



Rising Costs for Senior Citizens Under Ayushman Bharat

[Source: IE](#)

Why in News?

Recently, the **Union Ministry of Health and Family Welfare** released data highlighting significant trends in the [Ayushman Bharat Health Insurance Scheme \(PM-JAY\)](#). This information underscores the **increasing financial burden of providing healthcare to the elderly**, particularly those **aged 70 years and above**.

What are the Key Takeaways Regarding Ayushman Bharat?

- **Significant Elderly Admissions:** The data reveals that out of nearly 6.2 crore approved hospital admissions until January 2024, **57.5 lakh were senior citizens aged 70 years and above**. Government expenditure on treatments under the scheme totaled Rs 79,200 crore over the past six years, with **approximately Rs 9,900(14%) crore allocated specifically for treating individuals aged 70 and over**.
 - Elderly patients often require more **intensive and costly treatments** due to chronic conditions and [multiple comorbidities](#), complicates treatment, increasing the likelihood of costly intensive care unit (ICU) care and extended hospital stays.
- **State Variability:** The proportion of elderly admissions varied widely among states, with **Maharashtra (20.49%) and Kerala (18.75%) having the highest rates**, while **Tamil Nadu (3.12%) had the lowest**.
 - Despite lower admission rates in Tamil Nadu, the cost of treatment per elderly patient remains high.
 - Only four states/UT — **Goa, Ladakh, Lakshadweep, and Jharkhand** showed a **higher proportion of hospital admissions for older individuals compared to the total money spent on them**.
- **Concerns:**
 - According to the [Longitudinal Ageing Study in India \(LASI\)](#), India's population over the age of **60 years is estimated to increase from 8.6% in 2011 to 19.5% by 2050**, with the absolute number **tripling from 103 million in 2011 to 319 million in 2050**.
 - The government's plan to expand Ayushman Bharat aims to include **all individuals over 70 years, regardless of economic status**. This expansion could **add nearly 4 crore new beneficiaries to the programme**.
 - The current allocation of Rs 7,300 crore for the scheme, with only a Rs 100 crore increase from the previous budget, **raises concerns about the adequacy of funding for such an expansion**.
 - As healthcare costs for the elderly continue to rise, the scheme's **sustainability and its ability to provide comprehensive coverage** to all senior citizens will be a critical area of focus for policymakers.
 - Health-seeking behaviour is more prevalent among older, relatively affluent

individuals, leading to a higher likelihood of **policy utilisation and increased costs.**

- Experts warn that the cost of covering this demographic is likely to be higher than **covering the poorest 40% across all age groups.**

What are the Key Highlights About Ayushman Bharat Scheme?

- **About:** Ayushman Bharat, launched as a flagship scheme of the Government of India, is a significant step towards achieving [Universal Health Coverage \(UHC\)](#). Recommended by the [National Health Policy of 2017](#), this scheme aims to meet the [Sustainable Development Goals \(SDGs\)](#), particularly the commitment to "leave no one behind."
- **Key Components:** Ayushman Bharat is structured around two interrelated components that work together to provide a seamless flow of care:
 - [Health and Wellness Centres \(HWCs\)](#): Announced in 2018, the creation of 1,50,000 HWCs aims to transform existing **Sub Centres and Primary Health Centres**, delivering Comprehensive Primary Health Care including maternal and child health, non-communicable diseases, and free essential drugs and diagnostic services.
 - [Pradhan Mantri Jan Arogya Yojana \(PM-JAY\)](#): It is the **world's largest health assurance scheme**, providing Rs. 5 lakh coverage per family per year for secondary and tertiary care hospitalisation, targeting **over 12 crore poor and vulnerable families**, covering approximately 55 crore beneficiaries, based on the [Socio-Economic Caste Census 2011 \(SECC 2011\)](#).
 - PM-JAY subsumed the **Rashtriya Swasthya Bima Yojana (RSBY)** and the **Senior Citizen Health Insurance Scheme (SCHIS)**, expanding its reach and impact.
- **Implementation:** The **Ayushman Bharat National Health Protection Mission Agency (AB-NHPMA)** manages the scheme at the national level.
 - States and UTs are advised to implement the scheme through a dedicated State Health Agency (SHA), which can operate through an insurance company, a trust/society, or an integrated model.
- **Impact:** The scheme is expected to significantly reduce [Out-of-Pocket Expenditure for healthcare by covering nearly 40% of the population](#), including secondary and tertiary hospitalizations.
 - With coverage up to Rs. 5 lakh per family, the scheme ensures access to quality healthcare, leading to improved health outcomes.

Other Health Related Initiatives for the Elderly in India

- [Seniorcare Aging Growth Engine Initiative](#)
- [Rashtriya Vayoshri Yojana](#)
- [SACRED Portal for Elderly](#)
- [Elder Line: Toll-Free Number for Elderly](#)

Way Forward

- **Targeted Interventions:** Develop specialised packages addressing **common geriatric conditions to optimise resource allocation**. Emphasise preventive healthcare and early intervention to reduce the severity of illnesses among the elderly.
- **Financial Sustainability:** Increased budgetary allocation for Ayushman Bharat, especially for geriatric care. Explore **public-private partnerships to share the financial burden**.
- **Focus on Preventive Healthcare:** Implement preventive healthcare measures targeting chronic conditions, ultimately lowering overall healthcare costs.

- Promote community health programs that encourage regular check-ups and early detection of health issues, especially in rural areas where access to healthcare is limited.

Drishti Mains Question:

Discuss the challenges presented by India's ageing population in the context of the Ayushman Bharat Health Insurance

UPSC Civil Services Examination Previous Years' Questions (PYQs)

Mains:

Q. "Besides being a moral imperative of a Welfare State, primary health structure is a necessary precondition for sustainable development." Analyse. **(2021)**

PDF Reference URL: <https://www.drishtiias.com/printpdf/rising-costs-for-senior-citizens-under-ayushman-bharat>

