Pilot Project Introducing Outpatient Healthcare on the RSBY Card – A Case Study
Message from the Director General, Labour Welfare Ministry of Labour and Employment Government of India

With a view to providing health insurance cover to poor workers and their families, the Rashtriya Swasthya Bima Yojana (RSBY) was launched. This smart card based cashless scheme, now provides cover to more than 34 million poor families across the country. Since its inception in 2008 until March, 2013, around 5 million hospitalisations have been reimbursed using the RSBY smart card. The overwhelming response to the scheme is on account of the technology used, making operational processes simpler and creating a public-private partnership model that benefits all the stakeholders involved, while concurrently enabling them to keep a check on each other. A clear vision, support from the Government and constant efforts at tackling the challenges, resulted in unprecedented beneficiary satisfaction and appreciation from several countries world over.

While the RSBY coverage is now being expanded to other categories of unorganised workers, the RSBY smart card is also being used to provide for life insurance cover and for services under the Public Distribution System (PDS).

Providing outpatient coverage to RSBY beneficiaries is one such effort to bring cashless primary healthcare to the poor of the nation. India faces a huge burden of disease that can be tackled at a primary care level, without having to get hospitalised. An idea to roll out outpatient care in 2010 became a reality with the support of the International Labour Organisation and the ICICI Group. After several rounds of discussions, the concept was prepared and experimented in two Districts in the States of Odisha and Gujarat.

This unique initiative is delivered through a Public Private Partnership model thereby giving the beneficiary a wider choice and access closer to doorstep. It has also had positive impact on the health seeking behavior in terms of early detection and thereby better health outcomes. The scheme has indeed encouraged investments in health infrastructure and improvement of services through market based solutions. The scheme has also encouraged the public and the private healthcare system to respond by improved staffing, setting up of diagnostic services and supply of generic medicines in rural India. Private healthcare providers have been encouraged and are now setting up clinics in remote locations. Overall this has raised the bar on the quality of healthcare services provided. Many beneficiaries have moved from the erstwhile informal to formal systems of healthcare.

There have been challenges along the way, but the team has always been able to find workable solutions. This was possible on account of meticulous planning, regular reviews and quick troubleshooting. Labour and Health Officials at the Centre and the State, as well as the Districts in both the States, Health Intermediaries, Doctors and Para-medical staff, and all others involved have worked tirelessly towards making the Pilots a success. The Pilot projects have given confidence that outpatient services can be offered on the RSBY insurance and technology-enabled platform. The additional premium is not prohibitive and there is acceptance at the user-level. Accordingly, a number of states have come forward to implement similar projects.

Mr. Anil Swarup
Director General, Labour Welfare Ministry of Labour and Employment Government of India

Message from the President
ICICI Foundation for Inclusive Growth

ICICI Foundation for Inclusive Growth was founded by the ICICI Group in early 2008 to carry forward its work in promoting inclusive growth among low-income households in India. Our mission is to empower the poor to participate and benefit from the Indian growth process, through integrated action in the fields of elementary education, sustainable livelihood, primary health and access to finance. We are committed to investing in long-term efforts that support inclusive growth through effective interventions. In the area of primary health, ICICI Foundation aims to improve the delivery of healthcare services to remotely-located and low-income individuals and families.

In the past, the ICICI Group has worked to strengthen public health capacities and practice, to ensure positive health outcomes for the poorest communities in the States of Bihar, Jharkhand, Chhattisgarh, Odisha, Maharashtra and Rajasthan. The Group has primarily focused on maternal and child health issues, through programmes with the State Governments and local NGOs.

ICICI Foundation’s flagship healthcare programme – the Outpatient Healthcare Pilot is a unique programme that rides on the existing Government of India’s inpatient healthcare platform - the Rashtriya Swasthya Bima Yojana. The pilot seeks to strengthen the delivery of outpatient healthcare at public healthcare facilities and involve private players to further improve the healthcare accessibility for BPL households in the Districts of Puri, Odisha and Mehsana, Gujarat.

Today, as the Outpatient Healthcare programme is on the threshold of a future scale-up process, we at ICICI Foundation are happy to present ‘Pilot Project Introducing Outpatient Healthcare on the RSBY Card – A Case Study’. In the following pages, the report captures the team’s exciting journey, from conception to scale-up, from challenges to successes; from lessons learnt to strategies realigned. We sincerely hope that the report serves as an invaluable source of information to the myriad healthcare partners serving India’s poor.

I would like to take this opportunity to thank the Ministry of Labour and Employment, Government of India, the International Labour Organization, respective State Governments, RSBY State Nodal Agencies, Departments of Health and Family Welfare, ICICI Lombard General Insurance Company and all our implementation partners that helped bring this initiative to its current form. The teams’ collective vision and determination has been responsible for making this Pilot project a success!

Mr. Subrata Mukherji
President
ICICI Foundation for Inclusive Growth
Message from the Chief Project Manager, Microinsurance Innovation Facility, International Labour Organisation

The ILO’s Microinsurance Innovation Facility seeks to increase the availability of quality insurance products for the developing world’s low-income families, to help them guard against risk and overcome poverty.

We see a pressing need for innovation in health microinsurance across three broad areas: sustainable provision of comprehensive benefits (including outpatient care), product and financing innovations, including savings and technology applications; and increased public-private partnerships.

Partnering with the Ministry of Labour and Employment, the Government of India, the Rashtriya Swasthya Bima Yojana (RSBY) team, the State Governments, and the ICICI Group enables a rich learning experience for the ILO and other stakeholders. Of particular interest is the role of technology: how can the biometric smart card technology used in the RSBY inpatient scheme enable efficient provision of outpatient benefits, particularly in respect of enrolment and claims? We also hope to better understand the impact of outpatient benefits on clients and healthcare providers. And importantly, we wish to observe the extent to which outpatient benefits may promote the viability of RSBY, and how this, or similar projects, can be scaled up.

