

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

**LOK SABHA  
UNSTARRED QUESTION NO. 934  
TO BE ANSWERED ON 05<sup>TH</sup> DECEMBER, 2025**

**FUND RELEASE MECHANISM UNDER NATIONAL HEALTH POLICIES**

**934. SHRI SHYAMKUMAR DAULAT BARVE:**

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

(a) whether the Government is considering any plan to rebalance fund release mechanisms, matching-share structures and output-based financial accountability under national health policies and programmes—such as NHM, Ayushman Bharat, and PM-ABHIM—so that regional inequalities in health outcomes do not widen, keeping in view the differences in capacity and financial disparities across the States, in the country;

(b) if so, the details thereof;

(c) whether the Government is considering introducing a national regulatory reform framework to make the Clinical Establishments Act mandatory across the country and to strengthen rate-rationalisation, standard treatment guidelines and grievance-redressal structures in the private healthcare sector;

(d) if so, the details thereof;

(e) whether under the National Digital Health Mission, the Government is implementing privacy-by-design architecture, anonymisation protocols, and independent oversight mechanisms to ensure interoperability and consent-based exchange of citizens' health data, so that the digital health ecosystem does not pose a threat to citizens' rights; and

(f) if so, the details thereof?

**ANSWER**

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

(a) to (f): With the objective of attainment of universal access to equitable, affordable and quality health care services, the Ministry of Health & Family Welfare (MoHFW) is implementing National Health Mission (NHM). Government provides technical and financial support to the States/UTs for improvement in health infrastructure, availability of adequate human resources to health facilities, to improve availability and accessibility to quality health care especially for the underserved and marginalized groups.

Based on the proposals received from the States in their Programme Implementation Plan (PIP), approvals are provided keeping in view the resource envelope of the States/UTs as well as existing norms. Under NHM, annual resource envelope of a State is decided based on its population and a weightage factor which depends on area of the state, health lag and socio economic factor of the State.

As per Department of Expenditure guidelines, the funding will be shared 60:40 between the Centre and the State (90:10 for the 8 North Eastern and 3 Himalayan States) and 100:0 for UTs without legislature.

Under NHM, regular interactions are held with States/UTs. Various mechanisms exist to assess the implementation and progress of NHM like:

- Review of key deliverables of Record of Proceedings of previous financial year during the National Programme Coordination Committee (NPCC) meetings,
- Common Review Missions (CRM) are conducted regularly in the States/UTs which looks at financial systems and physical implementation of the program. Reports on CRMs may be accessed from below link:  
<https://www.nhm.gov.in/index1.php?lang=1&level=1&sublinkid=795&lid=195>.
- Financial Monitoring Reports (FMRs) are submitted by the States/UTs on monthly basis.

Further, monitoring and evaluation of the progress of all States/ UTs is assessed, through review meetings, video conferences & field visits of senior officials.

During NPCC meetings, key deliverables meetings with respect to the States are measured against the pre-defined targets.

Release of funds under NHM & PM-ABHIM is subject to compliance by States/UTs of the guidelines prescribed in this regard by Department of Expenditure, Ministry of Finance.

The Ayushman Bharat Digital Mission (ABDM) is implemented in all States/UTs as a Central Sector Scheme under which States/UTs are provided funds for supporting the human resources deployed for implementation of ABDM, IEC (information, education & communication) and capacity building of various stakeholders, including front line workers. The quantum of fund release has been prescribed in accordance with the category of the State, which includes its population.

The Government of India 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 CE

Act, the clinical establishments are required to fulfill the conditions of minimum standards for each type of service provided. The CE Act is applicable in those States/UTs which have adopted the Act. At present CE Act has been adopted by 19 States/UTs.

For registration of Clinical Establishments, the CE Rules, *inter-alia*, stipulates the following:

- i. As per Rule 9(i), every clinical establishment shall display the rates charged for each type of service provided and facilities available, for the benefit of the patients at a conspicuous place in the local as well as in English language.
- ii. Rule 9(ii) of CE Rules stipulates that the clinical establishments shall charge the rates for each type of procedures and services within the range of rates determined and issued by the Central Government in consultation with the State Governments. The matter of determination of range of rates, at present, is *sub-judice* in the Hon'ble Supreme Court of India.
- iii. Rule 9 (iii) of CE Rules mandates compliance with Standard Treatment Guidelines issued by the Central/State Government or the State Government.

'Health' being a State subject, the States/UTs which have adopted the CE Act are primarily responsible for enforcing/implementing the provisions of the CE Act in the respective States/UTs. The Act has empowered a registering authority at the district level under the chairmanship of the District Collector / District Magistrate to take actions including imposing penalties in respect of violation of its provisions. The Act also provides for cancellation of registration, if the provisions of the Act are not complied with. The clinical establishments in the States/UTs, which have not adopted and implemented the CE Act, are registered and regulated by the respective State Acts.

ABDM ensures privacy by design so that health data is exchanged between the intended stakeholders on ABDM network only after the patient's consent. Also, there is no centralised repository of health data. Before integrating with ABDM, digital health applications are validated in a sandbox environment and they also undergo security audits like Web Application Security Audit ensuring that they are secure, protect sensitive patient data, and comply with ABDM's Health Data Management Policy, 2020. These measures collectively ensure that interoperability does not compromise citizens' privacy and data protection.

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