

8

Consumer Behaviour towards Health Care Services Under PM-JAY

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Abstract

The healthcare sector in India has undergone major transformation with the implementation of large-scale public health insurance schemes aimed at improving accessibility, affordability, and quality of healthcare services. One of the most significant initiatives introduced by the Government of India is the Pradhan Mantri Jan Arogya Yojana (PM-JAY), launched under the Ayushman Bharat program in 2018. PM-JAY seeks to provide financial protection to economically vulnerable families by offering health insurance coverage for secondary and tertiary healthcare services. The scheme has significantly influenced consumer behaviour in healthcare by altering healthcare utilization patterns, patient expectations, hospital selection, awareness regarding health insurance, and trust in public and private healthcare institutions. This chapter examines consumer behaviour towards healthcare services under PM-JAY with a focus on awareness, accessibility, affordability, service quality, patient satisfaction, and healthcare decision-making. It explores how socio-economic factors, education, digital literacy, rural-urban disparities, and institutional trust shape beneficiaries' attitudes and behaviour towards healthcare consumption. The chapter also evaluates the role of empanelled hospitals, government initiatives, technology integration, and grievance redressal systems in influencing patient experiences. Further, the study discusses challenges associated with PM-JAY implementation, including low awareness in rural areas, infrastructure gaps, fraud risks, delays in claim settlement, and inequalities in healthcare access. Recommendations are provided for strengthening consumer trust, improving healthcare delivery mechanisms, enhancing awareness campaigns, and promoting patient-centric healthcare systems. The chapter concludes that PM-JAY has substantially transformed healthcare-seeking behaviour among low-income populations by reducing financial barriers and increasing institutional healthcare utilization. However, sustainable improvement in consumer satisfaction and healthcare outcomes requires continuous policy reforms,

stronger monitoring systems, improved healthcare infrastructure, and greater focus on quality healthcare delivery.

Keywords: PM-JAY, Consumer Behaviour, Healthcare Services, Ayushman Bharat, Health Insurance.

Introduction

Healthcare is one of the most essential sectors influencing the economic and social development of a nation. Access to quality healthcare services is considered a fundamental human right, yet millions of individuals in developing countries struggle to obtain affordable treatment due to financial constraints, inadequate infrastructure, and unequal distribution of healthcare resources. In India, rising medical expenses and out-of-pocket healthcare expenditure have historically India introduced several healthcare reforms, among which the Pradhan Mantri Jan Arogya Yojana (PM-JAY) emerged as a landmark initiative.

PM-JAY, launched in September 2018 under the Ayushman Bharat Mission, is recognized as one of the world's largest government-funded health insurance schemes. It provides health insurance coverage of up to ₹5 lakh per family per year for secondary and tertiary healthcare hospitalization. The scheme primarily targets economically weaker sections identified through the Socio-Economic Caste Census (SECC) database. By reducing financial barriers to healthcare access, PM-JAY aims to improve healthcare utilization, reduce catastrophic health expenditure, and strengthen public trust in institutional healthcare systems. The introduction of PM-JAY has significantly impacted consumer behaviour towards healthcare services in India. Consumer behaviour in healthcare refers to the attitudes, preferences, perceptions, and decision-making patterns of individuals while accessing healthcare facilities and services. Healthcare consumers today are more informed, quality-conscious, and selective regarding hospitals, doctors, treatment procedures, and insurance benefits. PM-JAY has further transformed this behaviour by increasing healthcare affordability and enabling beneficiaries to access private and public hospitals without direct financial burden.

The behavioural transformation associated with PM-JAY is evident in increased hospitalization rates, greater utilization of private healthcare services, rising awareness regarding health insurance, and enhanced expectations regarding service quality. However, several socio-economic and institutional factors continue to influence how consumers perceive and utilize healthcare services under the scheme. Issues such as lack of awareness, digital illiteracy, geographical barriers, administrative inefficiencies, and quality disparities among hospitals remain important determinants of healthcare behaviour.

This chapter aims to provide a comprehensive understanding of consumer behaviour towards healthcare services under PM-JAY. It examines the factors influencing healthcare choices, evaluates the role of healthcare institutions in shaping patient experiences, and identifies challenges affecting the effectiveness of the scheme. The chapter also highlights policy recommendations to improve consumer satisfaction and strengthen the healthcare ecosystem under PM-JAY.

