Shaping India's Future

Healthcare and Social Equity for All by 2047

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India   United States of America   United Arab Emirates   Kingdom of Saudi Arabia

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Foreword

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Former Secretary,
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Over the past decade, India's economic expansion has been driven primarily by manufacturing and IT services. However, the healthcare sector presents an equally compelling opportunity for sustained growth, economic advancement, and global impact. Establishing MediCities—dedicated hubs for advanced medical services, research, and holistic treatment—can transform healthcare accessibility, affordability, and innovation. By centralizing healthcare services within MediCities, patients benefit from a comprehensive ecosystem where high-quality treatments are available in a single location. This structure is particularly advantageous for medical value tourism (MVT), as international patients seek world-class medical care at competitive costs. With India already a preferred global destination for specialized treatments, MediCities will further enhance its reputation by integrating top-tier hospitals, research institutions, and wellness centres. Importantly, the development of standalone medical facilities in India is often constrained by the lack of contiguous land and the complexity of obtaining multiple regulatory clearances. MediCities can overcome these challenges by operating like integrated townships, where land, infrastructure, and approvals are pre-planned and aggregated enabling faster, more streamlined project implementation.

One of the most pressing challenges in Indian healthcare is ensuring affordable and standardized medical services for all. Government initiatives such as Pradhan Mantri Jan Arogya Yojana (PMJAY) and the Central Government Health Scheme (CGHS) play a crucial role in making healthcare accessible. By leveraging MediCities, these schemes can be more efficiently implemented, ensuring that high-quality services are available at reduced costs.

The consolidation of healthcare services within MediCities is expected to bring down overall medical expenses. Patients will no longer need to travel between multiple facilities for diagnosis, treatment, and follow-up care, reducing logistical burdens and overhead costs. Additionally, the integration of holistic healthcare solutions— combining allopathic, traditional, and alternative medicine—will make treatment more comprehensive and cost-effective.

Beyond healthcare advancements, MediCities have the potential to generate significant employment opportunities and drive regional economic growth. Estimates suggest that 25 MediCities could create around 400,000 direct jobs, with a much larger multiplier effect on indirect employment. This includes roles in hospital management, medical research, pharmaceuticals, diagnostics, wellness services, and healthcare technology. From an investment perspective, MediCities are highly attractive due to the availability of high-value land, streamlined regulatory approvals, and public-private partnership (PPP) models. The focus on healthcare infrastructure aligns with India's broader economic strategy, reinforcing its position as a global medical hub.

A key feature of MediCities is integrated urban planning, ensuring seamless connectivity and patient convenience. These hubs will be designed with efficient public transport networks, residential complexes for healthcare professionals and patients, and proximity to major cities and airports. The 'Walk to Hospitals' concept within MediCities will significantly improve patient access. By reducing the reliance on private transport, this model fosters a greener and healthier urban environment, decreasing carbon emissions and congestion. Well-planned infrastructure will also enhance emergency response times, improving overall healthcare outcomes.

MediCities represent a groundbreaking shift in India's healthcare landscape, combining world-class medical services, economic growth, and sustainable urban development. By centralizing healthcare, reducing costs, and fostering medical innovation, these hubs will reinforce India's global leadership in healthcare.

With job creation, improved patient experiences, enhanced medical tourism, and a commitment to universal healthcare, MediCities will not only transform India's healthcare sector but also contribute to a stronger, healthier, and more prosperous future.

Background

The Corona pandemic of 2020 highlighted the urgent need for specialized, comprehensive, and holistic healthcare systems with robust supply chains to ensure quality, accessible, and affordable healthcare.

On 6 March 2023, the **Hon'ble Prime Minister Shri Narendra Modi emphasized the significant shift in healthcare focus post-pandemic.** He noted the vulnerabilities in advanced healthcare systems and introduced the "One Earth-One Health" vision.

Key trends in the Indian healthcare sector indicate that public health expenditure has increased from 1.4% to 1.9% of GDP between FY 2017-18 and FY 2023-24. However, this remains below the recommended 2.5% to 3% of GDP, which is essential for strengthening healthcare infrastructure, ensuring equitable access, and improving health outcomes.

Over the period of last decade, the **Indian healthcare industry has witnessed significant expansion**, reaching a valuation of USD 372 billion, driven by both government initiatives and private sector contributions. By 2024, the sector has become one of the largest employment generators in India, supporting a workforce of 7.5 million people. The adoption of telemedicine, virtual assistants, and data analytics is expected to create 2.7 to 3.5 million new tech-related jobs.

Further, India's medical tourism market was valued at approximately INR 63,400 crore in 2024 and is projected to grow to INR 1,17,600 crore by 2025. According to India Tourism Statistics, 634,561 international tourists visited India for medical treatment in 2023, accounting for 6.87% of the country's total international visitors. With a medical value travel (MVT) market estimated at INR 40,500-48,600 crore and an annual influx of 500,000 international patients, India has established itself as **a leading global destination for advanced medical treatments.**

However, challenges persist in the sector, including a **shortage of hospital beds**—India has only 1.6 beds per 1,000 people, significantly below the WHO's recommended 3 beds per 1,000. Additionally, there has been a steady decline in **high out-of-pocket healthcare expenses** from 2014, there remains a concern, with 49.82% of costs borne by individuals, often leading to financial strain.

