GUJARAT

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 Gujarat, experienced the government insurance scheme, Pradhan Mantri Jan Arogya Yojana (PM-JAY), approximately 14-16 months after 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 Gujarat, two districts were sampled: Ahmedabad and Surat. 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. The sampling strategy relied on a combination of households randomly selected among all PM-JAY eligible households and households randomly selected among all households having presented a claim under PM-JAY. This strategy was intended to secure that a sufficient number of hospitalization cases is included in the final sample.

The qualitative study included a total of 4 KIIs with Mitanin, 4 FGDs (2 with only female participants and 2 with only male participants) and 8 IDIs (4 female and 4 male).

KEY FINDINGS

Eligibility:

SECC Criteria:

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

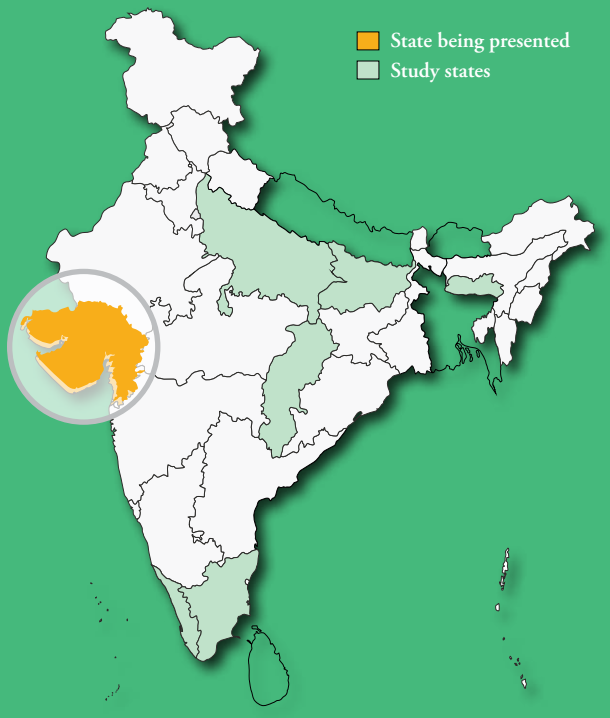
Table 1. Eligibility Criteria, rural and urban areas

Eligibility Criteria	Rural (%)	Urban (%)
Only one room with kucha walls and kucha roof (D1)	5.6	0.0
No adult member between age 16 to 59 (D2)	7.0	0.0
Female headed households with no adult male member between age 16 to 59 (D3)	8.7	0.0
Disabled member and no able-bodied adult member (D4)	7.8	0.0
Schedules Caste/Scheduled Tribe households (D5)	59.9	27.3
Landless households deriving major part of their income from manual casual labor (D7)	47.5	36.4
Automatically included*	0.7	100.0
Mean number of dimensions per household	1.4	1.4
Households that met at least one dimension	79.6	100.0
N (households)	2,055	11

**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.*

STATE BACKGROUND

GUJARAT



To improve access to healthcare services in Gujarat, **Rashtriya Swasthya Bima Yojana (RSBY)** was introduced for BPL households in 2008 and in 2012, **Mukhyamantri Amrutam (MA)** was introduced to providing mainly tertiary care hospitalization services to BPL households.

Since 2018, Gujarat 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. Gujarat is implementing PM-JAY through a mixed-model, involving both state agencies and insurance companies. It has been estimated that as many as 4.5 million households qualify for PM-JAY coverage in Gujarat, based on the Socio-Economic Caste Census (SECC) of 2011 and including households that qualify for RSBY.

By April 2020 3.2 million households were covered and 2,729 hospitals had been empanelled under PM-JAY.

Nearly all met at least one exclusion criteria, most frequently having one household member earning more than INR 10,000 per month or owning more than 5 acres of irrigated land.

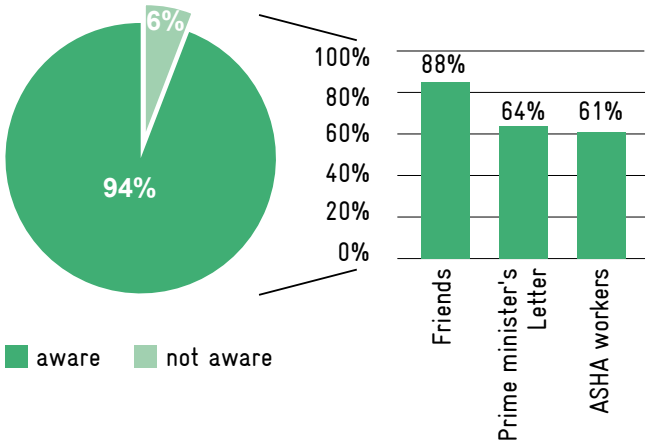
Table 2. Exclusion Criteria, entire sample from Gujarat (rural and urban)

Exclusion criteria	%
Owns Motorcycle/Scooter/3 wheeler	53.6
Owns Car/Truck/4-wheeler/Jeep/Van	2.9
Household member is a government employee	2.0
Household with non-agricultural registered enterprise	0.2
Any member of household earning>=INR 10,000 per month	99.9
Household paying income or professional taxes	1.7
House with >=3 rooms pucca walls & roof	21.2
Owns a refrigerator	33.5
Owns a landline phone	0.1
Owns >=2.5 acres of irrigated land & 1 irrigated equipment	10.5
Own >=5 acres of irrigated land	76.6
Owning >= 7.5 acres of land & one irrigated equipment	1.1
Mean number of exclusion dimension per household	3.0
N (households)	**2,066**

