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National MAGAZINE | MAR 22, 2010

Ramkali of Aurangabad village, Sonepat, shows her rsby card which helped her get treatment for her eyes

HEALTH: INSURANCE

The Card Reads You

Smart cards help BPL families avail cashless treatment in hospitals

LOLA NAYAR

What's Working...

- Cashless facility for hospital care, medicine for BPL families
- Ensures one-point diagnosis, treatment with empanelled hospitals
- Fixed charges for procedures reduces chances of fleecing
- Empanelled private hospitals help ease burden on state ones

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...And What's Not

- Lack of awareness leads to under-utilisation of the scheme
- Flaws in BPL data deprives many of the RSBY card
- Outcome dependent on regular monitoring of service providers
- Could shift focus from need to improve public health centres

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After three years of soul-snuffing treatment at the local ESI hospital for acute breathlessness and body pain, Jagdish, a factory worker from the Rai block in Sonepat district, Haryana, finally had enough. Egged on by a neighbour, the 52-year-old mustered up the courage to visit a private cardiac care hospital in Sonepat. But that's only after his neighbour assured him that the Rashtriya Swasthya Bima Yojna (RSBY) smart card in Jagdish's possession entitled his family to up to Rs 30,000-worth of treatment even in private hospitals.

"Having seen my neighbour come back fit after a week of treatment in this hospital, I too came here," says Jagdish, convalescing on a clean bed in Batra Hospital, Sonepat. He's now waiting for treatment after a series of tests over three days for suspected TB. Similar optimism is voiced by five other BPL patients in the ward, be it Assa Rani of Bhigan or Jai Narain of Ramgarh, 50 km from Sonepat, who has acute acidity. All belong to the BPL category, but are being given the same treatment as other non-card-holding patients.

By all accounts, this kind of empowerment is evident in large parts of the country. Currently restricted to BPL families in most states, the RSBY is a rare scheme—a health insurance policy that actually seems to be working. So much so that from 2010-11, it will be scaled up to include families of NREGA workers who complete 15 days' work in a year. While that takes it above the poverty line, "the finance ministry now wants construction workers and the railway minister wants coolies and railway vendors to be provided this health insurance," says Anil Swarup, director general, labour ministry, who is piloting this project across the country.

How does it work? Over the past two years, some 12 million people have been issued smart cards with personal and medical details of the beneficiaries entitled to the health insurance. The annual fee per card: Rs 30. The remaining premium is subsidised by the central and state governments (in a ratio of 75:25).

Then, unlike the normal cashless insurance schemes—where beneficiaries don't always know the hospital charges or whether the insurance company will settle—the RSBY card works because it is transparent. On the basis of bidding, a district is allotted to an insurance company, which then empanels the hospitals and offers them state government-determined rates and conditions for various medical procedures or treatments.

When the beneficiary seeks medical help or surgical treatment at any of the empanelled hospitals, a smart card reader helps the hospital to register the patient and later claim money from the insurance company. An SMS alert helps the insurance company track and weed out bogus claims. "This is a scheme in the right direction to provide health security and financial protection against impoverishment," says Prof N. Devadasan of the Institute of Public Health, Bangalore.

"Most of the government schemes are driven by targets but this is driven by business model...." Anil Swarup, Labour ministry

The strength of the scheme lies in the business model that strives to ensure no party loses. Data from Kerala is revealing. In 2009-10, the Kerala government paid Rs 52 crore as premium. Till February, Rs 35 crore worth of treatment had been availed by 1,15,000 beneficiaries—Rs 17 crore went to government hospitals and Rs 18 crore to private ones. "It's a win-win situation. We're able to provide private sector health facility to the poor without incurring infrastructure costs," says P. Sukumar, ED, Comprehensive Health Insurance Agency of Kerala. Apart from 12 lakh cards issued to BPL families, Kerala has issued 10,000 cards to full premium-paying APL families. That works out to around Rs 500 annually. Eventually, everyone in the state will have the option of paying full premium and joining the scheme (with the proviso that it will entitle general ward facilities).

Of course, the deployment of the scheme and its outcomes are not uniform across the country, say experts. Till last year, Delhi was among the worst in terms of enrolment and improving utilisation. A sustained campaign since October 2009 has raised the enrolment from just 40,000 to over 2.5 lakh families, but many families *Outlook* spoke to admit lack of awareness about the benefits. "There is no beneficiary guidance system except

in a few states like Gujarat, Kerala and Haryana," says Dr Vipin Verma, a healthcare consultant who has been studying the programme.

This is true of many states. Take Kashmeeri of Aurangabad village in Sonepat district or Rajwati in the capital—both realised the scheme's importance only after a year when neighbours or the village sarpanch informed them about it. In fact, Kashmeeri was unaware that no separate card is required for different family members or that there is a provision for splitting the benefits if a member is working away from the home base. Hitesh Gandhi of ICICI Lombard, the agency covering most districts in Haryana, says efforts are being stepped up to inform beneficiaries and ensure empanelled hospitals deliver proper services.

Yet many shortcomings persist, including poor BPL database and lack of good hospitals in the hinterland, which necessitates long travel. Besides, there's also dissatisfaction among empanelled hospitals over rates for treatment and delay in reimbursement of dues by insurance companies. At the state level, there is need to weed out the niggling problems and deficiencies. States like Gujarat and Himachal have, in fact, decided to link up the chief minister's relief fund to the RSBY to offer additional support in case of critical care.

Clearly, better monitoring is needed. Or else, as the number of insured expands, the focus of insurance companies and hospitals may shift from the real poor to others with better means. This would be a loss for millions like 72-year-old Surajmal, who underwent a successful cataract operation at Arya Eye Hospital, Sonepat. "But for the card, I could never have afforded the private hospital expenses," he says.

The labour ministry's Swarup is optimistic that with the IT platform having stabilised, there'll be more focus on quality. Let's hope so. There's a crying need for some relief from the tedium of serpentine queues and chasing overworked doctors in government hospitals.

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