Sampoorna Suraksha Insurance programme – Dharmastahala experience

Februrary 19th, 2007
Dr. Sayed Imtiaz Ahmed
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

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
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

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

<table>
<thead>
<tr>
<th>Family Size</th>
<th>Contribution from Members (In Rs.)</th>
<th>Premium (In Rs.)</th>
<th>Charges for special benefits (In Rs.)</th>
<th>Amount of the family during the year for cashless treatment (In Rs.)</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>One member family</td>
<td>150</td>
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<td>995</td>
<td>715</td>
<td>40000</td>
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<tr>
<td>9</td>
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<td>Ten member family</td>
<td>1225</td>
<td>945</td>
<td>50000</td>
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</table>
Benefits

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

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

<table>
<thead>
<tr>
<th>Serial no.</th>
<th>Description</th>
<th>Annual contribution from members</th>
<th>Insurer’s Premium</th>
<th>SSP’s charges for special benefits</th>
<th>Eligibility of the family during the year for cashless treatment</th>
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<td>205</td>
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<td>40000</td>
</tr>
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<td>Nine member family</td>
<td>1110</td>
<td>805</td>
<td>310</td>
<td>45000</td>
</tr>
<tr>
<td>10</td>
<td>Ten member family</td>
<td>1225</td>
<td>895</td>
<td>365</td>
<td>50000</td>
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</tbody>
</table>
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

PROCESS ANALYSIS

Member Administration

Member administration commences from member enrolment till contribution amount reaches the insurer
<table>
<thead>
<tr>
<th>Processes</th>
<th>Function of SKDRDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explaining of Sampoorna Suraksha Programme to the SHG member in detail</td>
<td>Done by field workers (Seva Nirathas)</td>
</tr>
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<td>Interested members are enrolled (from 15th February to 15th March)</td>
<td>Done by field workers and zonal supervisors</td>
</tr>
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<td>By 28th March, document and total premium amount are sent to SSP office and is scrutinised</td>
<td>By senior staffs at SSP office</td>
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# Process analysis

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<td>By senior staffs at SSP office</td>
</tr>
<tr>
<td>By 31st March, the total amount of premium is handed over to the insurer</td>
<td>By SSP staff at SSP office, Dharmasthala</td>
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</table>

## Benefit Administration

Benefit administration commences from receipt of claim from members till the obtaining of healthcare and release of amount to hospital

## Process analysis

<table>
<thead>
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<th>Processes</th>
<th>Function of SKDRDP/Insurer</th>
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<tbody>
<tr>
<td>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</td>
<td>Field worker carries out the task</td>
</tr>
<tr>
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</tr>
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<td>Dharmasthala</td>
<td></td>
</tr>
<tr>
<td>Scrutiny of claims for medical veracity of claims and also to see if it</td>
<td>Insurer’s Medical officer and SSP medical officer</td>
</tr>
<tr>
<td>is within the cover category</td>
<td></td>
</tr>
<tr>
<td>The treatment authorisation form is signed and faxed to taluka project</td>
<td>SSP office Dharmasthala</td>
</tr>
<tr>
<td>officer</td>
<td></td>
</tr>
<tr>
<td>Visit to the local hospital for verification</td>
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<td>officer</td>
<td></td>
</tr>
<tr>
<td>Visit to the local hospital for verification</td>
<td></td>
</tr>
<tr>
<td>On confirmation from Taluka officer, the papers are faxed to insurer’s</td>
<td>SSP office, Dharmasthala</td>
</tr>
<tr>
<td>head office at Mumbai</td>
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</table>

## Growth of the scheme

### Evolution of Members

<table>
<thead>
<tr>
<th>No. of Members</th>
<th>2004-05</th>
<th>2005-06</th>
<th>2006-07</th>
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<tbody>
<tr>
<td></td>
<td>500,000</td>
<td>400,000</td>
<td>300,000</td>
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<tr>
<td></td>
<td>200,000</td>
<td>100,000</td>
<td></td>
</tr>
</tbody>
</table>

- **Series 1**

![Graph showing growth of the scheme](image-url)
Renewal of Policy

Policy Renewal over the Years

Year

2004-05 2005-06 2006-07

Series 1

Evolution of Claims

Claim Evolution

Year

2004-05 2005-06 2006-07

Department Wise Patient Break Up

Department wise patient break up

Gen.med Gen.surg Ortho Obs & Gyn Ophthalm ENT Uro
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

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

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
Thank You

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

(imtiaz@ifmr.ac.in)
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 Yeshavini 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

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership</th>
<th>Claims Settled</th>
<th>Bills Pending</th>
<th>Estimated claims to year end</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>1,601,152</td>
<td>8,896</td>
<td>12</td>
<td>6,908</td>
<td>14,430</td>
</tr>
<tr>
<td>Year 2</td>
<td>2,021,661</td>
<td>14,963</td>
<td>0</td>
<td>14,963</td>
<td>29,926</td>
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<tr>
<td>Year 3</td>
<td>1,473,576</td>
<td>19,439</td>
<td>12</td>
<td>13,286</td>
<td>31,925</td>
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<td>Year 4</td>
<td>1,854,731</td>
<td>14,240</td>
<td>0</td>
<td>10,268</td>
<td>24,508</td>
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### Financial Projections

