KERALA

ONE YEAR INTO PM-JAY IMPLEMENTATION (DEMAND-SIDE)

POLICY BRIEF 2022

BACKGROUND

This policy brief presents findings from research commissioned in April 2018 to the Indo-German Social Security Programme (IGSSP), predecessor of the Indo-German Programme on Universal Health Coverage (IGUHC). The research evaluated the PM-JAY implementation from the demand-side, thereby providing performance evidence to India's National Health Authority (NHA).

A consortium of institutions, led by the Heidelberg Institute of Global Health, Medical Faculty, Heidelberg University Hospital, including the cooperating institutions of City, University of London, the Deutsches Institut für Entwicklungspolitik/German Development Institute and Nielsen India Private Limited, did the evaluation from January 2019 to July 2020. It provides insights on how households across seven Indian states, including Kerala, experienced the government insurance scheme, Pradhan Mantri Jan Arogya Yojana (PM-JAY), approximately 14-16 months into its implementation in September 2018.

The study areas were:

- The extent to which households defined as eligible for PM-JAY still met the 2011 Socio-Economic Case Census (SECC) eligibility criteria
- Knowledge and awareness of the scheme
- Experiences with the registration process
- Hospital utilization and out-of-pocket expenditure
- Experiences with healthcare utilization and PM-JAY grievance redressal process

APPROACH

Cross-sectional data was collected in a single round across seven states, namely Bihar, Chhattisgarh, Gujarat, Kerala, Meghalaya, Tamil Nadu and Uttar Pradesh in 2019. A mixed-methods approach was applied, combining a quantitative household survey with a series of qualitative, In-Depth Interviews (IDIs), Key Informant Interviews (KIIs) and Focus Group Discussions (FGDs). For Kerala, two districts were sampled: Kannur and Palakkad. The household survey included a total of 9,859 individuals distributed in 2,066 households, all selected among households defined as eligible for PM-JAY according to the 2011 SECC survey. Our sampling strategy relied on a combination of households randomly selected from all PM-JAY eligible households and households randomly selected from all households having presented a claim under PM-JAY. This strategy was intended to ensure a sufficient number of hospitalization cases is included in the final sample. However, due to operational issues and to the advance of the SARS-CoV-2 pandemic, data collection was interrupted and hence, it was not possible to survey randomly PM-JAY eligible households. This means that the household survey sample is composed exclusively of households where a claim has been advanced.

Hence, one needs to exercise caution in the interpretation of the findings and their generalization. The qualitative study included a total of 4 KIIs with Accredited Social Health Activists (ASHA), 4 FGDs (2 with only female participants and 2 with only male participants) and 7 IDIs (3 female and 4 male). The qualitative work could reach out to individuals who came from households with no hospitalization claim to PM-JAY.

KEY FINDINGS

Eligibility:

SECC Criteria:

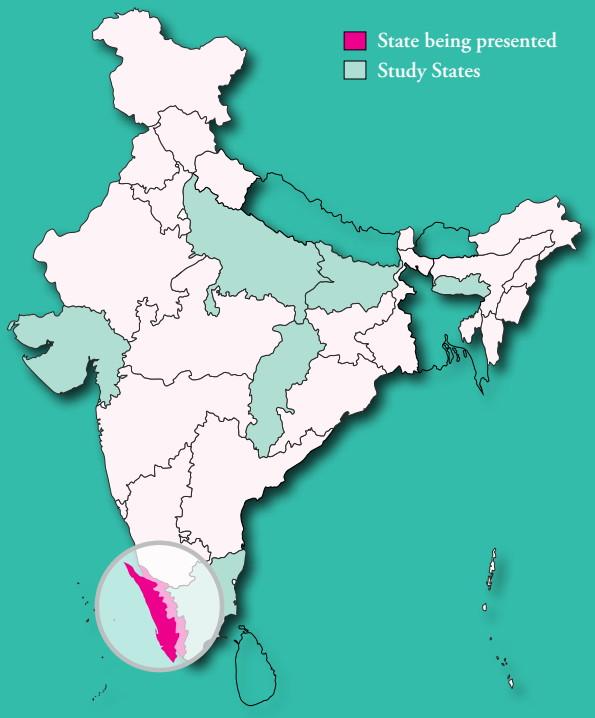
Amongst the households under study, **three out of five households met at least one inclusion criterion** to be eligible for PM-JAY:

