International Journal for Novel Research in Economics , Finance and Management
www.ijnrefm.com
ISSN:3048-7722
Volume 4, Issue 4, July-Aug-2026, PP: 01-4

Evaluating the Performance of Government Health Insurance Schemes in Karnataka: A Comparative Approach

Dr. Ramapriya H D, Associate Professor
Dept. of Commerce and Management, Adichunchanagiri University

Abstract – **The government is committed to provide „Health for all" and adequate financing is critical to ensure it. Universal Health Coverage (UHC) which has subsequently replaced the "Health for All" agenda defines "ensuring that all people can use the promote, preventive, curative and rehabilitative health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship.. The present study is engaged in a detailed understanding of existing government health insurance schemes of Karnataka state. An empirical study is being endeavoured to capture the perceptions on government health insurance schemes. . Many rural and economically disadvantaged communities in Karnataka struggle with access to formal banking services, which affects their ability to register for and utilize health insurance benefits. The lack of awareness and financial literacy further limits their participation in such schemes. This gap affects the effective utilization of health insurance schemes, as financial inclusion is crucial for accessing and benefiting from such programs.**

Keywords **- Health Insurance, Strategies For Health Insurance Schemes, Benefits.**

I. INTRODUCTION

The government health schemes are generally understood as health insurance schemes provided by governments to its citizens, especially to low and middle income populations. Government health insurance differs from "tax based financing" which typically entitles all citizens (and sometimes residents) to services thereby giving universal coverage. However, government health insurance entitlement is linked to a contribution made by, or on behalf of, specific individuals in the population.

The government is committed to provide „Health for all" and adequate financing is critical to ensure it. Universal Health Coverage (UHC) which has subsequently replaced the "Health for All" agenda defines "ensuring that all people can use the promotive, preventive, curative and rehabilitative health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship". The government of India has decided to increase its health spending to increase demand for healthcare and ensure equity in access to healthcare. To accomplish this in the wake of high out of pocket health spending is a challenging task. This in turn requires alternative security measures for those who cannot pay for healthcare. Coverage by other public and private health insurance is limited in India. Hence, to provide universal health coverage in a country like India, where most people are either unemployed, or employed informally in the unorganized sector, is not only challenging but also expensive. These challenges are further intensified due to the disparity in health systems across states and between rural and urban areas. The present study is engaged in a detailed understanding of existing government health insurance schemes of Karnataka state. An empirical study is being endeavoured to capture the perceptions on government health insurance schemes

II. REVIEWS OF LITERATURE

Sodani (2001) investigated the community's preference on the various aspect of health insurance. An integrated provider and insurer system is preferred as compared to public or private based management. Hospitalization and maternity services are preferred among the given choices for benefits to be included under the plan. The study also suggested that there is a high level of willingness to join a health insurance plan in future, if designed carefully for the informal sector i.e. an innovative and feasible health insurance scheme at low cost for providing quality services to the informal sector of the community.

Aust (2002) It explores the 75% of health resources and health infrastructure was concentrated in urban areas where only 27% of the population lives. The problem of rural health should be addressed both at macro and micro levels. A paradigm shift from the current biomedical model to socio culture model is required. It suggests that there is a current need of a health policy which will address the existing inequalities and work towards promoting long term perspective plan for rural health.

Ahuja, R. and De (2004) analysed that health insurance was emerging as an important financing tool in meeting the health care needs of the poor. The study found that households which have higher health expenditure and income have higher probability of renewing health insurance policy. The study suggests for improve the quality of health care service which is provided for the poor.

Objectives of the Study

- To study the government health insurance schemes in Karnataka.
- To analyse the level of knowledge and awareness about government health insurance schemes.

International Journal for Novel Research in Economics , Finance and Management
www.ijnrefm.com
ISSN:3048-7722
Volume 4, Issue 4, July-Aug-2026, PP: 01-4

- To study the enrolment process of various government health insurance schemes.

III. RESEARCH METHODOLOGY

The present study is engaged in a detailed understanding of existing government health insurance schemes of Karnataka state. An empirical study is being endeavoured to capture the perceptions on government health insurance schemes – overall awareness, enrolment process, utilization status in Karnataka.

