POLICY BRIEF 2022

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

BIHAR

BACKGROUND

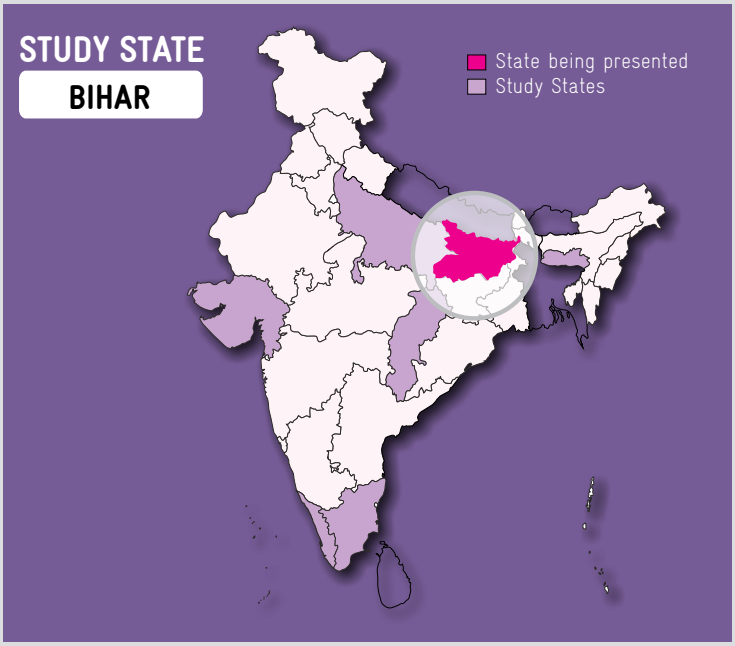
This policy brief presents findings from research commissioned in April 2018 by the Indo-German Social Security Programme (IGSSP), predecessor of the Indo-German Programme on Universal Health Coverage (IGUHC). The research evaluated the PM-JAY implementation from the supply-side, thereby providing performance 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 Bihar, approximately 14-16 months after its 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 Bihar (Muzaffarpur and Patna) at two different time points (February to April 2019 and November 2019 to January 2020). Twelve of these hospitals were empanelled under PM-JAY, the others served 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 minimum bed capacity, 24/7 availability of at least 1 doctor and 1 nurse, pharmacy, kiosk for PM-JAY beneficiaries, motor vehicle accessible road and obstetric and newborn care providers.

⊖ Criteria least complied with

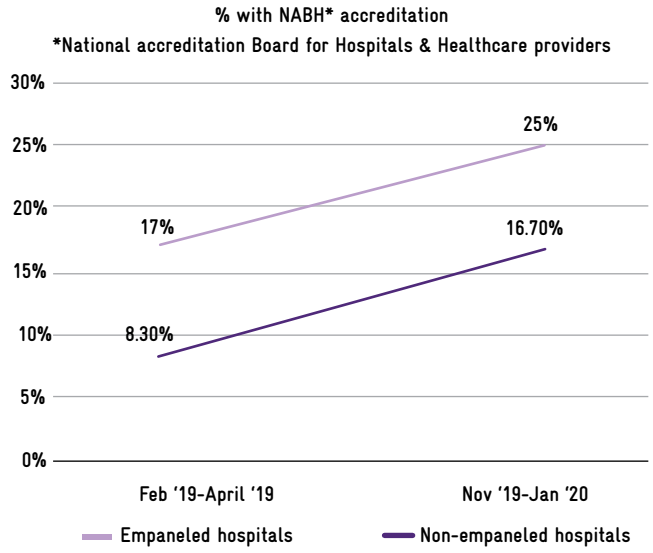
Both hospital groups showed relatively low levels for NABH accreditation, blood banks and essential equipment of labour rooms.

Empanelled hospitals have low availability of 24/7 availability of PM-JAY help desk clerk.

Total number of non-surgical specialties available remained more or less stable at around 4 out of 8 for both empanelled and non-empanelled hospitals.

Improvements over time

NABH accreditation improved by 8 percentage points:



Human resource capacity indicators improved to full capacity (not the case for non-empanelled hospitals).

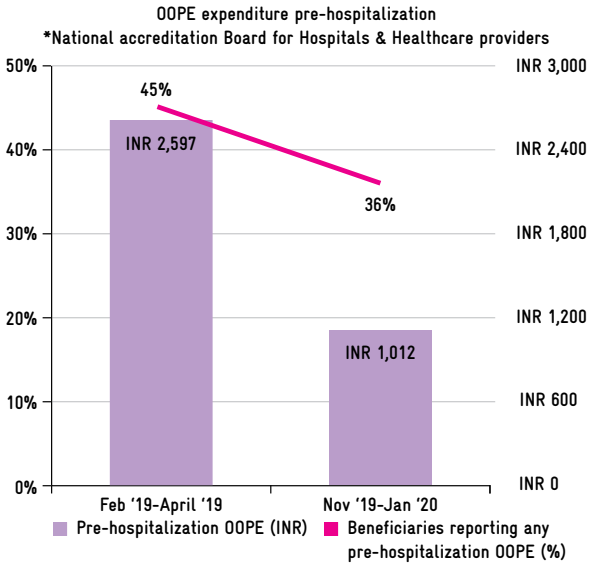
Deteriorations over time

The average number of beds reserved for PM-JAY patients declined from around 7 to 4 over the two data collection rounds.