Table 1. Eligibility Criteria, rural and urban areas

Eligibility Criteria	Rural (%)	Urban (%)
Only one room with kucha walls and kucha roof (D1)	0.6	-
No adult member between age 16 to 59 (D2)	5.5	-
Female headed households with no adult male member between age 16 to 59 (D3)	9.0	-
Disabled member and no able-bodied adult member (D4)	7.1	-
Schedules Caste/Scheduled Tribe households (D5)	22.7	-
Landless households deriving major part of their income from manual casual labor (D7)	31.0	-
Automatically included*	0.4	-
Mean number of dimensions per household	0.8	-
Households that met at least one dimension	57.0	-
N (households)	**723**	**0**

STATE BACKGROUND

KERALA



To improve access to healthcare services in Kerala, **Rashtriya Swasthya Bima Yojana (RSBY)** was introduced for BPL households in 2008, which was further extended to senior citizens under the Senior Citizen Health Insurance Scheme. Since 2019, Kerala has the **Pradhan Mantri Jan Arogya Yojana (PM-JAY)** which aims to provide social health protection to the most vulnerable households and as such, increase their access to good quality secondary and tertiary services while also avoiding high and catastrophic spending due to illness and care seeking. Kerala is implementing PM-JAY through an autonomous trust/nodal agency. It has been estimated that as many as 2.2 million households qualify for PM-JAY coverage in Kerala, based on the Socio-Economic Caste Census (SECC) of 2011 and this includes households that qualify for RSBY. By April 2020, 1.9 million households were covered and 389 hospitals had been empanelled under PM-JAY.

**In rural areas these households included destitute/living on aims (not part of our sample), manual scavenger families, primitive tribal groups and legally released bonded labor; in urban areas these households included identified occupational categories of workers.*

Nearly all also met three exclusion criteria, most frequently having one household member earning more than INR 10,000 per month or more than 5 acres of irrigated land, and owning a house with at least three rooms and pucca walls and roofs.

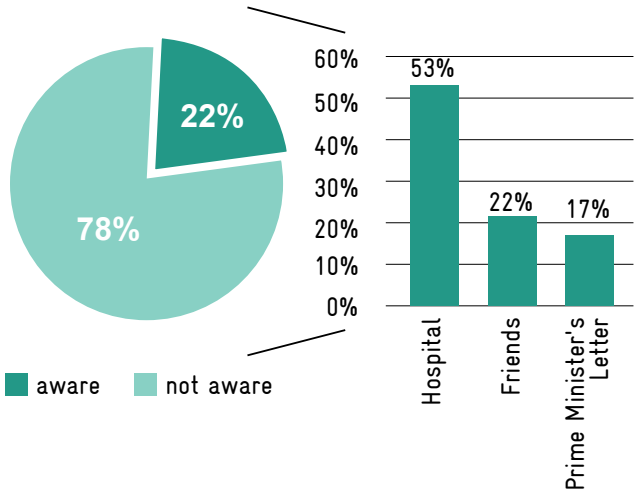
Table 2. Exclusion Criteria, entire sample from Kerala (rural and urban)

Exclusion criteria	%
Owns Motorcycle/Scooter/3 wheeler	34.0
Owns Car/Truck/4-wheeler/Jeep/Van	0.0
Household member is a government employee	0.8
Household with non-agricultural registered enterprise	0.3
Any member of household earning>=INR 10,000 per month	100.0
Household paying income or professional taxes	0.0
House with >=3 rooms pucca walls & roof	59.8
Owns a refrigerator	23.2
Owns a landline phone	0.4
Owns >=2.5 acres of irrigated land & 1 irrigated equipment	0.1
Own >=5 acres of irrigated land	97.1
Owning >= 7.5 acres of land & one irrigated equipment	0.0
Mean number of exclusion dimension per household	3.2
N (households)	723

Knowledge and awareness:

One year into scheme implementation, a only about 1/5 had heard about PM-JAY. Mainly having learnt about the scheme through a hospital:

Figure 1. PM-JAY awareness and source of awareness



**For source of awareness respondents could select multiple options; top three selected options are presented.*

Some confusion existed regarding the different insurance schemes available within the state, with some being unaware that when renewing their RSBY/ CHIS cards, they were automatically upgraded to PM-JAY:

- **28%** of respondents recalled hospitalization to be included in the service package.
- **21%** 21% of the respondents recalled no cap on family size.
- **19%** of respondents recalled the ceiling for the scheme coverage (5 lakhs per family per year).

