TAMIL NADU

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 Tamil Nadu, experienced the state-funded social health 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 Tamil Nadu, two districts were sampled: Sivagangai and Coimbatore. The household survey included a total of 3,346 individuals distributed in 723 households, all selected among households defined as eligible for PM-JAY according to the 2011 SECC. Our 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 a sufficient number of hospitalization cases in our final sample.

Our qualitative study included a total of 4 KIIs with frontline health workers such as Village Health Nurses (VHNs), 4 FGDs (3 with only female participants and 1 with only male participants) and 8 IDIs (4 female, 4 male).

KEY FINDINGS

Eligibility:

SECC Criteria:

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

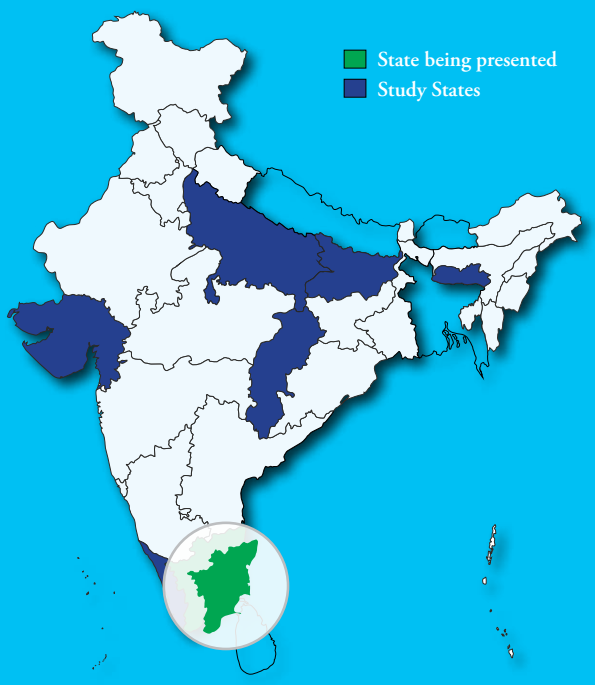
Table 1. Eligibility Criteria, rural and urban areas

Eligibility Criteria	Rural (%)	Urban (%)
Only one room with kucha walls and kucha roof (D1)	4.9	5.3
No adult member between age 16 to 59 (D2)	21.1	15.8
Female headed households with no adult male member between age 16 to 59 (D3)	17.2	0.0
Disabled member and no able-bodied adult member (D4)	9.7	31.6
Schedules Caste/Scheduled Tribe households (D5)	49.4	36.8
Landless households deriving major part of their income from manual casual labor (D7)	60.7	15.8
Automatically included*	0.0	63.2
Mean number of dimensions per household	1.6	1.7
Households that met at least one dimension	92.1	100.1
N (households)	**1,827**	**19**

**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

TAMIL NADU



The Chief Minister's **Comprehensive Health Insurance Scheme (CMCHIS)** was established in Tamil Nadu in 2012 and provides health insurance to households with income of up to INR 72,000 per year, members of unorganized labour welfare boards, and their dependents including spouse, children and parents. In September 2018, the state government launched the co-branded **Pradhan Mantri Jan Arogya Yojana-Chief Minister's Comprehensive Health Insurance Scheme (PMJAY-CMCHIS);** the scheme continued to be implemented in the manner of CMCHIS before the merger, with the same treatment packages and scheme features. It has been estimated that as many as 7.7 million households qualify for PM-JAY coverage in Tamil Nadu, based on the Socio-Economic Caste Census (SECC) of 2011 plus 6.9 million additional families covered by the State scheme. A total of 2,332 hospitals had been empanelled under PM-JAY.

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

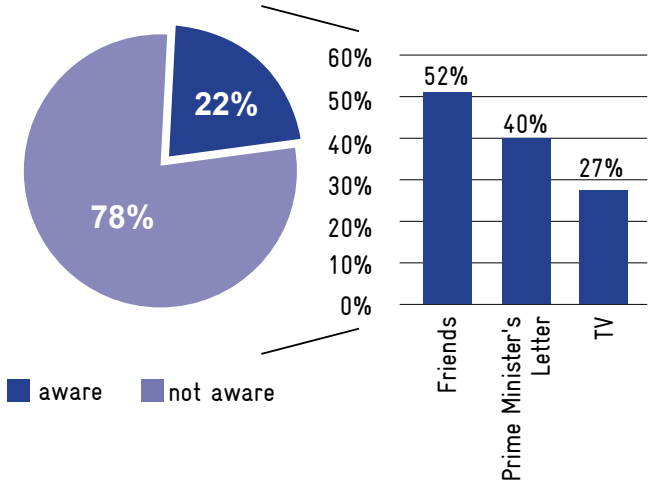
Table 2. Exclusion criteria, entire sample from Tamil Nadu (rural and urban)

Exclusion criteria	%
Owns Motorcycle/Scooter/3 wheeler	35.9
Owns Car/Truck/4-wheeler/Jeep/Van	0.1
Household member is a government employee	0.8
Household with non-agricultural registered enterprise	0.2
Any member of household earning>=INR 10,000 per month	95.0
Household paying income or professional taxes	0.2
House with >=3 rooms pucca walls & roof	29.6
Owns a refrigerator	11.3
Owns a landline phone	0.0
Owns >=2.5 acres of irrigated land & 1 irrigated equipment	0.2
Own >=5 acres of irrigated land	95.5
Owning >= 7.5 acres of land & one irrigated equipment	0.0
Mean number of exclusion dimension per household	35.9
N (households)	0.1

Knowledge and awareness:

One year into scheme implementation, 22% of the study households have heard about the scheme, mainly having learnt about the scheme through friends, the Prime Minister's Letter or television (TV):

Figure 1. PM-JAY eligibility awareness and source of awareness



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

Awareness on key scheme features was expandable among beneficiaries, with variations between locations.

