EXECUTIVE SUMMARY

Introduction

"*Yeshasvini Cooperative Health Care Scheme*" (YCHCS) was introduced by Government of Karnataka for the benefit of the Co-operative members of the state in 2003. The objective of the scheme is "To provide quality healthcare to the rural/urban (very recently) co-operative members who contribute a small amount of money every year for a wide range of surgical cover. The beneficiaries are offered cashless treatment in network hospitals spread across the State subject to conditions of the scheme." YCHCS is a unique example of tri-sector partnership, among the public, private and cooperative sectors and embodiment of Co-operative Principle of "**One for all and all for one**". 823 types of surgical procedures are covered under this scheme. The Management Support Service Provider (MSSP) renders administration of scheme, including approval of preauthorization and claims settlement.

During the year 2016-17 about 43.72 lakh cooperative members were enrolled and contributed Rs 105.32 crores. The number of hospitals empanelled with YT was 722 as on 1.5.2017. A total of 271776 free OPD consultations and 194129 surgeries were availed by the enrolled members. Surgery amount reimbursed to empanelled hospitals was Rs. 317.82 crores. The Government of Karnataka contributed Rs. 170.43 crores.

Sample Distribution and Size

The sample for the present evaluation is spread across 8 districts namely Shivamogga and Tumakuru (Bengaluru Division); Uttara Kannada and Vijayapura (Belagavi division); Ballari and Raichur (Kalaburagi division); Dakshina Kannada and Hassan (Mysuru division) covering all four regions of the state and the reference period is 2010-11 to 2014-15. The study answers the evaluation questions under the following 5 heads.

1. Related to enrolment
2. About empaneled Network Hospitals
3. About the Claims
4. The service to beneficiary and opportunity cost of scheme
5. General

Interviews were conducted with 1257 surgical and 389 OPD beneficiaries representing the reference period. All the network hospitals in the 8 sample district Head Quarter towns were visited to observe YCHCS desk. In addition a representative hospitals in big cities namely

Bengaluru; Belagavi, Kalaburagi and Mysuru were also included in the study. A total of 339 network hospitals were covered. Also in depth interviews were done with 28 hospitals to understand the pricing mechanism and opinion about YCHCS implementation. Also interviews were conducted with 77 eligible non-members and 89 non-eligible non-members, as control groups. In addition 16 Focus Groups Discussion were conducted involving cooperative society members, beneficiaries and non-beneficiaries.

SALIENT FINDINGS

Coverage: The coverage of members under the scheme has been less than 20% of the eligible in all years. It requires an average of about 20 years from now to cover 90% eligible population. During 2017-18 enrolment of 50 lakh members is targeted.

Renewal: As per the data provided by the Cooperation Department, renewal rate ranged from 44.3% in Dharwad to 72.5% in Uttara Kannada in rural areas. Renewal rates are relatively more for rural areas in a district compared to urban areas. The responses from the sample beneficiaries indicate an average renewal rate of 85.4% for surgery beneficiaries and 95.9% for OPD beneficiaries.

Enrolment Period: 65% of the surgery and 51% of the OPD beneficiaries have no problems with one-year period. Among the empanelled hospitals interviewed about 40% opined that one year is fine.

Money paid to Network Hospitals: The share of private hospitals varied from 84% (2011-12) to 92% (2014-15). Private hospitals continue to enjoy the lion share of the revenue from YCHCS.

YCHCS Desk & Board: About 87% of the hospitals have YCHCS desk at the entrance. The board/hoarding was as per the norm in case of 37.5% hospitals.

Display of Prices: Most of the hospitals do not display the price list of different surgeries conducted by them.

Claim: The rate of claims in case of surgeries increase from 5.7 to 39.9 per 1000 members between 2003-04 and 2015-16. Rate of usage of OPD consultations during the same period increased from 22.4 to 50.6.

In 2014-15, in terms of number of claims Ophthalmology (31%), Obstetrics & Gynecology (26%) and General Surgery are the leading specialties. However, in terms of claims amount cardiology leads with 29% share followed by obstetrics and Gynecology (18%) and Ophthalmology (14%).

Satisfaction: More than 90% of the Surgery beneficiaries rated their satisfaction as very much with a) admission and discharge; b) staff and care. In case of OPD consultations more than 85% rated their satisfaction as very much with a) time taken and b) advice given.

Preauthorization: Time taken was one day in case of 73.6%; two days in case of 16.4% and more than two day for the remaining. Almost all (98.7%) beneficiaries mentioned that surgery was performed within one month of pre-authorization.

Out-of-Pocket Expenditure (OPE): About 67% of surgery beneficiaries of government hospitals and 77% of private hospitals reported OPE. In case OPD consultations 17% of Government hospitals and 60% of private hospitals reported OPE.

