UTTAR PRADESH

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 Uttar Pradesh, 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 around 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 Uttar Pradesh, three districts were sampled: Allahabad, Ghazipur and Rampur. The household survey included a total of 16,970 individuals distributed in 3,086 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 a sufficient number of hospitalization cases in our final sample.

The qualitative study included a total of 6 KIIs with Accredited Social Health Activists (ASHAs), 6 FGDs (3 with only female participants and 3 with only male participants) and 12 IDIs (6 female, 6 male).

KEY FINDINGS

Eligibility:

SECC Criteria:

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

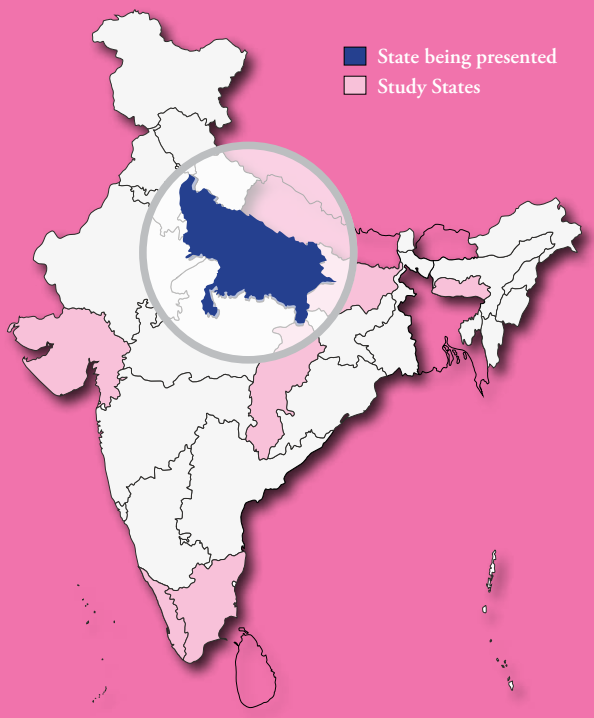
Table 1. Eligibility Criteria, rural and urban areas

Eligibility Criteria	Rural (%)	Urban (%)
Only one room with kucha walls and kucha roof (D1)	10.2	41.7
No adult member between age 16 to 59 (D2)	5.3	8.3
Female headed households with no adult male member between age 16 to 59 (D3)	4.9	0.0
Disabled member and no able-bodied adult member (D4)	10.6	8.3
Schedules Caste/Scheduled Tribe households (D5)	51.8	0.0
Landless households deriving major part of their income from manual casual labor (D7)	21.7	0.0
Automatically included*	1.8	58.3
Mean number of dimensions per household	1.1	1.2
Households that met at least one dimension	69.6	75.0
N (households)	**3,074**	**12**

**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

UTTAR PRADESH



Access to healthcare services needs greater attention in Uttar Pradesh. Prior to 2018, the vast majority of the population lacked access to any form of formal social health protection scheme.

The **Rashtriya Swasthya Bima Yojana (RSBY)** was implemented in 2008, but effectively ceased to operate at state level in 2014. In light of these challenges, the Government of India launched the **Pradhan Mantri Jan Arogya Yojana (PM-JAY)** health insurance scheme in September 2018, with the objective of ensuring social health protection to the most vulnerable households and as such, increase their access to quality secondary and tertiary services while also avoiding catastrophic spending due to illness and care seeking.

In Uttar Pradesh, PM-JAY operates according to a trust model, meaning that the insurance functions, and as such the risk these entail, are carried out by a government-controlled entity, which acts as an independent purchaser. It has been estimated that more than 32 million households qualify for PM-JAY coverage in Uttar Pradesh, based on the Socio-Economic Caste Census (SECC) of 2011. By July 2020, 8.6 million individual e-cards had been generated and 2,549 hospitals empanelled under PM-JAY.

