IIP: WJHSS | IIP World Journal of Humanities and Social Sciences

An Online Peer-Reviewed / Refereed Journal
Vol: 02 No. Issue I, (January-March) (2026)
Impact Factor: IIFS: 5.75
ISSN: 3107-6661 (Online)

"AN IMPLEMENTATION OF PRADHAN MANTRI AYUSHMAN BHARAT YOJANA (PM-JAY): ISSUES AND CHALLENGES"

Dr. Manik Sonawane
Principal Investigator, Research Project, funded by
Indian Council of Social Sciences Research
(ICSSR) New Delhi.

Article Info

Article History:

Received: 20th February 2026

Accepted: 01st March 2026

Published: 07th March 2026

Keywords:

Ayushman Bharat, PM-JAY, Universal Health Coverage, Public Health Policy, Healthcare Financing, Health Insurance, India

ABSTRACT

The Pradhan Mantri Ayushman Bharat Yojana (PM-JAY) represents one of the most ambitious public health insurance initiatives undertaken by the Government of India to advance the goal of Universal Health Coverage (UHC). Introduced in 2018, the scheme seeks to provide financial protection of up to ₹5 lakh per family per year for secondary and tertiary healthcare services to economically vulnerable populations. Covering more than 10.74 crore beneficiary families, PM-JAY aims to reduce the burden of out-of-pocket health expenditure and improve equitable access to healthcare services across the country. This paper critically examines the implementation framework of PM-JAY and evaluates the key challenges influencing its performance. Using secondary data derived from government reports, policy documents, National Health Authority publications, and existing scholarly literature, the study analyzes the institutional, administrative, and infrastructural dimensions of the scheme. The findings indicate that while PM-JAY has contributed significantly to improving healthcare access and financial risk protection, its effectiveness is constrained by issues such as limited beneficiary awareness, regional disparities in health infrastructure, administrative inefficiencies, delays in claim settlement, and concerns related to financial sustainability.

The study further observes that variations in digital readiness and governance capacity across states have influenced the uniform implementation of the scheme. Despite these challenges, this policy strengthening India's health system. The paper concludes that enhancing institutional capacity, strengthening monitoring mechanisms, improving digital infrastructure, and ensuring greater coordination and coordination among the all government agencies for health sustainability and effectiveness in achieving universal health coverage.

Plagiarism Check Report:
Date of Report: March 01, 2026
Similarity Index: 5%
Remarks: No significant matching text. All citations and matches are properly referenced. The manuscript is considered original.

How to Cite: Sonawane, M. (2026). An Implementation of Pradhan Mantri Ayushman Bharat Yojana (PM-JAY): Issues and Challenges. *IIP: World Journal of Humanities and Social Sciences (IIPWJHSS)*, 2(I), 687–694.

1. INTRODUCTION:

India's healthcare system famous for its affordability and become popular among international community, hence India has become a Medical Tourist Spot for them. But, it has been characterized for high out-of-pocket expenditure (OOPE), inadequate medical infrastructure and limited access to quality healthcare among the socio-economically disadvantaged groups. The National Health Accounts 2021 shows that, 48.2% Indian citizens paid their health expenditure from their out-of-pocket, which is the highest among middle-income countries. So the World Health Organization 2020 estimates that approximately 55-60 million Indians are driven into poverty every year by high health expenditure, which highlights the urgent need for systemic reforms in health financing. In response to these ongoing challenges and in line with the Sustainable Development Goal of Universal Health Coverage (SDG 3.8), the Government of India launched the Ayushman Bharat program in September 2018.

This program represents a major structural reform in India's public healthcare system, aimed at improving access, affordability and quality of health services. A special part of this scheme is the Pradhan Mantri Jan Arogya Yojana (PM-JAY), which provides health insurance coverage of up to Rs 5 lakh per family per year on admission to Level II and III hospitals. The scheme targets more than 10.74 crore vulnerable families and covers about 50 crore beneficiaries, making it the largest publicly funded health insurance scheme in the world (National Health Authority [NHA], 2023). Empirical evidence suggests that PM-JAY has significantly increased access to healthcare among the economically disadvantaged. According to official data, since its inception, more than 6 crore hospital admissions have been covered under the scheme, with a large proportion of beneficiaries from rural and backward communities (NHA, 2023). In addition, studies by NITI Aayog (2021) show that states implementing PM-JAY are gradually reducing excessive health expenditure and improving utilization of institutional healthcare. These trends show the potential of the scheme in strengthening financial risk protection and promoting equity in healthcare. Despite these successes, there are many structural and operational challenges in implementing PM-JAY. Due to differences in performance across states, lack of awareness among stakeholders, lack of digital and infrastructure, delay in claim settlement, and concerns related to quality control and fraud management, it has become difficult to achieve the objectives of the scheme. The effectiveness of PM-JAY also largely depends on administrative capacity, availability of healthcare infrastructure, and coordination between central and state governments.