While all eligible persons and beneficiaries were able to provide information about CMCHIS or other insurance schemes available within Tamil Nadu, few had much to say about PM-JAY. Confusion existed regarding eligibility criteria and key scheme features.

Village Health Nurses, who are important information communicators on the scheme and its features, showed relatively low awareness of PM-JAY, though this varied by district and village. Some lacked knowledge on the registration process, which facilities accept card, which services the scheme covers or eligibility criteria.

Experiences with registration process:

PM-JAY beneficiaries had trouble distinguishing between previous schemes, CMCHIS and PM-JAY when asked to describe the registration processes. There were also cases in which eligible individuals reported never having received the Prime Minister's Letter and having never received a card.

Village Health Nurses reported to have low (or no) information on PM-JAY registration and being unsure as to whether or not beneficiaries need a new PM-JAY card to access the scheme or if beneficiaries can continue using their cards from previous schemes.

Hospital utilization and out-of-pocket expenditure:

Overall, 6% of the entire sample reported having experienced hospitalization. Utilization of hospital services appeared somewhat higher than what observed in most other study states.

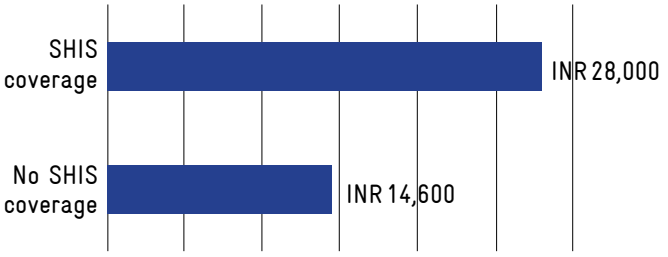
Less than 1/2 of the eligible individuals experiencing hospitalization made use of any government insurance scheme to cover their cost of treatment.

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

97% of all hospitalized individuals incurred out-of-pocket expenditures (OOPE) (including pre- and post- hospitalization treatment).

Those who utilized hospitalization services under SHIS paid double the amount of those whose hospitalization was not covered by a scheme. This may be due to the nature of high-cost, low frequency benefit packages available under the scheme (and exclusion of secondary care services under the scheme).

Figure 2. Out-of-pocket expenditure during hospitalization process



The amount paid for SHIS-covered hospitalization episodes in Tamil Nadu was almost three times the average amount paid across all states in this study, while the amount paid for non-SHIS covered hospitalization episodes was lower than the average amount paid across all study states.

12% of the individuals who had experienced a hospitalization in the prior twelve months could do so under PM-JAY (or the integrated PM-JAY-CMCHIS) coverage. The four most frequent reasons given for this were not knowing about PM-JAY coverage, not having had eligibility checked, hospital not empanelled, or simply not knowing the cause for lack of coverage.

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

Healthcare utilization under PM-JAY needs to be strengthened:

- Few respondents reported having a PM-JAY card or knowledge about the scheme.
- Many did not understand the difference between the CMCHIS and PM-JAY or were unaware that there was a difference between them.
- Many sought care at private facilities as services were either not available or sub-par at public hospitals (i.e., too slow, poor service, lack of facility, rude or negligent staff and high mortality rates).

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

RECOMMENDATIONS

> "CMCHIS-PM-JAY saves people money (as well as from suffering financial hardships to pay for health care) and protects the poor from unnecessary morbidity and mortality."

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 VHN and Beneficiaries on PM-JAY:

- CMCHIS/PM-JAY beneficiaries and eligible persons want more clear and concise information about PM-JAY and CMCHIS.
- Those who know about PM-JAY think that the scheme is good and are pleased that the scheme allows them to seek care at private facilities.
- CMCHIS/PM-JAY beneficiaries are not afraid to seek health care if they need it.
- Many respondents think the benefit packages are adequate.
- Those who have not been able to utilize services under the scheme or whose treatments are not covered think the scheme is worthless.

VHN and Beneficiary suggestions for improving PM-JAY:

- VHNs and communities should be given more information about the scheme and officials should come to the villages and give people all necessary information about the scheme, including about registration.
- The government should monitor how the scheme responds to the actual needs of beneficiaries and then restructure the benefit packages to match those needs.
- Benefit packages should be expanded and increased or PM-JAY should pay for all medical services, including medications.
- The full cost of a beneficiary's treatment should be covered or the coverage amount should be raised to INR 10,00,000.
- CMCHIS and PM-JAY should have the same coverage amount.
- The scheme should require that government and private hospitals provide high quality care.
- Beneficiaries should be told how much money has been charged to their cards.
- The government should re-allocate scheme funds from healthy beneficiaries to sick ones.

INCREASE ACCESS

Access to services in Tamil Nadu is already good as utilization of hospital services appeared to be somewhat higher than what observed in most other study states. Nonetheless, access appeared to be coupled with relatively high OOPE. One approach to address this could be:

- Designing strategies aimed at further increasing access, while also striving to achieve greater financial protection among those in need of care.

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 what might drive these high OOPE (e.g., efforts towards understanding to what extent patterns observed might be due to formal or informal charges being applied to beneficiaries).

ACKNOWLEDGEMENT

We are grateful to NHA for commissioning GIZ/IGSSP, later IGUHC, to undertake this PM-JAY Demand Evaluation study, which serves as a process evaluation for the PMJAY. 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 NHA and SHAs of the study states (Bihar, Chhattisgarh, Gujarat, Kerala, Meghalaya, Tamil Nadu and Uttar Pradesh) have supported and guided us in implementing this study.

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