

12th Current Issues Seminar on Health Care Insurance (CIHCI)

PMJAY - Operational Aspects

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14th November, 2018

1. Large number of beneficiaries

- SECC Database, 2011
- Families in Deprivation Criteria D1, D2, D3, D4, D5, D7 – 8.03 Cr
- Families belong to 11 Occupational Criteria – 2.33 Cr
- Automatically included/leftout in RSBY - B38 Lakhs
- No limit on family size

2. Simplified Enrolment

- Entitlement based scheme
- All beneficiaries automatically eligible
- Simplified verification process – CSCs, PHCs
- No smart card or enrolment phase
- E-cards – multi location – CSCs, PHCs

3. Flexibility in implementation model

- Trust Model

Registered society/Trust of state health department

- Insurance Model

Open tendering process

Qualifying criteria

- Hybrid Model/Mixed Model

Choice to mix and match by states

4. Expanded Coverage

- 500,000 sum insured
- Larger number of listed packages than RSBY
- 280 of 1350 packages are higher than 30K
- Multiple payment methodologies

Per Procedure; full treatment cycle; Per Fraction; Per Session; Per Stage

Per Cycle; Per Day; Per Week; Per Month

- Portable across India

Package rates need to be adjusted

- Same procedure – multiple nomenclatures
- Lack of consistency in package rates
- Protocols need detail
- Lack of outcome monitoring
- Price should drive behavior and not just cover costs
- Packages of exclusions need to be removed
- OPD procedures included

A case

Procedure Name	Rates (INR)
Orchiopexy-with laparoscopy, bilateral	30,000
Orchiopexy-with laparoscopy, unilateral	30,000
Orchiopexy-without laparoscopy, bilateral	15,000
Orchiopexy-without laparoscopy, unilateral	15,000
Undescended Testis - Bilateral Non-Palpable	20,000
Undescended Testis - Bilateral Palpable	15,000
Undescended Testis - Bilateral-Palp + Nonpalp	15,000
Undescended Testis – Nonpalpable	13,000
Undescended Testis - Reexploration/ Second Stage	20,000
Undescended Testis - Unilateral-Palpable	15,000
Breast Lump - Left – Excision	5,000
Breast Lump - Right – Excision	6,500
Package	Cost
Cystocele - Anterior repair	12,000
Cystocele - Anterior Repair + Perineal Tear Repair	10,000

Price comparison

Top Diagnosis	Type	% of claims	Average	Ayushman	Arogyasri	CGHS
Dengue and similar Fevers	Medical	8.0%	32,000	10-15 K		
Intestinal infectious diseases	Medical	5.3%	24,000	10-15 K		
Respiratory Tract Infections	Medical	2.2%	26,000	10-15 K		
Fever of Unknown Origin	Medical	2.1%	30,000	10-15 K		
Gastritis	Medical	2.1%	26,000	10-15 K		
Influenza and pneumonia	Medical	2.0%	45,000	10-15 K		
UTI	Medical	2.0%	32,000	10 K		
Fractures of Lower Limb	Surgical	6.0%	90,000	10-25K		
PTCA	Surgical	4.6%	1,65,000	65-90K	80-100K	130-160K
Cholelithiasis	Surgical	3.5%	80,000	10-22K	20-35K	22-24K
CABG	Surgical	3.1%	1,80,000	90-110K	95-125K	145-160K
Urolithiasis	Surgical	2.6%	65,000	20-40K	10-30K	20-35K
Appendectomy	Surgical	2.2%	65,000	10-18K	20-22K	18.5-22K
Cataract	Surgical	1.9%	40,000	7.5 - 10.5K	15K	16K