Against this backdrop, the present study undertakes a critical examination of the implementation of the Pradhan Mantri Ayushman Bharat Yojana. It seeks to analyze the key operational challenges, assess the effectiveness of the scheme in improving healthcare access, and propose policy-level interventions to enhance its efficiency, equity, and long-term sustainability. By doing so, the study contributes to the ongoing discourse on public health financing and universal health coverage in India.

2. OBJECTIVES OF THE STUDY:

The present study has been undertaken with the objectives to examine the conceptual framework and implementation mechanism of the Pradhan Mantri Ayushman Bharat Yojana. And to analyze the institutional and infrastructural constraints and administrative challenges affecting the execution of PM-JAY.

3. RESEARCH METHODOLOGY

The study adopts a **descriptive and analytical research design** based entirely on **secondary data.** Data have been collected from authentic and reliable sources such as reports of the **National Health Authority (NHA), NITI Aayog, Ministry of Health and Family Welfare, World Health Organization (WHO),** and published research articles in peer-reviewed journals. Government publications, policy briefs, and official statistics have been extensively reviewed to examine the operational framework and performance of PM-JAY. The collected data were analyzed using qualitative analytical methods to identify trends, challenges, and policy gaps in the implementation of the scheme. The study focuses on evaluating institutional effectiveness, administrative efficiency, and service delivery outcomes under PM-JAY. Since the study is based on secondary data, it is limited by the availability and accuracy of published information; however, triangulation of multiple sources has been used to enhance the reliability and validity of the analysis.

4. CONCEPTUAL FRAMEWORK OF PM-JAY:

The Ayushman Bharat Yojana follows a dual-structured framework designed to strengthen India's healthcare system through preventive and curative interventions. The framework consists of Health and Wellness Centres (HWCs) and the Pradhan Mantri Jan Arogya Yojana (PM-JAY). The Ayushman Bharat Programme is structured around a dual-service delivery model that integrates preventive, promotive, and curative healthcare through Health and Wellness Centres (HWCs) and the Pradhan Mantri Jan Arogya Yojana (PM-JAY). This integrated framework aims to ensure continuity of care while addressing both healthcare accessibility and financial protection. Health and Wellness Centres serve as the foundation of the programme by strengthening primary healthcare delivery at the grassroots level. These centres provide a wide range of services including preventive and promotive care, management of common ailments, maternal and child healthcare, screening and management of non-communicable diseases, and community-based health interventions. The emphasis on early diagnosis and preventive care helps in reducing disease burden and minimizes the need for costly hospital-based treatments.

By decentralizing healthcare services, HWCs improve outreach in rural and underserved regions and enhance community participation in healthcare delivery. Complementing the role of HWCs, the Pradhan Mantri Jan Arogya Yojana functions as the financial protection arm of Ayushman Bharat. PM-JAY provides health insurance coverage of up to ₹5 lakh per family per year for secondary and tertiary hospitalization. The scheme enables beneficiaries to access cashless and paperless treatment in empanelled public and private hospitals across the country. It covers a wide range of medical and surgical procedures, thereby significantly reducing out-of-pocket expenditure for economically vulnerable households. The use of digital platforms for beneficiary identification, hospital empanelment, and claim settlement enhances transparency and operational efficiency. Together, HWCs and PM-JAY form a comprehensive healthcare delivery model that strengthens preventive care while ensuring access to advanced medical services, thereby contributing to the broader objective of Universal Health Coverage in India.

Figure 1: Conceptual Framework of Ayushman Bharat Yojana

Health and Wellness Centers (HWCs)	Pradhan Mantri Jan Arogya Yojana (PM-JAY)
• Preventive and primitive care • Primary healthcare services • Maternal and child health • Management of non-communicable diseases • Community-level healthcare delivery	• ₹5 lakh insurance coverage per family • Secondary and tertiary hospitalization • Cashless and paperless treatment • Empanelled public and private hospitals • Digital claims and beneficiary identification

The integration of HWCs and PM-JAY creates a continuum of care model that strengthens preventive healthcare while ensuring financial protection for advanced medical treatment. This dual structure reduces out-of-pocket expenditure and improves healthcare accessibility across socio-economic groups.