1.9% of GDP

India's Public Health Expenditure in FY 2023–24

It has increased from 1.4% of GDP in FY 2017-18

USD 372 bn

Valuation of the Indian healthcare industry

Significant expansion over the past one decade

7.5 mn

Workforce engaged in India's healthcare industry

Has become one of the largest employment generators by 2024

2.7–3.5 mn

New tech-related jobs expected to be created

Due to adoption of telemedicine, virtual assistants, data analytics

INR 63,400 Cr

Valuation of India's medical tourism market in 2024

Projected to grow to around INR 1,17,600 Crores by 2025

6,34,561

International medical tourists visited India in 2023

Accounting for 6.87% of India's total international visitors

Introduction

To take the Hon'ble Prime Minister's vision ahead, Pradhan Mantri Integrated Healing and Hospital Parks i.e., MediCities should be designed as comprehensive hubs for specialized and holistic healthcare services, aiming to revolutionize healthcare delivery. The MediCities initiative, developed through public-private partnerships, will be a catalyst for transforming India's healthcare system by 2047.

This Point of View document advocates the setting up of MediCities across India to address the challenges mentioned in the previous section. **Some of the key suggestions are appended as below -**
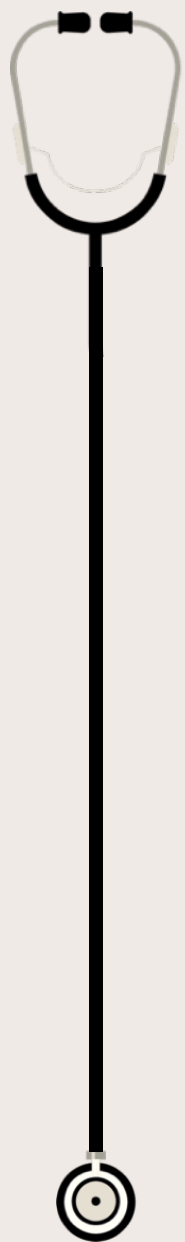
1 Address Healthcare Infrastructure Gaps
Setup at least 25 MediCities across the country ranging from 50-200 acres plots.

2 Integrate Public and Private Healthcare
Govt. of India and States form an SPV; GoI offers common infrastructure support, state govt. provides land, while private entities handle operations, infrastructure & investments.

3 Ensure 'Sabka Swasth' by 2047
At least 25 per cent beds reserved for affordable healthcare through CGHS integration, benefiting millions.

4 Medical Value Tourism (MVT) as an Economic Driver
Offer strategic locations near international airports in Tier-1, Tier-2 cities to attract international medical tourists.

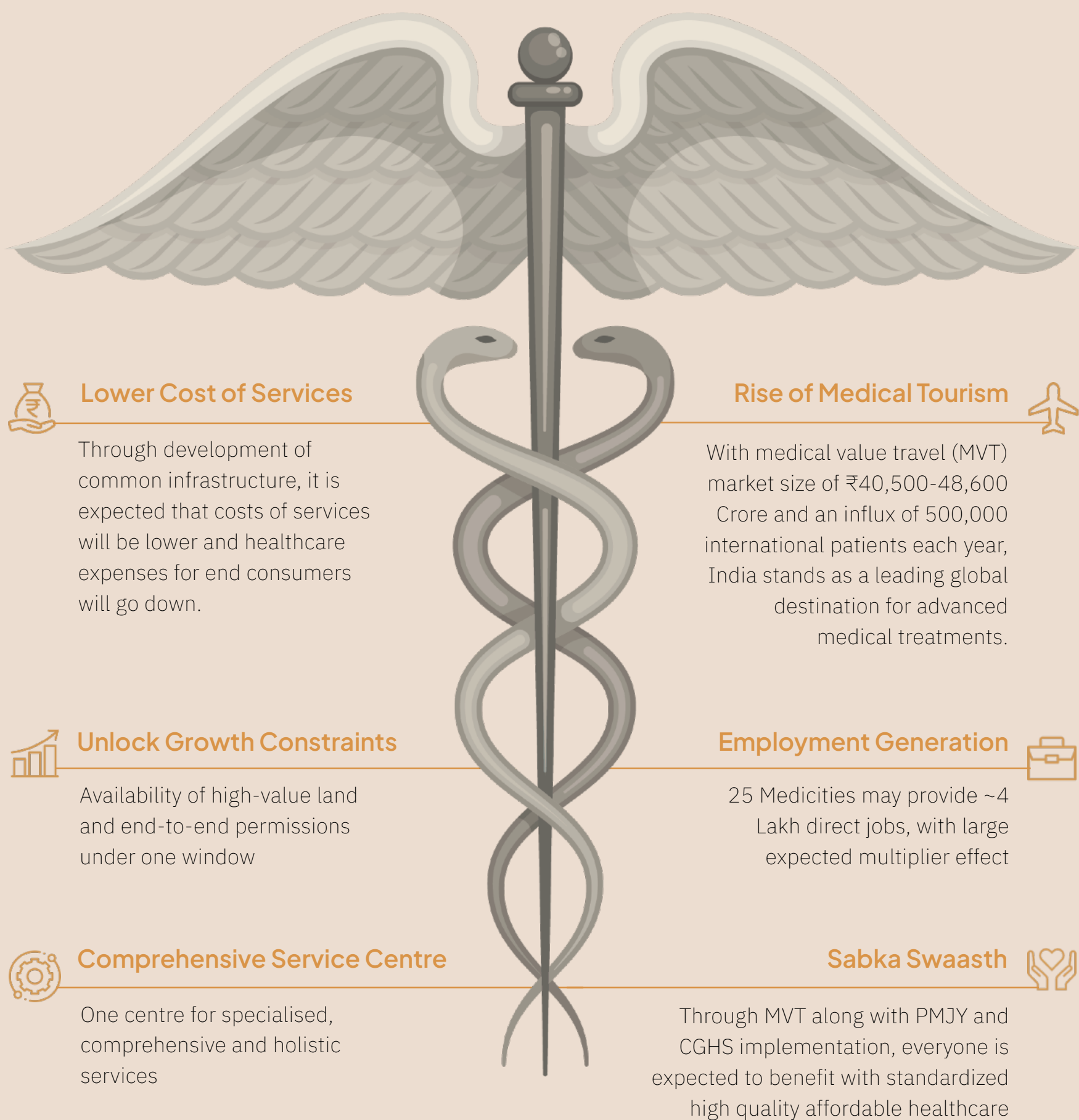## 5 Generate Economic and Employment Spin-offs
Create at least 400K direct jobs with a large multiplier effect and attract foreign investments by leveraging India's competitive healthcare costs and skilled workforce.