This innovative pilot test to incorporate outpatient benefits into RSBY in two districts in India provides an opportunity to learn and share valuable lessons in these areas. Though results are still preliminary, feedback so far suggests that beneficiaries do perceive value in outpatient services as part of RSBY, and that providing outpatient services can improve access to primary care and promote viability of an inpatient health insurance scheme.

The Microinsurance Innovation Facility is pleased to support this project. We hope the insights generated are valuable for practitioners and policymakers in India and elsewhere striving to provide quality, affordable healthcare services to the poor.

Ms. Jeanna Holtz
Chief Project Manager
Microinsurance Innovation Facility
International Labour Organisation
Geneva, Switzerland

“Partnering with the Ministry of Labour and Employment, Government of India, the RSBY team, the State Governments and the ICICI Group was a good learning experience. The programme took some time to take off initially, but the implementing team worked enthusiastically to meet the challenges.”

Message from the Managing Director and CEO ICICI Lombard

Financial Inclusion is an area of priority for India to ensure that the next phase of growth covers a significant part of the population. An important element of this agenda is to provide basic healthcare facilities to the masses through the ‘Universal Healthcare’ (UHC) route. The government is providing the necessary thrust in this area having significantly increased healthcare spends. While this is critical, it is equally important to pursue innovative means to ensure that the vision of UHC is realised in a reasonable period of time and at optimal costs.

There are ample examples of innovation in the Indian healthcare segment that one can emulate. Rashtriya Swasthya Bima Yojana (RSBY), a mass health insurance scheme introduced in 2008 to provide healthcare facilities to families below the poverty line is one such case. The scheme has several ‘Firsts’ to its name. The use of biometric smart cards has ensured that the benefits of RSBY reach a segment that suffers from poverty, illiteracy and deprivation. It is indeed encouraging to note that this internationally recognized scheme covers 34 million families today and is poised to expand its reach given the measures announced in the Union Budget for FY’14.

The recent initiatives in terms of Outpatient Healthcare (OPD) pilot project will further add to the effectiveness of the RSBY scheme. Including Diagnostic services as part of the OPD package will allow easier access to healthcare for the BPL populace. The mobile OPD application developed by ICICI Lombard for the pilot in conjunction with its technology partner, FINO will help increase the reach of OPD’s empanelled across the district. The project, initiated in the districts of Puri and Mehsana, is a joint effort of International Labour Organization (ILO), ICICI Foundation for Inclusive Growth (ICICI Foundation), Ministry of Labour and Employment and ICICI Lombard General Insurance.

As on date, the OPD project has been able to reach 131,966 families thus covering 401,048 individuals in 11 blocks of Puri and 78,283 families covering 275,487 beneficiaries in 9 blocks of Mehsana. There have been more than 83,000 claims in Puri and about 45,000 claims in Mehsana. The scheme has several ‘Firsts’ to its name. The use of biometric smart cards has ensured that the benefits of RSBY reach a segment that suffers from poverty, illiteracy and deprivation. It is indeed encouraging to note that this internationally recognized scheme covers 34 million families today and is poised to expand its reach given the measures announced in the Union Budget for FY’14.

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Mr. Bhargav Dasgupta
MD and CEO
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Malatidebi, a middle-aged agricultural labourer1 from Jagannathpur, a village in Puri, has walked a fair distance to reach the Rebananuagaon Community Health Centre (CHC)2 in Puri, Odisha3… She walks into the doctor’s consultation room holding her five-year-old son in one hand and the family’s RSBY smart card in the other. Once the doctor has finished with his diagnosis, Malatidebi heads towards the ‘RSBY Help Desk’, located opposite the OPD room. She presents the smart card to the operator at the Help Desk4 for verification and fingerprint matching. After the verification, which takes about a minute, the operator at the Help Desk enters the information from her prescription into the computer. The operator then gives her a printout with the details about her visit and asks her to show the slip at the pharmacy to collect the medicines.

Malatidebi and thousands of RSBY beneficiaries in Puri and Mehsana5 Districts in India can now see a doctor for primary healthcare, without any delay or fear of having to shell out their meagre daily wages for consultation and medication. The RSBY smart card now entitles people Below the Poverty Line (BPL) to cashless quality outpatient services and drugs for free, in addition to inpatient healthcare services at empanelled public or private hospitals/clinics closer to their residence.

This service is provided under the ‘Outpatient Healthcare’ Pilot project of the Rashtriya Swasthya Bima Yojana (RSBY), Government of India.

The pilot runs on the RSBY outpatient technology platform that allows authentication of the beneficiary, as well as for capture and maintenance of the medical records of the patient to help improve the quality of the doctor’s consultation and treatment protocol and to support public health planning according to the population healthcare needs.

Malatidebi is here with her son, complaining of fever and weakness. "He has fever for the last two days and we have come to see the doctor. I brought along my RSBY card. This card helps us receive all the necessary treatment and medication", she says.

Workers engaged in agriculture, employed under landowners for a daily wage during the farming season (scattered round the year for about 6 - 8 months in Odisha). Their daily wage is usually Rs. 75 to Rs. 100 per day. Men are usually paid more than women.

1 The trained operator who manages the RSBY Help Desk and assists the doctors and patients with the RSBY transaction process.
2 The Indian public health system is built on a three-tier structure comprising primary, secondary and tertiary healthcare facilities. The primary tier is designed to have three types of healthcare institutions namely: a Sub Centre (SC) for a population of 3000-5000, a Primary Health Centre (PHC) for 20,000 to 30,000 people and a Community Health Centre (CHC) as a referral Centre for every four PHCs covering a population of 80,000 to 120,000. In Odisha, on an average, CHCs have two doctors and about 10 support staff like nurses and auxiliary mid-wives. It houses a pharmacy, basic diagnostic laboratory and provides outpatient, inpatient treatment facilities and conducts deliveries and minor surgeries. It also acts as a delivery point for the entire national and state specific healthcare programmes and disease programmes like control of vector borne diseases, tuberculosis, HIV/AIDS, and maternal and child healthcare programmes.

Mehsana is one of the 26 districts of Gujarat State in Western India. It has nine blocks or Sub-districts with a total population of 1,837,892 (2001 India Census).