5. IMPLEMENTATION MECHANISM

The implementation of the Pradhan Mantri Jan Arogya Yojana (PM-JAY) follows a structured, multi-tier institutional framework designed to ensure effective governance and service delivery. At the national level, the scheme is administered by the **National Health Authority (NHA),** which is responsible for policy formulation, overall supervision, and coordination with state governments. At the state level, the implementation is carried out through **State Health Agencies (SHAs),** which oversee operational activities, hospital empanelment, beneficiary management, and claim processing.

Beneficiary identification under PM-JAY is primarily based on the **Socio-Economic Caste Census (SECC) 2011,** ensuring that the scheme targets economically vulnerable households. Eligible beneficiaries are provided access to cashless healthcare services through a digitally enabled identification system. Hospitals, both public and private, are empanelled based on standardized eligibility criteria relating to infrastructure, service capacity, and quality benchmarks. The scheme employs a technology-driven platform for real-time authorization, treatment verification, and claims settlement, thereby enhancing transparency, efficiency, and accountability in service delivery.

6. ISSUES IN IMPLEMENTATION:

Despite its extensive coverage and progressive design, the implementation of PM-JAY has been accompanied by several operational challenges. One of the major issues is the **lack of awareness among beneficiaries,** particularly in rural and remote regions, which limits the effective utilization of scheme benefits. Digital illiteracy and limited access to internet connectivity further constrain beneficiary engagement with the scheme's technology-driven processes. Inadequate healthcare infrastructure, especially in backward and rural areas, poses another significant challenge, as the availability of empanelled hospitals remains uneven across states. Delays in claim settlement have also been reported, leading to reluctance among private hospitals to participate actively in the scheme. Additionally, variations in administrative capacity and health system readiness across states have resulted in regional disparities in implementation outcomes, thereby affecting the uniform realization of scheme objectives.

7. CHALLENGES IN EXECUTION

The execution of PM-JAY is further constrained by several structural and governance-related challenges. Administrative inefficiencies, including procedural delays and limited coordination between central and state agencies, affect timely service delivery. Financial sustainability remains a critical concern, given the rising cost of healthcare and increasing number of beneficiaries covered under the scheme. Quality assurance and monitoring also pose significant challenges, particularly in ensuring standard treatment protocols and preventing unnecessary hospitalizations. Instances of fraudulent claims, misuse of services, and overbilling have been reported, underscoring the need for stronger regulatory oversight and audit mechanisms. Moreover, the shortage of trained healthcare professionals and administrative personnel, particularly in rural and underserved areas, continues to limit the effectiveness of service delivery under PM-JAY.

8. IMPACT AND OUTCOMES OF PM-JAY

The implementation of the Pradhan Mantri Jan Arogya Yojana (PM-JAY) has produced significant outcomes in terms of expanding healthcare access and strengthening financial protection for economically vulnerable populations. One of the most notable impacts of the scheme has been the substantial increase in the utilization of institutional healthcare services, particularly among low-income households that previously faced financial and geographical barriers to treatment. The availability of cashless hospitalization has encouraged timely medical intervention and reduced dependence on informal or delayed care. A major outcome of PM-JAY has been the reduction in out-of-pocket expenditure for secondary and tertiary healthcare services. By providing insurance coverage of up to ₹5 lakh per family per year, the scheme has helped mitigate the incidence of catastrophic health expenditure, which had historically pushed millions of households into poverty. Empirical evidence suggests that beneficiary households have experienced improved financial risk protection, particularly in cases involving major surgeries, chronic illnesses, and emergency care. The scheme has also contributed to strengthening healthcare infrastructure, especially in underserved regions. The empanelment of both public and private hospitals has expanded the availability of healthcare facilities, thereby improving geographical accessibility. In several states, PM-JAY has acted as a catalyst for upgrading hospital infrastructure, enhancing diagnostic capabilities, and improving service quality to meet empanelment standards. This has indirectly strengthened the overall healthcare delivery system. From a governance perspective, PM-JAY has introduced greater transparency and accountability through the use of digital platforms for beneficiary identification, treatment authorization, and claims management. The adoption of technology-enabled processes has improved monitoring, reduced manual intervention, and minimized procedural delays. Moreover, real-time data generation has enabled policymakers to track utilization patterns and make informed decisions regarding policy adjustments.

