POLICY BRIEF 2022

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

UTTAR PRADESH

BACKGROUND

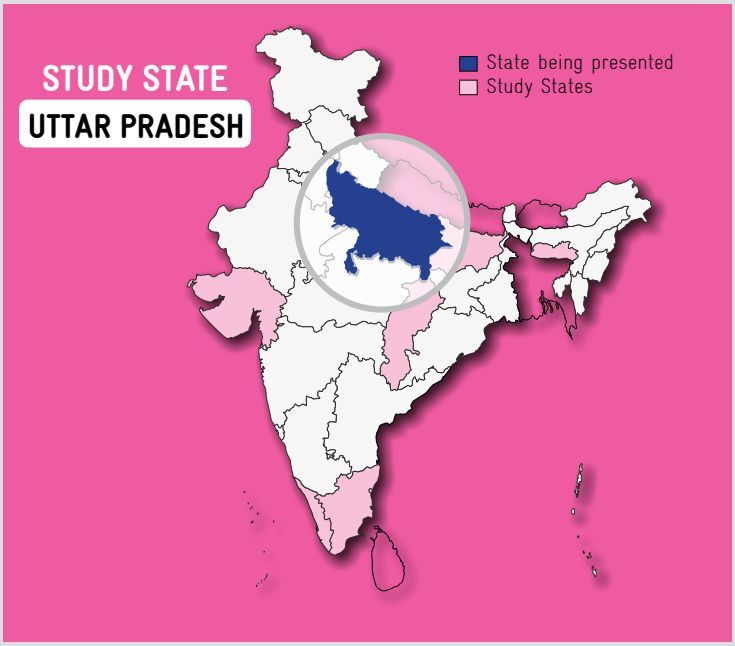
This policy brief presents findings from research commissioned in April 2018 by the Indo-German Social Security Programme (IGSSP), predecessor of the Indo-German Programme on Universal Health Coverage (IGUHC). The research evaluated the PM-JAY implementation from the supply-side, thereby providing performance 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 IQVIA Consulting and Information Services India did the evaluation from January 2019 to July 2020.

The mixed methods research provides insights into hospital empanelment changes related to the state-funded social health insurance scheme, Pradhan Mantri Jan Arogya Yojana (PM-JAY), across eight Indian states, including Meghalaya, approximately 14-16 months after implementation in 2018.

The Study areas were:

- Hospital service quality inputs (i.e., infrastructure, staffing, consumables)
- Processes and outputs (i.e., healthcare providers' and PM-JAY beneficiaries' experiences with the implementation of and service utilization under PM-JAY)



APPROACH

Quantitative and qualitative data was collected from 24 hospitals in two districts in Uttar Pradesh (Allahabad and Ghazipur) at two different time points (February to April 2019 and November 2019 to January 2020). Seventeen of these hospitals were empanelled under PM-JAY, with the remaining hospitals serving as comparisons. Data collection included structured questionnaires (for hospital directors, administrators, PM-JAY patients) and qualitative interviews (for hospital directors, general practitioners).

KEY FINDINGS

★Quantitative

Service Quality Indicators (Hospital Survey)

⊕ Criteria most complied with

Nearly all empanelled and non-empanelled hospitals fulfilled criteria for bed capacity, 24/7 availability of at least 1 doctor and 1 nurse, obstetric and newborn care providers and motor vehicle accessible road.

⊖ Criteria least complied with

Overall, both hospital groups showed relatively low levels for 24/7 availability of a help desk, accredited laboratories (which was substantially higher in non-empanelled hospitals), blood banks, and essential equipment of labour rooms.

The total number of non-surgical specialties available remained stable at 3.4 out of 8 for empanelled and 5 out of 8 for non-empanelled hospitals.

↗ Improvements over time

The percentage of hospitals with NABL accredited laboratories increased 11 percentage points across the two rounds, from 47% to 59%.

The percentage of hospitals with fully equipped labour rooms increased 17 percentage points across the two rounds, from 68% to 85%.

The percentage of hospitals meeting minimum maternity service capacity amenities increased 15 percentage points across the two rounds, from 54% to 69%.