Puri is a coastal District in the State of Odisha. It has eleven blocks or Sub-districts with a total population of 1,502,862 (2001 India Census). The Pilot project was conducted in all the blocks targeting Below the Poverty Line (BPL) population.

6 RSBY (Rashtriya Swasthya Bima Yojana) is a Government-sponsored national health insurance programme providing cashless inpatient healthcare services for population below the poverty line, since 2008. All the beneficiary households hold a biometric enabled smart card that their personal details, allowing them to seek care when required.

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5 RSBY programme implementation is supported by use of a specific technology platform that authenticates the beneficiary through the RSBY smart card, maintains the medical records of the patient and enables paperless claims processing, as well as reimbursement of service-fees to the healthcare providers. Every facility providing the RSBY benefits package has a Help Desk to assist the doctor to perform the verification of the beneficiary and enter the medical records. A trained operator manages the Help Desk.

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Rashtriya Swasthya Bima Yojana (RSBY) is India’s national health insurance programme providing cashless inpatient healthcare services for workers in the unorganised sector and BPL population since 2008. The Ministry of Labour and Employment (MoLE), Government of India oversees the implementation of the programme. RSBY has successfully established a new order of financing and healthcare delivery management in the country.

Apart from RSBY, some State Governments are also sponsoring initiatives limited to providing inpatient care to the population within the State, through a technology backbone. These include the Rajiv Arogyasri in Andhra Pradesh, Yashasheeni in Karnataka and Chief Minister’s Comprehensive Health Insurance Scheme in Tamil Nadu. However, RSBY is the only scheme that is catering to the BPL population across the country and is beginning to experiment with new mechanisms that would expand the covered population and also increase the benefits being delivered.

RSBY is expanding its coverage to include population from the vast unorganised sector in India including railway coolies, hawkers, beedi makers and domestic workers. The smart card has also become an effective instrument in extending other benefits to the poor, such as delivering Public Distribution System (PDS) in Chhattisgarh. Plans to include the Jana Shree Bima Yojana (JSBY), a life insurance scheme for the poor are also afoot. Further experiments to include outpatient benefits or delivery of services using telemedicine, has put RSBY on a path to universal coverage.

RSBY has been able to provide financial protection for inpatient healthcare services, but expenditure for outpatient healthcare continues to remain high, forcing millions of poor to delay seeking healthcare, leading to deterioration in health and culminating to hospitalisation. In an effort to address this burden of high expenditure for outpatient healthcare and improve health-seeking behaviour among the poor, the Outpatient Healthcare Pilot project under the RSBY was conceived. The Pilot project began in July 2011 in the Puri District of Odisha and from November 2011 in the Mehsana District of Gujarat. It introduced the delivery of cashless outpatient healthcare services in these Districts.

The outpatient healthcare services are delivered to all households that are enrolled under the RSBY inpatient scheme during that particular year. During the enrolment for the RSBY inpatient scheme for the year 2011-12 in both the Pilot Districts, households were informed that this year in addition to inpatient healthcare services, the RSBY smart card entitled them to outpatient healthcare services as well. RSBY beneficiaries could now use the same smart card to obtain both the healthcare benefits. The same insurance company was contracted for both inpatient and outpatient healthcare services in order to contain costs and maintain scalability, but separate annual premiums were paid for the outpatient services component. New information technology software, similar to software for RSBY inpatient services, was developed and installed to handle the delivery of outpatient healthcare services. The new technology also functions in offline mode and does not require real-time internet connectivity for transacting.

The outpatient healthcare services are delivered complimentary to the existing RSBY inpatient healthcare services. Under the pilot, premium for the outpatient component on behalf of the households is paid by ICICI Foundation.

- RSBY outpatient pilot is also implemented through the State Nodal Agency (SNA) in the respective districts
- A selected insurance company provides the risk pooling arrangement for both inpatient and outpatient benefits, creates awareness on the benefits, empanels the providers and handles operations with the support of SNA.

Exhibit 1: Outpatient Healthcare with RSBY

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The beneficiary household can use the same RSBY smart card to receive both inpatient and outpatient benefits:
- The beneficiary has to take the card along while visiting an empanelled facility
- Beneficiary is provided the services after authentication; medical records are maintained through the technology platform, for future use.

10 Currently RSBY covers 34 million households in 487 Districts across India. It has provided cashless healthcare services for around 5 million hospitalisations.

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The RSBY team of the Ministry of Labour and Employment (MoLE), Government of India partnered with the Microinsurance Innovation Facility of International Labour Organisation (ILO) and the ICICI Foundation for Inclusive Growth (ICICI Foundation) for this Pilot project.

RSBY is regularly expanding its reach and scope and this pilot on outpatient healthcare was one of the innovations they chose to explore.

For the ILO’s Microinsurance Innovation Facility, the project presented an opportunity to understand the value of bundling outpatient health insurance with RSBY and to test how technology can improve efficiency and support viability of the scheme. Of special interest are insights from the pilot which enable practitioners and policymakers in India and elsewhere to provide quality, affordable healthcare services to the poor.

The Facility funded the development of outpatient healthcare software and related hardware, as well as the outreach material for awareness activities. Since ICICI Foundation works on bringing about inclusion in primary healthcare, as one of its focus areas; it was therefore a suitable opportunity for the Foundation to provide funding for the insurance premium component of the Pilot project and to participate as its Chief Learning Partner - responsible for research and documentation in order to enable it scale-up at a later date.

On ground, the respective RSBY State Nodal Agencies (SNA)14 i.e. Department of Labour, Government of Odisha and Department of Health and Family Welfare, Government of Gujarat implemented the programme along with ICICI Lombard General Insurance Company, the selected insurer for both Puri and Mehsana Districts. The insurer with the support of SNA enrolled beneficiaries, empanelled healthcare providers and undertook awareness creation drives. In partnership with Financial Inclusion and Network Operations (FINO)15, it also developed the outpatient healthcare software, which was built over the existing RSBY technology. FINO was also responsible for installation of the new hardware and software at all the empanelled providers and serves as the first point of contact during troubleshooting.