Fig. 1 A snapshot on 'Why is development of Medicities important for a new India?'

While the past decade focused on manufacturing & IT services–led growth, healthcare services in India offer a significant opportunity for economic growth and global good

Lower Cost of Services

Through development of common infrastructure, it is expected that costs of services will be lower and healthcare expenses for end consumers will go down.

Rise of Medical Tourism

With medical value travel (MVT) market size of ₹40,500-48,600 Crore and an influx of 500,000 international patients each year, India stands as a leading global destination for advanced medical treatments.

Unlock Growth Constraints

Availability of high-value land and end-to-end permissions under one window

Employment Generation

25 Medicities may provide ~4 Lakh direct jobs, with large expected multiplier effect

Comprehensive Service Centre

One centre for specialised, comprehensive and holistic services

Sabka Swaasth

Through MVT along with PMJY and CGHS implementation, everyone is expected to benefit with standardized high quality affordable healthcare

01

Address Healthcare Infrastructure Gaps

Setup at least **25 MediCities** across the country ranging from 50–200 acres plots

Government of India should spearhead the **development of MediCities across India to provide high-quality, accessible, and affordable tertiary care healthcare** while positioning the country as a global healthcare hub. These specialized medical hubs will integrate advanced healthcare infrastructure, research facilities, and medical education centres to enhance healthcare delivery and promote medical tourism.

These MediCities will create a **comprehensive healthcare ecosystem**, bringing together hospitals, clinics, diagnostics, research centres, and rehabilitation facilities under one umbrella. Seamless integration among healthcare providers will ensure holistic and coordinated patient care. Furthermore, these hubs will serve as centres for medical education and research, training approximately 2,500 medical students and 4,800 nursing students annually, fostering innovation and driving advancements in healthcare.

To support these initiatives, MediCities will feature state-of-the-art infrastructure, including modern hospitals, research labs, medical colleges, and residential complexes for healthcare professionals. Robust emergency response and disaster management systems will also be established to enhance preparedness for medical emergencies and natural disasters.

MediCities will require **contiguous land parcels of 50, 100, 150, or 200 acres** to ensure efficient infrastructure development and seamless integration of healthcare services. In certain cases, non-contiguous land parcels may also be considered, provided they offer good connectivity, proximity to key infrastructure, or are in North-East India or hilly regions, where land constraints exist. A structured zoning and space utilization plan will be implemented for 50, 100, 150, and 200-acre land parcels to ensure optimal resource allocation. These plans will cover essential services, including hospitals, diagnostics, research centres, medical education institutions, rehabilitation facilities, and residential complexes. The detailed allocation for each land category is outlined in the table below:

Table 1 Zoning and Space Utilization of MediCities

Category	Facilities
Healthcare Services	Core HealthCare Services - Multi/Super-Specialty Hospital Blocks, OPD, AYUSH Hospitals, Geriatric Care Facility etc.
	Healthcare Education & Research - Medical/Nursing/Paramedical Colleges, Research Institute
Commercial	Hotel
	Shopping/ visa facility centre/ Banking and ATM/ Currency Exchange/ Food Court/ Recreation Centre with theatre/ Play Area/ Creche
Common Facilities	Common Healthcare – Medical Diagnostic Centers, Kitchen/ Cafeteria, Common Pharma Centers, Mortuary, Bio-Medical Engineering Centre etc.
	Other facilities such as Energy Sub-Station, Fire Station, Laundry, Sewage Treatment Plant, Water Treatment Plant, Bio-Medical Waste handling Block, Sterile Processing Department etc.
Residential	Rental Studio Apartments
	Medical Hostel (UG + PG) / Nursing Hostel
	Rest Houses and Rental housing for O&M Staff etc.

The MediCities development must focus on creating comprehensive healthcare hubs with specialized facilities. The plan includes a **minimum of 5,000 beds across 10 blocks** for various super/multi-speciality hospitals, covering specialties like Trauma, Cardiology, Oncology, Neurology, and others. These will cater to local disease profiles as well.