Data Source
The present research will be carried out with the help of secondary sources of data.

Collection of Secondary Data
The present study also gathers data from secondary sources. The data would be collected from various reports of Ministry of Labour and Employment, Census Survey reports, Economic Survey of Karnataka. Annual reports of social security schemes, Newspapers, Journals, Magazines, thesis, dissertation reports, Books, etc. Furthermore, the required secondary data would also be gathered from electronic sources.

Scope of the Study
The present study is focused on reviewing the existing government health insurance schemes mechanism and draws a road map for policy makers regarding amplifying the health insurance coverage for poor workers in Karnataka.

IV. DISCUSSION

Ayushman Bharat Arogya Karnataka Scheme
The objective of the scheme is to extend 'Universal Health Coverage' to all residents in Karnataka State. Under this new scheme, primary health care specified secondary and tertiary health care benefits will be provided. The current ongoing health schemes like Vajpayee Arogyashree, Yeshaswini Scheme, Rajiv Arogya Bhagya Scheme, RashtriyaSwasthayaBimaYojana (RSBY) including RSBY for senior citizens, Rashtriya Bala Swasthaya Karyakram (RBSK), MukhyamantriSantwana Harish Scheme, Indira Suraksha Yojane, Cochlear Implant Scheme etc. will all be converged under this new Arogya Karnataka Scheme.

Karnataka has been in the forefront of successfully implementing various health care schemes through Suvarna Arogya Suraksha Trust on an Assurance Mode, for the benefit of a large section of BPL and APL populace in the State including Road Accident Victims within the borders of Karnataka. The success of implementation through Assurance Mode was reinforced by the fact that there was 64 % reduction in Out of Pocket Expenditure (OOE), mortality was reduced by 64 % among BPL families and 12.3 % households are more likely to access hospital care –as per a World Bank Study.

District wise no. of operational Ayushman Arogya Mandir as on 31st July 2024

Sn	State	District	Ayushman Arogya Mandir Operational
1	Karnataka	Belagavi	661
2	Karnataka	Bagalkote	242
3	Karnataka	Vijaypura	342
4	Karnataka	Bidar	296
5	Karnataka	Raichur	247
6	Karnataka	Koppal	205
7	Karnataka	Gadag	197
8	Karnataka	Dharwad	194
9	Karnataka	Uttara kannada	391
10	Karnataka	Haveri	302
11	Karnataka	Ballari	154
12	Karnataka	Chitradurga	350
13	Karnataka	Davangere	266
14	Karnataka	Shivamogga	326
15	Karnataka	Udupi	324
16	Karnataka	Chikkamagaluru	387
17	Karnataka	Tumakuru	654
18	Karnataka	Bengaluru Urban	528
19	Karnataka	Mandya	406
20	Karnataka	Hassan	179
21	Karnataka	Dakshina Kannada	450
22	Karnataka	Kodagu	199
23	Karnataka	Mysuru	574
24	Karnataka	Chamarajanagara	294
25	Karnataka	Kalburagi	374
26	Karnataka	Yadgir	206
27	Karnataka	Kolar	272
28	Karnataka	Chikkaballapura	244
29	Karnataka	Bengaluru Rural	207
30	Karnataka	Ramanagara	198
31	Karnataka	vijayanagara	253

Jyothi Sanjeevini Scheme
The Jyothi Sanjeevini Scheme is a health assurance plan implemented by Suvarna Arogya Suraksha trust for Karnataka state government employees and their families. The scheme covers up to Rs 1.5 lakh per year for critical illnesses requiring tertiary care. It encompasses 449 medical procedures across seven specialities, including paediatric, neonatal care and oncology etc.

The Jyothi Sanjeevini Scheme work

- Assurance policy: The scheme operates as an assurance policy where the government covers a fixed percentage of the medical treatment costs for employees and their dependents.
- Implementation: Managed by the Suvarna Arogya Suraksha Trust, with no limit on covered expenditure.
- Exceptions: Not applicable if employees choose services or hospital wards that exceed the scheme's coverage.

