

Session 2

PWP 2.4

Sampoorna Suraksha Insurance programme – Dharmastahala experience



February 19th, 2007

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Centre for Insurance and Risk Management

Centre for Insurance and Risk Management

- **As a sectoral infrastructure focuses on**
 - **Sustainable and Scalable micro insurance product development**
 - **Risk mitigating products like long term savings, pensions, derivatives**
 - **Development of insurance literacy modules**
 - **Training and dissemination of best practices**
 - **Develop a sectoral data warehouse**

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Centre for Insurance and Risk Management

- **Sustainable and scaleable Micro Health Insurance(MHI)**
 - **Should be hedged against systemic risk**
 - **Community institutions bring the critical value of 'gate keeping'**
 - **Controlling moral hazard**
 - **Intermediation in claims processing to makes product viable and affordable in the longer term**

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Product Pilots

- CIRM is working with NGOs to develop
 - Cattle Insurance (death and productivity)
 - Weather Insurance for Landless Labourers
 - Catastrophe Insurance
 - Multi drought products
 - Flood Insurance
 - Multiple health insurance products

Shri Kshetra Dharmasthala Rural Development Programme (SKDRDP) Trust

Objective:

- Sponsor and re-orient the mode of giving charity in more productive form
- To provide assistance for acquiring productive assets to promote economic development
- To ensure long lasting benefits to poor families

Programme of SKDRDP Trust

- Socio-economic empowerment through:
 - Micro Finance
 - Agricultural Extension
 - Barren Land Development
 - Primary education
 - Housing
 - Non-conventional Energy Development
 - Health and hygiene
 - Health Insurance : Sampoorna Suraksha

Sampoorna Suraksha is one of the largest micro health insurance scheme in the country

Genesis and evolution of insurance programme in SKDRDP Trust's Project

2002: Pragati Kshemanidhi Scheme (Community Insurance)

- Accident, accidental deaths and normal deaths

2004: With United Insurance

- Above coverage + complete health cover

2005: Sampoorna Suraksha Programme (SSP) with ICICI Lombard

- Complete health cover
- Pre-existing diseases covered
- Other additional benefits

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Sampoorna Suraksha Programme

Beneficiary: Members and staff of Shri Kshetra Dharmasthala Rural Development Project (SKDRDP) Trust and their families on a family floater basis

Consolidated Premium: A consolidated premium is charged from the beneficiary which pays for the insurer's premium apart from paying for the various benefit provided by SKDRDP

Period of Cover: 1 year

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Ser.no.	Description	Annual contribution from members (In Rs.)	Insurer's Premium (In Rs.)	SKDRDP's charges for special benefits (In Rs.)	Engroly amount of the family during the year for cashless treatment (In Rs.)
1	One member family	190	100	90	5000
2	Two member family	305	175	130	10000
3	Three member family	420	260	160	15000
4	Four member family	535	340	195	20000
5	Five member family	650	425	225	25000
6	Six member family	765	510	255	30000
7	Seven member family	880	610	270	35000
8	Eight member family	995	705	290	40000
9	Nine member family	1110	800	310	45000
10	Ten member family	1225	895	895	50000

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Benefits

Insurer:

- Inpatient care in the general ward
 - Room charges
 - Professional fees
 - Oxygen
 - Ventilator
 - ICU charges
 - Consumables
- Pre-existing diseases covered

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Network Hospitals

- 2003-05: 76 network hospitals
- 2005-07: 48 network hospitals
- KMC Mangalore is the tertiary referral care hospital
- Negotiated rates
- Annual evaluation of networked hospital for performance and subsequent renewal
- Special Desk for SKDRDP insurance staff in each network hospital

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Benefit contd..

