Assessment of RSBY in comparative perceptive with other health insurance schemes available in India

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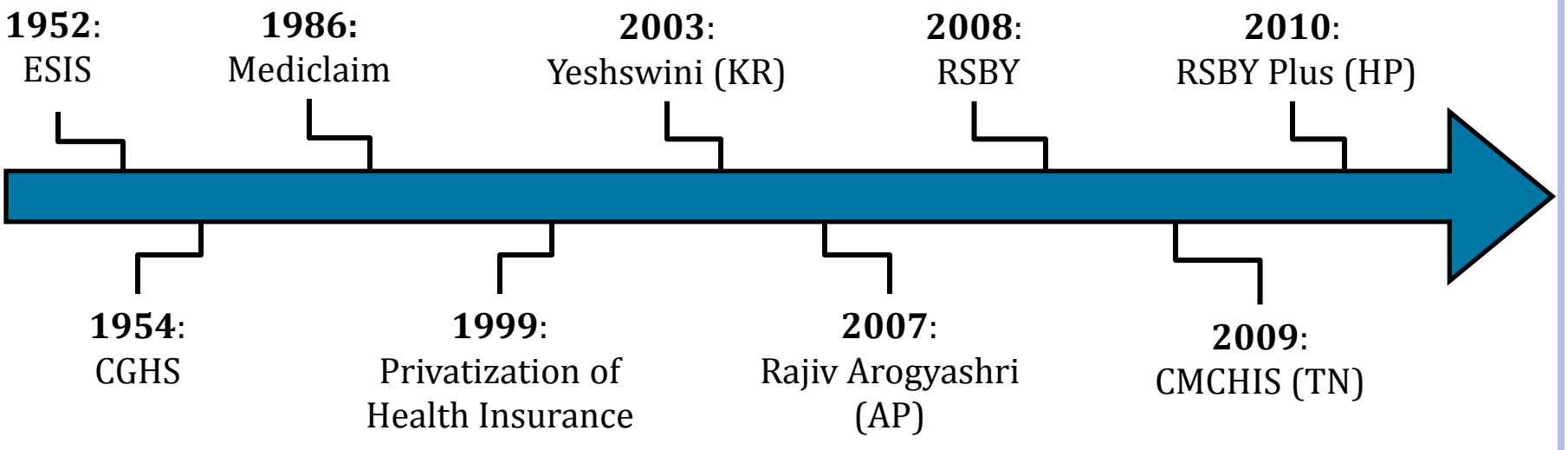
A. INTRODUCTION:-

- Presently there is no universal organized model that can provide health services with minimum or no out of pocket expenditure.

- Developed countries like United States, United Kingdom, Germany, and Japan adopt different social health insurance model by spending almost 17%, 9%, 11%, and 10% of GDP on health care respectively

- In India according to National health accounts data, government account for only 20% of total health expenditures in India and only 2% by external aid by government or NGOs rest of 78% take the form of un-pooled, out of pocket payments

- Rashtriya Swasthya Bima Yojana (RSBY) is the national health insurance scheme started by Government of India (GoI) in 2008 for the Below Poverty Line (BPL) family to enhance their access to quality health care and care seeking behaviour.
- Parallel to RSBY there are some other state government sponsored health insurance scheme like Rajiv gandhi arogyashri (Andhra Pradesh and Telengana), CMCHIs (Tamil Nadu), and yashswini (Karnataka) scheme initiated with tertiary care provision.



Problem Statement:-

- RSBY scheme involve stakeholders like private and public health service providers, insurance companies, TPA agencies and NGOs in its unique structure. This multiplicity of agency also bring incoordination and other information asymmetry directly or indirectly it affects the coverage determinates from both supply and demand side in RSBY scheme, also there are some challenges that need to resolve and some limitation that RSBY need to overcome with to become a standard national health insurance scheme in terms of universal health coverage

Aim of Research:-

- To produce the integrated model of RSBY scheme for effective coverage, utilization and sustainability.

Research question:

- What are the measures for different aspect of coverage levels of existing health insurance schemes including RSBY in terms of universal coverage?
- What are the impacts and challenges in various institutional and organizational structures of available health insurance schemes sponsored by government?
- How RSBY model can be improvised further so that it can extend its coverage and sustainability in future?