Department of Health and Family Welfare, Government of Odisha anchored various aspects relating to service delivery under the Pilot project in the District of Puri, especially ensuring participation of the public healthcare facilities across the District, while also promoting the pilot in the state.

The beneficiaries, when ill, can obtain outpatient healthcare services at the empanelled public and private healthcare providers. All outpatient healthcare facilities in both the pilot Districts were mapped to ascertain the provider landscape. The aim was that at least five healthcare facilities were empanelled in each block. These healthcare providers were empanelled only if the predefined criteria were met.

All the empanelled healthcare providers were trained on the outpatient benefit package, using the RSBY outpatient technology, reimbursement procedures and reporting protocols, to bring about quick and efficient delivery of services. A list of empanelled healthcare providers and information on the outpatient healthcare benefit package was provided to the beneficiary households, during the enrolment drive and the awareness campaigns held subsequently. However, the implementing partners, in accordance with the guidance from the RSBY team13, were careful not to go overboard, keeping in mind the future scalability angle of the efforts.

The implementation team regularly visited the healthcare providers to monitor the service delivery and utilisation patterns. Documentation and research to understand the ground realities/experiences of the healthcare providers and beneficiaries, with active participation of State and District administration were undertaken. This enabled a clear understanding of the issues, and corrective action was immediately taken based on the feedback. Regular reviews by the RSBY team ensured necessary course correction throughout the pilot.  

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Registration of beneficiaries is one of the unique features of the RSBY scheme and it ensures exact identification of the beneficiary household. The evident lack of accountability and inability to identify the poor under some of the earlier schemes led to low utilisation and misutilisation of benefits. Therefore, RSBY introduced an enrolment process carried out in the field, issuing a smart card to the beneficiaries enrolled at the village level. The insurance company reaches all the beneficiaries individually to issue them a smart card.

The process of authenticating the identity of the beneficiary household, registering them and providing the biometric-enabled smart card is called ‘enrolment’. Enrolment occurs before the beginning of each policy year at every village, where the beneficiary households exist. The insurance company is responsible for enrolment of beneficiaries supported by the RSBY State Nodal Agency. Each BPL household is required to pay only ₹30 as a registration fee, to give them a sense of ownership towards the card.

The following three simple steps occur during the enrolment:

- The beneficiary (BPL household according to the list finalised by the respective State Government and Ministry of Labour and Employment, Government of India) is identified in a particular village.
- The beneficiary household provides fingerprints and photographs at the enrolment station.
- The beneficiary household pays ₹30 as a registration fee at the centre and one biometric enabled smartcard is issued on the spot, in the name of the head of the household with details of all the other enrolled household members.

In case of migrant workers in the household, cards are split to carry a share of the coverage with them separately for use at any RSBY empanelled hospital across India.

In Puri and Mehsana Districts, the insurance company undertook the enrolment and efforts were made to inform the beneficiaries about the additional outpatient benefits available to them on a Pilot basis. In Puri, due to the bad weather conditions, the enrolment process was severely impacted and the overall registration was initially very low. Upon review, the RSBY team and the SNA decided to extend the policy period by two months to cover more ground and ensure that all the enrolled families are able to use the benefits for an entire year.

In both the Districts, the enrolled families were higher than during the previous enrolment, despite some issues with the quality of the BPL data provided for enrolment. Addressing the issues faced during the enrolment will ensure a higher enrolment going forward.
Creating awareness among the beneficiaries about the benefits package and the empanelled healthcare providers was key to ensuring that the beneficiaries understand the offerings and access them without any hindrance. Awareness campaigns were conducted by the insurer as a part of the RSBY enrolment process for the beneficiary households, in both the pilot Districts. During the enrolment drive, the beneficiary comes into direct contact with the representatives of the insurance company and the Field Key Officers (FKO) from the SNA. The FKO ensures that the beneficiary is given all the relevant information on the working of the scheme and the benefits package.

A full-fledged team worked on strategies and methods to create awareness through Information, Education and Communication (IEC) activities. IEC activities catered to both the supply side i.e. educating the healthcare providers on the benefits package and how to administer the scheme to the beneficiaries effectively; and the demand side i.e. making the beneficiaries aware of the benefits package, the list of empanelled healthcare providers and how to use the smart card.

Separate awareness strategies and materials were created for communities in both the Districts according to the local culture, tradition etc.

In Puri, the beneficiaries were informed about the scheme mainly through dance and folk art of the region, conducted at the village centres and market areas. Art forms (daskathia and pala) were used to mobilise people and inform them about the RSBY outpatient benefits package and its uses: Banners, posters, wall paintings and hoardings were displayed at important places in the villages/towns/wards and at the empanelled providers. This was later supplemented by sharing the benefits of the outpatient pilot at the sector level meetings of the health intermediaries, at all the empanelled public healthcare facilities.

Field Key Officers are representatives of the RSBY SNA that accompany the enrolment teams for verification of identified beneficiaries at the time of enrolment. At least 1 FKO is appointed for every 300 beneficiary households expected at the enrolment camp. FKOs identify the head of the household during enrolment either by face or with the help of an identification document. They also use the help of the Gram Pradhan or any other person to correctly identify the beneficiary. They ensure that the enrolment team is collecting the required data of dependents and not excluding any member/family. Once the beneficiary card is printed, the FKOs validate it by using their master cards. They also ensure that the smart card is issued over the counter to the beneficiary household and that the registration fee of `30 is collected only against the cards issued.
In Mehsana, the campaign included the use of garba dance nights (during the Navratri festival season) with hoardings and banners outlining the RSBY outpatient benefits package. Kites with RSBY visuals were distributed in the community by the insurer during the kite flying festival (Makar Sankranti). A campaign vehicle branded with messages on the RSBY outpatient benefits toured villages for 3-4 days, where utilisation levels were low after the initial implementation. The vehicle announced the outpatient benefits and the closest facilities empanelled under the pilot. Posters and banners were displayed at markets and other congregation points in the District and special Gram Sabha meetings were organized to inform the beneficiaries.