SKDRDP Trust

- Rs. 5000 compensation for accident
- Rs.20,000 compensation for accidental death
- Rs.12,500 and Rs.25,000 for partial and total disability respectively
- Maternity allowance of Rs. 2000 (normal) and Rs.4000 (Caesarian section) up till 2 deliveries
- Compensation @ Rs.50 per day for 30 days work loss due to sickness
- Consolation amount of Rs.1000 for natural disaster on a family basis
- Compensation for loss of milch animal for an amount of Rs.1000

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PROCESS ANALYSIS

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Member Administration

Member administration commences from member enrolment till contribution amount reaches the insurer

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Process analysis	
Processes	Function of SKDRDP
Explaining of Sampoorna Suraksha Programme to the SHG member in detail	Done by field workers (Seva Nirathas)

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By 31st March, the total amount of premium is handed over to the insurer	By SSP staff at SSP office, Dharmasthala

Benefit Administration
<p>Benefit administration commences from receipt of claim from members till the obtaining of healthcare and release of amount to hospital</p>

Process analysis	
Processes	Function of SKDRDP/Insurer
<i>Upon the occurrence of insured event, the sick member contacts the field workers who process and fax the pre-authorisation paper to SSP office at Dharmasthala</i>	Field worker carries out the task

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Visit to the local hospital for verification	Taluka project officer, SSP

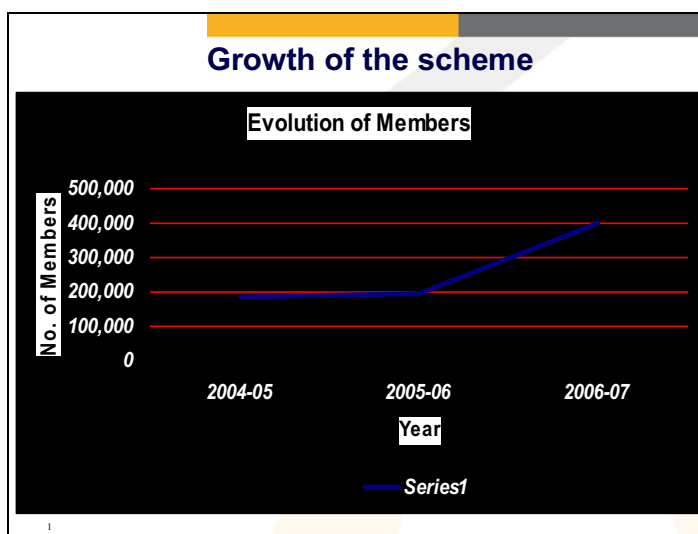
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On confirmation from Taluka officer, the papers are faxed to insurer's head office at Mumbai	SSP office, Dharmasthala
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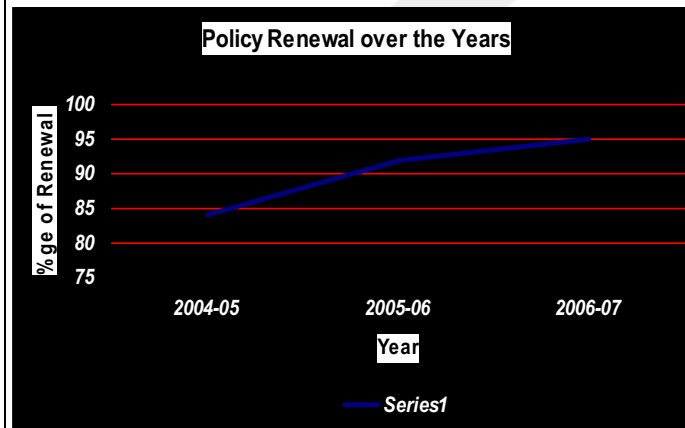
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On confirmation from Taluka officer, the papers are faxed to insurer's head office at Mumbai	SSP office, Dharmasthala
Insurer verifies the claim and arranges for release of total claim to SSP office	Operation team, ICICI Lombard