Deteriorations over time

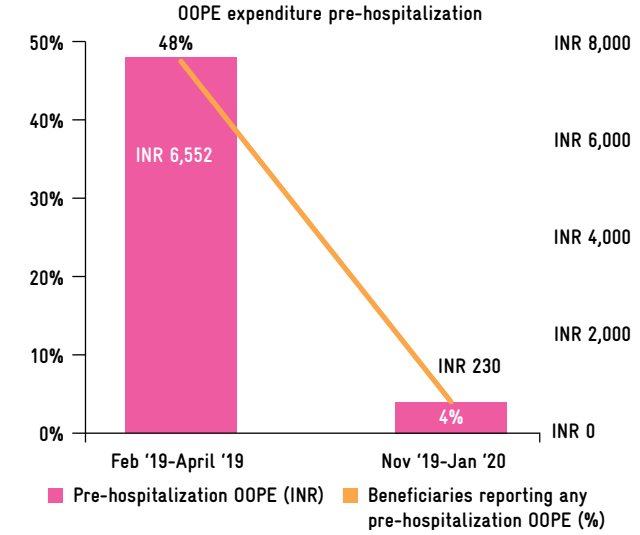
Availability of a pharmacy, kiosk for PM-JAY beneficiary management, and 24/7 availability of PM-JAY help desk clerk all declined over the two data collection rounds.

The average number of beds reserved for PM-JAY patients declined from around 5 to 2 beds over the two data collection rounds.

Beneficiaries' Experiences (Exit interviews)

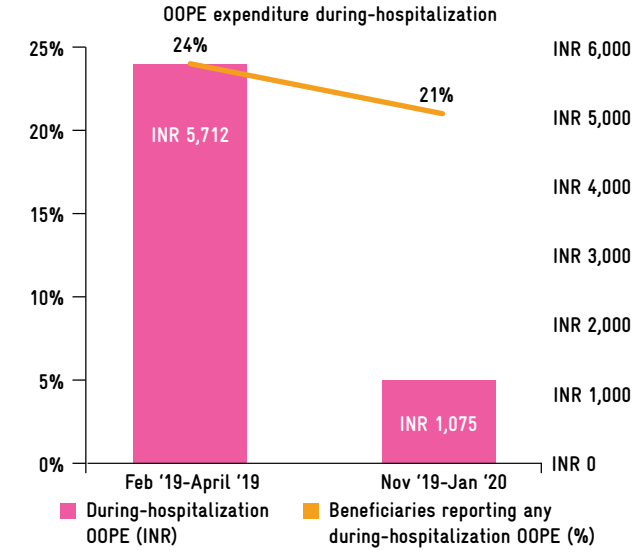
Expenditures prior to hospitalization

Pre-hospitalization OOPE tremendously decreased by 44 percentage points; the expenditure amount decreased by approximately 96%.



Expenditures during hospitalization

During hospitalization OOPE decreased by 3 percentage points and the expenditure amount decreased significantly.



Satisfaction with hospitalization

Services were received as good or very good, with a mean of 2.5 and 2.6 on a scale of 6 (very poor) to 1 (excellent).

Qualitative

Experiences of hospital administrators and general practitioners with PM-JAY implementation:

Beneficiary management

Beneficiary management closely followed PM-JAY guidelines using the Beneficiary Identification System. After identification, pre-authorization, blocking of packages, hospitalization and treatment, discharge and follow-up processes aligned with PM-JAY guidelines.

A majority of respondents remarked that beneficiaries became more aware about PM-JAY with positive changes in their health seeking behaviour, i.e. more beneficiaries seeking and completing treatment as compared to earlier.

In many hospitals, separate wards had been established for PM-JAY patients and the hospital staff were more aware and comfortable with the scheme.

Some respondents stated that the patient load had increased in the past six months, while others stated that they had not a single PM-JAY patient in a particular district of the state.

PM-JAY support team

Hospitals interacted with the state nodal agency support team for blocking of treatment packages, claim processing and claim settlement. A good number of hospitals reported that they were either unaware or had no interaction with the support team.

A few further stated that there was good support provided by the support team, and this had improved over time.

Others felt that there were delays and issues with query resolution and emergency management.

Clinical management

Many hospitals reported conducting general training, monitoring of indicators, information management processes and adhered to standard protocols and guidelines to promote quality of service provision. Most of these were general measures, and unrelated to the implementation of any insurance scheme, including PM-JAY.

A few respondents had hired additional staff, upgraded hospital infrastructure and equipment, including increasing bed capacity and availability of laboratory equipment; one hospital had also established a blood bank.

A couple of hospitals had to purchase more medicines and consumables stated due to the increased patient load, and one hospital reported facing more frequent stockouts.