Need for Reinforcement of the Message

After the enrolment, as the pilot progressed, it was observed that the utilisation was lower than expected in Puri and Mehsana. The implementing partners realised the need to rethink the awareness creation strategy, as the research as well as feedback from the monitoring teams suggested that the awareness campaigns during enrolment, might not have reached all the beneficiaries due to the limited time it ran and reasons specific to the way the benefits package was communicated. Therefore, more awareness campaigns were undertaken in both the pilot Districts, subsequent to the enrolment to reinforce the message. At the same time, the implementing partners were careful not to go overboard, keeping in mind the future scalability angle of the efforts.
Outpatient healthcare services were offered to all households enrolled with the RSBY for the policy year. A total of 131,966 households and 401,048 individuals in Puri and 78,283 households and 275,487 individuals in Mehsana were enrolled. This aggregates to almost 0.7 million people covered by the pilot.

In the Districts of Puri and Mehsana, the RSBY smart card entitled each household to both inpatient and outpatient services, at any of the empanelled public or private healthcare providers. Outpatient healthcare benefits allowed each household to seek free-of-cost doctor consultation and necessary drugs for 10 outpatient visits per year. Each visit allowed members of the household to access the services for a period of seven consecutive days, should there be a need for follow up after the first consultation. Acknowledging that the bulk of outpatient expenditure in India is on drugs, the programme worked on making the drugs available for free.

These services could be accessed at any of the network of public and private healthcare providers empanelled for the outpatient healthcare pilot. For the policy year, 78 public and 34 private providers were empanelled in Mehsana, and 13 public and 29 private providers were empanelled in Puri. Healthcare providers were identified and mapped to understand the services being provided and their suitability for empanelment under the pilot.

Mapping enabled the team to identify and categorise the healthcare facilities based on necessary infrastructure, qualifications to provide quality care to the beneficiary and their location. Public facilities, private hospitals, individual practitioners, pharmacy shops etc. were surveyed in both the pilot Districts. The survey provided details of the healthcare providers; their location and distance from the community; infrastructure available (medical equipment, computer facilities, internet connectivity, laboratory facilities and proximity to nearest pharmacy); qualified human resources; average number of patients being served per day and the average fee for consultation/ drugs per visit. The team strived to achieve a fair distribution of healthcare providers in each block (at least 5 outpatient providers per block) to improve community access.

In case of public facilities, it was also mentioned if the facility had a Rogi Kalyan Samiti (RKS) and a separate bank account. This was necessary as the payments made to the healthcare provider for outpatient services rendered, were to be directly transferred to the bank account and spent at the discretion of RKS.

The distance between the referral centres and the clinics was also captured, with a vision to create a referral system to provide comprehensive healthcare services for the enrolled to seek care at the right time, when needed.

It was ensured that the empanelled healthcare providers were manned by doctors who had degrees recognised by the National Board of Health and Medical Sciences, and were equipped to dispense drugs themselves or could dispense them through mutual agreements with pharmacies in the vicinity. All the empanelled healthcare providers were intensively trained on the use of the RSBY technology platform.

The partners recognised that empanelled stand-alone outpatient clinics run by a single doctor and public healthcare facilities may face shortage of drug stocks at times, due to increased demand generated by the RSBY outpatient beneficiaries. While the public hospitals in Mehsana were found to have adequate stock of drugs to be dispensed free of cost, the supply of free drugs from the Government in Odisha was limited in comparison to the demand. To avoid such instances, arrangements were made to dispense medicines through the campus medicine stores attached to public facilities, so that the beneficiaries may avail the medicines free-of-cost from these pharmacies, while the public facility reimburses the pharmacies directly. Similarly, the pilot encouraged empanelled private healthcare providers to enter into mutual agreements with the pharmacies in the vicinity.

Further, in Puri at public healthcare facilities, a mechanism was established through which Janaushadhi / other generic drugs could be stocked in the campus medicine stores. The campus medicine stores could procure these medicines from the Janaushadhi drug store at the District Headquarters Hospital in Puri, at a discount on the MRP so as to provide them a reasonable margin. This mechanism ensured availability of high quality generic medication to RSBY beneficiaries, and also encouraged rational drug prescriptions by the doctors at these facilities.

The RSBY technology platform includes a BT device, which combines fingerprint scanning, biometric card reading and printing - all in a single handheld instrument, used for verification and authentication of the beneficiary and a laptop/desktop computer with the outpatient software application (OP software) installed. Every empanelled healthcare provider is furnished with both. However, larger hospitals that are empanelled for inpatient services as well are provided with separate devices for fingerprint scanning and biometric card reading that are used together with a regular printer. The biometrics (fingerprints), name, age and gender of the enrollee per day and the average fee for consultation/ drugs per visit. The team strived to achieve a fair distribution of healthcare providers in each block (at least 5 outpatient providers per block) to improve community access.

The OP software has been developed with financial support from the Microinsurance Innovation Facility of the ILO. The necessary information technology infrastructure solution for hosting the outpatient product has been developed on the RSBY inpatient technology platform by FINO. The information technology infrastructure for the RSBY inpatient scheme was also developed by FINO, in consultation with the National Informatics Centre and the World Bank.

17 Rogi Kalyan Samiti (Patient Welfare Committee) is a simple yet effective management structure introduced in the public healthcare system in India since 2005, through the National Rural Health Mission programme to ensure community participation. The committee consists of members from local Panchayati Raj institutions. NGOs, local elected representatives and officials from the Government and is required to be registered as a society. They are collectively responsible for proper functioning and management of the hospital. Rogi Kalyan Samiti is free to generate and prescribe use of the funds available with it as per its best judgment, for smooth functioning and maintaining the quality of services.

18 MBBS/BUMS/BHMS/BAMS

19 The supply of free-of-cost drugs to public hospitals in Odisha is expected to be substantially increased in the coming year.