The development will also include medical and nursing colleges, with academic blocks, laboratory spaces, hostels, faculty residential complexes, sports and recreational facilities, and cafeterias. A dedicated block for paramedical training will further enhance the educational infrastructure.
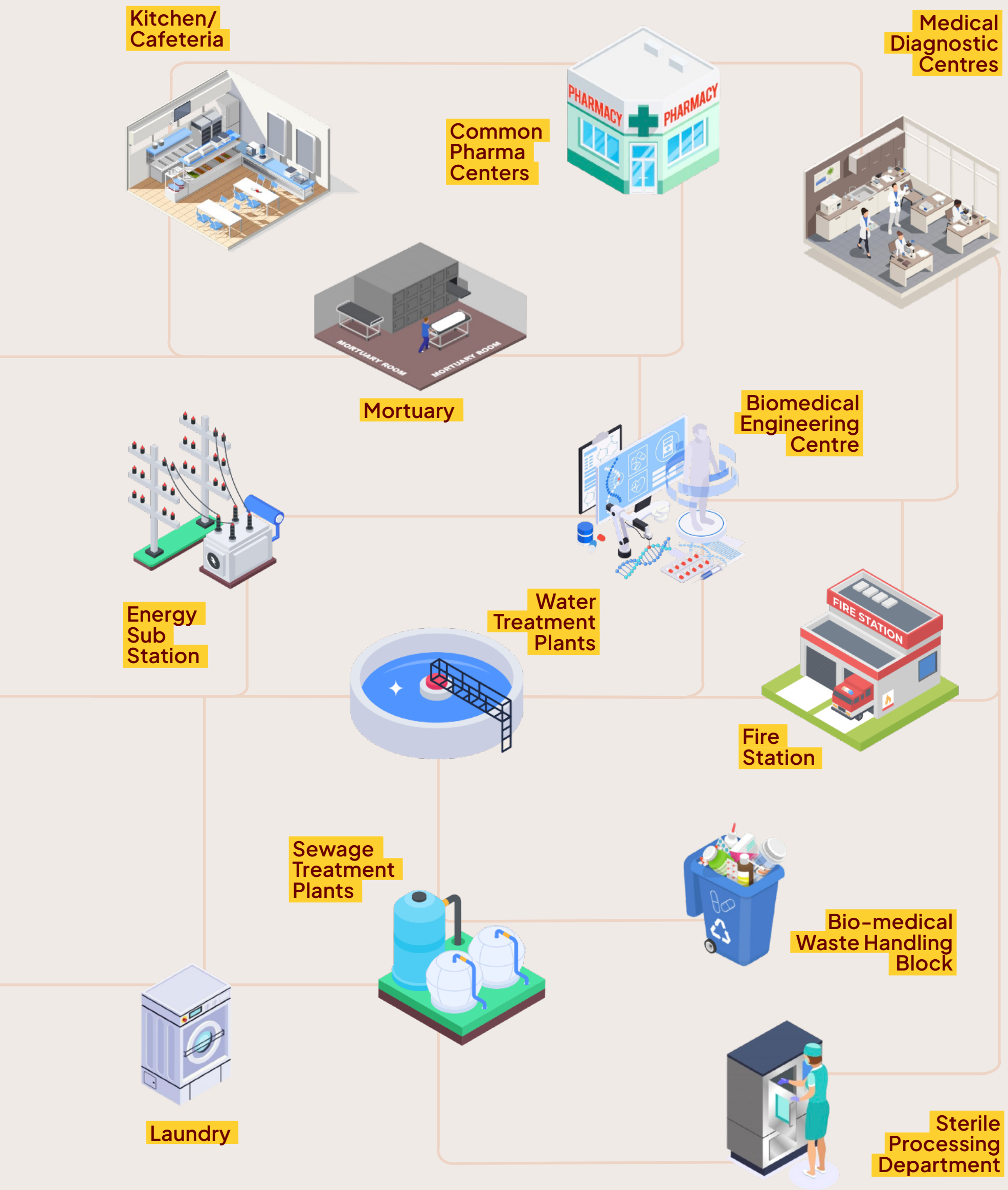
Core Healthcare Services

Healthcare Education & Research

Hotel

Food Court

Shopping

ATM

Visa Facility Centre

Recreation Centre with Theatre

Banking & Currency Exchange

Play Area & Creche

Rental Housing for O&M Staff

Medical Hostel – UG, PG, Nursing

Rental Studio Apartments

■ Healthcare Services   ■ Commercial   ■ Residential   ■ Common Facilities

Kitchen/
Cafeteria

Common
Pharma
Centers

Medical
Diagnostic
Centres

Mortuary

Biomedical
Engineering
Centre

Energy
Sub
Station

Water
Treatment
Plants

Fire
Station

Sewage
Treatment
Plants

Bio-medical
Waste Handling
Block

Laundry

Sterile
Processing
Department

■ Healthcare Services   ■ Commercial   ■ Residential   ■ Common Facilities

02

Integrate Public and Private Healthcare

GoI and States form an SPV; GoI offers common infrastructure support, state government provides land, while private entities handle operations, infrastructure, and investments

It is proposed that the scheme will be rolled out in two distinct phases –

Phase 1

In this phase, **central assistance** will be provided to states for **developing common infrastructure in greenfield projects** based on submitted proposals.

