

**GOVERNMENT OF INDIA
MINISTRY OF HEALTH AND FAMILY WELFARE
DEPARTMENT OF HEALTH AND FAMILY WELFARE**

**LOK SABHA
UNSTARRED QUESTION NO. 2123
TO BE ANSWERED ON 12TH DECEMBER, 2025**

STANDARDISATION OF COST OF LIFE-SAVING SURGERIES

2123. SHRI DUSHYANT SINGH:

Will the Minister of **HEALTH AND FAMILY WELFARE** be pleased to state:

- (a) whether the Government proposes to examine and monitor the gap between the insured amount and the actual cost of surgeries and the consequent financial burden on patients;
- (b) if so, the details thereof along with the measures being considered by the Government to reduce out-of-pocket health expenditure;
- (c) whether any steps have been envisaged by the Government to standardize the cost of surgeries, especially life-saving and essential surgeries, if so, the details thereof; and
- (d) the details of the penal/regulatory provisions applicable to medical establishments that compel patients to make upfront payments despite having valid insurance coverage?

**ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND
FAMILY WELFARE
(SHRI PRATAPRAO JADHAV)**

(a) and (b): Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) is a flagship scheme of the Government which provides health cover of Rs. 5 lakh per family per year for secondary and tertiary care hospitalization to 12 crore families constituting economically vulnerable bottom 40% of India's population. Under AB-PMJAY, uniform procedure rates are applicable across all empanelled hospitals. These rates are determined by expert committees. Additionally, States and Union Territories have been given the flexibility to further customize the package rates. Economic Survey 2024-25 highlights AB-PMJAY's impact in reducing Out-of-Pocket Expenditure (OOPE) through increased social security and primary health spending, with recorded savings over Rs. 1.25 lakh crore. Additionally, between FY 2014-15 and FY 2021-22, Government Health Expenditure increased from 29% to 48%, while Out-of-Pocket Expenditure has declined from 62.6% to 39.4%, as percentage of Total Health Expenditure.

As per the Insurance Regulatory and Development Authority of India (IRDAI) in respect of health insurance policies, policyholders select the Sum Insured based on their requirements.

At the time of claim, insurers assess and settle the claim in accordance with the terms and conditions of the policy, subject to the Sum Insured available. As such, the extent of coverage vis-a-vis the actual cost of treatment, depends on the Sum Insured, the specific policy features opted by the customer and the surgery cost that varies from hospital to hospital. IRDAI has taken the following measures to make the health insurance products widely available and affordable for the customers.

- (i) Insurers shall empanel all categories of hospitals/health service providers considering the affordability of different segments of population.
- (ii) Insurers shall have in place board approved policy on quality standards and benchmarks for empanelment of Hospitals and Health Care Providers in order to provide 100% cashless services to the policyholders. The said policy should enable empanelment of all categories of hospitals considering the affordability of different segments of population, and provide seamless journey to the policyholder at each point of sale, service and claim

(c) and (d): Under AB-PMJAY, the health benefit packages have been revised five times since the launch of the scheme. Initially, the scheme included 1,359 packages, but Health Benefit Package (HBP), 2022 now comprises 1,961 packages across 27 medical specialties. A total of 365 new treatment procedures have been added and the rates for 832 packages have been increased. High end procedures such as bone marrow transplants and cochlear implant surgeries have been introduced, in addition to the already covered kidney transplants.

Under AB PM-JAY, the entire cost of treatment is covered under the HBP. Any grievance received from beneficiaries regarding out-of-pocket or cash payments is addressed in accordance with the guidelines issued by the National Health Authority.

Additionally, The Government of India has enacted the Clinical Establishments (Registration and Regulation) Act, 2010 (CE Act) and notified the Clinical Establishments (Central Government) Rules, 2012 (CE Rules) to provide for registration and regulation of Government (except those of Armed Forces) as well as private clinical establishments belonging to recognized systems of medicine. As per the CE Act, all the clinical establishments (Government & private) are required to fulfill the conditions of minimum standards of facilities and services, inter-alia, displaying of rates charged by them at a conspicuous place. The State Governments and Union Territories administration which have adopted the CE Act, are primarily responsible for regulating their hospitals including private hospitals as per provisions of the Act and Rules thereunder to ensure the provision of quality healthcare to patients.

This Act has empowered to take action including imposing penalties against violation of its provisions through a registering authority at the district level under the chairmanship of the District Collector / District Magistrate. The Act also provides for cancellation of registration, if the provisions of the Act are not complied with.
