

# Indu Bhushan - Former CEO, Ayushman Bharat

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*Ayushman Bharat, launched in 2018, is a monumental scheme addressing the lack of healthcare accessibility and affordability for over 500 million people in India. Dr Indu Bhushan, Ayushman Bharat's inaugural CEO, explains how the scheme was swiftly implemented, utilizing socio-economic caste census data to determine eligibility inclusively; how it reduces out-of-pocket payments, improves health outcomes, and monitors diverse treatment types and demographics; and gives his vision for sustained progress and better healthcare in India in the future.*

**Could you begin by providing an overview of your professional background, highlighting your role as the inaugural CEO of Ayushman Bharat and your career trajectory, particularly within the Indian government?**

I began my journey over 40 years ago as a part of the Indian Administrative Service in 1983. After serving in the government (in Uttar Pradesh and Rajasthan States) for 9 years, I pursued a Ph.D. in health economics at Johns Hopkins University in Baltimore. Following that, I worked at the World Bank in Washington, D.C., and later joined the Asian Development Bank in Manila, where I started as a health specialist and eventually became the Director General. I spent more than 21 years contributing to the Asian Development Bank.

In a pivotal turn of events, the Prime Minister's Office in India reached out to me and expressed their interest in having me design and implement Ayushman Bharat, a flagship scheme announced

in the budget for 2018. This significant opportunity led me to resign from the Asian Development Bank and within a period of three days return to the Government of India. With life taking a full circle, over the course of next three years, I played a central role in establishing the National Health Authority, the focal agency overseeing two transformative flagship schemes.

Initially, I was tasked with implementing Ayushman Bharat Pradhan Mantri Jan Arogya Yojana, an ambitious scheme which aimed at providing healthcare coverage for over 500 million people requiring secondary or tertiary level hospitalization. Later on, my responsibilities expanded when the Prime Minister asked us to start the National Digital Health Mission, later renamed Ayushman Bharat Digital Mission. It was a privilege to launch and oversee these massive schemes with the potential to fundamentally transform the country's healthcare sector.

**Can you delve into the intricacies of the Ayushman Bharat flagship scheme, expanding on how it aligns with the vision of achieving Universal Health Coverage?**

Ayushman Bharat addresses a fundamental challenge of the lack of accessibility and affordability of healthcare and impoverishment due to expenditure on health. . In India, a significant portion of healthcare services is provided by the private sector, with over 60 percent of health expenditure being out-of-pocket. This out-of-pocket spending disproportionately affects the poor, pushing many into poverty. Prime Minister Modi envisioned a scheme where no one would face financial hardship due to healthcare expenses. His vision aimed to cover about 40 percent of the population, preventing them from falling into poverty due to healthcare costs. The task was immense, covering 500 million people across 36 states and union territories while setting hospital rates, defining rules, and establishing the necessary implementation infrastructure.

The key challenge was to implement this ambitious scheme within six months. It involved building the scheme from scratch, bringing all states and hospitals on board, and creating a robust platform for implementation. Despite the complexities, a small team of committed individuals delivered it within the expected timeframe without compromising with quality. I personally found it to be an incredibly challenging and fulfilling role. Currently, over 50 million treatments have been provided, with more than 50,000 treatments given daily. The system, driven by an IT platform, manages the end-to-end process, from beneficiary identification to treatment authorization, tracking, discharge, payment, and patient follow-up. The platform involves over 25,000 hospitals spread across 36 States/UTs covering now about 650 million people – close to half of the population. It's a truly significant achievement in a relatively short period.

**Given the vastness of the country, determining eligibility for Ayushman Bharat seems like a massive undertaking. How do you navigate the challenge of selecting beneficiaries in a manner that is not only logistically feasible but also inclusive, extending beyond geographical boundaries?**

Indeed, determining eligibility for Ayushman Bharat is a monumental task given India's size. To address this, we utilized socio-economic caste census (SECC) data from 2011 which covers the entire country. This census incorporated filters to identify vulnerable populations, including for example, landless laborers, those living in one-room houses, households headed by women, and people from certain castes. In a country with a complex social structure like India, these filters helped ensure inclusivity. About 100 million families, averaging five members each, were identified, totaling about 500 million individuals. The SECC provided a robust foundation for beneficiary selection, offering both logistical feasibility and inclusivity beyond geographical boundaries. There are some quality problems with SECC, but it was an excellent starting point. Now, the modification in the eligibility criteria are being undertaken to address this quality issues.