➢ **Research objective:**

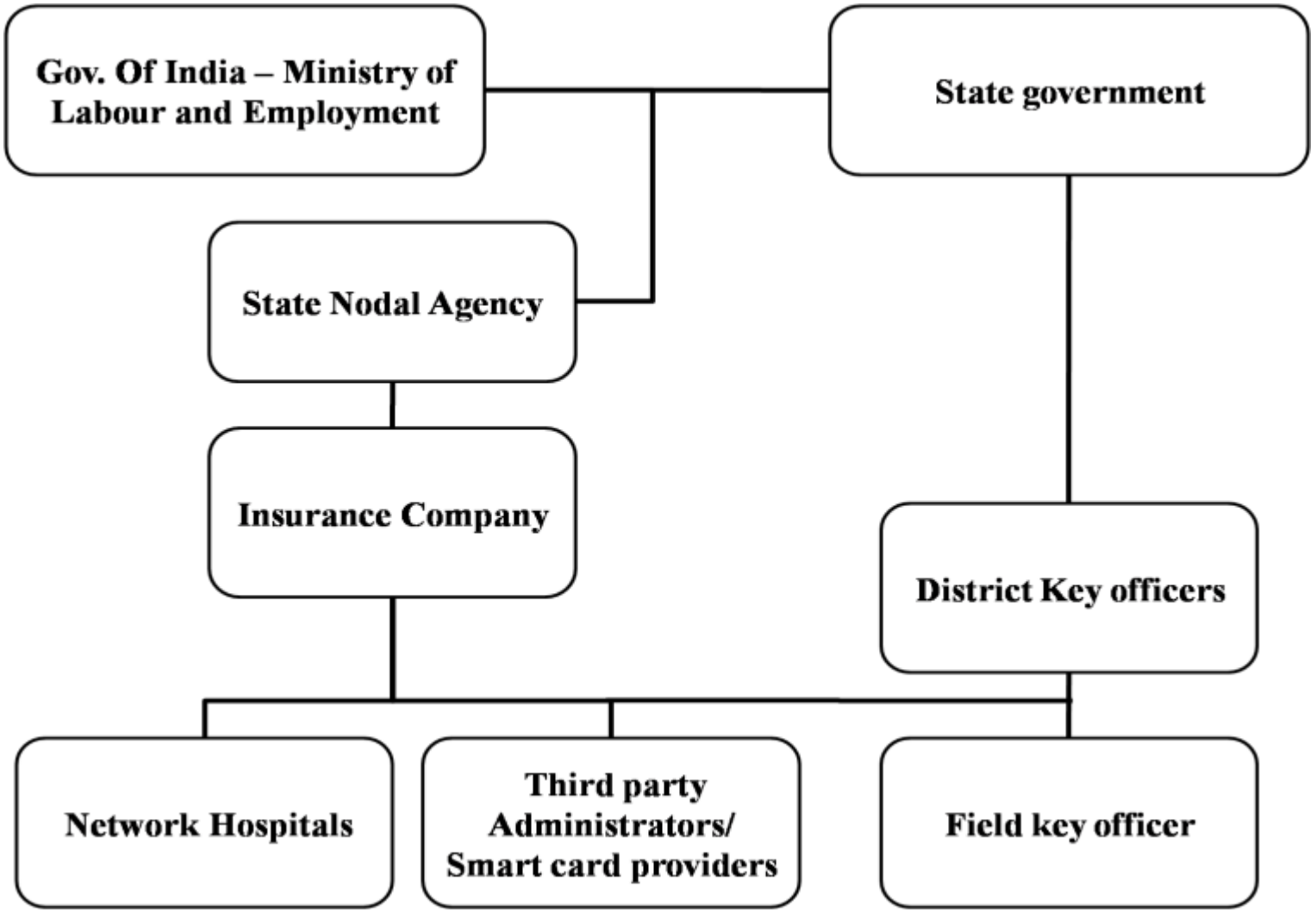
- To provide the outline of RSBY model and compare its efficiency with other successful model of available government sponsored health insurance scheme
- To identify the level coverage of RSBY compare to other government sponsored health insurance scheme.
- To identify the essential key features and their correlation with RSBY coverage.
- To access the possible challenges that reduces effective utilization of RSBY.
- To identify the potential elements that would facilitate significant scale up and sustainability of RSBY in future.
- To provide idea of improvised structure and model for RSBY scheme

Methodology

Type of study: Analytical study has been done by comparing RSBY scheme with other government sponsored health insurance schemes on basis of institutional structural, implementing processes and by Universal health coverage model, also current challenges and issue of RSBY scheme were re-examine and assess by fishbone diagram, and possible solutions and further scopes discussed in this study.

Data source: Obtain all data and information on individual schemes from the respective data records, tenders, official annual reports, various publication by researches, and electronic data from respective official websites of various social health insurance schemes

B. INSTITUTIONAL FRAMEWORK:-



Institutional structure of RSBY

Governing And Implementing Agencies

	Governing agency	Implementing agency	Insuring agent
RSBY	MoLE, State nodal agency	State nodal agency + Insurance company	State wise different insurance company
ESIS	ESIC (autonomous corp.) + MoLE	ESIC + State ESIS Dept.	ESIC
CGHS	MoHFW	MoHFW	CGHS
Yashasvini	Yashasvini co-op. Farmers health care trust (Co-op. Societies + State Gov. + Private hosp.)	Yashasvini co-op. Farmers health care trust +TPA	Yashshwini trust
Rajiv Arogyashri	Arogyashri health care trust (autonomous body by AP Gov.)	Arogyashri health care trust + Insurance company	Selected insurance company
CMCHIS-TN	TN health system society	Insurance company	Insurance company
Vajpayee Arogyashri	Suverna Arogya Suraksha trust (By Karnataka Gov.)	Suvarna Arogya suraksha trust +TPA	Suvarna Arogya suraksha trust
RSBY Plus	HP Swasthya bima yojana society (autonomous body by HP Gov.)	HP State HFW department	Insurance Company under RSBY
RGJAY	Rajiv Gandhi Jeevandayee Society	Insurance company	Insurance Company

