Made: INR 1.05 Cr
- **Haryana**: Actions Taken against: 55 Hospital
  - Recovery Made: INR 12.63 Lakhs
- **Gujarat**: Actions Taken against: 55 Hospital
  - Recovery Made: INR 2.37 Lakhs
- **Maharashtra**: Actions Taken against: 63 Hospitals
  - Recovery Made: INR 53 Lakhs
- **Kerala**: Actions Taken against: 1 Hospital
- **Tamil Nadu**: Actions Taken against: 51 Hospitals
  - Recovery Made: INR 1 Lakh
- **Uttar Pradesh**: Actions Taken against: 30 Hospitals
  - Recovery Made: INR 2.7 Lakhs
- **Bihar**: Actions Taken against: 8 Hospitals
- **Jharkhand**: Actions Taken against: 29 Hospital
  - Recovery Made: INR 21 Lakhs
- **Tripura**: Actions Taken against: 1 Hospital
- **Assam**: Actions Taken against: 1 Hospital
- **Chhattisgarh**: Actions Taken against: 76 Hospitals
  - Recovery Made: INR 4.13 Lakhs
- **Andhra Pradesh**: Actions Taken against: 4 Hospitals
- **Himachal Pradesh**: Actions Taken against: 1 Hospital
  - Recovery Made: INR 1.05 Cr
- **Haryana**: Actions Taken against: 2 Hospitals
  - Recovery Made: INR 9.80 Lakhs

**States where scheme is implemented**

**States where scheme is not launched yet**

**Development of Monitoring Dashboard ‘RADAR’**
The Way Forward

In the coming months, the following additional actions are planned:

- Advanced analytics with predictive modelling and risk scoring of entities
- Integration of Artificial Intelligence layer with real time alerts to concerned stakeholder
- Anti-fraud public messaging
- Name and Shame guidelines
- Strengthening of legal provisions to effectively deal with fraudsters

### Fraud Prevention, Detection and Control: Highlights

1. **27 August 2018**: Comprehensive Anti-fraud Guidelines released by the Minister of Health and Family Welfare.

2. **December 14-15, 2018**:  
   - Capacity Building Workshop on ‘Fraud Control and Medical Audit’.
   - Release of ‘Field Investigation and Medical Audit Manual’.

3. **May-June 2019**:  
   - Extensive consultative meetings by NHA-IRDA Joint Working Sub-Group on Fraud Control.
   - Draft report submitted.

4. **January-July 2019**: Fraud Control Analytics - Proof of Concept using advanced Machine Learning and Artificial Intelligence algorithms:  
   - Review of data for all the States.
   - Nearly 3,000 suspicious cases amounting to Rs. 4.5 crore have been sent to States for investigation.

5. **Issuance of Anti-Fraud Advisory Notes**: 10 Advisory Notes issued by NAFU to the SHAs/ State Anti-Fraud Units Working Papers on Fraud & Abuse-Prone Packages. Working Papers drafted so far:  
   - Working Paper on Hysterectomy: Initial Findings


7. Medical audit capacity building and audits conducted in 8 States so far  
   - Joint audits by NAFU and SHA, and independent audits by SHA.
   - 338 hospitals issued show cause notice or were suspended/de-empanelled till August 2019 by various States.
   - Punitive recoveries have also been made from hospitals which were found indulging in charging money to beneficiaries or engaging in other irregularities.

8. Issuing Clinical Protocols for Hysterectomy to establish Medical necessity.

9. Strengthening of documentation, systems and processes

10. Monitoring and analysis: Conducted through a two-pronged approach – advanced analytics and medical audits.

11. Development of Monitoring Dashboard ‘RADAR’:  
    - To monitor and analyse the utilisation patterns under the scheme and identify the outliers.
17. MONITORING THE PERFORMANCE OF INSURANCE COMPANIES AND ISAS

IMPACT

The role of the insurer/ISAs and TPAs includes beneficiary golden record verification, pre-authorisation and claims processing, conducting investigations and audits, etc.