Phase 2

This phase will commence one year after the scheme's launch. It will extend **central assistance to both greenfield and brownfield projects** and will support the **development of common infrastructure and dormitories**, encouraging private sector participation.
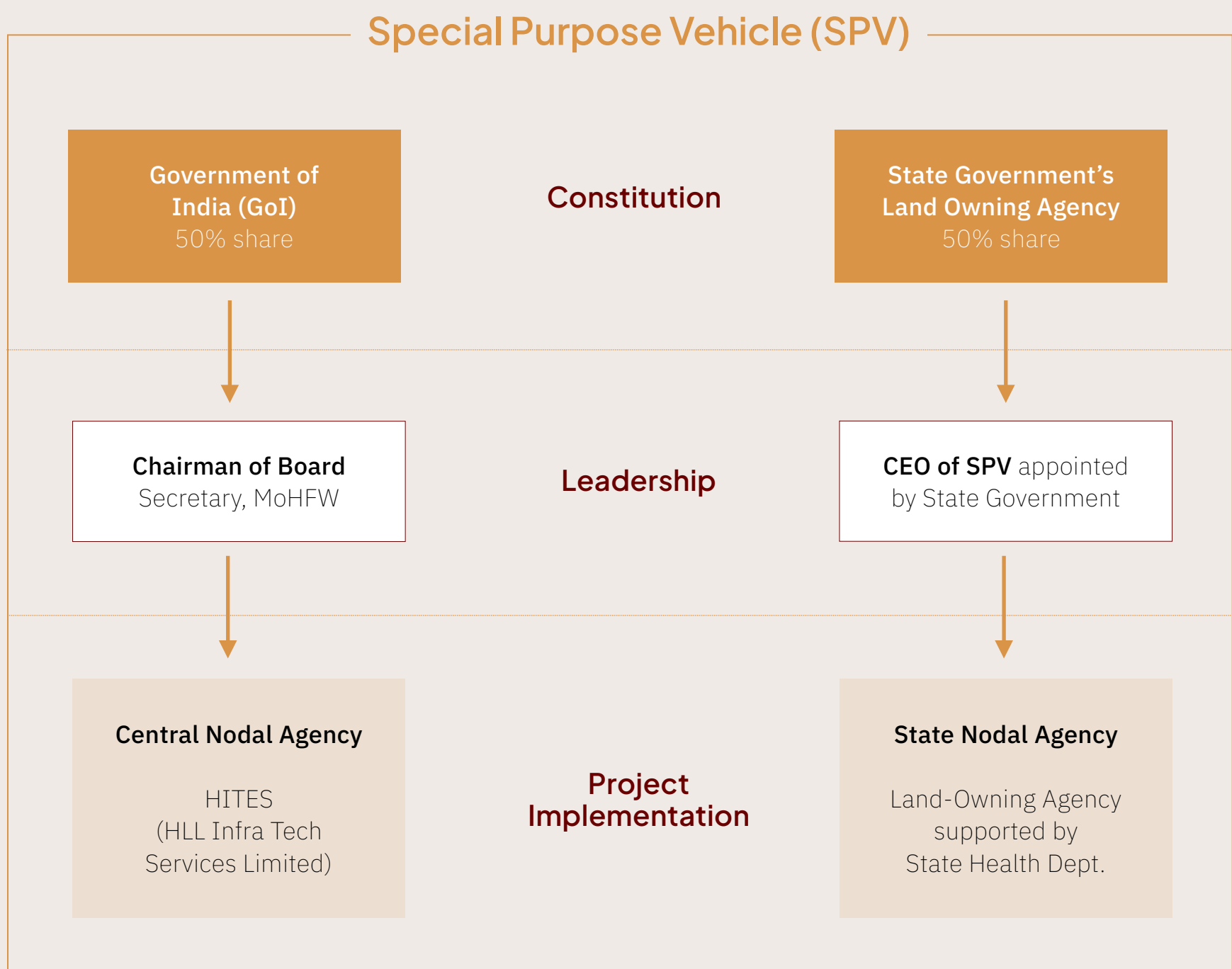
The cities eligible for the scheme will include **Tier-1 and Tier-2 cities** across India. Selection will be based on their proximity to an airport within a defined distance, ensuring easy accessibility for patients and visitors.

Each state will be responsible for establishing a **Special Purpose Vehicle (SPV)** in collaboration with the State Government, the Government of India (GoI), and the land-owning agency. The GoI will hold a 50% share in the SPV, with the Secretary of the Ministry of Health and Family Welfare (GoI) acting as the Chairman of the Board. The CEO will be appointed by the respective State Government.

The State Nodal Agency, led by the land-owning agency in coordination with the state health department, will oversee the project's implementation at the state level. At the central level, HITES (on behalf of the Ministry of Health and Family Welfare) will serve as the Central Nodal Agency, offering transaction support to the SPV. Each SPV will be responsible for preparing its own master plan.

State governments will be responsible for ensuring local governance and the maintenance of public amenities such as roads, water, electricity, fire safety, and security. Additionally, they will ensure the efficient operation of hospital units and the establishment of local administrative offices to support businesses and residents.

Special Purpose Vehicle (SPV)

Government of India (GoI) 50% share	**Constitution**	**State Government's Land Owning Agency** 50% share
Chairman of Board Secretary, MoHFW	**Leadership**	**CEO of SPV** appointed by State Government
Central Nodal Agency HITES (HLL Infra Tech Services Limited)	**Project Implementation**	**State Nodal Agency** Land-Owning Agency supported by State Health Dept.