Stakeholder responsibility and decision making structure

	RSBY	Yashasvini	Rajiv Arogyashri	CMCHIS-TN
Oversight of Scheme	• Central Gov. • SNA	• State Gov.	• Rajiv arogyasri trust	• State Gov.
Finance management	• Central Gov. • SNA	• State Gov.	• State Gov.	• State Gov.
Contract to insurance company / TPA	• SNA	• Yeshasvini trust	• Rajiv arogyasri trust	• TN health system society
Selection of care provider	• Insurance company	• Cooperative societies	• Rajiv arogyasri trust	• Insurance company
Enrolment process	• SNA • Insurer	• Cooperative societies	• Insurance company	• Insurance company
Claim process	• Insurer	• TPA	• Insurance company	• Insurance company
Monitoring and evaluation	• Central Gov. • SNA • Insurer	• Yeshasvini trust	• Rajiv arogyasri trust	• Insurance company • District administration

RSBY-Enrollment Process

State Government set up an independent body "State Nodal Agency" (SNA). SNA collects BPL data in the specified RSBY format.

Insurance Company is selected through an open bidding process and electronic list of eligible BPL provided by SNA.

Insurance company empanels both public and private hospitals, and established enrolment stations are at local centres.

Collect biometric information,photographs and providing smart card to beneficiaries (after collecting Rs. 30/- Registration fees) in presence of field key officer (FKO).

Complete enrolment done by the insurance company with the help of district officials within four months, list of enrolled households is sent to the SNA by the Insurer.

RSBY-Premium Payment

- **First installment**: registration fee of INR 30

- **Second installment**: it is paid by the State Nodal Agency to the insurance company after verifying the enrollment data
  formula:

  N*[{25% of (X-60)}-30]
  N*[{10% of (X-60)}-30] (For north eastern states and J&K)
  (X being the premium amount per family and N is number of cards)

- **Third installment**: release by central government via state nodal agency
  formula:
  N*[{75% of (X-60)} + 60]
  N*[{90% of (X-60)} + 60] (For north eastern states and J&K)
  (X being the premium amount per family and N is number of cards)

- In formula INR 60 is smart card cost which completely paid by central government to selected insurance company.

UTILIZATION OF SERVICES BY BENEFICIARY:-

	Total no of beneficiary	No. of hospitalization	utilization rate	Income (crore)	Benefits cost (crore)	Claim ratio
ESIS	72000000	421290	**0.6%**	8500	5993	**70.5%**
RSBY	112500000	6300000	**5.6%**	1137.6	887.32	**78.0%**
Yashaswini	3450000	161723	**4.7%**	94	58.55	**62.3%**
Rajiv Arogyashri	71050000	1756110	**2.5%**	752.95	685.54	**91.0%**

- Above table shows the utilization and claim ratio, as per 2012-2013 data yashaswini and RSBY are high utilizing schemes yet showing low claim ration compare
- Rajiv Gandhi arogyashri and ESIS shows lowest utilization rate among given schemes but its claim ratio is way higher than any other scheme. This asymmetric information mainly occurs due to unnecessary utilization of recourse by provider to gain maximum benefits from insured individual.

RSBY Claim Process

Beneficiary goes to network hospital with smart card

Insurance representative verify smart card and allow to access the services

Doctor examined and prescribe the treatment to the patient

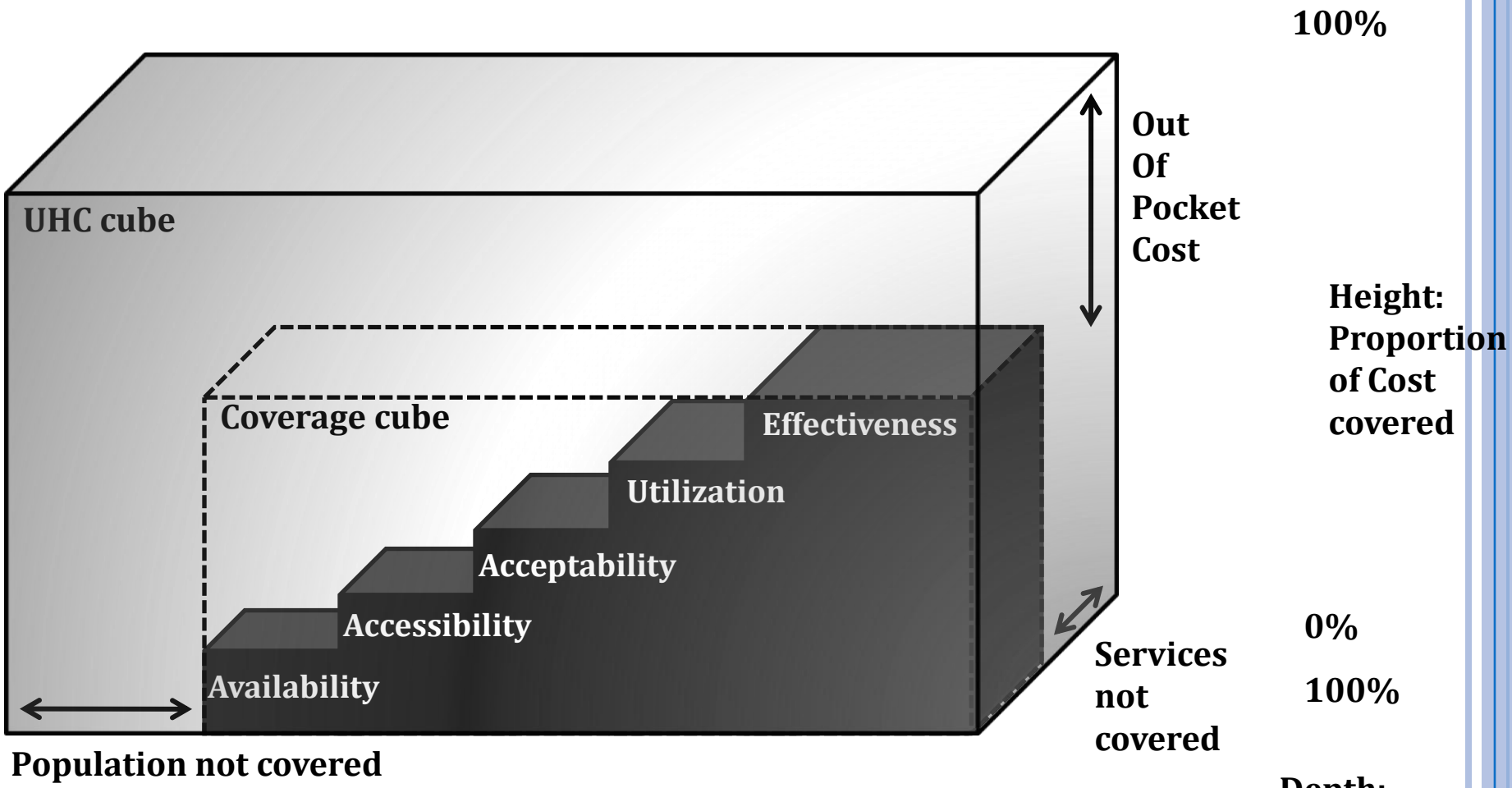
Once approved by doctor , amount according to benefit package, amount deduct from RSBY account