Agarwal and Gupta (2021)

Agarwal and Gupta examined the relationship between health insurance coverage and healthcare utilization in India with special focus on PM-JAY beneficiaries. The study found that health insurance significantly increased hospitalization rates among economically weaker sections. The authors observed that beneficiaries were more willing to seek institutional treatment because financial barriers had reduced considerably.

Key Points

- PM-JAY improved access to secondary and tertiary healthcare services.
- Health insurance reduced out-of-pocket expenditure.
- Poor households showed increased trust in institutional healthcare.
- Financial protection encouraged timely hospitalization.
- Awareness remained lower in rural and less educated populations.

Bhat and Jain (2020)

Bhat and Jain analyzed consumer perceptions towards healthcare insurance schemes in India. Their study highlighted that affordability and service quality are the two most important factors influencing consumer satisfaction.

Key Points

- Consumers preferred schemes offering cashless treatment facilities.
- Trust in hospitals influenced healthcare decision-making.
- Awareness campaigns improved participation in government schemes.
- Patients expected transparency in treatment and billing.
- Service quality strongly affected patient satisfaction.

Government of India (2018)

The operational guidelines of Ayushman Bharat PM-JAY provided the framework for implementation of the healthcare scheme across India. The document emphasized universal healthcare access and financial protection for vulnerable populations.

Key Points

- PM-JAY provides annual coverage of ₹5 lakh per family.
- The scheme supports cashless and paperless treatment.
- Both public and private hospitals are empanelled.
- Portability allows treatment across India.
- Focus is placed on reducing catastrophic healthcare expenditure.

National Health Authority (2023)

The annual report of the National Health Authority evaluated the progress and performance of PM-JAY implementation across India.

Key Points

- Millions of beneficiaries received cashless treatment.
- Digital healthcare systems improved administrative efficiency.
- Hospital empanelment expanded healthcare access.
- Fraud detection mechanisms were strengthened.
- Greater focus was placed on patient-centric healthcare delivery.

Patel and Sharma (2021)

Patel and Sharma explored public healthcare reforms and patient satisfaction in India. Their study found that patient satisfaction is directly related to healthcare quality, staff behaviour, and treatment transparency.

Key Points

- Respectful staff behaviour increased patient trust.
- Clean hospital environments improved patient experiences.
- Transparent communication enhanced satisfaction.

Reddy (2019)

Reddy discussed opportunities and challenges associated with achieving universal health coverage in India.

Key Points

- Universal healthcare is essential for social and economic development.
- Public health expenditure needs significant improvement.
- Strong healthcare infrastructure is necessary for policy success.
- Health insurance alone cannot solve healthcare inequalities.
- Government and private sector coordination is important.

Sharma and Verma (2020)

Sharma and Verma examined the role of digital healthcare transformation under Ayushman Bharat.

Key Points

- Digital systems improved healthcare transparency.
- Online verification reduced administrative delays.
- Telemedicine increased healthcare accessibility.
- Digital literacy influenced healthcare utilization.
- Technology improved claim management systems.

World Health Organization (2022)

The World Health Organization emphasized the importance of universal health coverage and healthcare financing reforms in developing countries.

Key Points

- Universal healthcare reduces poverty and inequality.
- Financial protection is essential for healthcare accessibility.
- Strong primary healthcare systems improve public health outcomes.
- Healthcare policies should focus on inclusiveness.
- Patient-centered healthcare improves healthcare utilization.

Yadav and Kaur (2023)

Yadav and Kaur studied consumer behaviour and healthcare decision-making under PM-JAY. Their research highlighted the changing healthcare expectations among beneficiaries.

Key Points

- Consumers became more quality-conscious under PM-JAY.
- Awareness influenced healthcare utilization patterns.
- Beneficiaries preferred hospitals with better infrastructure.
- Positive treatment experiences increased trust in the scheme.
- Patient satisfaction affected future healthcare choices.

Concept of Consumer Behaviour in Healthcare

Consumer behaviour refers to the study of individuals, groups, or organizations and the processes they use to select, purchase, use, and dispose of products and services to satisfy their needs and desires. In the healthcare sector, consumer behaviour is more complex because healthcare services directly affect human life, well-being, and emotional security.