It is proposed the major components for the development may be done through the integration of **Public and Private synergies**. The availability of land, common infrastructure, core healthcare facilities, common healthcare facilities, Healthcare education and Research facilities, commercial plots and residential plots including Rental Housing, Rest houses will be funded and operated in the following manner –

Table 2 Proposed Funding Pattern and Operational Matrix for MediCities

No.	Components	Mode of Funding
1	Land	• State Nominated Infrastructure/Industrial/Urban Development agencies • Public (such as NICDC/other PSUs with available land)/Private Sector Agency The land will be provided with the Special Purpose Vehicle (SPV) at nominal or book value and will be recognized as the agency's equity contribution to the SPV, independent of the land's market value. The cost of the land will not be included in the project cost assessment.
2	**Common Infrastructure** (Roads, Utilities, Water Supply, Electricity, Fire Service etc.)	Common infrastructure will be funded through MediCity Scheme via Government of India funding
3	**Core Healthcare Facilities**	Developed by Private Sector | Design, Build, Operate and lease given as per the prevailing local state laws.
4	**Common HealthCare Facilities**	Common healthcare facilities will be funded through the MediCity Scheme with financial support from the Government of India. For equipment services, the initial setup costs will be funded through the MediCity Scheme. After five years of operation, the Special Purpose Vehicle (SPV) will auction the equipment to private sector entities. These operators will preferably be engaged through a pay-per-use model.
5	**Healthcare Education and Research facilities**	Through Auction and operated by Private Sector
6	**Commercial Plots**	Through Auction and operated by Private Sector
7	**Residential Plots** (Rental Housing + Rest Houses, Housing for Facility Staff)	75% of Built-Up Area through Auction and operated by Private Sector. The rest of the 25% to be development by SPV through EPC Mode for lower income groups.

The Government of India will facilitate development of common infrastructure as a one-time investment, and SPV will subsequently maintain utilities and infrastructure for Medicities by collecting service and user charges.

The **Special Purpose Vehicle (SPV) established will be tasked with** conceptualizing, formulating, achieving financial closure, implementing, operating, and managing infrastructure within a specified budget. The SPVs will also assume responsibility for both existing and future obligations following the duration of the scheme proposal. Additionally, it will coordinate the maintenance and upkeep of the assets created, funded through service and user charges. The SPV will bear all legacy responsibilities and associated costs, including those related to obsolescence. All commercial proceeds, including the auction of land, revenue sharing from hospitals, collection services, and user charges, will be collected by the SPV.

The Special Purpose Vehicle (SPV) is structured as a **50:50 joint venture** between:

- Government of India (GoI)
- State Land owning agency (For example, State Industrial/Infrastructure/Urban Development agency etc.)

An **initial paid-up capital of INR 1 crore** will be infused into the SPV in the specified ratio. The Chairmanship will be held by the Secretary, Ministry of Health & Family Welfare (MoHFW), Government of India, while the CEO will be from the State Government.

The Special Purpose Vehicle (SPV) will bear all legacy responsibilities and associated costs, including those related to obsolescence. All commercial proceeds, including the auction of land, revenue sharing from hospitals, collection services, and user charges, will be collected by the SPV. It will bear all the cost towards the salary/ fees/ emoluments of the proposal human resources and other associated costs.

Estimated budget for the common infrastructure support from Government of India required to cover the setup cost for developing the Medicities over a period of five years will be **to the tune of INR 10,000 Crore**. While it is expected that the **private sector investment will infuse INR 75,000-80,000 Crore** to develop its components.

03

Ensure 'Sabka Swasth' by 2047

At least **25 per cent beds are reserved** for affordable healthcare through CGHS integration, benefiting millions

The MediCity initiative must aim to provide **accessible and affordable healthcare to all sections of society**, with a focus on lower-income families and vulnerable populations, in alignment with the principles of Universal Healthcare and the 'Sabka Swasth' model.

As part of this initiative, it will be mandatory for all Medicities to ensure that beneficiaries are enrolled in the CGHS (Central Government Health Scheme). Beneficiaries will be identified through **UID numbers to ensure easy access** to healthcare services under these schemes.

The objective is to build global-standard tertiary care facilities across the country, ensuring that healthcare is both high-quality and affordable. To maintain affordability and equitable access, some services will be priced based on the benchmark rates of CGHS.

The **key performance indicators** will focus on the financial expenditure for these beneficiaries, ensuring that funds are utilized effectively and in a transparent manner.

Further, to complement the MediCity initiative by creating a robust community network that enhances accessibility and affordability of healthcare, particularly for vulnerable populations. Through active participation from citizens, professionals, and corporations, this initiative aims to bridge healthcare gaps, empowering medicities and improving patient care.

Key objectives include enhancing patient care through community engagement, volunteer expertise, and resource donations, as well as addressing resource gaps in hospitals. This initiative focuses on improving healthcare quality, accessibility, and patient satisfaction, especially for underserved communities.

Key components include healthcare volunteering, where medical professionals, specialized experts, and general volunteers contribute their time and skills. Volunteers can assist in hospitals, provide specialized services, and conduct health education workshops on preventive health, nutrition, and disease management.

Material and resource contributions involve mobilizing funds through corporate CSR initiatives, NGOs, religious institutions, and individual donors. These contributions can support subsidized care programs, patient assistance, medical equipment, supplies, and comfort items for patients. Additionally, technological support and nutritional aid can help enhance patient experience and care, especially for those unable to afford essential treatments.

Key Objectives

Enhancing patient care through:
- Community Engagement,
- Volunteer expertise
- Resource donations

Addressing **resource gaps** in hospitals

Improving **healthcare quality, accessibility**, and **patient satisfaction**, especially for underserved communities

Key Components

Mobilising funds through:
- CSR Initiatives & NGOs
- Religious Institutions
- Individual Donors

Technological Support

Nutritional Aid

Healthcare Volunteering, contributing time and skills

04

Medical Value Tourism (MVT) as an Economic Driver

Offer s**trategic locations near international airports** in Tier-1, Tier-2 cities to attract international medical tourists

Medical value tourism (MVT) has emerged as a thriving sector in India, positioning the country as a global healthcare hub.