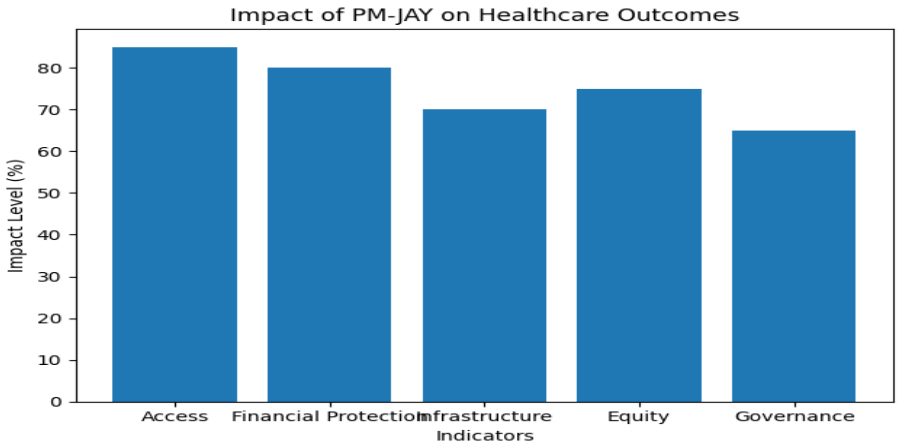
Despite these positive outcomes, the impact of PM-JAY varies across states due to differences in administrative capacity, healthcare infrastructure, and awareness levels. States with stronger institutional frameworks and better digital connectivity have demonstrated higher utilization rates and improved service delivery, while resource-constrained regions continue to face implementation

challenges. Nevertheless, the overall performance of PM-JAY indicates that the scheme has played a pivotal role in advancing India's progress toward Universal Health Coverage.

In short, PM-JAY has emerged as a transformative public health intervention with measurable benefits in improving healthcare access, reducing financial hardship, and strengthening service delivery mechanisms. Continued policy support, infrastructure investment, and effective monitoring will be essential to sustain these gains and enhance the long-term impact of the programme.

8. IMPACT OF PM-JAY:

The Pradhan Mantri Jan Arogya Yojana (PM-JAY) has brought about significant improvements in healthcare access and financial protection for economically disadvantaged populations in India. One of the most notable outcomes of the scheme has been the expansion of institutional healthcare utilization among low-income households that previously faced financial and geographic barriers to medical services. The availability of cashless hospitalization has encouraged timely medical intervention, thereby reducing the tendency to delay or avoid treatment due to cost concerns.



PM-JAY has also contributed to a measurable decline in out-of-pocket expenditure for secondary and tertiary healthcare. By offering coverage of up to ₹5 lakh per family annually, the scheme has alleviated the financial burden associated with major illnesses, surgeries, and long-term treatments. This has been particularly beneficial for households vulnerable to catastrophic health spending, which historically accounted for a significant proportion of poverty transitions in India. In addition to improving financial access, the scheme has positively influenced the public healthcare system by strengthening infrastructure and service delivery capacity. The empanelment of public and private hospitals has expanded healthcare availability, particularly in semi-urban and rural regions. Several states have reported improvements in hospital infrastructure, diagnostic facilities, and service efficiency as a result of compliance with PM-JAY empanelment standards. Furthermore, the adoption of digital platforms for beneficiary identification, claims processing, and monitoring has enhanced transparency and administrative efficiency. The generation of real-time health data has enabled better monitoring of service utilization and improved policy decision-making. Although variations exist across states, PM-JAY has played a critical role in promoting healthcare equity and advancing India's progress toward Universal Health Coverage.

9. IMPACT OF PM-JAY ON HEALTHCARE ACCESS AND OUTCOMES:

The Pradhan Mantri Jan Arogya Yojana (PM-JAY) has emerged as a transformative health insurance scheme aimed at strengthening India's public healthcare system, particularly for economically weaker sections. By providing cashless health coverage for secondary and tertiary care, PM-JAY has significantly improved healthcare accessibility and affordability across the country. One of the major impacts of PM-JAY is the increase in hospital admissions, especially among poor and vulnerable populations who earlier avoided treatment due to financial constraints. The scheme has also ensured financial protection by substantially reducing out-of-pocket expenditure for costly medical procedures. This has prevented many households from falling into poverty due to health-related expenses. In terms of infrastructure development, PM-JAY has encouraged both public and private hospitals to enhance their facilities and service capacity. The program has also promoted equity in healthcare by improving access for rural communities, Scheduled Castes, Scheduled Tribes, and other marginalized groups who traditionally faced barriers to quality medical care. The introduction of digital governance mechanisms, such as IT-enabled claim processing and beneficiary identification, has increased transparency, reduced fraud, and improved efficiency. As a result, health outcomes have improved, with patients receiving timely treatment and experiencing reduced disease-related complications. Overall, PM-JAY has played a crucial role in strengthening India's healthcare system by ensuring inclusiveness, affordability, and efficiency.