For effective implementation of the scheme in the States, monitoring the performance of insurers ISAs/TPAs is important to identify probable areas of improvement for process optimisation and increased effectiveness. To analyse and monitor the performance of insurers and ISAs under the PM-JAY scheme, the IMPACT team was set up on May 20, 2019 to undertake any further work on the study of Insurer/ISA/TPA under the PM-JAY scheme.
Claim Adjudication and IMPACT

Claims adjudication refers to the decision on two key aspects of a claim: whether the claim is admissible under the terms of policy/scheme and if yes, what is the quantum payable. It applies to final decision on claims payment.

A detailed manual was prepared by the NHA which specifies how to process the claims. The purpose of the Claims Adjudication Manual is to build capacities of the processing team for accurate processing/settlement of claims under PM-JAY and to enhance their skills combining fundamental concepts and human intelligence during claims processing. The NHA has formed a technical team comprising of experts to support the claim adjudication process. The team has developed the manual and trained the States regarding claim adjudication and provides support to the States continuously to ensure effective adjudication of claims.

To build the capacity of the claim adjudicator team at State level, a series of claim adjudication workshops were conducted by the NHA across the country. It included sessions on packages, TMS, medical and mortality audit, investigation of claims and grievances.
The Way Forward

Claims Adjudication Manual Volume-II, which comprises set of FAQs developed based on the questions raised in the workshops, will be released shortly which will essentially be a compendium to serve claim adjudicators to effectively process the claims. The solutions provided to these FAQs will serve as a guideline to the claims adjudicators and will help them to process claims efficiently and accurately under PM-JAY.

Further, revision of the model tender document for selection of insurers/TPAs is under process.

Monitoring performance of Insurance Companies and ISA (IMPACT): Highlights

1. 21 February 2019: Claim Adjudication manual
2. 20 May 2019: IMPACT team set up in NHA
3. Feb-May 2019: 4 Regional capacity building workshops on claims adjudication
4. Development of process audit guidelines
5. Designing and development of IMPACT Portal
6. Designing and development of IMPACT dashboard

18. MONITORING AND EVALUATION

Monitoring and Evaluation (M&E) is key for successful implementation and ensuring the intended results of such a large insurance scheme. The NHA at the Central level is continuously keeping track on periodic basis on these UHC dimensions (coverage, benefits and financial protection) through the following functional domains:

- Beneficiary management
- Transaction management
- Provider management
- Support function management (comprising functions such as capacity building, grievance management, fraud and abuse control, call centre, etc.).

A strong real-time online MIS has been set up at the national level to review Key Performance Indicators (KPIs) and achievement of results with respect to the targets defined under the domains.

The various dashboards developed using business intelligence tools help in identifying the gaps and provide an overview of the performance. For example, the Operations dashboard presents an update of KPIs of beneficiary information system, the Pre-authorisation dashboard helps to access State and District wise distribution of pre-authorisation, status of empanelled healthcare providers, the Portability dashboard gives the picture of interstate and intrastate portability and their KPIs by specialty, procedure, age and gender.

In order to provide a comprehensive picture of the progress made by all the functional domains, factsheets are developed monthly at the State and National levels. The factsheet compares the progress made since
the inception of the scheme across States with the progress made in each month. The average claim size, total number of pre-authorisations generated, pending approvals, nomenclature of the packages used at public and private facilities are some of the important indicators included in the factsheet.

NHA is working towards synchronisation with States to prepare the PM-JAY and State specific insurance scheme details in terms of benefits under the scheme, coverage, geographical location, reserved packages, infrastructure, etc. The collated information on key denominators under State-run schemes has proved to be very helpful in calculating the exact coverage under PM-JAY and State schemes; and accordingly take policy decisions.

NHA is focusing on evidence generation through evaluation studies in collaboration with premier research institutions and in partnership with the development agencies such as GIZ, The World Bank, and WHO. The objective of these evaluation studies is to understand the impact of the scheme on various parameters.
including but not limited to out-of-pocket expenditure, access to health, and health seeking behaviour. These research studies provide critical inputs for evidence-based decision-making and carrying out mid-course corrections.