**Expanding healthcare coverage to encompass the entire population is a formidable task, especially in a country as populated as India. What are the ramifications and challenges inherent in reaching this universal healthcare goal?**

Of course, ensuring universal healthcare coverage in a large country like India comes with significant challenges. Firstly, the government must allocate sufficient budgetary resources for the program, requiring careful fiscal management.

Secondly, determining the reimbursement rates is critical. Striking the right balance is essential for success. Rates should be attractive enough for private hospitals to participate while remaining affordable for the government. This delicate equilibrium ensures the long-term sustainability of the program.

Thirdly, the vast and diverse demographic of beneficiaries poses communication challenges. Our beneficiaries are socially disadvantaged, highly vulnerable and deprived. Many lack literacy. Effectively conveying eligibility and program details to such a diverse group demands creative and multilingual communication strategies.

Moreover, raising awareness about the program on a national scale was a massive challenge. Prime Minister Modi took this on by personally addressing each of the 100 million families through personalized letters in their local languages. These letters detailed program benefits, hospital options, and a helpline for assistance.

All in all, implementing a program of this scale inevitably came with many hurdles, so a robust helpline was established to handle queries and concerns coming from beneficiaries. In the early stages, the helpline received thousands of calls each day, ranging from locating nearby hospitals to addressing issues with treatment accessibility. Through ongoing training and improvements, these challenges have been gradually mitigated, leading to the largely smooth operation of the project within a couple of years.

### **What performance indicators are pivotal in gauging progress and ultimately determining the success of the Ayushman Bharat initiative?**

The ultimate success of Ayushman Bharat hinges on continuously monitoring the progress and effectiveness and taking mid-course corrections, if needed. The most important measure is the reduction of out-of-pocket payments by the beneficiaries, preventing them from falling into poverty due to health-related expenses. Another crucial aspect is the improvement in the health status of the covered population, although this is a complex metric that requires comprehensive surveys of the population.

To assess progress more tangibly, the number and nature of treatments become key indicators. This involves following the types of treatments provided, from routine medical procedures to more complex interventions like cancer treatments or open-heart surgeries. Monitoring these numbers provides insights into the scheme's impact on addressing various health conditions.

Additionally, we evaluate the demographic distribution of service utilization. This includes assessing whether the services are evenly spread across the country or concentrated in certain states. It also examines gender-based usage, ensuring that both men and women have equal access to the healthcare services.

While we have been pleased with outcomes so far, continuous monitoring of these metrics is essential for continued success, and any identified aberrations prompt swift corrective actions. From the beginning, scheme instituted a dashboard which facilitates real-time tracking of activities and outcomes across India. This system enables timely interventions and adjustments, contributing

to the overall effectiveness and success of the program.

**India has historically ranked low in healthcare expenditure as a percentage of GDP. How do you perceive this issue, and do you believe Ayushman Bharat plays a crucial role in addressing this disparity?**

We acknowledge that India has historically spent a smaller percentage of GDP on healthcare in comparison to other G20 countries and we see this as an issue that requires attention. There is a consensus that India needs to not only increase its overall healthcare expenditure, but also enhance the quality and efficiency of spending. The focus should extend beyond curative care and refocus on encompassing preventive and primary healthcare. We recognize that prevention is often more effective than cure in the long term.

As a concept, the implementation of Ayushman Bharat marks a significant step in addressing this challenge. Given that a substantial portion of healthcare expenditure in India is generated by individuals due to insufficient government spending, the program aims to reduce this burden. By replacing out-of-pocket expenses with government-supported coverage, we hope to make healthcare more accessible and affordable for the population.