Claim assesment done by the Insurance company / TPA.

Once claim settled by Insurer, amount of package is reimbursed to network hospital's account.

RSBY	• Biometric ‘Smart card’ technology • Key management system (KMS) • Data transfer/ Robust Technology Platform
ESIS	• Initiate IT enable programme for scheme called ‘project panchdeep’ WIPRO working as system integrator, provision of feature like smart card, employers portal, insure people portal.
CGHS	• Plastic identity card for national portability, OPD service software in management information system (MIS). Online electronic claim processing
Yashaswini	• Electronic claim submission software connects with all network hospitals.
Rajiv Arogyashree	• Comprehensive MIS, include digital signatures and other data storage, electronic claim process and payments.
CMCHIS-TN	• Biometric smart card, online preauthorization and claim submission, and monitoring and control of scheme.
Vajpayee Arogyashri	• Comprehensive MIS, include online claim process and payment and TPA proprietary software.

C. Universal Health Coverage:-



POPULATION COVERAGE OF INSURANCE SCHEME

*BENEFICIARIES IN MILLIONS

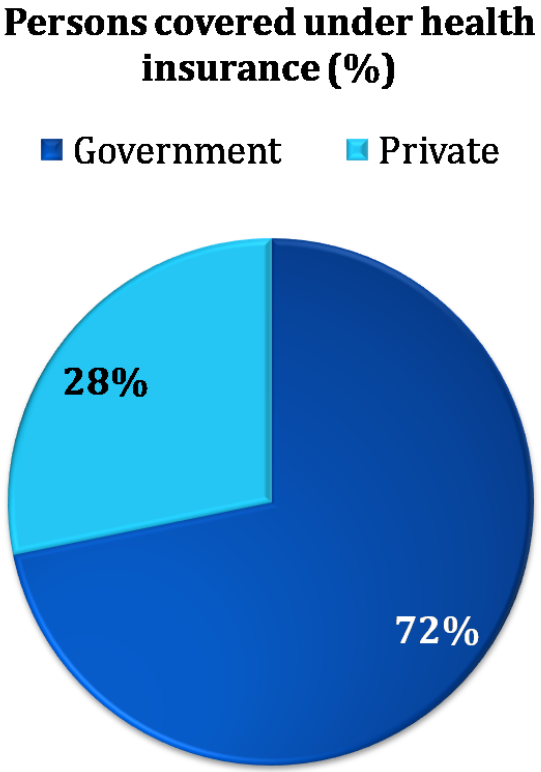
	Eligible population	Area	No. Of beneficiary*
RSBY	BPL + vulnerable group	Pan India (25 states)	112 ('13)
ESIS	All employees and their dependants	Pan India	72 (’13)
CGHS	Employees of Gov. & semi-Gov. Org; member of parliament & dependents	Pan India	3 (’10)
Yashasvini	Member of rural co-op. Society (BPL+APL)	Karnataka	3.4 (13’)
Rajiv Arogyashri	BPL + APL (Annual income < 75,000)	Andhra Pradesh	80 (’11)
CMCHISTN	BPL + APL (Annual income < 72,000)	Tamil nadu	36 (’10)
Vajpayee Arogyashri	BPL	Karnataka (7 dist.)	7.5 (’10)
RSBY Plus	BPL under RSBY	Himachal Pradesh	0.8
RGJAY	BPL + APL (Annual income <1,00,000)	Maharashtra	0.8 (’12)
Private insurance	Voluntary	Pan India	55

Three dimension and its key features

Breadth	• Population coverage • Risk pooling
Depth	• Healthcare provision • Purchasing health care services
Height	• Revenue collection • Expenditure

➢ Population Coverage

- RSBY expanded its eligibility criteria for beneficiary from below poverty line (BPL) population to BPL and venerable groups like building construction worker, riksha pullers, railway porters and domestic workers .