NHA is coordinating with partners and research institutions for conducting various research studies. The following table depicts the major research studies being undertaken by NHA and its partners:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Objective of the Study</th>
<th>States covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A baseline study to understand status related to OOPE, access to healthcare, demographics, awareness level, etc., for PM-JAY</td>
<td>Bihar, Chhattisgarh, Gujarat, Tamil Nadu, Karnataka, Meghalaya and Uttar Pradesh</td>
</tr>
<tr>
<td>2</td>
<td>An Assessment of the Trust and Insurance Model of Healthcare Purchasing under PM-JAY: Examining Two States</td>
<td>Uttar Pradesh and Jharkhand</td>
</tr>
<tr>
<td>3</td>
<td>Challenges in accessing PM-JAY: Perceptions and awareness of beneficiaries with respect to PM-JAY</td>
<td>Bihar, Haryana and Tamil Nadu</td>
</tr>
<tr>
<td>4</td>
<td>Identify the challenges faced by hospitals in gelling with PM-JAY guidelines and beneficiaries navigating through PM-JAY</td>
<td>Gujarat and Madhya Pradesh</td>
</tr>
<tr>
<td>5</td>
<td>Describe PM-JAY implementation processes, including achievements and challenges, by relating them to the wider socio-political context, within which the scheme implementation takes place</td>
<td>Bihar, Chhattisgarh, Gujarat, Tamil Nadu, Karnataka, Meghalaya and Uttar Pradesh</td>
</tr>
<tr>
<td>6</td>
<td>Examine Quality of Care at public and private empanelled healthcare providers on the Implementation experience and under RSBY &amp; State Health Insurance Schemes</td>
<td>Bihar, Chhattisgarh, Gujarat (Baseline Hospital survey) conducted during August 2018-Feb 2019</td>
</tr>
</tbody>
</table>

Understand the level of PM-JAY awareness among the hospital staff and beneficiaries
<table>
<thead>
<tr>
<th>S. No</th>
<th>Objective of the Study</th>
<th>States covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>An assessment and understanding of the impact of PM-JAY from a supply-side perspective (two rounds of study)</td>
<td>Bihar, Chhattisgarh, Gujarat, Tamil Nadu, Karnataka, Meghalaya, and Uttar Pradesh</td>
</tr>
<tr>
<td>8</td>
<td>RSBY learning trends (Disease Specific Pathway)</td>
<td>Secondary data from RSBY all States</td>
</tr>
<tr>
<td>9</td>
<td>Beneficiary validation process evaluation to assess the PM-JAY beneficiary validation process in four greenfield States, with a focus on four key elements: (i) documentation of processes; (ii) quality of beneficiary validation; (iii) Arogya Mitra perspectives; (iv) household awareness</td>
<td>Bihar, Jharkhand, Madhya Pradesh, Uttar Pradesh</td>
</tr>
<tr>
<td>10</td>
<td>Study on government hospitals to analyse how they mobilise, manage, and utilise revenues under government-sponsored health insurance schemes</td>
<td>Chhattisgarh, Kerala, Meghalaya, Tamil Nadu</td>
</tr>
<tr>
<td>11</td>
<td>Report of top utilised private hospitals</td>
<td>In 23 Implementing States/UTs</td>
</tr>
</tbody>
</table>

**Guidelines and Policy briefs**

A Working Paper series has been initiated by the NHA to conduct studies on utilisation data of PM-JAY packages and triangulation with the State-specific disease patterns. Policy briefs are being developed to inform policy makers on certain topics and take policy decisions accordingly.

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**RAISING THE BAR**  
Analysis of PM-JAY High-Value Claims

**PM-JAY Policy Brief 1**

**Background**

A major feature of PM-JAY is its coverage of hospital care up to an upper limit of INR 5 lakhs per household. This has brought the formal sector and the urban population into the ambit of insurance schemes. A working group has been formed to address the issue of defining the ‘informal sector’ and ‘rural area’ for the purposes of the scheme. The working group has also been asked to consider the possibility of including these segments in the scheme.