Knowledge and awareness:

Only one year into scheme implementation, nearly all study households were already aware of the scheme, mainly having learnt about the scheme through friends:

Figure 1. PM-JAY awareness and source of awareness



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

Awareness on key scheme features was expandable among beneficiaries, with variation by district and village:

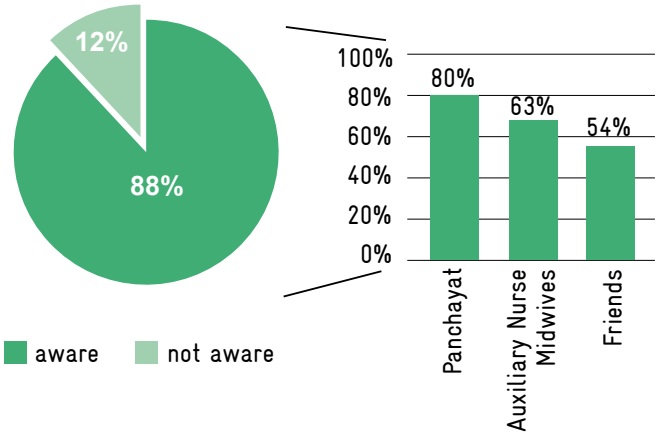
- **71%** of respondents recalled hospitalization to be included in the service package.
- **33%** of respondents recalled the ceiling for the scheme coverage (5 lakhs per family per year).

There was some confusion as to which hospitals accept PM-JAY patients.

Experiences with registration process:

About 88% 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.*

In half the locations, PM-JAY beneficiaries report that the ASHA helped them through the registration process, by delivering the letters, informing them of the scheme, helping them fill in required forms, preparing other documents, and later, delivering their cards.

Hospital utilization and out-of-pocket expenditure:

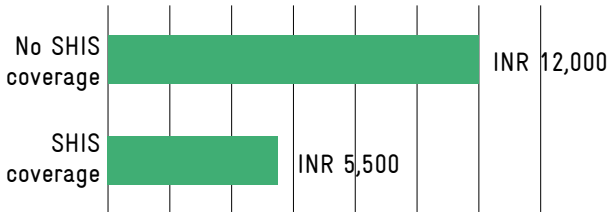
Overall, 8% of the sample reported having incurred a hospitalization. Of those who were hospitalized, half the eligible individuals experiencing hospitalization made use of some insurance scheme to cover their cost of treatment.

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

87% of all hospitalized individuals incurred out-of-pocket expenditures (OOPE) (including pre- and post- hospitalization treatment).

The amounts paid for SHIS-covered and non-covered hospitalization episodes in Gujarat were much lower than the average amounts paid across our study states:

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



Mean OOPE for non-SHIS covered hospitalization episodes was the lowest among all study states (21% of the total annual per capita expenditure).

Main costs were:

- **Pre-hospitalization phase:** Medicines
- **During-hospitalization phase:** surgery costs, followed by bed charges and medicines
- **Post-hospitalization phase:** other medical expenses, followed by diagnostics

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

Experiences with healthcare utilization under PM-JAY were mostly positive:

- Most respondents reported that the hospitals were clean, the staff respectful, services of adequate quality and feeling satisfied with the scheme.
- Most respondents had used PM-JAY to pay for various eye treatments.

Knowledge on the grievance redressal process was still expandable: no eligible person, beneficiary or ASHA has any information on the grievance redressal mechanism, and no one had information on where to complain or whom to complain to.

RECOMMENDATIONS

> Most respondents who report having used their cards were satisfied with the scheme and felt that it saves them money and provides them access to high-quality health care services.

RAISE AWARENESS

While the findings presented that most people were aware of the scheme, knowledge of specific scheme features could further improve, via:

- Considering alongside mass media campaigns, to engage community health workers and other trusted community leaders to conduct small-scale IEC campaigns.
- Designing specific strategies to reach out to individuals and households who are likely to be the most vulnerable among the vulnerable, as a means of ensuring universal coverage of the target groups.

What people think about PM-JAY:

- Most respondents who report having used their cards are satisfied with the scheme and feel that it saves them money and provides them access to high-quality health care services.
- Others are dissatisfied with being asked to pay out of pocket for services.
- Some who have yet to receive cards are angry and want to know when their cards will arrive.
- Many beneficiaries lament the loss of their old smart card which paid for out-patient care and medications and feel that PM-JAY is useless because it does not pay for these services.

ASHA and beneficiaries' suggestions for improving PM-JAY:

- All poor people should be covered by PM-JAY, not just some.
- All members of a household should be included on the eligibility list.
- Cards should be "unlocked" so beneficiaries can use them.
- The scheme should cover all medical expenses including transport expenses.
- Beneficiaries should be told the cost of treatments and the amount deducted from their cards.
- All/nearby hospitals should be empaneled.
- The government must ensure that beneficiaries and the scheme are protected from abuses and fraud (by individual providers and hospitals).

INVEST IN FURTHER RESEARCH

Although only a small proportion of individuals incurred in OOPE and the amounts paid were much lower as compared to other States, further improvements are necessary:

- To invest in further research to understand what motivates providers to continue to charge patients, even when some costs are covered by insurance.
- To investigate and if needed review reimbursement rates for specific service packages.

ACKNOWLEDGEMENT

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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.

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