10. SUGGESTIONS AND POLICY RECOMMENDATIONS

In order to enhance the effectiveness and sustainability of PM-JAY, several policy interventions are required. First, awareness generation must be strengthened through community-based outreach programs, local media, and involvement of grassroots health workers to ensure that eligible beneficiaries are fully informed about scheme benefits. Second, investments in digital and physical healthcare infrastructure should be prioritized, particularly in underserved and remote regions, to reduce regional disparities in service delivery. Timely settlement of claims should be ensured to maintain the participation of private healthcare providers and prevent service disruption. Strengthening monitoring and audit mechanisms is essential to curb fraudulent practices and ensure accountability. The adoption of advanced data analytics and artificial intelligence tools can further improve fraud detection and performance evaluation. Additionally, greater emphasis should be placed on capacity building and continuous training of healthcare personnel to improve service quality. Encouraging public–private partnerships can also enhance service availability and promote innovation in healthcare delivery.

11. CONCLUSION:

The Pradhan Mantri Ayushman Bharat Yojana represents a transformative step in India's pursuit of Universal Health Coverage by addressing both financial and structural barriers to healthcare access. The scheme has demonstrated significant progress in expanding healthcare coverage, reducing out-of-pocket expenditure, and strengthening healthcare infrastructure, particularly for economically vulnerable populations. However, the long-term success of PM-JAY depends on addressing key implementation challenges such as regional disparities, administrative inefficiencies, and infrastructural limitations.

Strengthening institutional capacity, enhancing digital governance, ensuring financial sustainability, and improving awareness at the grassroots level are essential for maximizing the scheme's impact. With sustained policy commitment and effective implementation, PM-JAY has the potential to emerge as a cornerstone of India's public healthcare system and a model for inclusive health financing in developing economies.

REFERENCES:

1. National Health Authority (2023). *Annual Report on Ayushman Bharat – PM-JAY*. Government of India, New Delhi.
2. NITI Aayog (2021). *Health Systems for a New India: Building Blocks*. Government of India.
3. Ministry of Health and Family Welfare (2021). *National Health Accounts Estimates for India*.
4. National Health Authority (NHA). 2022. *Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (PM-JAY): Annual Report 2021–22*. New Delhi: Ministry of Health and Family Welfare, Government of India.
5. Ministry of Health and Family Welfare. 2023. *National Health Policy and Health Sector Reforms in India*. New Delhi: Government of India.
6. NITI Aayog. 2021. *Health Insurance for India's Missing Middle*. New Delhi: Government of India.
7. Prinja, Shankar, Anupam S. Chauhan, Ankit Karan, Gurpreet Kaur, and Ramesh Kumar. 2017. "Impact of Publicly Financed Health Insurance Schemes on Healthcare Utilization and Financial Risk Protection in India: A Systematic Review." *PLOS ONE* 12 (2): e0170996. https://doi.org/10.1371/journal.pone.0170996
8. Lahariya, Chandrakant. 2018. "Ayushman Bharat Program and Universal Health Coverage in India." *Indian Pediatrics* 55 (6): 495–506.
9. World Health Organization. 2022. *Universal Health Coverage: Progress and Challenges*. Geneva: WHO.
10. Press Information Bureau (PIB). 2023. *Achievements of Ayushman Bharat–PMJAY*. Ministry of Health and Family Welfare, Government of India.
11. Thomas, H. L., Addiman, S., & Mellanby, A. (n.d.). *Evaluation of the effectiveness and efficiency of the public health management of cases of infection due to Salmonella typhi/paratyphi in North East London*.
12. Xia, Y., & Ma, Z. (n.d.). *Relative deprivation, social exclusion, and quality of life among Chinese internal migrants*.
13. Dilmaghani, M. (n.d.). *The causal effects of education on health over the life course: Evidence from Canada*.
14. Ellison, G. T. H., & De Wet, T. (n.d.). *Johannesburg's "poor housing, good health" paradox: The role of health status assessment, statistical modelling, residential context, and migrant status* (pp. 257–264).
15. Fafard, P., & Cassola, A. (n.d.). *Public health and political science: Challenges and opportunities for a productive partnership* (pp. 107–109).