**Guidelines and Policy briefs**

A Working Paper series has been initiated by the NHA to conduct studies on utilisation data of PM-JAY packages and triangulation with the State-specific disease patterns. Policy briefs are being developed to inform policy makers on certain topics and take policy decisions accordingly.
The description of working papers and policy briefs is as given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Topic/area covered</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Patterns of utilisation for Hysterectomy: An analysis of early trends from PM-JAY</td>
<td>Working paper</td>
</tr>
<tr>
<td>2</td>
<td>Utilisation of Neo-natal Care Packages under PM-JAY- Findings from Preliminary Analysis</td>
<td>Working paper</td>
</tr>
<tr>
<td>3</td>
<td>Current package utilisation- trends and projections on Oncology under PM-JAY</td>
<td>Working paper</td>
</tr>
<tr>
<td>4</td>
<td>Raising the Bar: Analysis of high value claims under PM-JAY</td>
<td>Policy brief</td>
</tr>
<tr>
<td>5</td>
<td>Preliminary analysis of cataract care under PM-JAY</td>
<td>Working paper</td>
</tr>
<tr>
<td>6</td>
<td>Need and Utilisation of PM-JAY across States</td>
<td>Policy brief</td>
</tr>
<tr>
<td>7</td>
<td>PM-JAY and India’s Aspirational Districts</td>
<td>Policy brief</td>
</tr>
<tr>
<td>8</td>
<td>Evidence from RSBY/MSBY in Chhattisgarh</td>
<td>Policy brief</td>
</tr>
</tbody>
</table>

The NHA is also collating and documenting best practices, innovations as well as lessons learnt under PM-JAY.

**Partnerships**

The NHA has initiated partnerships under Samvardhan for engaging institutions. Partnership with different organisations for augmenting capacity of PM-JAY in the area of research is one of the five focus areas of Samvardhan.

The NHA has also signed MoUs with premier research institutions such as Public Health Foundation of India (PHFI) to carry out Operation Research activities.

**The Way Forward**

- Setting benchmarks and targets under Key Performance Indicators of the schemes.
- Help SHAs in setting up M&E team and build their capacities.
- Conduct field visits at States for data quality assurance.
- Data driven periodic reviews at the State and regional levels.
- Generate more evidence through operation research via engaging research institutions.
- Several policy briefs and working papers will be ready by end of this financial year.

**Monitoring & Evaluation: Key Highlights**

1. Research studies initiated: 11
2. Working papers and Policy briefs series initiated: 8
3. Continuous monitoring systems such as dashboards and factsheets developed
4. Partnerships for research and capacity building
5. Collation of best practices and lessons learnt
19. CYBER SECURITY & DATA PRIVACY

The healthcare ecosystem of PM-JAY is backed by a strong and resilient digital backbone. PM-JAY takes pride on being the world’s largest government funded healthcare scheme supporting 50 crore beneficiaries while building a “cyber security-conscious culture” since its inception. We have adopted the proactive approach of inculcating “Security & Privacy by Design” and secure architecture which depicts “Defence in Depth”. The NHA has a well-designed, robust and multi-layered security system with the appropriate application of the best available technology as per international standards to holistically safeguard the health Information of its beneficiaries.

The entire backbone of the scheme lies with maintaining the security and privacy of beneficiaries’ personal and sensitive data, such as Aadhaar information, personal health records, financial information, etc. Beneficiaries’ information is a valuable asset that needs to be secured, while processing/handling information at rest and in transit, and protect it from unauthorised use, disclosure or modification. To maintain the security and privacy of beneficiaries’ information, the NHA has adopted the following Information Security levers.

Layered Approach to Cybersecurity: Technology, People and Processes

A. Technology

The NHA has taken a number of technical and organisational measures to continuously enhance the security of the data collected by it in order to provide services to the beneficiaries. The NHA hosts the personal data of the beneficiaries, including basic demographic details and health data, based on “Defence in Depth” concept. This approach is taken to protect the information stored by the NHA during use, in transit as well as at rest stage. Following are the keys measures taken to protect the information:

- Robust perimeter security
- Advanced encryption technologies
- Identity and Access Management
- Antivirus and Patching
- Continuous security monitoring through SIEM solution
- Periodic vulnerability assessment on applications and network
- Technology developments
B. People

Cyber attackers understand that the simplest intrusion vector is people. It is imperative to be cyber-aware. Here are some practices we have adopted at NHA to help protect its infrastructure and beneficiaries’ information:

a) Cyber Suraksha Dishaanirdesh
- A robust cyber awareness programme known as “Cyber Suraksha Dishaanirdesh” has been established at the NHA. Newsletters and advisories on plethora of cyber security topics like ransomware attacks, phishing, SMiShing, Password Security, Data Privacy awareness, etc., are published for the NHA and its ecosystem partners.
- Nationwide cyber awareness session was conducted covering the topics like emerging cyber threats, recent breaches, Information Security and Data Privacy Policy of NHA, etc. Top management officials from 25 States/UT attended the session.
- Mandatory on-boarding session on information security is designed to be conducted during the on-boarding and capacity training workshops.