Non-Beneficiaries: Ninety-one per cent of eligible non-members were aware of YCHCS. About 54% took loan to meet the surgical expenses. About 42% of non-eligible non-members were aware of YCHCS. About half of the non-eligible non-members reported taking loan for undergoing surgeries.

Rejection of Claims: Proportion of claims rejected was less than 1%. Primary reason for rejection of claims (90.5%) receipt of claims after 90 days.

Viability of YCHCS: Scenario – 1: In order to collect Rs. 317.82 crores, the amount reimbursed to hospitals in 2016-17, the annual contribution required is Rs. 727 per member. Scenario – 2: At 90% enrollment there would be 223.57 lakh members under YCHCS. Hence, in order to collect Rs. 317.82 crores, the amount reimbursed to hospitals in 2016-17, the annual contribution required is Rs. 142.

Merging of All Health Insurance Schemes: This require fine balancing act, among a) target groups; b) eligibility criteria and c) quantum of benefit coverage of these schemes.

It is pertinent to note that majority of the surgery (99.8%) as well as OPD beneficiaries (100%) and empanelled Hospitals (96.4%) opined that the scheme should be continued. FGDs with cooperative members also present a strong positive image of the scheme.

RECOMMENDATIONS

Majority (90.9%) of Surgery beneficiaries mentioned that the surgery was effective and problem was solved. Other stakeholders viz. cooperatives and empaneled hospitals, are also very positive about YCHCS and suggested that it should be continued. On 31st May 2018, leading News Papers reported the decision of the GoK to extend YCHCS.

The following recommendations are made with reference to continuation of YCHCS.

Short Term Practicable

1. There is a scope and need to increase the proportion of eligible population i.e. cooperative members to enroll in YCHCS, from the current level, which is below 20%.
    a. The cooperative societies need to undertake membership drives to enroll more members in YCHCS, where ever there is high potential.
    b. More effective methods such as Interpersonal Communication (IPC) may be used to convey the benefits of enrollment. IPC will also help in understanding the barriers for enrollment, thus paving way address/remove such obstacles.
    c. Higher enrollment rate will bring in more people in to the net, which in turn can help to reduce the amount of annual contribution, as seen from the breakeven analysis. This will have a cyclical effect one leading to another.
    d. Cooperative Societies should provide list of hospitals empaneled, so that the enrolled members can decide on the hospital for treatment, taking in to consideration of various factors, such as distance from home, time required etc..
    e. Yeshasvini Trust should encourage all empaneled hospitals to conduct monthly camps, without fail. Also pamphlets related YCHCS may be distributed at camps as well as at hospital counters. Of late this activity has become practically extinct by the network hospitals.
2. Cooperatives may take up the responsibility of reminding members of YCHCS, in time, to renew their membership, as some beneficiaries mentioned that forgetting is one of the major reasons for non-renewal of YCHCS membership.

Long Term Practicable

1. The concept of insurance and risk sharing needs to be properly explained to the members as well as non-members. Some beneficiaries mentioned that since they have not used any services, it is not useful to renew. They may require support for surgical care in future, which is difficult to predict.
2. It was observed some milk cooperatives, cross-subsidizing, by paying a part of the annual contribution of YCHCS from their capital funds. Similar practice may be encouraged among all cooperatives, which are profit making and have surplus funds.

Policy Related

1. A system like Medical Audit must be introduced in empaneled hospitals, to supplement the existing Quality Assurance (QA) mechanisms. This will help minimizing unwanted surgeries being conducted by some network hospitals.
2. The enrollment period may be enhanced to three years, with a reduced annual contribution. This will preclude missing renewal and more convenient and economical to members. It also minimizes the administrative work.
3. Different rates for hospitals with and without accreditation (such as NABH), for the same surgical package, may be considered. This will encourage more and more empaneled hospitals to get accredited, which in turn could lead to better 'Quality of care' (QoC). Alternatively, accreditation could be made mandatory for empanelment with YCHCS.

However, the GO dated No. HFW 91 CGE 2017, dated 1.6.2018 mentions that except for RSBY all other schemes including YCHCS stands subsumed in AKS. In light of this the following recommendations are also offered.

1. Rollout of the enrollment system to other major PHIs and thereafter to taluka PHIs is likely to take three to four months. Till all PHIs are AKS ready, the YCHCS card may also be allowed to avail care under AKS, which is ADHAR verified.
2. The hospitals empaneled under YCHCS may be encouraged to get empaneled under 'Arogya Karnataka Scheme' (AKS). The one-time empanelment fee under AKS, may be collected, after the validity of the fee paid by them for empanelment with YCHCS gets expired.

3. The treatments for the pre-authorizations given up to 31.5.2018 and claims by the network hospitals may be permitted and as per the guidelines of YCHCS.