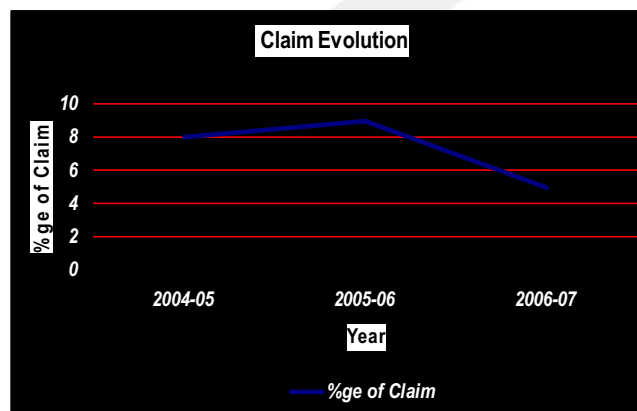
Growth of the scheme



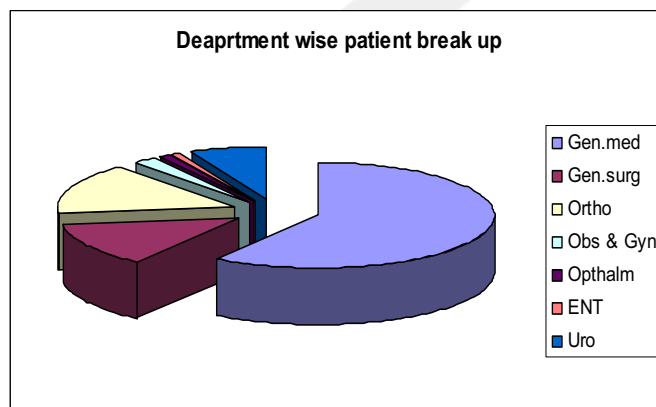
Renewal of Policy



Evolution of Claims



Department Wise Patient Break Up



Challenges

- Lack of insurance literacy among insured
- Absence of treatment protocol
- Lack of an efficient MIS
- Some dependence on trust subsidies for additional benefits
- Lack of standardised and stringent gate keeping procedure
- Lack of data base on health status indicators
- Lack of data base on how health insurance affects health indicators and vice versa

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Claim analysis(2005-06)

- With a claim load of 50-60 claims per day the total claim load per month are on an average 1600-1700 claims
- Average annual pay out per policy :
 - Rs.3211.00
- Amount claimed to pay out ratio:
 - 0.8
- Time lag between submission of claim to final pay out by the insurer:
 - Max- 2 months

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Way forward

- CIRM plans to in collaboration with SKDRDP to address some of the challenges...
 - Research on the effect of health insurance on the overall health indicators in the community
 - Establishing a centralised health exchange which captures years-on-end data which will act as a sectoral information
 - Try and find out the feasibility of standardised treatment protocol with the provider network
 - To see the feasibility of covering high end care for non-communicable diseases like life style diseases

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Thank You

Please visit us at www.ifmr.ac.in/cirm

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YESHASVINI

Co-operative Farmers' Health Scheme



Benefits of the Scheme

- The first and the largest (non ESI) of its kind in India, was launched on 14 November 2002.
- The Scheme covers the farmer co-operator, his spouse and children
- **Benefits**
 - Free OPD consultations at Network Hospitals
 - Diagnostics at fixed discounted rates
 - Surgical Treatment Over 1600 listed surgeries done free of cost at Network hospitals
 - All Pre existing diseases are covered



Additional Benefits

- Stabilization of defined Medical Emergencies requiring indoor treatment
 - Dog bite
 - Snake bite
 - Bull gore injury
 - Drowning
 - Accidental Poisoning
 - Electric shock
 - Road Traffic Accident
 - Burns
 - Accident while working with agricultural implements
- New born care for the first five days after birth.



Premium

- Monthly premium of Rs 5/- per person/Month
- Rs 2.5/- subsidy from the Government of Karnataka in the first year.
- Rs 120/- per person from 2nd year.