➢ Risk pooling

- Yeshashwini scheme which covers APL and BPL population mainly of rural area where risk pooling by beneficiaries is the major part of funding (58%) and state government pays 42% of premium. ESIS beneficiaries also pool the risk by contributing from their income and by their employers

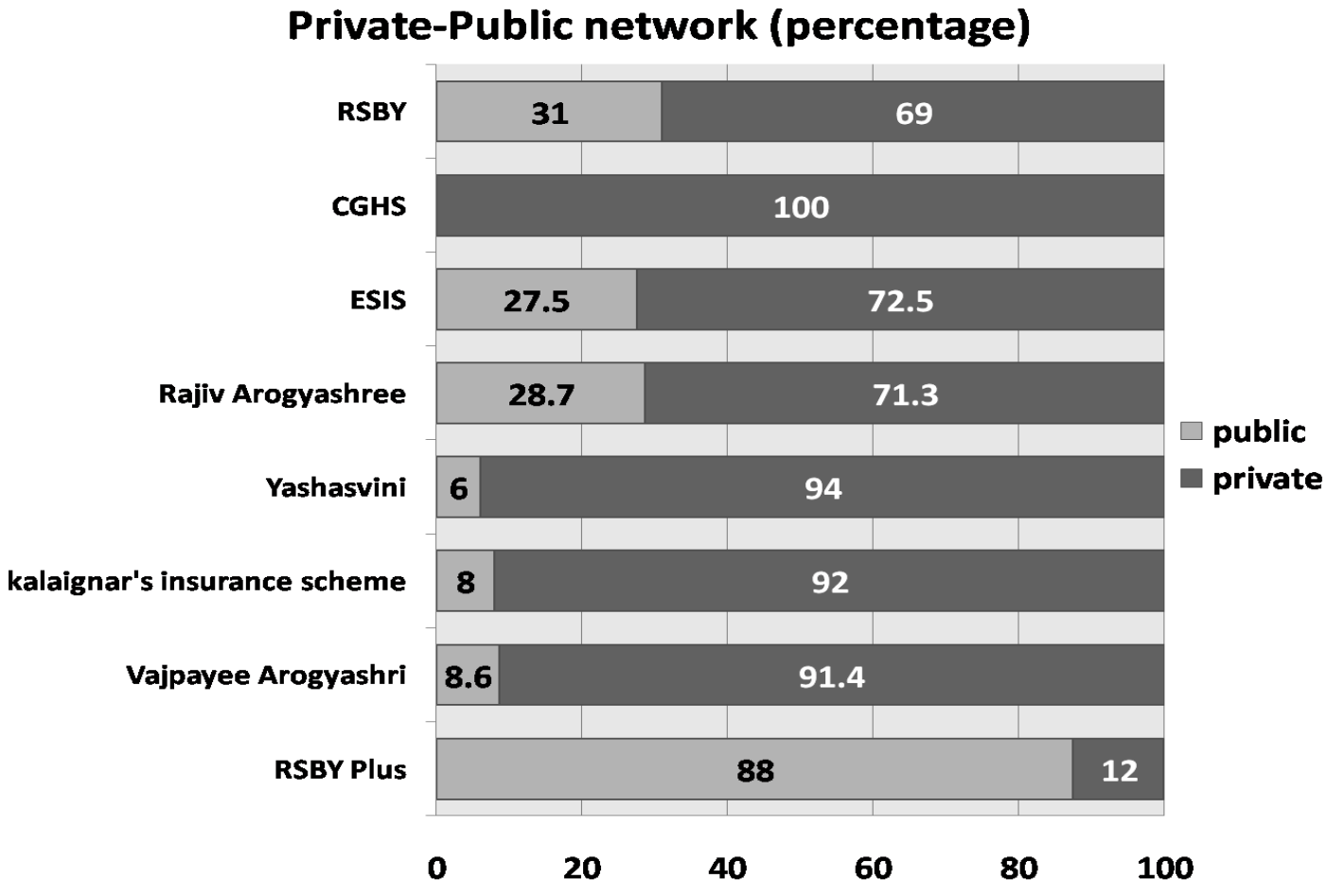
Service Coverage of Insurance scheme

	Benefits package	Max. Coverage	Empanelled hospitals
RSBY	All hospitalization episode + Maternity + pre existing condition	Rs.30,000	6147-Private, 2537 Public
ESIS	Comprehensive coverage	No limits	151 -ESIS hospitals + 400-private
CGHS	Comprehensive coverage	No limits	1083 -private
Yashasvini	hospitalization for 823 surgeries	Rs. 2,00,000	513 - private + 30 -public
Rajiv Arogyashri	938 predefined package (Secondary + Tertiary)	Rs. 1,50,000 + 50,000 (Buffer)	241- private, 97- Gov.
CMCHIS-TN	1016 predefined procedure including, 23 diagnostic +113 follow-up package	Rs. 1,50,000	778 hospitals
Vajpayee Arogyashri	402 predefined package (only tertiary)	Rs. 1,50,000 + 50,000	86- private, 8 -Gov.
RSBY Plus	RSBY + Tertiary care	Rs. 1,75,000 + 30,000 (RSBY)	22-private, 155-Gov.
RGJAY	971 predefined procedure + 121 follow-up package	Rs. 1,50,000	N/A
Private Insurance	All Hospitalization except, Pre existing not covered, Certain Copayments, Deductibles, Product wise Sub limits.	Ranges from Rs. 50,000 to 500000	More than 10,000