With cost-effective treatments, highly skilled medical professionals, and advanced facilities, India attracts millions of international patients annually. The Indian healthcare industry has adopted global standards, with numerous hospitals accredited by Joint Commission International (JCI), enhancing trust and quality.

The scope of medical value tourism in India spans various specializations, including cardiology, orthopaedics, oncology, and cosmetic surgery, making the country **a preferred destination for complex medical procedures.**

India is also **a leader in wellness tourism,** offering Ayurveda, Yoga, and traditional healing therapies, particularly in Kerala, which contributes significantly to the sector's growth.

In 2023, India received over **634,000 international patients**, contributing to a market valued at ₹63,400 crore, projected to grow to **₹1,17,600 crore by 2029**. The medical tourism sector's growth is also supported by government initiatives, such as the "Heal in India" program and the streamlined medical visa process. With an **aim to attract 20 million medical tourists by 2025,** India is expanding hospital parks near international airports to boost the sector further.

India's medical tourism sector is also a significant economic driver, creating jobs in healthcare, hospitality, transportation, and tourism. The Indian government's policies, like the Medical Visa Scheme, National Health Policy, and National Medical Commission, are essential to the industry's growth, ensuring that India remains a competitive global healthcare destination.

India's proximity to countries in the **Middle East, Africa, and South Asia** has also played a significant role in its growing medical tourism industry. Cities like Delhi, Mumbai, Bangalore, Chennai, and Hyderabad are popular medical tourism hubs, boasting advanced facilities and expertise across a variety of specialties such as cardiology, orthopaedics, oncology, and cosmetic surgery.

Therefore, it becomes clear that **setting up MediCities in the Tier-1, Tier-2 apart from the established metro cities will be a robust tactic** to attract international medical tourists and boost penetration of medical infrastructure across the country.

05

Generate Economic and Employment Spin-offs

Create at least **400K direct jobs** with a large multiplier effect and attract foreign investments by leveraging India's competitive healthcare costs and skilled workforce

The establishment of MediCities, designed with integrated healthcare facilities, is expected to create a significant number of employment opportunities across various sectors. **Each hospital bed is projected to generate six direct jobs**, and each direct job further contributes 1.5 times that number in indirect employment. This multiplier effect is reflected across different facilities such as core healthcare hospitals, Ayush hospitals, senior care centres, medical schools, and paramedical institutes, all of which are central to the MediCity concept.

For a 200-acre MediCity with 5,000 beds, approximately 30,000 direct jobs will be created, alongside 45,000 indirect jobs, totalling **75,000 jobs**. Smaller MediCities, such as those spanning 150 acres (4,000 beds), 100 acres (3,000 beds), and 50 acres (1,500 beds), are expected to generate proportionally fewer jobs but still create significant employment opportunities. These estimates indicate that even on a smaller scale, MediCities have the potential to impact local economies through employment in healthcare, infrastructure, hospitality, and education.

A 200-acre MediCity can generate **75,000 new jobs**

5,000
Hospital Beds

6x multiplier →

30,000
Direct Jobs

1.5x multiplier →

45,000
Indirect Jobs

The **diverse facilities within the MediCity ecosystem**—ranging from medical diagnostic centres, bio-medical engineering centres, and research institutes to nursing colleges, medical hostels, and rest houses—play a crucial role in fostering employment across healthcare, academic, and support services. Each of these facilities adds to the multiplier effect, creating both direct and indirect jobs across the region.

In total, the job creation potential of MediCities is immense, contributing to both the healthcare sector's growth and the broader economy by generating opportunities in hospitality, services, and infrastructure development. This alignment between healthcare services and local job creation ensures that **MediCities serve as catalysts for socio-economic growth**, especially in areas with burgeoning healthcare needs.

Annexure

What could be the selection procedure for Core Healthcare Service Providers?

To ensure the highest standards in healthcare service delivery, a **Global Tender (QCBS)** will be issued for project proposals. This tender will consider various parameters, including project development costs, land lease premiums, and revenue-sharing models with the Special Purpose Vehicle (SPV). The **selection criteria are structured around the following key areas:**

Targeted Invitees

- The tender is exclusively for **hospital service providers**.
- Entities that primarily offer financing support or platform-based services are excluded.

Financial Criteria

- Bidders must demonstrate financial capability to cover **at least 30% of the estimated hospital development cost**.

Experience & Capability

- Applicants must have experience in at least:
  - One hospital project with a minimum of 500 beds, or
  - Two projects, each with at least 300 beds.
  - The healthcare facility should have at least 50 National Medical Commission (NMC) - certified doctors on payroll.

Financial Strength

- Proposers must demonstrate **financial robustness**, showcasing the ability to raise and leverage funds through a sound debt-to-equity ratio.

Service Capabilities

- Providers must have the **capacity to cater to international patients** through Medical Value Travel (MVT) initiatives.

Quality & Compliance

- The facility must hold certifications from recognized bodies, such as:
  - NABH (National Accreditation Board for Hospitals & Healthcare Providers)
  - ISO (International Organization for Standardization)
  - GHA (Global Healthcare Accreditation)
  - Any other relevant licenses required for operations must be obtained.