20 Campus medicine stores are private pharmacies appointed by the public facilities and allowed to sell medicines within the campus of the facility, in order to supplement the availability of drugs for the patients. Medicines that are not available from the Government dispensary can be bought at the campus medicine store by paying cash.

21 Janaushadhi is an initiative of the Government of India to ensure availability of quality drugs at affordable prices to all. The Janaushadhi stores located across India sell unbranded generic drugs at low prices, but are equivalent in potency to branded expensive drugs. For example, branded Olmesartan tablets are available at the average market rate of Rs. 70 for a pack of 10 tablets; Janaushadhi stores would sell this at Rs. 31.0, making it less than 10% of the market price of the branded drug. Hence, within the same cost, 10 more persons can be treated with same efficacy and cure.
Exhibit 3: Process of Doctor Consultation, Patient Authentication and Completion of a Transaction

A beneficiary arrives at the empanelled healthcare provider with the RSBY smart card and visits the doctor. In case of public facilities, the beneficiary collects the outpatient (OP) slip before proceeding to see the doctor.

The doctor consults with the beneficiary and writes the complaints, diagnosis and drugs on the OP slip.

The details of the beneficiary and enrolled household members are displayed on the screen.

The beneficiary then receives medicines by showing the OP slip as well as the printout. The medicines can be taken from:

a) the public pharmacy in case of public healthcare providers and/or the campus medicine store at public hospitals in Puri where Janasukhadi's low cost generic medicines can be taken, in case any of the prescribed medicines are not available at the public pharmacy

b) the private pharmacy attached to the private healthcare provider

After entering all the details, the transaction is complete. Three slips of the transaction with the beneficiary are printed. One slip is kept with the operator, and the remainder two are handed over to the beneficiary; one for collecting the medicines and the other for his own records.

The operator performs fingerprint matching of the beneficiary attending the facility using the BT device.

If the fingerprints match, the operator enters the current medical details (from the OP slip) into the RSBY OP database.

After entering all the data, the transaction is complete. Three slips of the transaction with the beneficiary are printed. One slip is kept with the operator, and the remainder two are handed over to the beneficiary; one for collecting the medicines and the other for his own records.
Once the consultation with the doctor and the authentication of the beneficiary using the smart card is complete, the outpatient database (OP database) stores the medical information (symptoms, complaints, diagnosis and drugs) of the beneficiary related to the particular outpatient visit. The doctor or the trained representative at the RSBY Help Desk enters the data into the OP database. The data thus captured is then uploaded to synchronise with the central technology server, so that a claim is registered and processed. Providers are reimbursed directly by the insurance company according to the number of registered claims. This entire process / business operation is controlled through the use of the RSBY technology platform.

A defined number of transactions can be undertaken offline, before the data needs to be uploaded. Upload can be carried out as and when the internet connectivity is available. This offline mode ensures that the outpatient healthcare services are up and available, independent of internet connectivity. Initially only a maximum of 10 records were allowed to be stored offline and data had to be uploaded before further transactions could be undertaken. However, in view of the problems faced by the healthcare providers on account of irregular internet connectivity, the maximum number of offline transactions allowed, has now been increased to 100. This has significantly helped improve the acceptability of the technology platform and saved time earlier lost due the lack of internet connectivity.

Further, if the empanelled provider still does not have internet connectivity, a representative from FINO visits the provider periodically and uploads the data with the help of a data card for processing the claims. For use during exigencies, an SMS protocol has also been set up, so that a transaction can be undertaken upon sending an SMS in a particular format to a defined number, and confirmation of the same also received via an SMS. This ensures continuous delivery of services, no matter how remotely the empanelled provider’s facility is located. A hand-phone version of the OP software has recently been developed and tested. This improves the mobility of the healthcare providers and enables healthcare delivery on the RSBY platform, even at the remotest of locations.

As soon as the data from the OP software at the empanelled provider end synchronises with the central technology server, a claim is registered automatically. The claims are checked for authenticity by the RSBY insurance provider and reimbursements are paid directly into the providers’ bank accounts within 21 days of registering the claim.

In Mehsana, initially the insurer reimbursed the empanelled providers at ₹75 for non-specialists (General Practitioners) and ₹150 for specialists. From June 2012, in consultation with the State Governments and the RSBY team, the reimbursement for non-specialists was revised to ₹100, as the reimbursement rate was considered low compared to the prevailing rates in the area.

In Puri District, the reimbursement currently is ₹50 per utilised outpatient beneficiary visit. Based on the feedback from the field, the reimbursement is now being revised to ₹100. Addition of a diagnostics component to the benefits package at an additional cost is also being worked upon for the districts.

The Pilot project was regularly monitored by the RSBY team and the other implementing partners, to observe the acceptance of the new initiative and take corrective measures in case of challenges. Periodic review meetings in Puri and Mehsana were conducted with the implementing partners, State and District administration and the empanelled healthcare providers. Regular field visits to the empanelled healthcare providers to meet the doctors/ para-medical staff and beneficiaries, served as a means of getting a realistic picture of how the pilot and its benefits were being perceived and the challenges faced.

The monitoring team provided a rich feedback that was discussed and reviewed at monitoring and review mechanism has considerably strengthened the programme.

The field visits highlighted the need for hand-holding of providers and a more intensive implementation process. Accordingly, ICICI Foundation decided to work with the insurer (ICICI Lombard) on the implementation, capability building, in order to deepen the learning experience, in line with its role as the Chief Learning Partner. Regular visits by a joint team of the technology partner (FINO), the insurer and ICICI Foundation were initiated. This monitoring and support not only resolved many technology issues relating to technology, understanding of the benefits package, claims processing and reimbursements; but also became a way of engaging with the empanelled providers and beneficiaries. The key parameters for monitoring included, participation of quality healthcare providers including public and private facilities; availability and use of affordable drugs; adoption of the technology process; awareness levels amongst beneficiaries as well as the healthcare system and functioning of the backend claims processing and payments processes.

The monitoring team provided a rich feedback that was discussed and reviewed at meetings, leading to corrective action. This regular objective-based monitoring and review mechanism has considerably strengthened the programme.