➢ Purchasing health care

- The RSBY gives annual inpatient benefits of Rs. 30,000 on a floater basis for a family of five and 100 as transportation compensation per hospitalization.

➢ Developing provider network



COST COVERAGE OF HEALTH INSURANCE SCHEME

	No. Of beneficiary	Source of funds	Total (Crores)	Premium Rate
RSBY	112 ('13)	75% from central Gov. + 25% from state Gov. + 30 Rs. From beneficiaries	1057 ('13)	Rs. 276 ('13)
ESIS	72 (’13)	Contribution of employee (1.75%) and employer (4.75%) of income + one-eighth by state Gov.	5,729 ('13)	Rs. 3,831 (’13)
CGHS	3 (’10)	Employee contribution, Central Gov. Funds depend on salary (Rs. 50 to Rs. 500 per month) + Central government funds.	1,600 ('09-'10)	N/A
Yashasvini	3.4 (13’)	58% by beneficiaries and 42% by state Gov.	59 ('13)	Rs. 210 ('13)
Rajiv Arogyashri	80 (’11)	100% by state Gov.	1,075 ('09-'10)	Rs. 439 ('09-'10)
CMCHIS-TN	36 (’10)	100% TN State Gov.	517 ('9-'10)	Rs. 469 ('9-'10)
Vajpayee Arogyashri	7.5 (’10)	100% from state government	N/A	N/A
RSBY Plus	0.8	100% State Gov.	8.56 ('10-'11)	Rs. 364 ('09-'10)
RGJAY	0.8 (’12)	100% state Gov.	N/A	N/A
Private Insurance	55	Self funded	7000 (’09-’10)	Rs. 1216 per Individual (’09-’10)

➢ COST CONTROL MEASURES

RSBY	Smart card verification , claim assessment
ESIS & CGHS	Healthcare provision through its own network, outsourced diagnostic, contracted private practitioners
Yashasvini	Preauthorisation, screening, claim examination and assessment
Rajiv Arogyashri	Preauthorisation, MIS monitoring, claim assessments
CMCHIS-TN	Preauthorisation. Screening camps, claim assessments
Vajpayee Arogyashri	Preauthorisation. Screening camps, claim assessments
RSBY Plus	Preauthorisation
RGJAY	Preauthorisation, claim assessment
Private Insurance	Preauthorisation, MIS monitoring, claim assessments

➢ Income & Expenditure

(2012-2013)	Income (crore)	Benefits cost (crore)
ESIS	8500	5993
RSBY	1137.6	887.32
Yashaswini	94	58.55
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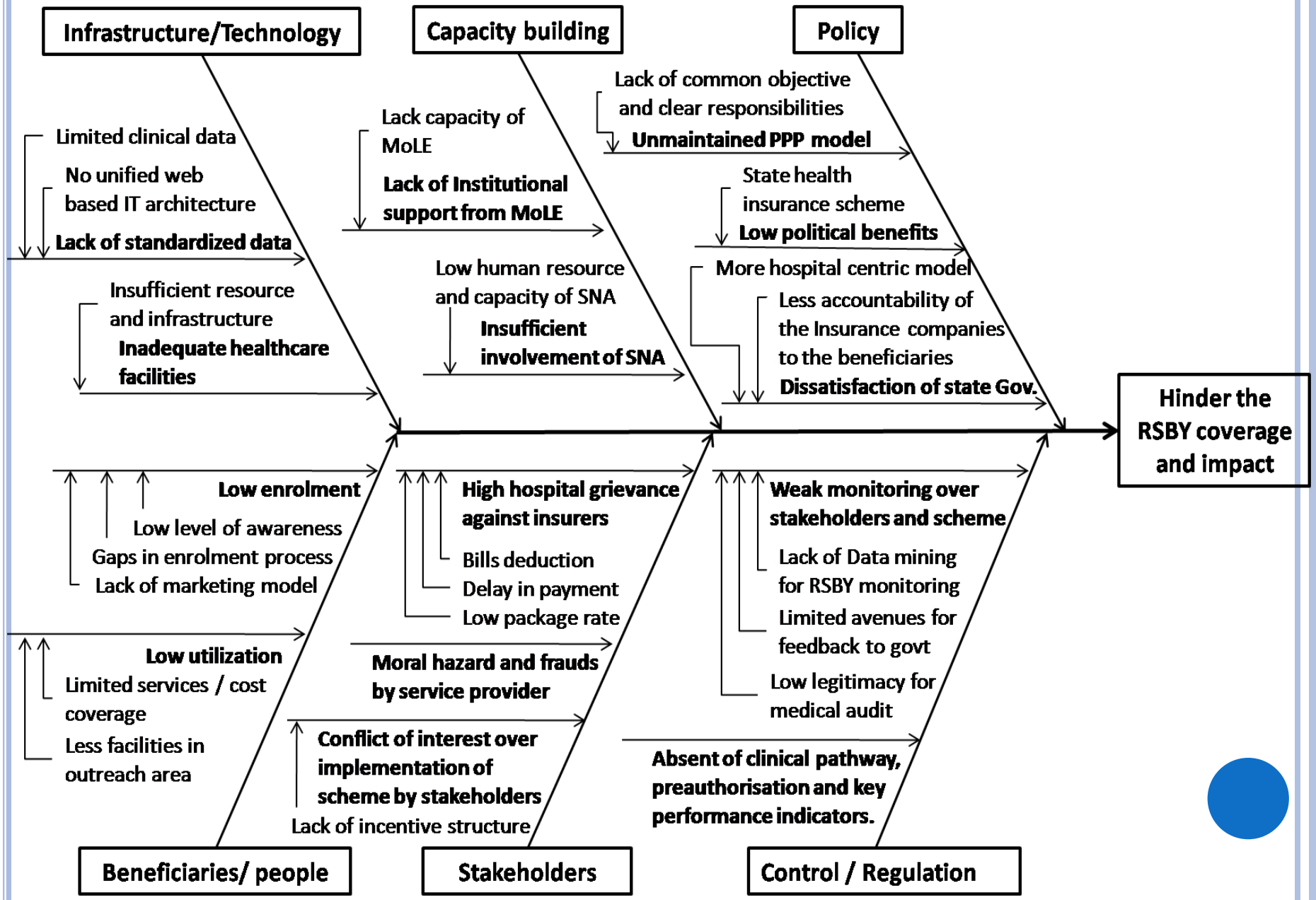
Fishbone diagram for RSBY coverage and impact



