

Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN)

March 11, 2021

In News: Cabinet approves creation of Pradhan Mantri Swasthya Suraksha Nidhi as a single non-lapsable reserve fund for Health from the proceeds of health and Education Cess

Background

- Health is vital for improved developmental outcomes. From an economic standpoint, better health improves productivity, and reduces losses due to premature death, prolonged disability and early retirement.
- Health and Nutrition also directly impact scholastic achievements and have a bearing on productivity and income.
- Health Outcomes depend substantially on public spending on health. One extra year of population life expectancy raises GDP per capita by 4%, Investment in health creates millions of jobs, largely for women, through a much needed expansion of the health workforce
- In the budget speech 2018, the Finance Minister while announcing Ayushman Bharat Scheme, also announced replacement of existing 3% Education Cess by 4% Health and Education Cess.

Salient features of the PMSSN

- A non-lapsable reserve fund for Health in the Public Account;
- Proceeds of share of health in the Health and Education Cess will be credited into PMSSN;
- Accruals into the PMSSN will be utilized for the flagship schemes of the Ministry of Health & Family Welfare namely,
- Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-

PMJAY)

- Ayushman Bharat – Health and Wellness Centres (AB-HWCs)
- National Health Mission
- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)
- Emergency & disaster preparedness and responses during health emergencies
- Any future programme/scheme that targets to achieve progress towards SDGs and the targets set out in the National Health Policy (NHP) 2017.
- Administration and maintenance of the PMSSN is entrusted to Ministry of Health & Family Welfare; and
- In any financial year, the expenditure on such schemes of the MoHFW would be initially incurred from the PMSSN and thereafter, from Gross Budgetary Support (GBS).

Benefits

- The major benefit will be enhanced access to universal & affordable health care through availability of earmarked resources, while ensuring that the amount does not lapse at the end of the financial year.