However, I want to emphasize that while crucial, Ayushman Bharat is not a standalone solution. India's strategy should involve a comprehensive approach, including an increase in the overall healthcare budget. For example, strengthening primary healthcare is a key aspect of the solution. Since the initiation of the program, the Ministry has established over 150,000 health and wellness centers that provide primary and preventive healthcare as part of the broader effort to enhance the healthcare landscape in India. The Ayushman Bharat initiative, therefore, serves as an integral component in the multifaceted approach required to address the historical challenges in India's healthcare sector.

**Could you elaborate on the collaborative efforts involving various stakeholders and parties? Which entities played a significant role in shaping and implementing this transformative healthcare initiative?**

Below the national level, state governments have played a pivotal role as health is a state subject in India. Collaborating with them was essential to ensure they were on board, supportive, and actively involved in the implementation. Private sector hospitals were another key stakeholder

group which we needed to involve, and their participation was necessary for the success of the scheme. The engagement of insurance companies was also significant as they played a role in making payments. Additionally, the creation of a technology platform required collaboration with IT companies. Finally, media was an important partner for communication and spreading awareness about the scheme to beneficiaries and other stakeholders.

At the national level, multiple Ministries and agencies were involved in Ayushman Bharat's success, including the Ministry of Finance, Ministry of Information Technology, Niti Aayog and the Department of Pharmaceuticals. These offices contributed to the overall coordination and smooth functioning of the scheme. Additionally, international financing agencies such as the World Bank, Asian Development Bank, and German aid agency played a role in providing financial resources but also offered ideas and experienced professionals which enhanced the effectiveness of the implementation. NGOs like the Bill and Melinda Gates Foundation were part of the initiative through their support and expertise.

**With Ayushman Bharat having been operational for five years, what are your hopes for the program? How do you envision its evolution and impact in the coming years?**

My hope is to see continued progress for the scheme while addressing the emerging challenges. One crucial aspect to focus on is the prevention of fraud and abuse within the scheme. Given the nature of such large-scale programs, implementing strict supervision and leveraging technologies like AI and machine learning becomes essential. This will enable the identification and punishment of any entities misusing the system and will hopefully setting an example to prevent others from trying to take advantage.

Another avenue for development is strengthening the linkage between primary care and Ayushman Bharat. The existing health and wellness centers can play a vital role in screening for major diseases and referring individuals to Ayushman Bharat for treatment. Moreover, ensuring a smooth transition back to community care post-treatment and providing ongoing support for those requiring extended care is essential. The aim is that this integration will contribute to a more comprehensive healthcare approach in the coming future.

In essence, to build on the solid foundation and robust momentum of Ayushman Bharat, the focus should be on sustaining and enhancing its impact. Careful monitoring, continuous improvement, and addressing new challenges will be key to ensuring the long-term success and effectiveness of the program.

**Reflecting on your journey with Ayushman Bharat, what would you identify as the most significant personal challenge you encountered in the context of initiating and implementing the program?**

The most significant personal challenge I faced during my journey with Ayushman Bharat was comprehending the entire system and executing this intricate scheme within a highly complex system. Coming from an international job at the Asian Development Bank, I took a substantial salary cut with a desire to make a difference and contribute to nation-building. The challenge of understanding and implementing the program, coupled with a small initial team, was daunting at the beginning of this journey. Visualizing the entire process and bringing together diverse stakeholders caused me some sleepless nights, of course. However, a positive aspect was the strong collaborative spirit we had as many individuals joined, not for remuneration, but for the sheer potential of what we could achieve together.

I would say that the most significant learning from this experience has been the realization that there were moments where it might have been wiser to say no. While the team was optimistic and accepting of various tasks, it had implications for the quality of work and the burnout of our staff. Accepting too much at once, without pacing the implementation, affected the team's ability to sustain momentum in the beginning. In retrospect, a more phased approach, starting with pilots in specific regions and then gradually expanding while learning from the process, might have been a more effective strategy. This would have allowed us to manage the workload better and ensure a sustainable implementation across the country.

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