International Journal for Novel Research in Economics , Finance and Management
www.ijnrefm.com
ISSN:3048-7722
Volume 4, Issue 4, July-Aug-2026, PP: 01-4

Pay range	Hospitalisation type
Rs 16000	General word
Rs 16001-Rs 43200	Semi-private ward
Rs 43201	Private ward

Yeshasvini Health Insurance Scheme

The Yeshasvini health insurance scheme is a community-driven health coverage programme designed for members of cooperative societies in Karnataka. It aims to offer financial assistance for medical expenses, making health care services more accessible to rural and urban cooperative society members. The scheme operates through the contributions of cooperative society members, pooled into a fund managed by the Yeshasvini cooperative members' health care trust. The trust offers cost-effective treatment for over 1650 medical procedures network hospitals.

Benefits of the Yashaswini Scheme

- Annual Coverage of INR 5 Lakh: Beneficiary families can avail of cashless treatment up to the revised coverage amount under the scheme's structure.
- Extensive Medical Coverage: Covers over 1,650 procedures, including cardiac, orthopaedic, ENT, paediatric surgeries, and more.
- Discounts on Diagnostics: Members receive cost-effective rates for diagnostic tests at network hospitals.
- Cashless Claims Facility: Beneficiaries can get cashless treatments at registered hospitals by presenting their Yashaswini Card.

Affordable Premiums: Premiums for rural members are INR 500 annually for a family of four, with INR 100 per additional member. Urban members pay INR 1,000 annually, with INR 200 for each additional member.

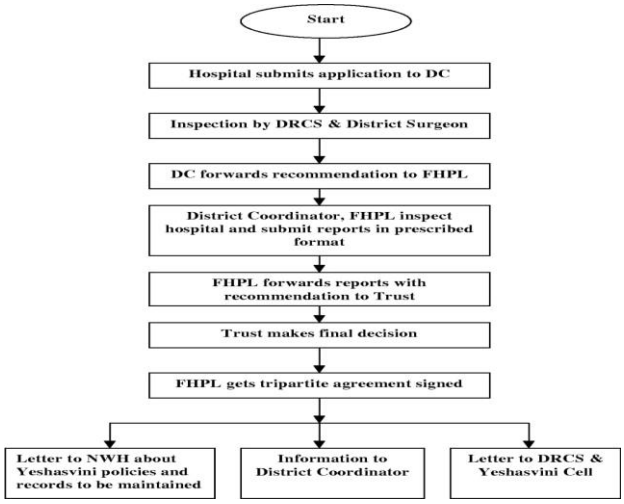
Coverage Offered by the Yeshasvini Scheme

- In-patient Hospitalisation: Includes surgeries, ICU charges, and pre/post-hospitalisation expenses.
- Specialised Surgeries: Covers cardiac, vascular, orthopaedic, oncology, and paediatric surgeries
- Emergency Treatment: Addresses emergencies like snake bites, dog bites, and drowning incidents.
- Obstetrics and Gynaecology: Includes maternity care and new-born intensive care.
- General Ward Access: Members receive treatment in general wards, with optional upgrades to private wards for an additional cost.

The Yeshaswini Scheme Work

Vajpayee Arogyashree Yojana Scheme

The Vajpayee Arogyashree Yojana is a flagship health insurance scheme launched by the government of Karnataka. The initiative is designed to provide comprehensive healthcare coverage to families living below the poverty-line (BPL). Ensuring they have access to necessary medical treatments without financial hardship. The scheme's primary focus is on covering high-cost medical condition that require hospitalisation and advanced medical procedures, thereby offering a safety net to the state most vulnerable populations.



An overview of Vajpayee Arogyashree Yojana

Features	Details
Scheme beneficiary	Residents of Karnataka
Name of the Scheme	Vajpayee Arogyasri Yojana
Launch date	2009-2010
Coverage (per Family)	Rs1.5lakh (plus additional buffer of Rs 50000 on case-to-case basis)
Procedures covered	402 Procedures

Thayi Bhagya Scheme

The scheme has been designed so that women belonging to BPL families can avail totally cashless treatment in these private hospitals. Under this scheme, the pregnant woman belonging to BPL family can avail delivery services free of cost in the registered private hospital near her house. She is not required to pay any charges right from the point of admission to discharge. The benefit is limited to the first two live deliveries.