Adherence to Govt. Schemes

- The provider **must commit to utilizing Pradhan Mantri Jan Arogya Yojana (PMJAY) and Central Government Health Scheme** (CGHS).
- At least 25% of hospital patients must benefit from structured schemes under these programs.

Evaluation Criteria

- The evaluation process follows the **Quality and Cost-Based Selection (QCBS) model** with a X:Y weightage.
- **X% weightage** is given to technical quality and compliance.
- **Y% weightage** is assigned to financial parameters, including revenue-sharing or lease models.

This structured selection framework ensures that **only financially sound, experienced, and quality-driven healthcare providers are chosen**, leading to the establishment of world-class medical facilities.

Please note, the **rates of operations for all service provides** may be as follows –

- Pre-identified 25% of the operationalized beds (Regulated Beds) will be capped at Central Government Health Scheme (CGHS) rates as applicable at respective cities.
- The service provider will have the flexibility to charge patients on the remaining beds for the healthcare and allied services provided.

Annexure
Various Revenue Sharing or Lease Models for Financial Qualification Criteria

Model 1
Incremental Revenue Sharing Model

- Incremental revenue sharing percentage (at least 10% increase after approximately 10 years) to ensure minimum viability of the project.
- Land to be provided to providers on long-term lease at a nominal rate.
- Upfront license fee (to cover pre-operative expenses).

Model 2
Lease Model

- Upfront lease premium at the beginning of the lease commencement (Land cost to be fixed).
- Upfront license fee (to cover pre-operative expenses)

or

- Incremental rental fee* to ensure viability of the project (Land cost to be fixed).
- Lease period determined by bidder and as per local state laws.
- Upfront license fee (to cover pre-operative expenses).

*Two separate accounts to be created for collecting rental fees and user/service charges.

Model 3
Hybrid Revenue Sharing – Lease Model

- 50% of the upfront lease premium at the beginning of the lease commencement (Land cost to be fixed).
- Incremental revenue sharing percentage (at least 10% increase after approximately 10 years) to ensure minimum viability of the project.
- Land to be provided to providers on long-term lease at a nominal rate.
- Upfront license fee (to cover pre-operative expenses).

or

- Incremental rental fee to ensure viability of the project, covering 50% of the land premium (Land cost to be fixed).
- Lease period determined by bidder and as per local state laws.
- Incremental revenue sharing percentage (at least 10% increase after approximately 10 years) to ensure minimum viability of the project.
- Upfront license fee (to cover pre-operative expenses).

Conclusion

Social Equity: A Pillar of India's Future

India's journey towards 2047 is anchored in the principle of social equity, ensuring that every citizen can thrive. Given its vast and diverse population, targeted policies are essential to bridge socio-economic gaps.

The government is actively working towards this vision through transformative programs like Ayushman Bharat, which provides health insurance to marginalized communities under the Pradhan Mantri Jan Arogya Yojana (PMJAY). Additionally, the Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM) is strengthening healthcare facilities, particularly in rural and underserved regions.

In FY 2025-26 Union Budget, a support was announced for informal workers, wherein the government is registering gig workers on the e-Shram portal and extending PMJAY coverage to 1 crore gig workers, integrating them into India's formal healthcare system. Further, the Social Security Code (2020), once fully implemented, will ensure employer contributions cover gig workers under the Employee State Insurance Corporation (ESIC), providing them with comprehensive healthcare and social security.

Transforming Healthcare: Universal Access for All

Universal healthcare is a cornerstone of India's vision for 2047. The COVID-19 pandemic exposed vulnerabilities in the healthcare system, emphasizing the need for reforms to ensure equitable access to quality care. The government has significantly expanded healthcare access through initiatives like the National Health Mission (NHM) and PMJAY. The promotion of Medical Tourism and Heal in India, in collaboration with the private sector, along with streamlined visa norms and capacity building, is a strategic step toward establishing MediCities across the country.

India @ 2047 – A Vision of Growth and Equity

India's journey to 2047 is defined by innovation, resilience, and inclusivity. With strategic investments in MediCities which will have a larger impact across healthcare, education, infrastructure, and technology, the country will lay the foundation for a prosperous and equitable future. By 2047, India will not only be a global economic powerhouse but also a leader in social equity and universal healthcare. With sustained investment in key sectors and an unwavering commitment to inclusivity, India is poised to set an example for the world—a nation driven by progress, well-being, and opportunity for all. This is the India of **Amritkaal**, defined by its determination, innovation, and commitment to its people.

About
Primus Partners

Primus Partners has been set up to partner with clients in 'navigating' India, by experts with decades of experience in doing so for large global firms. Set up on the principle of 'Idea Realization', it brings to bear 'experience in action'. 'Idea Realization'— a unique approach to examine futuristic ideas required for the growth of an organization or a sector or geography, from the perspective of assured on ground implementability.

Our core strength comes from our founding partners, who are goal-oriented, with extensive hands-on experience and subject-matter expertise, which is well recognized in the industry. Established by seasoned industry leaders with extensive experience in global organizations, Primus Partners boasts of a team of over 250 consultants and additional advisors, showcasing some of the finest talent in the nation.

The firm has a presence across multiple cities in India, as well as Dubai, UAE. In addition, the firm has successfully executed projects across Africa, Asia Pacific and the Americas.

India   United States of America   United Arab Emirates   Kingdom of Saudi Arabia

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Solutions for Tomorrow

PRIMUS RESEARCH

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