- **Healthcare consumer behaviour includes the following aspects:**
 - Healthcare-seeking decisions.
 - Choice of hospitals and doctors.
 - Utilization of insurance schemes.
 - Perception of healthcare quality.
 - Satisfaction with medical treatment.
 - Trust in healthcare providers.
 - Response to government healthcare policies.

Unlike ordinary consumer goods, healthcare services are characterized by uncertainty, information asymmetry, emotional involvement, and urgency. Patients often rely on doctors, hospitals, and government systems to make informed healthcare decisions. Therefore, trust, affordability, accessibility, and perceived quality play a crucial role in shaping healthcare consumer behaviour.

Under PM-JAY, consumer behaviour has evolved due to increased insurance coverage and reduced financial risk. Beneficiaries who previously avoided hospitalization due to high medical expenses are now more likely to seek institutional treatment. This behavioural shift demonstrates the influence of public policy on healthcare consumption patterns.

- **Overview of PM-JAY**

Pradhan Mantri Jan Arogya Yojana (PM-JAY) is a flagship healthcare scheme launched by the Government of India to achieve Universal Health Coverage (UHC). It is a part of the Ayushman Bharat initiative and seeks to provide cashless and paperless healthcare services to eligible families across India.

- **Key Features of PM-JAY**

- Health coverage of up to ₹5 lakh per family annually.
- Coverage for secondary and tertiary hospitalization.
- Cashless treatment at empanelled hospitals.
- Portability across India.
- Inclusion of both public and private hospitals.
- Coverage for pre-existing diseases.
- No restriction on family size, age, or gender.

The scheme aims to reduce out-of-pocket healthcare expenditure and improve healthcare accessibility among economically vulnerable populations. PM-JAY also emphasizes digital integration through online beneficiary identification, hospital empanelment, claim management, and fraud detection systems.

The scheme has played a transformative role in increasing healthcare awareness and encouraging healthcare utilization among low-income households. It has also created competition among healthcare providers to improve service quality and patient satisfaction.

- **Factors Influencing Consumer Behaviour Under PM-JAY**

Consumer behaviour towards healthcare services under PM-JAY is influenced by multiple socio-economic, psychological, technological, and institutional factors.

- **Awareness and Knowledge**

Awareness is one of the most important determinants of healthcare utilization under PM-JAY. Beneficiaries who are informed about eligibility criteria, benefits, empanelled hospitals, and claim procedures are more likely to utilize healthcare services effectively.

In rural areas, lack of awareness remains a major challenge. Many eligible families are unaware of their entitlement under PM-JAY, resulting in underutilization of healthcare benefits. Government awareness campaigns, community health workers, social media, and digital platforms have played an important role in increasing awareness.

Healthcare consumers with higher educational levels tend to have better understanding of insurance benefits and healthcare procedures. Digital literacy also influences the ability of beneficiaries to access online healthcare information and services.

- **Affordability and Financial Protection**

Healthcare affordability significantly shapes consumer behaviour. Before PM-JAY, many households avoided hospitalization due to high treatment costs. PM-JAY has reduced financial barriers by offering cashless treatment.

Financial protection encourages patients to seek timely medical attention instead of delaying treatment. As a result, hospitalization rates have increased among economically weaker sections. Consumers now perceive institutional healthcare as more accessible and affordable.

However, hidden costs such as transportation expenses, medicines outside the coverage list, and informal payments may still affect patient behaviour and satisfaction.

- **Accessibility of Healthcare Services**

Geographical accessibility plays a crucial role in healthcare utilization. Consumers are more likely to use healthcare services when hospitals are located nearby and transportation facilities are available.

Urban beneficiaries generally have better access to empanelled hospitals compared to rural populations. In remote areas, inadequate healthcare infrastructure and shortage of specialists limit the effectiveness of PM-JAY.

The availability of private hospitals under PM-JAY has expanded treatment options for consumers. Patients often prefer hospitals with better infrastructure, shorter waiting times, and specialized services.

▪ **Quality of Healthcare Services**

Perceived service quality strongly influences consumer satisfaction and healthcare choices. Patients evaluate healthcare quality based on:

- Doctor competence.
- Hospital cleanliness.
- Availability of medicines.
- Staff behaviour.
- Waiting time.
- Treatment effectiveness.
- Safety standards.

Consumers under PM-JAY increasingly prefer hospitals that provide efficient and respectful healthcare services. Positive patient experiences encourage repeat visits and word-of-mouth recommendations.