D. Challenges and solution

Challenges	Solution
• **Maintain PPP model:** Coordination between stakeholders.	• Need to get improvise in terms of implementation and proper guidelines and strong grievance committee.
• **Capacity building:** There need to be improvement in human recourse.	• GoI and MoLE should issues clear guidelines regarding the number and type of people required for the SNAs.
• **Improve infrastructure and hospital networking**: The health infrastructure is very poor in rural India.	•Connect the hospital networks of government sponsored scheme like ESIS and other state health insurance schemes
• **Lack of marketing concept and awareness:** There are almost 270 million people lives below poverty which is more than twice of RSBY coverage.	• Need to be some marketing intervention like partnering with field functionary department to improve awareness.

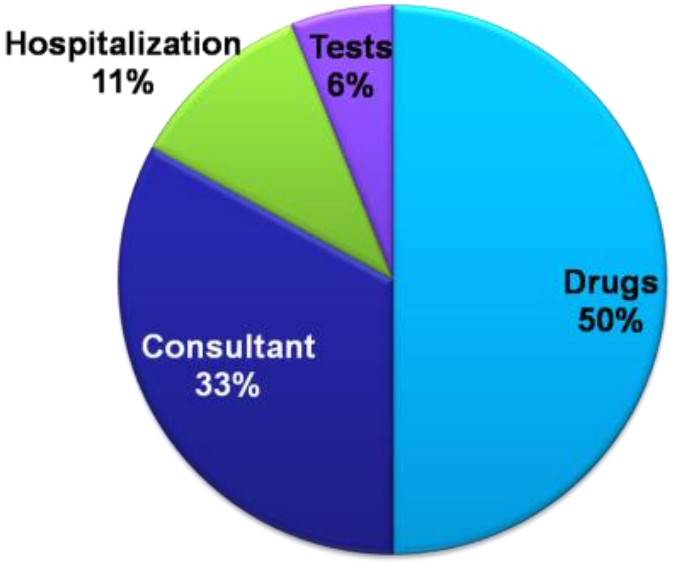
Challenges	Solution
• **Lack of quality measures:** There are no strict guidelines on monitoring of patient safety and quality treatment., There is no data available on such issues in RSBY.	• RSBY used as a tool for quality improvement process for both public and private health facilities. • Standard operating protocols (SOPs) for hospital or any clinical protocols or clinical pathways
• **Moral hazards, Asymmetric information and Fraud:** Moral hazard can be occurs from both demand-side as well on the supply side as well.	• Extensive use of IT enable efficient mechanism, Improve the incentive model in RSBY policy can help to reduce the moral hazard.
• **Weak monitoring, evaluation and regulation system:** Lack of monitoring and routine audits of RSBY empanelled hospital, irregular particular with data feeding by SNA and insurance companies	• RSBY there need to form an independent monitoring scheme that can maintain the regulation at every level by routine audit at hospital and keeping watch over data feeding by different stakeholders

E. RSBY: The road ahead

1) Extending the service coverage (Depth) limit:

- Experiments were initiated by the government with the help of insurance companies and service provider network to provide OPD benefits to RSBY beneficiaries and results were positive towards health-seeking behavior and reduced hospitalization events.