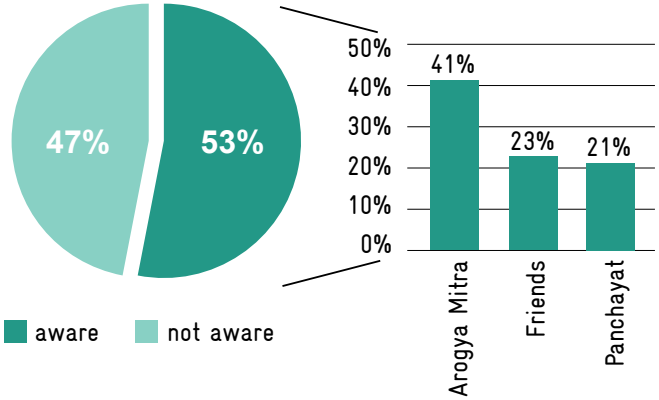
There was also some confusion regarding eligibility requirements, how the PM-JAY cards work, which services are covered by PM-JAY and which facilities accept the insurance.

Awareness among ASHAs, who are important information communicators on the scheme and its features, needed strengthening. Some were unaware that RSBY had officially ended. ASHAs reported that informational meetings or health camps about the new scheme would be of benefit.

Experiences with registration process:

1/2 of the respondents knew about their eligibility for PM-JAY coverage:

Figure 2. PM-JAY eligibility awareness and source of awareness



**For source of awareness respondents could select multiple options; top three selected options are presented.*

Nearly 18% of households were familiar with the registration process.

Satisfaction among respondents undergoing the registration process was high (on a scale of 7, 5.9 was the average score).

Some eligible persons and beneficiaries reported the registration process to be easy; others found it difficult.

Hospital utilization and out-of-pocket expenditure:

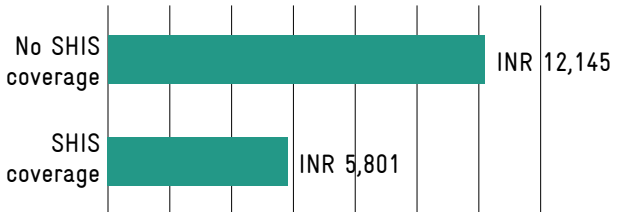
Overall, 23% of the entire sample (only drawn from claim list) reported having incurred hospitalization. About 90% of eligible individuals experiencing hospitalization made use of any state-funded social health insurance scheme (SHIS) or other insurance scheme to cover their cost of treatment.

Satisfaction with PM-JAY hospitalization services was high (on a scale of 7, 6 was the average score).

Only 60% of hospitalized individuals with insurance coverage but 82% of people without insurance coverage incurred out-of-pocket expenditures (OOPE) (including pre- and post- hospitalization treatment).

Those who utilized hospitalization services under SHIS paid less than half the amount paid by those whose hospitalization was not covered by a scheme:

Figure 3. Out-of-pocket expenditure during hospitalization process



The most frequently cited reasons for not having made use of the coverage scheme were not knowing about PM-JAY, not having had eligibility checked, hospital not empanelled, or simply not knowing the cause for lack of coverage.

Main costs consisted of:

- **Pre-hospitalization phase:** diagnostics
- **During-hospitalization phase:** medicines, followed by bed charges
- **Post-hospitalization phase:** medicines, followed by diagnostics

Experiences with healthcare utilization and PM-JAY grievance redressal process:

It was unclear how many study respondents in the districts visited had accessed care under PM-JAY as the level of knowledge about PM-JAY was low and people did not know the differences between the insurance schemes.

Experiences with healthcare utilization under PM-JAY were mixed:

- Many beneficiaries reported having already accessed free in-patient care under their insurance and being satisfied with the care received.
- Others were dissatisfied and had to pay out of pocket for critical health care services and medications.

Knowledge on the grievance redressal process was still expandable: No eligible person, beneficiary or ASHA had any information about the grievance redressal mechanism.

RECOMMENDATIONS

> **PM-JAY is helpful**
> Having a health insurance is useful and an insurance card improves access to health services.

RAISE AWARENESS

To reduce the first barrier to accessing healthcare services under the scheme, further steps are needed to raise awareness and knowledge of specific features even more:

- Given the target population, PM-JAY could benefit from mass media campaigns, engaging community health workers and other trusted community leaders to conduct small-scale information, education, and communication (IEC) campaigns.