b) Continuous Monitoring
- Nationwide phishing campaign: To assess the cyber awareness of NHA employees and ecosystem partners, nationwide phishing campaign was conducted. Post this, State-wise training was conducted to make the employees, partners and stakeholders aware of phishing emails and its consequences.
- Social Media monitoring: PM-JAY has been in the public eye since day zero and this has led to many unscrupulous individuals and agencies creating unofficial websites, mobile apps, job portal websites which try to harness unauthorised information from beneficiaries while impersonating as the NHA. To tackle such fraudulent activities, the NHA has constitutionalised the social media monitoring activity to identify, track and report fake/fraudulent websites and mobile applications.
C. Processes

To establish the minimum benchmark securing information assets of PM-JAY ecosystem through a layered structure of overlapping controls and continuous monitoring, the NHA instituted two key policies, i.e. NHA Information Security Policy and Data Privacy Policy and have implemented controls across the ecosystem.

a) Institutionalisation of NHA Information Security Policy

- The NHA has developed a robust Information Security Policy in reference to both national and global standards such as IT Act 2000 and its amendments, MeitY Guidelines, Aadhaar Act 2016, NIST framework, ISO 27001 standards, etc. It comprises of 100 controls, designed for the protection of the information across the NHA and its ecosystem ensuring adequate controls are implemented.


b) Institutionalisation of NHA Data Privacy Policy

- The NHA has developed a robust Data Privacy Policy in reference to global standards like GDPR, HIPAA and India’s upcoming Justice B.N ShriKrishna Privacy Act.

- It has adopted 9 privacy principles in order to protect beneficiary data such as:

  - Keeping data localisation in mind, the NHA has invested in Government Community Cloud (GCC) for its storage ensuring that beneficiary health records reside within the country.

The Way Ahead

Healthcare continues to be a popular target for hackers through a variety of tactics including weapon zing ransomware, misconfigured systems and social engineering attacks. NHA needs to establish holistic cyber security and privacy programmes in order to protect and safeguard electronic health records along with other sensitive and proprietary data.

With the barrage of healthcare hacks and the growing Internet of Medical Things, security is an ever-present concern, hence, the NHA aims to develop a robust and reliable ecosystem with impeccable security controls in place. Moving forward, the NHA aims to undergo ISO 27001:2013 certification and categorise its infrastructure as “Critical Information Infrastructure”.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cyber Security: Highlights</strong></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Institutionalised NHA Information Security Policy and NHA Data Privacy Policy</td>
</tr>
<tr>
<td>2.</td>
<td>Won the Open Group Award, 2019 under category “Security by Design” and award type as “The President’s Award”</td>
</tr>
<tr>
<td>3.</td>
<td>Established a cyber-awareness programme called “Cyber Suraksha Dishaanirdesh”</td>
</tr>
<tr>
<td>4.</td>
<td>Conducted nation-wide phishing campaign</td>
</tr>
<tr>
<td>5.</td>
<td>Identified 160 fake websites and 154 of them were pulled down</td>
</tr>
<tr>
<td>6.</td>
<td>Identified 592 fake mobile applications and 589 of them were de-listed from Google and other third party play store accessible on internet</td>
</tr>
<tr>
<td>7.</td>
<td>Conducted nation-wide cyber awareness session attended by top State officials</td>
</tr>
</tbody>
</table>
FINANCIAL PERFORMANCE
20. FINANCIAL PERFORMANCE AND AUDITED ACCOUNTS

NATIONAL HEALTH AUTHORITY
GOVERNMENT OF INDIA
BALANCE SHEET
AS ON 31ST MARCH 2019

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CAPITAL FUNDS &amp; LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td>UNUTILISED GRANTS</td>
<td>406,075,104</td>
</tr>
<tr>
<td>CURRENT LIABILITIES</td>
<td>119,800,659</td>
</tr>
<tr>
<td>FIXED ASSET RESERVES</td>
<td>22,078,927</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>547,954,690</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>FIXED ASSETS</td>
<td>120,317,035</td>
</tr>
<tr>
<td>CURRENT ASSETS, LOANS &amp; ADVANCES ETC</td>
<td>427,637,655</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>547,954,690</td>
</tr>
</tbody>
</table>