Working Pattern

- Controlled by Yeshasvini Trust
- Less than 1% of covered population require surgeries
- Average cost of non-cardiac surgery – Rs. 7000
- Maximum utilization of unutilized infrastructure
- Day to day management by a TPA
- Treatment at only 258 NWHs
- 40 District Coordinators
- Medical team as case managers



Recent developments

- E-Preauthorization
- E-Claim



Yeshasvini Statistics

Yeshasvini summary claims information

	Year 1	Year 2	Year 3	Year 4	Total
Membership	1,601,152	2,021,661	1,473,576	1,854,731	6,951,120
Claims Settled	8,996	14,963	19,439	14,240	
Bills Pending for payment	12	0			
Estimated claims to year end					
Total	9,008	14,963	19,439	14,240	57,650
Average claim amount	11,827	12,085	13,266	10,266	12,633
Free OPD Treatment	35,814	50,174	52,892	46,032	184,912
Percentage usage	2.24%	2.48%	3.59%	2.48%	2.66%



Financial Projections

Yeshasvini Co-operative Farmers Health Care Trust, Results

	Year I June 03 – May-04	Year II June 04 – May 05	Year III June 05 – May 06	Year IV June 06 – May-07	Total
Contribution collected	96,909,491	119,755,440	163,540,478	217,448,302	597,653,711
Government Contribution	45,000,000	35,788,000	120,000,000		200,788,000
Interest	3,743,622	4,880,368	1,796,000		10,419,990
Contributions	137,021	6,596,177	1,430,000		8,163,198
Total Amt Collected	145,790,134	167,019,985	286,766,478	217,448,302	817,024,899
Claims Settled	106,535,417	180,829,763	257,877,915	131,519,858	676,762,953
Bills Pending for payment				12,576,562	12,576,562
Estimated claims to year end					
Total	106,535,417	180,829,763	257,877,915	144,096,420	689,339,515
Results prior to expenses	39,254,717	-13,809,778	28,888,563		



Claims Incidence by Specialty

Incidence by Specialty, and Year per Thousand, reported population

	YEAR II			YEAR III		
Specialty	F	M	Total	F	M	Total
Cardiac	0.63	1.23	0.99	1.02	1.89	1.56
Cardiac Surgery	0.45	0.67	0.58	1.1	1.58	1.4
Endo	0.23	0.03	0.11	0.41	0.03	0.18
ENT	0.43	0.36	0.39	0.95	0.72	0.81
Gastro	0.56	0.33	0.42	0.79	0.52	0.62
General	1.68	2.12	1.94	2.33	3.01	2.75
Neuro	0.04	0.06	0.05	0.08	0.11	0.1
OBG	4.79	0.01	1.94	6.61	0.06	2.57
Optho	0.58	0.89	0.77	1.26	1.77	1.57
Ortho	0.51	0.89	0.74	0.73	1.39	1.14
Thoracic	0.01	0.01	0.01	0.01	0.02	0.02
Uro	0.26	0.98	0.69	0.49	1.85	1.33
Vascular	0.01	0.04	0.03	0.04	0.13	0.1
Total	10.2	7.62	8.66	15.81	13.09	14.14



Claims Cost by Specialty

Claims cost by specialty, and Year In Rupees, per reported population

Specialty	YEAR II			YEAR III		
	F	M	Total	F	M	Total
Cardiac	8	8.3	8.2	9.5	11.4	10.7
Cardiac Surgery	34.1	50.5	43.8	77.5	113.4	99.6
Endo	2.2	0.2	1	3.6	0.3	1.6
ENT	2	1.8	1.9	4.7	3.5	4
Gastro	5.9	3.7	4.6	7.3	5.2	6
General	9.7	11.3	10.7	12.5	15.3	14.2
Neuro	1.1	1.3	1.2	2.2	2.5	2.4
OBG	37.1	0.1	15.1	46.2	0.4	18
Ophtho	1.5	2.4	2	4.2	5.9	5.2
Ortho	5.5	9.1	7.6	7.5	13.5	11.2
Thoracic	0.1	0.4	0.3	0.2	0.5	0.4
Uro	2.8	10	7.1	5.2	16.8	12.4
Vascular	0.2	1.1	0.7	0.5	2.7	1.9
Total	110.3	100.3	104.3	181.1	191.5	187.5



The Yeshasvini Scheme has made it possible for millions of farmers to have access to quality healthcare at hospitals of their choice for practically less than the cost of a tea. Today a poor farmer of Karnataka can walk in with dignity and demand healthcare without hoping for charity.



Thank you