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

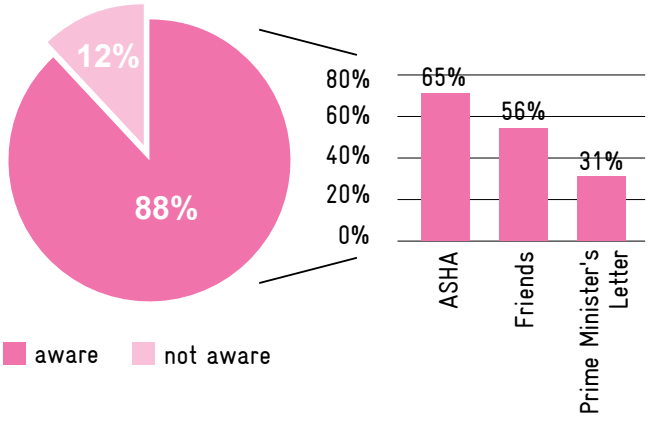
Table 2. Exclusion Criteria, entire sample from Uttar Pradesh (rural and urban)

Exclusion criteria	%
Owns Motorcycle/Scooter/3 wheeler	24.9
Owns Car/Truck/4-wheeler/Jeep/Van	0.8
Household member is a government employee	3.2
Household with non-agricultural registered enterprise	0.3
Any member of household earning>=INR 10,000 per month	99.9
Household paying income or professional taxes	0.2
House with >=3 rooms pucca walls & roof	29.4
Owns a refrigerator	3.2
Owns a landline phone	0.2
Owns >=2.5 acres of irrigated land & 1 irrigated equipment	7.7
Own >=5 acres of irrigated land	63.3
Owning >= 7.5 acres of land & one irrigated equipment	1.5
Mean number of exclusion dimension per household	2.4
N (households)	3,086

Knowledge and awareness:

Only one year into scheme implementation, 88% of the households had heard of PMJAY. Mainly having learnt about the scheme through word of mouth via ASHA workers

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:

- **62%** of respondents recalled hospitalization to be included in the service package.
- **42%** of respondents recalled the ceiling for the scheme coverage (5 lakhs per family per year).

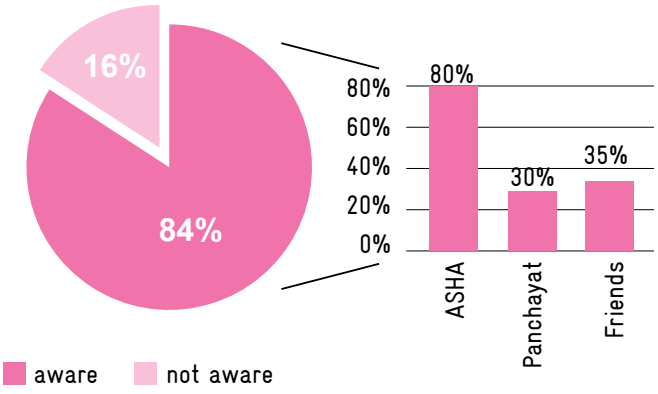
Some confusion existed regarding which services are covered by PM-JAY, who is eligible, which type of facilities accept the card, the coverage amount and how many people can use one card.

ASHAs, who are important information communicators on the scheme and its features, showed moderate awareness, with variation by district and village. For example: The majority of ASHAs wrongly believed that the INR 5 lakh coverage amount per year is per beneficiary and that each individual must have their own card.

Experiences with registration process:

A majority (84%) 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 45% of households were familiar with the registration process.

Satisfaction among respondents undergoing the registration process was high (on a scale of 7, 5.5 was the average score).

PM-JAY beneficiaries report variation in the registration process both within and between locations. Some say the registration process is easy while others feel it is hard.