5. Medical Protocols

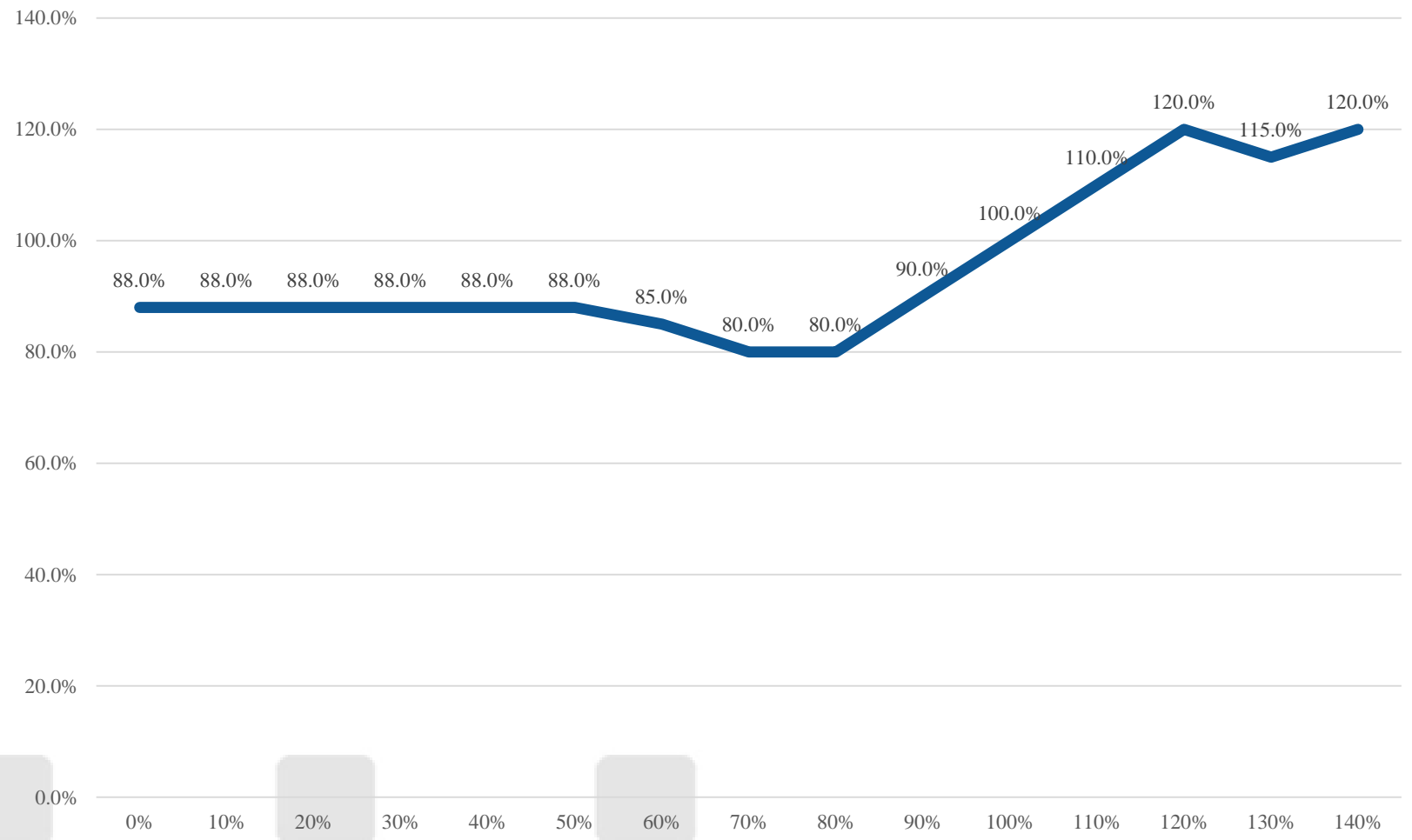
- Not comprehensive but a good start
- Suggested length of stay
- Preauthorization control
 - 636 listed procedures require reauthorization
 - 187 for extensions only
- Pre and post procedure investigations
- Treatment cycles (max weeks, cycles, etc)
- Incentives for quality (10% extra for entry level / 15% for full accreditation)

6. Premium and Loss sharing

- Premium sharing
- 60-40% share in premium between Center and State
- 90-10% in Northeast and Himalayan states
- 100% by center for UT (except Delhi and Puducherry)
- Premium payment schedule with penalties for delay
- 3 instalments – at start (45%), 6 months(45%), 10 Months (10%)
- Minimum Loss ratio – 80% after considering refund
- Loss sharing by govt - after 120% loss ratio
- Maximum premium – 2000 per family in all models



Loss Band



7. Improvement in Healthcare Infrastructure

- 3 Crore admissions @ 6% incidence
- Likely to create demand for 2 lakhs hospital beds (50% unmet demand)
- Long term stability for entrepreneurs
- Incentives for staff in Govt facilities – 25% of receipts
- 75% of receipts for improvement in local facility – drugs, consumables, etc
- Incentives for quality and infrastructure improvement