SIGNIFICANT ACCOUNTING POLICIES AND

NOTES TO ACCOUNTS

As per our Audit report of even date attached
### INCOME & EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31ST MARCH 2019

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
</tr>
<tr>
<td>GRANTS RECEIVED</td>
<td>20,011,700,000</td>
</tr>
<tr>
<td>BANK AND SECURITY DEPOSIT</td>
<td>52,339,879</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>20,064,039,879</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
</tr>
<tr>
<td>GRANT DISBURSED TO STATES</td>
<td>18,495,562,437</td>
</tr>
<tr>
<td>DEPRECIATION</td>
<td>22,078,927</td>
</tr>
<tr>
<td>OTHER EXPENDITURE</td>
<td>1,140,323,411</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>19,657,964,775</td>
</tr>
<tr>
<td><strong>EXCESS OF INCOME OVER EXPENDITURE</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TRANSFER TO CAPITAL FUND</strong></td>
<td>406,075,104</td>
</tr>
</tbody>
</table>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

As per our Audit report of even date attached.
RECEIPTS & PAYMENT ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2019

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>AMOUNT</th>
<th>PAYMENTS</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Bank &amp; Cash</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Bank-645</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Bank-701</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI Bank-702</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant received during the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct HO Grant</td>
<td>3,100,800,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GIA for Administration expenses</td>
<td>3,222,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GIA for Implementation purpose</td>
<td>13,688,900,000</td>
<td>20,011,700,000</td>
<td></td>
</tr>
<tr>
<td>Saving Bank A/c</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Received</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received from ICI ICICI Bank</td>
<td>52,183,163</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Receipts</td>
<td>1,914</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Receivables & Payment Account: -

<table>
<thead>
<tr>
<th>Application of Funds</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Disbursed to States</td>
<td>18,495,562,437</td>
</tr>
<tr>
<td>Fixed Asset Purchased</td>
<td>75,183,782</td>
</tr>
<tr>
<td>Expenses Debited to Income &amp; Exp.</td>
<td></td>
</tr>
<tr>
<td>Consultancy Fees &amp; Prof. Charges</td>
<td>52,179,329</td>
</tr>
<tr>
<td>Postal Charges</td>
<td>378,335,595</td>
</tr>
<tr>
<td>Printing Expenses</td>
<td>109,823,433</td>
</tr>
<tr>
<td>Advance Paid to Medi-Assist</td>
<td>12,500,000</td>
</tr>
<tr>
<td>(Against Recurring bill)</td>
<td></td>
</tr>
<tr>
<td>Rent Charges (Office)</td>
<td>96,562,662</td>
</tr>
<tr>
<td>Security Deposit (License Fees)</td>
<td>2,500,000</td>
</tr>
<tr>
<td>Advertisement Expenses</td>
<td>193,770,135</td>
</tr>
<tr>
<td>Production &amp; Designing Charges</td>
<td>170,911,765</td>
</tr>
<tr>
<td>Telephone Expense (Call Centre)</td>
<td>26,587,483</td>
</tr>
<tr>
<td>Tour &amp; Travelling Expenses</td>
<td>8,226,760</td>
</tr>
<tr>
<td>Other Administration Expenses</td>
<td>29,818,272</td>
</tr>
</tbody>
</table>

Closing Bank & Cash Balance:

| Cash in Hand                          | -        |
| ICICI bank -645                       | 395,986,837 |
| ICICI bank -701                       | 5,281,445   |
| ICICI bank -702                       | 10,056,118  |
| Imprest Account                       | 599,024    |
| Total                                 | 20,063,885,077 |

Total: 20,063,885,077
Auditors' Report

The Executive Director Finance,
National Health Agency
9th Floor, Tower 1, Jeevan Bharti,
Connaught Place, New Delhi-110001

Report on the Financial Statements

We have audited the accompanying financial statements of M/s National Health Agency, which comprise the Balance Sheet, Income & Expenditure Account and Receipt and Payment Account as at 31 March 2019, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Authority Governing Board is responsible for the preparation and presentation of these financial statement that give a true and fair view of the financial position, financial performance and receipt and payment of the Agency in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified by ICAI. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on auditing specified by ICAI on test basis random selection of evidence in order to judge the genuineness of the transaction entered in the books of accounts. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the agency preparation of
the financial statement that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the agency Governing Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement give the information as required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the State of affairs of the Agency as at 31st March 2019, its income/expenditure for the year ended on that date.