Hospital utilization and out-of-pocket expenditure:

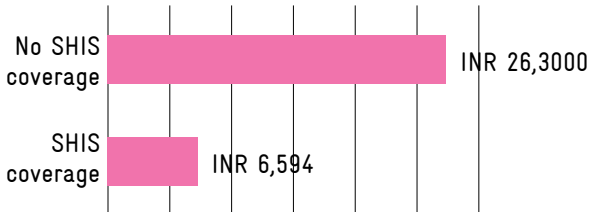
Overall, 6% of the entire sample reported having incurred hospitalization. About 1/2 of the eligible individuals experiencing hospitalization made use of any government insurance scheme (SHIS) to cover their cost of treatment.

Satisfaction with PM-JAY hospitalization services was high (on a scale of 7, 5 was the average score).

88% of all hospitalized individuals incurred out-of-pocket expenditures (OOPE) (including pre- and post- hospitalization treatment).

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

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



Mean OOPE for non-SHIS covered hospitalization episodes was the highest in all study states (42% of the total annual per capita expenditure).

Main costs were:

- **Pre-hospitalization phase:** medicines
- **During-hospitalization phase:** medicines, followed by transport costs
- **Post-hospitalization phase:** other medical expenses, followed by diagnostics

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

Many people have been utilizing their PM-JAY cards.

Experiences with healthcare utilization under PM-JAY were mixed:

- Many respondents were satisfied with the scheme and were pleased with the treatment that they or their family members have received.
- Most respondents paid nothing out of pocket or paid very little for whatever services they access under PM-JAY.
- Some had received sub-par treatment and had been forced to pay out of pocket to rectify negative outcomes (on top of what is being charged to their PM-JAY cards).

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

> **PM-JAY is good** for communities and households; it is expanding people's options pertaining to facility choice.

RAISE AWARENESS

While awareness of PM-JAY and own household eligibility were relatively high, knowledge of specific scheme features and experiences with the beneficiary identification system need to be strengthened. Awareness of PM-JAY and entitlement to insurance coverage could be increased:

Responses by ASHAs and Beneficiaries on PM-JAY:

- PM-JAY is raising beneficiaries' confidence to seek care when they need it because financial barriers to care have been removed.
- Many people report that using the card is easy, albeit they acknowledge that it is regrettable that PM-JAY has a limited provider network.
- Many beneficiaries are satisfied with the treatment they have received and feel that services are high-quality.
- Others feel that services are of low-quality, making the insurance worthless.
- Those who are still being charged money under the scheme think the scheme is worthless.

ASHA and beneficiaries' suggestions for improving PM-JAY:

- Information must be provided on medical services covered by the scheme and lists detailing which hospitals are empanelled should be made available.
- ASHA should be eligible for the scheme.
- Names of people omitted from the eligibility list should be added.
- Eligible people need information about how and where to register.
- More cards need to be made and faster.
- The scheme should cover all medical services, including medications.
- All hospitals should accept the card.
- All empanelled hospitals should be of high quality.
- Beneficiaries should be told the amount deducted from their cards at the time of discharge.
- Beneficiaries should be able to check the balance of their card.
- Every empanelled hospital could have a PM-JAY counter so that beneficiaries can get assistance when needed.
- Hospital staff could encounter consequences if mistreating or neglecting PM-JAY patients.
- In case hospitals refuses to treat PM-JAY patients or defraud them, the government could penalize such hospitals.

- Closing the gap between scheme awareness and actual registration to ensure adequate coverage to the target population via mass media campaigns, engaging community health workers and other trusted community leaders to conduct small-scale IEC campaigns.
- Strengthening the role of Ayushman Mitras at the facility level and promoting the implementation of additional insurance navigators at the community level (i.e. people deployed exclusively to guide PM-JAY eligible households throughout the process from registration to care seeking).

EASE REGISTRATION PROCEDURES

Individuals faced high proportions of OOPE when seeking care, with extremely high rates of OOPE among non SHIS covered hospitalization cases. To reduce these costs, strategies could be:

- Easing registration procedures to ensure that all entitles individuals register with the scheme.
- Expanding the provider network to ensure that once registered, individuals avail services under the scheme coverage.

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, needs

- Investigating why OOPE for hospitalization services in Uttar Pradesh 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.

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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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