

## MICRO-INSURANCE BRIEFS

### Gujarat: Self-Employed Women's Association (SEWA)

#### Scheme Design

The Self-Employed Women's Association (SEWA), established in 1972 and recently registered as a trade union, currently represents the interests of about 1,000,000 poor women working in the informal economy, mainly: home-based workers, street vendors, manual labourers, service providers and small producers. SEWA pursues two main goals: to organize women workers to attain full employment security (job security, income security, food security and social security), and to make them individually and collectively self-reliant, economically independent and capable of making their own decisions. In 1992, SEWA was the very first organization to set forth a clear social security agenda when establishing its insurance branch VimoSEWA. The insurance initiative aimed at covering the various life cycle needs proposed a composite product covering simultaneously (under two plans): health care, life and assets while also providing some maternity benefits. In October 2002, VimoSEWA established its insurance business plan which relied on an efficient information management system. This new instrument, providing detailed information on all aspects of the activities developed by the scheme was expected to facilitate the scheme's evolution into a new sustainable insurance model that could gradually scale up across all India.

#### Eligibility Conditions

The insurance plan is open to all women operating in the informal economy and their families.

#### Exclusions

The insurance plan does not have particular exclusion clauses except for HIV/AIDS cases

#### Plan Benefits

	Scheme 1			Scheme 2		
	Wom	Men	Childr	Wom	Men	Childr
Health	2000	2000	2500	6000	6000	2500
Asset	10000			20000		
Life	7500	7500		20000	20000	
Acc. D. (M)	40000			65000		
Acc. D. (H)	15000	25000		15000	50000	

#### Premium

Premium increased in 2007, from Rs 100 to Rs 125 for women in Scheme 1, and from Rs 225 to Rs 275 for women in Scheme 2. Present premium structure is as follows:

	Scheme 1			Scheme 2		
	Wom	Men	Childr	Wom	Men	Childr
Premium	125	100	100	275	225	100
Fam. Discount			25			50

#### General Overview

Starting date:	1992
Ownership profile:	Trade Union
Target group:	Poor self-employed women
Outreach:	Gujarat and three other states
Intervention area:	Rural & urban
Risks covered:	Risk package: health life, accidental death, assets
Premium Insured/Y:	Rs 125 (Plan 1)
Co-contribution:	-
Total premium:	Rs 125
No of insured:	195,472

#### Operational Mechanisms

Type of scheme:	Partner-agent
Insurance company:	Private (ICICI Lbd)
Insurance plan year:	Fixed (Jan to Dec)
Insured unit:	Individual
Type of enrolment:	Voluntary
One-time enrolm.fee:	No
Premium payment:	Upfront/quarterly
Easy payment mech:	Yes – Fixed deposit accounts
Waiting period:	No
Indirect subsidy:	Yes

#### Scope of Health benefits

Tertiary health care:	No
Hospitalization:	
Deliveries:	
Access to Medicines:	No
Primary health care:	No

#### Level of Health benefits

Hospitalization (P1):	Up to Rs 2,000
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#### Service Delivery

Prior H. check-up:	No
Tie-ups with HP:	No
Type of agreement:	-
No of Assoc. HP:	-
Access to HC serv.:	Free
Co-payment:	No
HC service payment:	Reimb./Cashless
TPA intervention:	No
Addit. financial ben.:	Maternity benefits paid out by SEWA
Addit. non-fin. Ben.:	Individual support

## Plan Insurance Key Features

The insurance plan has the following main features:

- The scheme is based on the concept of mutual help and self help
- The schemes main target is women workers who are members of SEWA. Later, it was extended to the women's spouses and children
- In keeping with its objective of overall social security, SEWA offers composite, integrated insurance package against such risks as sickness, death, asset loss and accident
- Innovative premium payment plans such as fixed deposits and monthly instalments
- Operations through a strong grassroots network of local women leaders called Agewaans who play as key role in many aspects of the scheme from distribution, to claims settlement
- Claims processing done by a representative claims committee
- SEWA settle claims in house and is then reimbursed by the Insurance Company

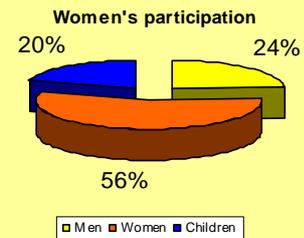
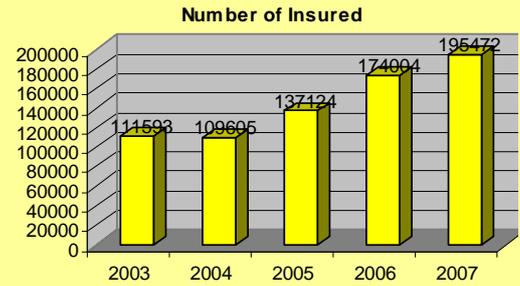
## Remaining Challenges

- Increase health benefits;
- Shift from individual to family enrolment;
- Generalize the cashless system introduced in Ahmedabad City to all members in semi-urban and rural areas;
- Develop efficient tie-ups with health providers in order to obtain service advantages and quality health care;
- Address the adverse selection phenomenon;
- Reduce the drop-out ration and rely on a stable membership;
- Reduce administrative costs;
- Further develop the management information system in order to track all activity and performance indicators;
- Reach full operational sustainability in the years to come;
- Evolve into a comprehensive social security model that can be easily replicated in other states

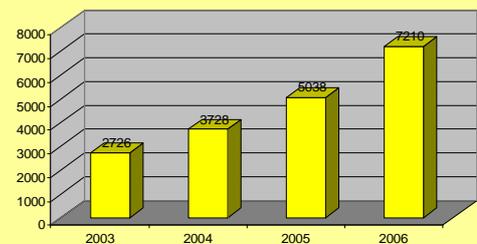
## Development Plans

- To expand its present interventions in Tamil Nadu, Bihar and Rajasthan;
- To increase the insurance coverage to some 350,000 people over a three-year period;
- To set up its own insurance company once the capital requirements imposed by present regulations are lowered

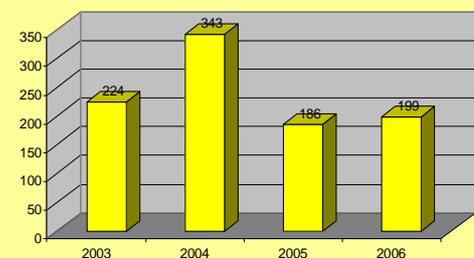
## Activity Indicators



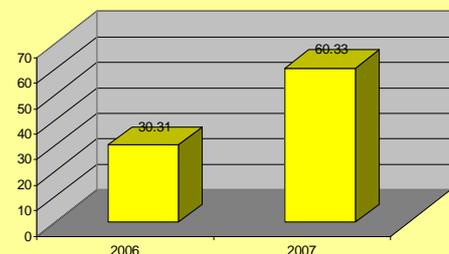
### Number of Hospitalization Cases



### Claims Ratio (%)



### Premium Allocated to Health



## Development Plan (All India)