Responses by ASHAs and Beneficiaries on PM-JAY:

- People think that insurance (in general) is useful and that having an insurance card improves access to health services.
- Insurance beneficiaries no longer worry about becoming financially insecure because of needing to pay for health care.
- The coverage amount (which the vast majority of respondents believe is INR 30,000) is not enough.
- Beneficiaries feel that they are benefiting from the scheme(s) (RSBY/CHIS/PM-JAY) and are mostly satisfied with it/them.
- According to those respondents who are knowledgeable of PM-JAY, the chronically ill are very happy with the increased coverage amount while some beneficiaries feel that there is no benefit to having PM-JAY or that health insurance in general is a government scam.

ASHA and beneficiaries' suggestions for improving PM-JAY:

- ASHAs and community members must be given more detailed information about PM-JAY and meetings, camps or classes should be arranged.
- A list of PM-JAY empanelled hospitals should be distributed.
- Registration and renewal periods should be extended.
- PM-JAY should be universal (and there should not be distinctions made between APL and BPL people).
- All hospitals (public and private) should accept PM-JAY.
- All medical services should be covered by the scheme, including out-patient services, medications, family planning and transportation.
- The coverage amount should pay for all expenses related to a hospitalization.
- The coverage amount should be raised (from INR 30,000 to more than INR 100,000).
- Empanelled hospitals should be improved.

- Raising awareness on specific scheme features and one's rights as a beneficiary is crucial to further upscale the utilization of hospital services and reduce high OOPE after receiving treatment.
- Replicating experiences applied in our settings, the role of insurance navigators like Ayushman Mitras at the facility level could be strengthened and additional insurance navigators at the community level could be employed (i.e., people deployed exclusively to guide PM-JAY eligible households throughout the process from registration to care seeking).

STREAMLINE THE PROCESS

Although satisfaction among respondents undergoing the registration procedures was high, processes could be further enhanced by:

- Creating strategies to simplify actions and provide knowledge on how eligible households effectively undergo them, especially facilitating the grievance redressal process.

INVEST IN FURTHER RESEARCH

Although only indirectly linked to the PM-JAY insurance scheme, the observed high OOPE for hospitalization services for non-insured but also insured individuals, could benefit from:

- Investigating why OOPE for hospitalization services in Kerala was high.
- Investing in further research specifically focused on understanding what motivates providers to charge patients when costs are covered by the insurance.

ACKNOWLEDGEMENT

We are grateful to NHA for commissioning GIZ/IGSSP, later IGUHC, to undertake this PM-JAY demand side evaluation study, which serves as a process evaluation for the PM-JAY. We highly appreciate the research done by the consortium of institutions, led by the Heidelberg Institute of Global Health, Medical Faculty, Heidelberg University Hospital and its cooperating institutions of City, University of London and the Deutsches Institut für Entwicklungspolitik/German Development Institute. The SHAs of the study states (Bihar, Chhattisgarh, Gujarat, Kerala, Meghalaya, Tamil Nadu and Uttar Pradesh) have supported us immensely in implementing this study. Guidance was provided by both NHA and SHAs of the study states during the inception phase as well as throughout the study period.

We are thankful to the Chief Medical Officers, state health societies, and district officials for their support and contribution in the study. We would also like to thank the study participants for sharing their experiences and providing information on their impression of the schemes.

We would also like to thank Nielsen India Pvt Ltd for successful completion of the data collection. We hope that our recommendations based on interviewees' experiences will lead to better implementation of future health insurance projects and improve the lives of the poor.

For more information please contact:

Mr. Amit Paliwal
Project Director
Indo-German Programme on
Universal Health Coverage

Deutsche Gesellschaft für International
Zusammenarbeit (GIZ) Gmbh
B-5/1, 2nd Floor, Safdarjung Enclave,
New Delhi 110029, India

E: iguhc@giz.de
T: +91 11 4343 5353
F: +91 11 4949 5391
W: https://iguhc.in/

The study team included:

NHA team: Basant Garg, Vipul Aggarwal, Kameshwar Rao, Ruchira Agrawal

Study Coordinators: Nishant Jain (GIZ), Sharmishtha Basu (GIZ)

Principal Investigator: Manuela De Allegri (HIGH)

Co-investigators: Swati Srivastava (HIGH), Stephan Brenner (HIGH), Diletta Parisi (HIGH),

Divya Parmar (City, University of London), Christoph Strupat (DIE), Caitlin Walsh (HIGH), with the collaboration of Nielsen