Eligibility

- The benefit is limited to the first two deliveries.
- The candidate women must be residents of Karnataka government
- The hospital should have minimum 10 inpatient beds.
- Should have proper functional Operation Theatre and Delivery room.
- 24 hrs. availability of Gynaecologists, anaesthetists and paediatricians.
- Should have link with Blood banks.
- The DHO has to identify such hospitals and invite them for partnership. Interested hospitals can sign the MOU.

Documents Required

- Domicile certificate
- BPL card or Ration card

- Caste certificate
- Aadhar Card
- ANC registration number along with noting whether it is first or second delivery.

Findings and Suggestions

The high levels of anaemia, malnutrition, communicable and non-communicable diseases in the population require an increased focus on primary and preventive health care. Karnataka state health shows a clear bias towards secondary and tertiary care which deviates from recommendations in the state health policy. All the schemes are designed for hospitalization and tertiary care rather than primary health care. Insurance schemes have compounded the problem, with multiple schemes run by different departments, competing for the same populations often with overlapping medical conditions or procedures in their coverage list, and with varying policies, eligibility and reimbursement rates.

V. CONCLUSION

Government health insurance schemes play a crucial role in ensuring equitable access to healthcare, particularly for economically vulnerable populations. Karnataka's initiatives, such as Arogya Karnataka and Ayushman Bharat-Arogya Karnataka (AB-ArK), have made significant strides in providing financial protection against medical expenses. However, challenges such as disparities in financial inclusion, fraudulent claims, and administrative inefficiencies continue to hinder their full potential. To enhance the effectiveness of these schemes, the government must focus on strengthening financial inclusion, implementing robust fraud detection mechanisms, and leveraging technology for better accessibility and transparency. Simplified enrolment processes, AI-driven fraud detection, and digital health solutions can significantly improve the reach and efficiency of health insurance programs.

REFERENCES

1. Ahuja Rajeev, (2004), “Health Insurance for the poor”, Economic and Political Weekly, Vol. 32, No 40, Pp 3171-3178.
2. Ahuja, R. and De, I. (2004) “Health Insurance for the Poor Need to Strengthen Healthcare Provision” Economic and Political Weekly, Vol. 39, No. 41, Pp. 4491-4493.
3. Ahuja, R. and Narang, A. (2005) “Emerging Trends in Health Insurance for Low-Income Groups” Economic and Political Weekly, Vol. 40, No. 38, Pp 4151- 4157
4. Anil Gumber and Veena Kulkarni, (2000). “Health Insurance in Informal Sector: Case Study of Gujarat”. Economic and Political Weekly, Vol. 22, No. 2, Pp.3607-3613.
5. Aradhna Aggarwal (2010) Impact Evaluation of India‟s „Yeshasvini‟ Community-Based Health Insurance Programme, Journal of Health economics, Vol. 19, Pp 5–35.
6. Aust. J, (2002) Current Health Scenario in Rural India, Australian journal of rural health, Vol. 10, Pp 129-135.
7. B. Reshmi , Nair, Sreekumaran N, Sabu K M and Unnikrishnana (2007) Awareness of health insurance in a south Indian population – a community-based study, Health and PopulationPerspectives and Issues, Vol. 30, No. 3, Pp 177-188.
8. Bawa, S and Ruchita (2011), Awareness and willingness to Pay for Health Insurance : An Empirical Study with Reference to Punjab India, International Journal of Humanities and Social Science ,Vol 1 No. 7, Pp 123-134.
9. Aust. J, (2002) Current Health Scenario in Rural India, Australian journal of rural health, Vol. 10, Pp 129-135.
10. Sodani, P.R. (2001) “Potential of the Health Insurance Market for the Informal Sector: A pilot study” Journal of Health Management; Vol. 3, Pp. 283-308.
11. (Souza & Ramapriya H D 2025) Evaluating The Performance And Market Dynamics Of India's Insurance Sector: A Case Study Of Life Insurance Corporation In Hassan District, Karnataka