The key challenges that the team encountered during the implementation, the issues highlighted through the joint visits and the steps taken for resolution are discussed herein:

- **Adoption of Technology**

Initially, the introduction of new technology at the healthcare providers threw up several challenges, especially since the number of patients visiting for outpatient healthcare services is high. “My staff often faces problems with the biometric card reader. In several instances, the fingerprint matching by the operator at the Help Desk/ doctor, citing time constraints. To expedite data entry, drop down menus of medical complaints, common diagnosis and drugs were developed, based on consultation with doctors and introduced into the OP software.

Several rounds of individual training were provided to the doctors/ operators on operating the technology, so that a transaction could be completed in the shortest time possible.
These steps, coupled with some technical enhancements in the OP software, led to a reduction in the time taken to complete a transaction from about 10 minutes initially, to about a minute or two currently.

- **Awareness of Benefits**

The time to undertake awareness activities during the enrolment process was limited, and in some instances the benefits were not communicated clearly, leading to confusion among the beneficiaries and healthcare providers. "There are several BPL households in the surrounding area who visit this facility, but only a few of the patients have enquired about the outpatient services with the RSBY card, or have brought their RSBY smart card along. There is a need to re-look at the awareness building strategy for beneficiaries," said a doctor from the Community Health Centre at Nandasan, Mehsana.

Initial beneficiary feedback pointed that several households did not know the complete details of the outpatient healthcare benefits package. There was also a misconception among some beneficiaries as well as some empanelled providers, that the charges for the RSBY outpatient visits would be deducted from their RSBY inpatient benefit of ₹30,000; since the two were available on the same smart card. This reflected in low utilisation rates in the initial months. Awareness drives were conducted again, this time clearly mentioning the benefits. The campaigns reached out to beneficiaries through posters/pamphlets, Gram Sabha meetings and public announcements in the villages, clearly highlighting the differences between inpatient and outpatient benefits.

During the initial months of implementation, there was also confusion regarding the components of the healthcare services that the insurer was reimbursing. Some providers decided that ₹10/ ₹20 from the ₹75 being reimbursed per utilised visit, would be for consultation and the rest for providing drugs. In such instances, the beneficiaries were given only part of the prescription worth ₹50-60 for free and they had to pay for the rest out of their own pockets. * ₹75 per outpatient visit is relatively less for providing free-of-cost consultation, medicine for seven days and follow-up. Even if ₹30 is charged as consultation fee, medicine for seven days cannot be provided in ₹45," said Dr. Chowdary, a private practitioner from Mehsana. Upon observing such practices, it was reiterated that at each outpatient visit, the providers should give the beneficiary all the drugs required for treatment of a particular illness, and the feedback on the need to increase the amount of reimbursement was acted upon.

On the other hand, in Puri, initially the beneficiaries got an impression that they were entitled to ₹50 worth of medicine per visit. As a result, beneficiaries started demanding medicines of the fixed amount, irrespective of the prescription. This misconception was also clarified through the awareness drives at the sector level meetings of the health intermediaries, at the public healthcare facilities.

Private healthcare providers were also roped in to share the correct position with the beneficiaries, in order to improve awareness.

- **Provision of Drugs**

Empanelled public healthcare facilities in Puri District fell short of providing all the necessary medicines to the beneficiaries, due to a limited supply of free drugs and non-availability of certain drugs. The system established to dispense medicines from the campus medicine stores and pharmacies that had mutual agreement with the private healthcare facilities also faced challenges. The pharmacies were able to provide only a few drugs within the package, on account of the high cost of the branded medicines, and as a result the beneficiaries did not always receive all the medicine required. They had to either pay for the balance medicine from their own pocket or forego them.

To ensure that the beneficiaries received most of the medicines without having to pay, the implementation team worked extensively with the District Administration, and arrangements were made for campus medicine stores to stock Janauushadi medicines or other available generic medicines to be provided to beneficiaries. Simultaneously, attempts were made to address the misconceptions about the efficacy and quality of the drugs supplied free-of-cost by the government and efforts were made to encourage their usage.

The cost of Janauushadi medicines is significantly lower than the cost of similar medicines in the market. The District Collector and Magistrate also approved a discount of 10% on the MRP as an incentive to the campus medicine stores to stock Janauushadi medicines. These medicines could be purchased by the campus medicine stores from the Janauushadi store at the District Headquarters Hospital, Puri. This ensured that in a majority of the cases, beneficiaries received all the necessary medicines partly from the Government supply and partly from Janauushadi.

Madhoba Behra, a 30-year-old man smiled as he collected his medicine from the campus medicine store at the Community Health Centre, Mangalpur. "I got all the medicine prescribed for free, due to my RSBY card and Janauushadi medicines. During my previous visits, even with the RSBY card, I would have got only one or two of the prescribed medicine from the campus store if the public pharmacy did not have the stock, and would have to pay for the remaining medicine on my own," he said.

As the programme scales up, there will be several other challenges that will surface. However, the implementing partners are confident that these challenges will be addressed with appropriate solutions.
# Table 1: Challenges and Resolutions