Poor service quality, overcrowding, delayed treatment, or lack of communication can negatively affect consumer trust in healthcare institutions.

▪ **Trust and Reliability**

Trust is a critical factor in healthcare decision-making. Patients must trust healthcare providers, hospitals, insurance systems, and government authorities.

Under PM-JAY, trust is influenced by:

- Transparency in claim settlement.
- Availability of cashless treatment.
- Fair treatment by hospital staff.
- Reliability of medical services.
- Effective grievance redressal mechanisms.

Consumers who experience smooth hospitalization and treatment processes are more likely to trust the scheme and recommend it to others.

▪ **Social and Cultural Factors**

Social and cultural beliefs influence healthcare choices in India. Family members often participate in healthcare decisions, especially in rural communities.

Traditional beliefs, gender roles, and social norms may affect treatment-seeking behaviour. In some areas, women may face barriers in accessing healthcare services due to social restrictions or financial dependence.

PM-JAY has contributed to greater healthcare inclusiveness by encouraging families to seek professional medical treatment.

- **Consumer Decision-Making Process Under PM-JAY**

The healthcare decision-making process under PM-JAY generally involves the following stages:

- **Problem Recognition**

The process begins when individuals recognize symptoms, illness, or health-related concerns requiring medical attention.

- **Information Search**

Consumers seek information regarding hospitals, doctors, treatment availability, insurance coverage, and costs. Sources of information include:

- Family and friends.
- Community health workers.
- Government campaigns.
- Social media.
- Hospital staff.

- **Evaluation of Alternatives**

Patients compare healthcare providers based on location, reputation, service quality, infrastructure, and treatment costs.

- **Healthcare Utilization**

After selecting a healthcare provider, patients utilize healthcare services under PM-JAY through cashless hospitalization procedures.

- **Post-Treatment Evaluation**

Patients assess their healthcare experiences based on recovery outcomes, staff behaviour, treatment quality, and administrative efficiency. Positive experiences strengthen consumer trust and loyalty.

- **Impact of PM-JAY on Consumer Behaviour**

PM-JAY has significantly transformed healthcare consumption patterns in India.

- **Increased Healthcare Utilization**

The scheme has encouraged economically weaker populations to seek institutional healthcare services. Many patients who previously avoided treatment due to financial limitations now access hospitalization services.

- **Shift Towards Preventive Healthcare**

Awareness generated through PM-JAY has increased interest in preventive healthcare and early diagnosis. Consumers are becoming more conscious about regular health checkups and disease prevention.

- **Growth in Private Healthcare Utilization**

The inclusion of private hospitals under PM-JAY has increased consumer preference for private healthcare facilities due to perceived better service quality and infrastructure.

- **Enhanced Consumer Expectations**

Consumers now expect:

- Faster treatment.
- Better hospital infrastructure.
- Respectful behaviour.
- Transparent billing.
- Quality healthcare services.

Hospitals are increasingly focusing on patient satisfaction and service quality improvement.

- **Reduction in Financial Stress**

PM-JAY has reduced catastrophic healthcare expenditure and financial anxiety among low-income households. Consumers feel more secure regarding healthcare emergencies.

- **Challenges Affecting Consumer Behaviour Under PM-JAY**

Despite its achievements, PM-JAY faces several challenges that influence consumer perceptions and behaviour.

- **Limited Awareness**

Many eligible beneficiaries remain unaware of scheme benefits, eligibility procedures, and empanelled hospitals.

- **Infrastructure Deficiencies**

Inadequate healthcare infrastructure in rural areas limits access to quality healthcare services.

- **Digital Divide**

Digital systems used for registration and verification may create barriers for technologically disadvantaged populations.

- **Fraud and Misuse**

Fraudulent claims, unnecessary procedures, and unethical practices can reduce consumer trust in the scheme.

- **Delays in Claim Settlement**

Administrative delays and reimbursement issues may discourage hospitals from actively participating in PM-JAY.

- **Quality Disparities**

Variations in healthcare quality between public and private hospitals affect patient satisfaction and healthcare choices.

- **Role of Technology in Influencing Consumer Behaviour**

Technology has become an important component of PM-JAY implementation and healthcare delivery.

- **Digital Health Records**

Electronic health records improve treatment continuity and patient convenience.