- In our opinion proper books of account as required by law have been kept by the agency so far it appears form our examination of those books.
- The Balance Sheet, the Income and Expenditure account and receipt and payment accounts, dealt with by this Report are in agreement with the books of account.
A. Significant Accounting Policies

Reporting Entity: National Health Agency was incorporated on 11th day of May Two Thousand Eighteen. NHA operates under the Ministry of Health and Family Welfare. The Authority is controlled by the Governing Board of the Society. Governing Board is administrating, directing and controlling the affairs of the Society subject to rules and regulations of the Society The Society is not organised for profit and no part of the of its net earnings shall accrue to the benefit of the present or the past members, or to any director, officer, employee or member of the Governing Board, any member of any committee or any group of the society, or any other person connected with the society.

1. Accounting Conventions:

The accounts of the Agency are prepared following the accrual basis of accounting and generally Accepted Accounting Principles in India.

2. Fixed Assets

i. The Fixed assets have been shown at cost of acquisition or construction including all direct costs (i.e. purchase price, transportation expenses and installation charges and all other expenses incurred for bringing the fixed assets in working condition).

ii. Depreciation is provided on fixed assets on written down value method.

iii. All Fixed Assets Purchase is charged off against the grant in aid by creating an equal amount of Fixed Assets Reserve.

3. Recognition of income:

The society is receiving the Grant in Aid from Government of India for the implementation of Ayushman Scheme. The unspent Grant in aid is refundable to the government of India and grant in aid applied/ expended for the purpose of the project has been recognized as income during the year.

Governmental Fund Types:

Grant in Aid for Implementation: National health Agency is releasing the proportionate respective share of premium depending upon the category of State/UT based on the number of eligible families to the respective State Health Agency, if in case any interest is earned by SHA on implementation grant same shall has to be transferred back to the National Health Agency.

Grant in Aid for Head Quarter Expenses: This Fund is the NHA’s primary operating fund. It accounts for all financial resources of the general NHA Administration expenses of the Head office to run the scheme smoothly & effectively, except those required to be accounted for in another fund.
Grant in Aid for Administration: This Fund is the operating fund for State Health agencies. It accounts for all financial resources of the general administration expenses of the State offices to run the scheme smoothly & effectively.

4. Interest Income:

The interest income earned on the funds kept in the saving bank is also utilized for head quarter expenses.
Financial Management at NHA

The primary focus of financial management at the NHA is supporting efficient use of allocated resources under Ayushman Bharat PM-JAY and to maintain proper books of accounts.

Overview of Budgetary, Financial and Audit Framework of NHA:

A) National Health Authority receives funds from Ministry of Health & Family Welfare Government of India (GOI) under the following broad categories:

1) Grant in Aid for Implementation: This fund is for core activities of the scheme under PM-JAY, i.e. for paying central share of premium to insurance company and to hospitals. National Health Authority released the due proportionate respective share of premium depending upon the category of State/UT based on the number of eligible families to the respective State Health Authority.

2) Grant in Aid for Administrative Expenses: This Fund is the operating fund for State Health agencies. It accounts for all financial resources of the general administration expenses of the State offices to run the scheme smoothly and effectively

3) Grant in Aid for Head Quarter Expenses: This Fund is the NHA’s primary operating fund. It accounts for all financial resources of the NHA Administration expenses for running the scheme smoothly and effectively, except those required to be accounted for in another fund.

