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

<table>
<thead>
<tr>
<th>Scheme 1</th>
<th>Scheme 2</th>
</tr>
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<tbody>
<tr>
<td>Wom</td>
<td>Men</td>
</tr>
<tr>
<td>Health</td>
<td>2000</td>
</tr>
<tr>
<td>Asset</td>
<td>10000</td>
</tr>
<tr>
<td>Life</td>
<td>7500</td>
</tr>
<tr>
<td>Acc. D. (M)</td>
<td>40000</td>
</tr>
<tr>
<td>Acc. D. (H)</td>
<td>15000</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
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<tbody>
<tr>
<td>Wom</td>
<td>Men</td>
</tr>
<tr>
<td>Premium</td>
<td>125</td>
</tr>
<tr>
<td>Fam. Discount</td>
<td>25</td>
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</tbody>
</table>
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