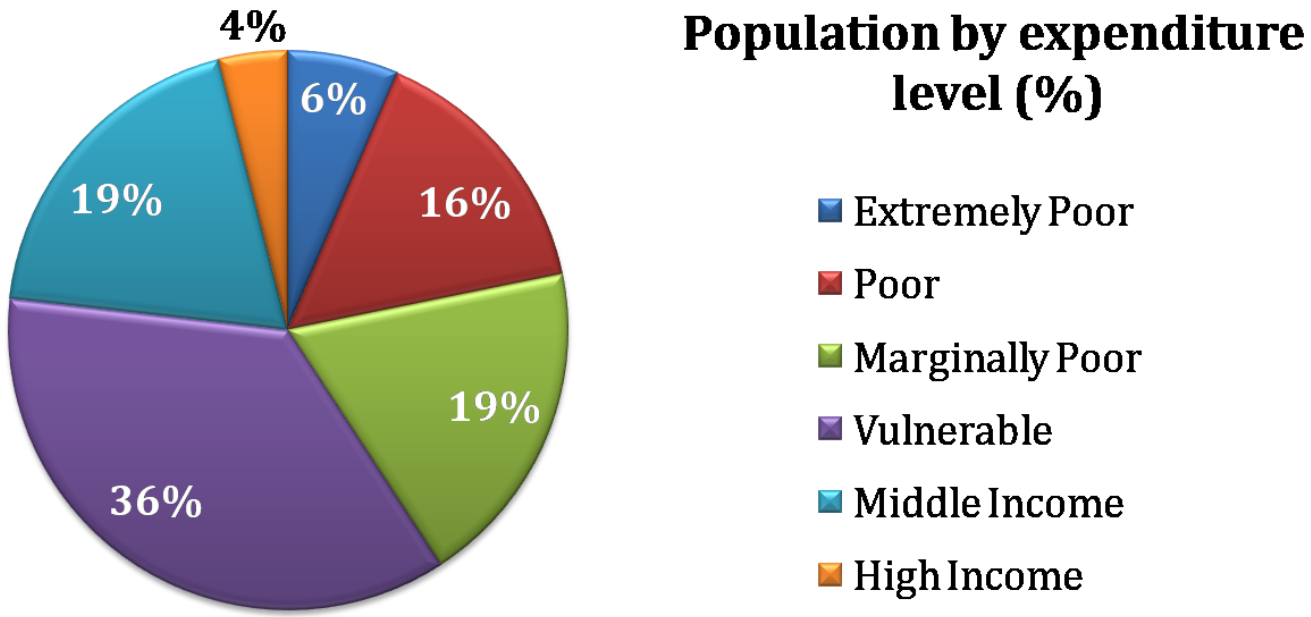
- However due to high chance of the moral hazard, fraud and malpractices due to weak monitory and regulatory system in India, insurance company deny to cover the outpatient service and medicine



Source: Cost of illness: Evidence from a study in five resource-poor locations in India, David M. Dror, Olga van Putten-Rademaker & Ruth Koren, Indian J Med Res 127, April 2008.

2) Extending the population coverage (Breadth) limit:

Combining all population below middle income there are almost 77% of total population by adding all vulnerable population.. Almost all state government schemes extended its criteria by enrolling beneficiary according to their ration card and also by their annual income, which is in the range of INR 75000 to 100000 annually.



3) Integrated model:

- Recent example is The Ministry of Labour & Employment (MoLE) & the Ministry of Finance (MoF), GoI, (through Department of Financial Services [DFS]) have decided to extend Aam Admi Bima Yojana (AABY) to all categories of unorganized sector workers under Rashtriya Swasthya Bima Yojana (RSBY), using the RSBY Smart Card platform.
- Not just be limited to other health insurance scheme but other social programs can also be improvised by using RSBY platform. Merging other government sponsored health insurance scheme with RSBY on single platform may be theoretically ideal but presently it is very difficult to involve schemes like CGHS, ESIS and RSBY, especially when structural and departmental wise schemes are different

- Some important features of the existing health insurance scheme that can be integrated with RSBY system.

CGHS	• Wellness centres and other outsourced private providers for outpatient services, referral system compulsory. • Medical store deport: medical store mainly buying and distribution of medicine in OPD centres and especially procure expensive drugs
Yeshswini	• Involvement of cooperative societies as stakeholders, which helps in member enrolment • Coverage of all member of rural co-op. Society (BPL + APL)
Rajiv arogyashri	• Coverage of all poor, marginal poor and vulnerable population according to their income level as per ration card (eligibility : annual income < 75,000) • Preauthorisation
Rajiv Gandhi Jeevandayee Arogya Yojana	• Cover all BPL, Vulnerable population base on their ration card (Annual income < 1,00,000) • Maharashtra state health insurance scheme has developed pathways for some 150 procedures

4) Sustainability of RSBY:

- Every government sponsored scheme's sustainability is depended on the political willing and government funding. RSBY sustainability depend on its consistence success and utilization and all these can happen only when all potential stockholders like government, insurance companies and hospitals maintain the coordination and provide the desire output by fulfilling their responsibilities.
- RSBY need to monitor progress in this regard through MIS data, surveys and field reports and develop its institutional capacity, middle income countries like Brazil and Thailand progress toward primary care focus from hospitalization coverage, India also can apply all suggested integrated model in practical terms once RSBY reach to that sustainability level and with all institutional capacity that is required.

Thank you