Beneficiaries' Experiences (Exit interviews)

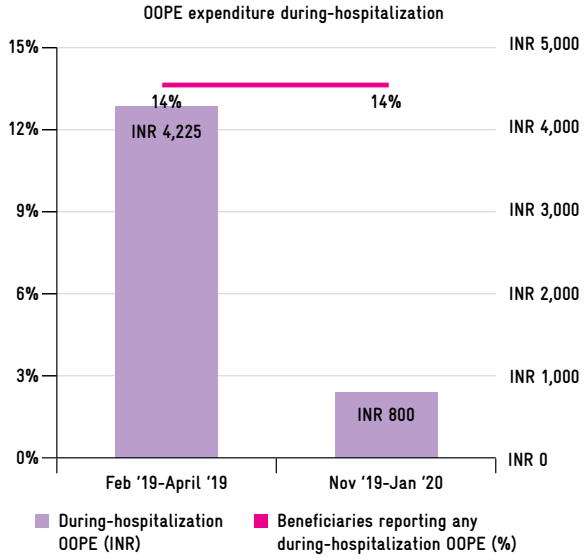
Expenditures prior to hospitalization

Pre-hospitalization OOPE decreased by 9 percentage points and the expenditure amount more than halved:



Expenditures during hospitalization

Although in both rounds, 14% incurred OOPE, mean spending decreased tremendously:



Satisfaction with hospitalization

Services were received as good or very good, with a mean of 2.3 and 2.4 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.

Beneficiary management gradually improved as staff became more familiar with procedures.

Hospitals reported increases in patient loads since PM-JAY was launched, with increases in outpatient service load, even among non-beneficiaries. Beneficiaries were increasingly more aware about PM-JAY.

PM-JAY support team

Hospitals interacted with the state nodal agency support team for blocking of treatment packages, claim processing and claim settlement. Majority of hospitals reported good and supportive engagement with PM-JAY support team in respect to timely response resolutions.

Interactions have become much smoother over time as both the support team and hospital staff are more familiarized with their roles and responsibilities.

A few hospitals said the support team had been unhelpful and unable to resolve queries.

Clinical management

Most commonly discussed patient management aspects referred to patient admission, treatment and discharge.

Majority of hospitals observed higher patient loads, while patients availed better services.

A few respondents found beneficiary admission and discharge process more elaborate and requiring more time.

Quality improvement

Some hospitals conducted general training, monitoring of indicators, information management processes and adhered to standard protocols to promote quality of service provision. A few accredited hospitals followed quality monitoring and improvement as necessitated by the accreditation, but unrelated to PM-JAY requirements.

Majority of hospitals were not accredited, a few expressed interests in working towards obtaining accreditation. Awareness regarding accreditation needs to be strengthened.

Public facilities, especially, stated that the additional funds received from PM-JAY had been utilized for facility supplies, consumables and infrastructure, which might have contributed to better service provision quality.

> *"One advantage is that all the medicines and the related tests are made available by the management to all the patients related to Ayushman Bharat. The management takes quick step in arranging facilities such as medicines and tests to Ayushman Bharat patients, if they are not available in the hospital. This increases the trust of the patients in us and we also feel better with management and diagnosis point of view."*

Financial management

Most hospitals monitored financial activities (procurement of funds, utilization of funds, accounting, payments and risk assessments) through profit loss monitoring.

No claims were settled in the period from January-March 2019, while processed much faster in afterwards.

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.

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.

PM-JAY scheme features, like user-friendly and simpler procedures, were mentioned as notable achievements by some other respondents.

> *"I would like to say that the government needs to improve the scheme and I think the patients are still not aware about many things. Patients don't know what hospitals are treating which illnesses, when a patient comes all the way from the village to seek treatment in our hospital just to learn that the treatment isn't available here, then they feel much cheated. So, the information of which hospitals provide what treatment should be available with all the beneficiaries and there should be a toll-free number for the patients to resolve any of their queries."*

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

Some package rates were too low to provide satisfactory treatment and hospitals incurred losses in treating PM-JAY beneficiaries. Certain packages did not cover common treatment modalities, co-morbidities, changes in treatment course, better medicines, or expected too short or long admission periods.

Software, transaction management and information management systems seemed not sufficiently transparent and should be simplified.

Challenges related to implementation of claim settlement and beneficiary management

Many beneficiaries were found unaware about the scheme features and coming to hospitals without the requisite documentation. Some beneficiaries demanded unnecessary treatments and procedures, and misbehaved when these were not provided.

> *"I would like to ask the people who are looking at the claim settlement aspect of the scheme to pay us on time because our hospital is a government hospital and not a profit-making hospital."*

RECOMMENDATIONS

Drive quality service provision

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

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 the 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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