Quality improvement

Hospitals conducted general training, monitoring of indicators, information management processes and adhered to standard protocols to promote quality of service provision. Most of these were general measures, and unrelated to the implementation of any insurance scheme, including PM-JAY.

Respondents also remarked that patients and staff alike were more aware about PM-JAY, and this helped to better adhere to PM-JAY processes and procedures.

The majority of hospitals were not accredited, although some expressed interest in working towards obtaining accreditation.

Some hospitals observe increases in patient load under PM-JAY, and patients were now able to avail better services.

A few hospitals reported upgrading their facilities and purchasing more medical equipment and supplies in the last six months to cater to the increased patient load.

> *"Initially, we were passive in managing the patients who were Ayushman holders. Now we are implementing it actively. We inquire with the patients whether they have the cards while admitting them. If not, we encourage them to bring their ration card and give them the phone numbers to find out the details. Sometimes, the patient himself is unaware that he is an Ayushman holder. We help them in going about with the process. This is the change that has come over."*

Financial management

A very large number of respondents reported being unaware about financial management processes within their hospitals or within the PM-JAY scheme, particularly general practitioners.

A few hospitals monitor financial activities such as procurement of funds, utilization of funds, accounting, payments and risk assessments through profit loss monitoring.

Only a couple of respondents stated that the total finances of the hospital had increased after PM-JAY, while a few reported overall losses or losses specifically for PM-JAY patients.

Several respondents stated that there were problems in claim settlement, ambiguity around reasons for rejection of claims and delays in payments.

Some hospitals reported not receiving any funds from PM-JAY claims in the last six months.

Achievements Related to PM-JAY Implementation

Many respondents opined that the increased awareness and increased health seeking behaviour among beneficiaries were important achievements, coupled with greater access to proper medical treatment for poor patients.

> *"Slowly things have increased surely like more patient cards are being made, and as the patients are getting aware that the others are Ayushman Bharat cardholders or Prime Minister's letters are reaching them or the Chief Minister's letters are reaching them, so under PM-JAY scheme, there has been increased in the number of patients".*

Challenges related to PM-JAY implementation (Processes and procedures)

Respondents highlighted that certain packages were not well designed and did not cover the common treatment modalities (especially for dialysis, Chronic Obstructive Pulmonary Disease, ICU patients, orthopaedics and other specialties), co-morbidities, changes in treatment course or better medicines; they also had irrationally short or long length of stay in the hospital.

Challenges related to implementation of claim settlement and beneficiary management

Claims processing and payments were delayed with no reasons given for delays in payments or rejection of claims. Reimbursements were bundled without any information on what payment was made for which claim. Reimbursed amounts were perceived to be always less than that was claimed.

Beneficiary management was challenged, with beneficiaries frequently unaware about scheme features and coming to hospitals without the requisite documentation. Some beneficiaries demanded unnecessary treatments and procedures, and misbehaved when they were not provided.

Respondents highlighted issues with beneficiary identification, with many observing that some well-off patients fraudulently availed treatment under the scheme.

> *"Previously nobody knew about it, it was not there at all, it had not started only. But now since it has started so people are aware of it. Some patients know that they have a card and they know that through this card they can get treatment from this hospital. So, people have started coming. They are much aware than before."*

RECOMMENDATIONS

Drive quality service provision

Drive quality service provision, via: identifying important amenities and infrastructural parameters and focusing empanelment and dis-empanelment on their basis.

Encourage accreditation

Encourage hospitals to undergo accreditation as a means of ensuring adherence to higher quality standards, via: privileging empanelment of accredited hospitals and/or designing strategies.

Improve adherence to PM-JAY processes

Facilitate hospitals to improve adherence to PM-JAY processes, via: reviewing reported bottlenecks in PM-JAY processes like beneficiary management, claims submission and processing, and documentation requirements.

Ensure adequacy of packages and rates

Ensure the adequacy of the current treatment packages and related case-based rates, via: investigating cost structures and applying changes if required.

Identify reasons for OOPE

Explore reasons for continued OOPE in patients utilizing services under PM-JAY, via: investing in an in-depth exploration of the reasons, including before and during hospitalization.

Increase awareness

Make beneficiaries aware of their entitlements, understand and comply with PM-JAY specific documentation, verification, and hospitalization requirements, and empower them to utilize services through PM-JAY, via: advocating for increased awareness generation and promotional activities among beneficiaries.

ACKNOWLEDGEMENT

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We would also like to thank IQVIA 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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