<table>
<thead>
<tr>
<th>Year</th>
<th>Contribution collected</th>
<th>Government Contribution</th>
<th>Interest</th>
<th>Contributions</th>
<th>Total Amt Collected</th>
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<tbody>
<tr>
<td>May-04</td>
<td>96,909,491</td>
<td>45,000,000</td>
<td>3,743,622</td>
<td>137,021</td>
<td>145,790,134</td>
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<tr>
<td>May-05</td>
<td>119,755,440</td>
<td>35,788,000</td>
<td>4,880,368</td>
<td>6,596,177</td>
<td>167,019,985</td>
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<tr>
<td>May-06</td>
<td>163,540,478</td>
<td>120,000,000</td>
<td>1,796,000</td>
<td>1,430,000</td>
<td>286,766,478</td>
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<tr>
<td>May-07</td>
<td>217,448,302</td>
<td>200,788,000</td>
<td>10,419,990</td>
<td>8,163,198</td>
<td>415,650,398</td>
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</table>

### Claims Incidence by Specialty

<table>
<thead>
<tr>
<th>Specialty</th>
<th>F</th>
<th>M</th>
<th>Total</th>
<th>F</th>
<th>M</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiac</td>
<td>0.63</td>
<td>1.23</td>
<td>0.99</td>
<td>1.02</td>
<td>1.89</td>
<td>1.56</td>
</tr>
<tr>
<td>Cardiac Surgery</td>
<td>0.45</td>
<td>0.67</td>
<td>0.56</td>
<td>1.1</td>
<td>1.58</td>
<td>1.4</td>
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<tr>
<td>ENT</td>
<td>0.23</td>
<td>0.3</td>
<td>0.11</td>
<td>0.41</td>
<td>0.03</td>
<td>0.18</td>
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<tr>
<td>Gastro</td>
<td>0.43</td>
<td>0.36</td>
<td>0.39</td>
<td>0.95</td>
<td>0.72</td>
<td>0.81</td>
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<td>General</td>
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<td>0.42</td>
<td>0.79</td>
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<td>0.62</td>
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<tr>
<td>Neuro</td>
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<td>0.06</td>
<td>0.05</td>
<td>0.06</td>
<td>0.11</td>
<td>0.1</td>
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<tr>
<td>OB/GYN</td>
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<td>0.01</td>
<td>1.94</td>
<td>6.61</td>
<td>0.06</td>
<td>2.57</td>
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<tr>
<td>Ophtho</td>
<td>0.58</td>
<td>0.89</td>
<td>0.77</td>
<td>1.26</td>
<td>1.77</td>
<td>1.57</td>
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<tr>
<td>Ortho</td>
<td>0.51</td>
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<td>0.73</td>
<td>1.39</td>
<td>1.54</td>
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<td>Thoracic</td>
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<td>0.01</td>
<td>0.01</td>
<td>0.01</td>
<td>0.01</td>
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<tr>
<td>Urology</td>
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<td>0.69</td>
<td>0.48</td>
<td>1.86</td>
<td>1.33</td>
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<tr>
<td>Vascular</td>
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<td>0.04</td>
<td>0.03</td>
<td>0.04</td>
<td>0.13</td>
<td>0.1</td>
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<tr>
<td>Total</td>
<td>10.2</td>
<td>7.62</td>
<td>3.46</td>
<td>15.81</td>
<td>13.29</td>
<td>14.14</td>
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</table>
### Claims Cost by Specialty

<table>
<thead>
<tr>
<th>Specialty</th>
<th>YEAR II</th>
<th></th>
<th>YEAR III</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>F</td>
<td>M</td>
<td>Total</td>
<td>F</td>
</tr>
<tr>
<td>Cardiac</td>
<td>8</td>
<td>8.3</td>
<td>9.5</td>
<td>11.4</td>
</tr>
<tr>
<td>Cardiac Surgery</td>
<td>34.1</td>
<td>50.5</td>
<td>43.8</td>
<td>77.5</td>
</tr>
<tr>
<td>Delo</td>
<td>2.2</td>
<td>0.2</td>
<td>1</td>
<td>3.6</td>
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<tr>
<td>ENT</td>
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<td>1.8</td>
<td>1.9</td>
<td>4.7</td>
</tr>
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<td>5.8</td>
<td>3.7</td>
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<td>Neuro</td>
<td>1.1</td>
<td>1.3</td>
<td>1.2</td>
<td>2.2</td>
</tr>
<tr>
<td>OBG</td>
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<td>0.1</td>
<td>37.2</td>
<td>46.2</td>
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<tr>
<td>Ophth</td>
<td>1.5</td>
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<td>7.1</td>
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<tr>
<td>Vascular</td>
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<td>1.1</td>
<td>0.7</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>110.3</strong></td>
<td><strong>160.3</strong></td>
<td><strong>104.3</strong></td>
<td><strong>181.1</strong></td>
</tr>
</tbody>
</table>

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