B) Broad details of fund received under above components during FY 2018-19 and 2019-20 are tabulated here below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2018-19 RE</th>
<th>BE Actual received from GOI</th>
<th>2019-20 BE Actual received from GOI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Head Office Grant</td>
<td>438.08</td>
<td>310.08</td>
<td>605.00</td>
</tr>
<tr>
<td>Grant-in-Aid for administrative Expenses</td>
<td>1721.92</td>
<td>322.20</td>
<td>5795.00</td>
</tr>
<tr>
<td>Grant-in-Aid for Implementation Purpose</td>
<td>1368.89</td>
<td>1659.30</td>
<td></td>
</tr>
<tr>
<td><strong>Gross Total</strong></td>
<td><strong>2160.00</strong></td>
<td><strong>2001.17</strong></td>
<td><strong>6400.00</strong></td>
</tr>
</tbody>
</table>
C) **Utilisation of Funds**

Releases by the GOI and expenditure by the NHA since its inception: Aggregate of releases made by the GOI to the NHA since its inception and the amounts disbursed by the NHA for utilisation for projects under the PM-JAY are given below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>RE</th>
<th>Actual received from GOI</th>
<th>Grant Utilised</th>
<th>BE</th>
<th>Actual received from GOI</th>
<th>Grant Utilised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Head Office Grant</td>
<td>310.08</td>
<td>310.08</td>
<td>115.70</td>
<td>605.00</td>
<td>321.00</td>
<td>50.69</td>
</tr>
<tr>
<td>Grant-in-Aid for administrative Expenses</td>
<td>128.00</td>
<td>322.20</td>
<td>125.89</td>
<td>5795</td>
<td>150.00</td>
<td>11.88</td>
</tr>
<tr>
<td>Grant-in-Aid for Implementation Purpose</td>
<td>1721.92</td>
<td>1368.9</td>
<td>1723.66*</td>
<td>1659.30</td>
<td>557.95</td>
<td></td>
</tr>
<tr>
<td><strong>Gross Total</strong></td>
<td>2160.00</td>
<td>2001.17</td>
<td>1965.25</td>
<td>6400.00</td>
<td>2130.30</td>
<td>620.52</td>
</tr>
</tbody>
</table>

*Grant for Headquarter expenses & Grant in AID for Administrative expenses was transferred to States as necessitated for the launch and implementation of the scheme on the basis of demand received from various States.

D) **Audit Mechanism – Process of Audit and follow up action:**

In conducting the audit, special attention is paid to assessing whether adequate controls have been established and complied with to ensure: (a) All funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided; (b) Assets are adequately safeguarded and used solely for their intended purposes; and (c) All necessary supporting documents, records, and accounts have been kept in respect of all project transactions; including expenditures reported quarterly Expenditure Report, and (d) Procurements for the Project have been done in accordance with the agreed Procurement procedures. Two types of audit are provided under the NHA (a) External Auditor, and (b) C&AG Audit.

**External Audit:** A firm of chartered accountants carries out statutory audit of the annual accounts of the NHA as required under the Societies Registration Act, 1860. The objective of statutory audit is to enable the auditor to express a professional opinion as to whether the annual accounts present fairly, in all material respects, the sources and applications of programme funds for the period under audit examination and whether the funds were utilised for the purposes for which they were provided. The audit is carried out in accordance with the Auditing Standards issued by the Institute of Chartered Accountants of India.

**C&AG Audit:** The audit of the NHA will be carried out by the Office of the Comptroller and Auditor-General of India and after completion of annual audit, the audit agency furnishes annual audit certificate.
E) New Initiatives: Shift to PFMS and Digital Payments:

PFMS application has been developed by the Controller General of Accounts (CGA), Ministry of Finance, for online tracking of government funds on real-time basis. The scheme has established a common transaction-based online fund management and payment system and MIS for the Plan Schemes of Government of India. It is available on the web portal www.pfms.nic.in. Objectives of the scheme are:

1. Establishment of efficient fund management system
2. Reforms in the area of public financial management
3. Establishment of effective information expenditure network,

As required by GOI, the National Health Authority/Agency has completely switched over to PFMS platform and is currently making all financial transactions, including releases and payments to various entities through PFMS. Accordingly, the PFMS node of NHA is fully updated with regard to the entries in Three Heads of Accounts through which funds are received and released to various entities involved in ‘Ayushman Bharat PM-JAY’ Programme. Further, the NHA is also making all payments through digital payment mode (PPA) and no cheque or cash is now being utilised for making payments to various entities.
Please visit PM-JAY website for the above documents and other relevant information available www.pmjay.gov.in

National Health Authority, 7th & 9th Floor, Tower 1, Jeevan Bharti Building, Connaught Place, New Delhi - 110001

https://www.pmjay.gov.in/ /AyushmanBharatGOI /AyushmanNHA