- **Online Beneficiary Verification**

Digital verification systems simplify eligibility identification and reduce paperwork.

- **Telemedicine Services**

Telemedicine improves healthcare accessibility in remote areas and encourages healthcare utilization.

- **Mobile Applications**

Government healthcare apps provide information regarding hospitals, treatment packages, and claim status.

Digital healthcare systems improve transparency, efficiency, and consumer confidence. However, digital literacy remains a challenge in many regions.

- **Patient Satisfaction Under PM-JAY**

Patient satisfaction is an important indicator of healthcare service effectiveness. It reflects the extent to which healthcare experiences meet patient expectations.

Determinants of Patient Satisfaction

- Quality of treatment.
- Doctor-patient communication.
- Hospital environment.
- Waiting time.

- Administrative support.
- Availability of medicines.
- Financial transparency.

Consumers under PM-JAY are increasingly evaluating healthcare providers based on service quality and overall treatment experience.

Hospitals with higher patient satisfaction levels tend to attract more beneficiaries and strengthen public trust in the healthcare system.

Rural and Urban Consumer Behaviour Differences

Consumer behaviour under PM-JAY differs significantly between rural and urban populations.

Rural Consumers

- Lower awareness levels.
- Dependence on government hospitals.
- Transportation challenges.
- Limited healthcare infrastructure.
- Greater influence of community opinions.

Urban Consumers

- Higher healthcare awareness.
- Greater access to private hospitals.
- Better digital literacy.
- Increased expectations regarding service quality.
- Wider healthcare choices.

Understanding these differences is important for designing effective healthcare policies and awareness programs.

Policy Recommendations

To improve consumer behaviour and healthcare experiences under PM-JAY, the following policy measures are recommended:

Strengthening Awareness Campaigns

The government should conduct extensive awareness campaigns through television, radio, social media, schools, community workers, and local governance institutions.

Improving Rural Healthcare Infrastructure

Investment in rural hospitals, diagnostic centers, and healthcare workforce is necessary to improve accessibility and quality.

Enhancing Digital Literacy

Training programs should be introduced to help beneficiaries use digital healthcare platforms effectively.

Strengthening Monitoring Mechanisms

Strict monitoring systems should be implemented to prevent fraud, overbilling, and unethical practices.

Promoting Patient-Centric Healthcare

Hospitals should focus on respectful communication, patient comfort, and transparent treatment processes.

Faster Claim Settlement

Efficient claim settlement mechanisms will encourage greater hospital participation and improve service quality.

Encouraging Preventive Healthcare

Health education programs should promote preventive healthcare practices and early diagnosis.

Future Prospects of PM-JAY

PM-JAY has the potential to become a transformative model for universal healthcare in India. Future developments may include:

- Expansion of healthcare coverage.
- Integration with digital health missions.
- Increased use of artificial intelligence in healthcare management.
- Greater private sector participation.
- Improved healthcare analytics and monitoring.
- Expansion of telemedicine and remote healthcare services.

As healthcare awareness and infrastructure continue to improve, consumer expectations and healthcare behaviour are likely to evolve further.

The success of PM-JAY will depend on the ability of policymakers, healthcare providers, and institutions to maintain affordability, accessibility, transparency, and quality healthcare delivery.

Conclusion

Consumer behaviour towards healthcare services under PM-JAY reflects the growing importance of affordability, accessibility, quality, and trust in the Indian healthcare system. The scheme has played a transformative role in improving healthcare access for economically vulnerable populations by reducing financial barriers and promoting institutional healthcare utilization.

PM-JAY has significantly influenced healthcare decision-making by increasing awareness regarding health insurance and expanding treatment opportunities through empanelled public and private hospitals. Consumers are becoming more informed and quality-conscious, leading healthcare providers to improve service standards and patient experiences.

However, several challenges continue to affect consumer behaviour and satisfaction, including lack of awareness, infrastructure limitations, digital inequality, administrative inefficiencies, and quality disparities among healthcare institutions. Addressing these challenges is essential for ensuring equitable healthcare access and sustainable healthcare reforms.

The future success of PM-JAY depends on stronger healthcare infrastructure, enhanced awareness campaigns, improved digital integration, effective monitoring systems, and patient-centric healthcare policies. By strengthening trust and improving healthcare delivery, PM-JAY can contribute significantly to achieving universal healthcare coverage and improving public health outcomes in India.

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