<table>
<thead>
<tr>
<th>ACTION AREA</th>
<th>OBJECTIVE</th>
<th>OBSERVATION</th>
<th>STEPS TAKEN BY IMPLEMENTING PARTNERS</th>
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<tbody>
<tr>
<td>Provider activation</td>
<td>Initiating the implementation</td>
<td>Lack of co-ordination among the local authorities and operational gaps on the ground</td>
<td>1. Extensive field visits undertaken to gain first-hand understanding of the ground realities and identification of gaps 2. Meetings held with the nodal agency, CDMO/CDHO, DPM/DPO, and DC for eliciting their support</td>
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<td></td>
<td>Operationalising the empanelled providers and orienting the provider personnel about the outpatient pilot</td>
<td>Few months into the pilot, public facilities not actively claiming; provider density inadequate; need for monitoring and providing handholding support to empanelled providers on a regular basis</td>
<td>1. Field visits by the joint teams - technology partner, insurer and ICICI Foundation 2. Doctor and the para-medical staff persuaded about the benefits of the outpatient pilot 3. Troubleshooting support provided on technology issues (reinstallation of software and ensuring it is operational) 4. Hands-on training on the software provided to complement the group training 5. Empanelment criteria revaluated with a view to improve density of healthcare providers</td>
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<tr>
<td>Technology</td>
<td>Evaluating technology platform to make it user-friendly for smooth functioning</td>
<td>Regular upgrades required based on the feedback obtained from the providers to ensure proper functioning of the technology platform</td>
<td>1. Intensive brainstorming exercise undertaken by the implementation teams on finding optimal solution 2. New version of the technology platform released within a minimal turnaround time 3. Upgrades carried out at regular intervals: • The process for beneficiary authentication and entry of medical records streamlined • Drop down menus for diseases and drugs simplified and coded • Up to 100 offline transactions permitted • The process for installing the OP software streamlined to save time</td>
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<td></td>
<td>Monitoring recurrence of technology issues</td>
<td>Anti-virus software being used by public hospitals at Mehsana was found to be incompatible with the OP software; hospitals were frequently formatting the computers; there was confusion regarding process for escalating technology related issues at Mehsana</td>
<td>1. Anti-virus issues resolved 2. Instructions sent from the office of CDHO-Mehsana to the hospitals, to avoid formatting and escalating issues as per the defined process 3. Escalation matrix finalised and displayed near the Help Desk together with a list of do’s and don’ts</td>
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<tr>
<td>Awareness</td>
<td>Creating awareness among beneficiaries</td>
<td>Not enough time given for creating awareness during enrolment, and at times the benefits were not communicated clearly. Misconception among beneficiaries that RSBY outpatient visit will lead to reduction in inpatient benefit of ₹30000, and initial understanding that ₹50/75 worth of drugs will be provided free-of-cost in each case</td>
<td>1. Doctors/para-medical staff, as well as the healthcare machinery were oriented on the outpatient pilot through participation in periodic meetings at government facilities 2. Interaction held with beneficiaries/community through participation in Gram Sabhas and sector-level meetings 3. Other activities for generating mass awareness undertaken</td>
</tr>
<tr>
<td>Availability and cost of drugs at public hospitals in Puri District</td>
<td>Addressing the high incidence of cost for drugs prescribed per episode</td>
<td>The drug prescription and dispensing pattern needed to be monitored</td>
<td>1. Supply of Janaushadhi medicines facilitated by the RSBY central team 2. District administration approved 10% margin on Janaushadhi drugs for pharmacies 3. Campus medicine stores at all empanelled public hospitals are now stocking Janaushadhi medicines 4. Even private hospitals empanelled are stocking Janaushadhi medicines 5. Field teams trying to encourage prescription of Janaushadhi medicines 6. Per visit reimbursement amount increased</td>
</tr>
<tr>
<td>Reviews</td>
<td>Engaging with district/state level machinery</td>
<td>Need for improving communication between various partners</td>
<td>1. Follow up visits undertaken to share developments and issues for resolution 2. Joint review mechanism adopted</td>
</tr>
<tr>
<td>Claims and Reimbursement</td>
<td>Ensuring seamless reimbursements</td>
<td>Challenges with activation of RTGS for settlement with providers, since the document collection was tedious, given the number of providers</td>
<td>1. Field teams worked with District administration and respective RKS officials to collect documents and activate RTGS 2. Providers apprised of the need to deduct tax at source from the reimbursements</td>
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24 Chief District Medical Officer; Chief District Health Officer.  
25 District Programme Manager; District Programme Officer.  
26 District Collector and Magistrate.
Under the pilot more than 83,000 beneficiaries in Puri and around 45,000 in Mehsana have utilised RSBY outpatient services, till February 2013, and the family level utilisation stands at 60%. The utilisation numbers have increased gradually over the year. Maximum number of beneficiaries who utilised the benefits were between 30 and 50 years of age, followed by the 15-30 years age group. Diagnosis in majority of the cases were for fever, respiratory and gastrointestinal infections; while weakness, joint pains and bleeding were common complaints among the women beneficiaries.

According to the implementing partners, even though the concept is new, there has been a reasonable development as on date. Further, the ground-level feedback shows significant promise for improvement going forward, as the satisfaction levels among beneficiaries is high. 54% of the RSBY households (using the outpatient services) have utilised the services more than once, perceiving a ‘value’ in the benefits being offered. Another encouraging observation is the utilisation by the female beneficiaries, which has been significant (43% in Puri and 55% in Mehsana).

The partners expect the utilisation will further improve going forward, as there is enthusiasm among new healthcare providers who were not part of the initial network, and are looking to participate. In addition, awareness of the benefits has increased due to word-of-mouth from those who have already utilised these services. The one important and critical factor that partners believe would make a difference in utilisation is the continued focus on creation of awareness on the benefit package, and on the empanelled providers/ healthcare facilities, during enrolment as well as periodically during the policy year.

As stated earlier, the pilot has empanelled several healthcare providers in the two experimental districts. In addition to the hospitals providing inpatient care, providers / doctors that only offer outpatient care have also been empanelled. With the increase in the number of empanelled providers offering outpatient care, the distance that the beneficiaries need to travel to reach a healthcare provider has reduced. The improved access has led to high utilisation of OP services in both the districts.

So far, the implementation of the outpatient healthcare pilot has shown that it is possible to deliver outpatient healthcare through a defined benefit package, using the RSBY inpatient smart card and technology platform. Further improvements can be achieved through use of technology, to correlate inpatient and outpatient components of the transactions.

The RSBY inpatient scheme is primarily implemented in hospitals based in a town setting, making it difficult for beneficiaries to commute from remote areas. With the outpatient healthcare being included, the accessibility can be improved by empaneling several small outpatient clinics, closer to the communities.

Initial analysis shows that there is a reduction in average inpatient healthcare claim size of about 14% in Puri and 15% in Mehsana, after introduction of the outpatient healthcare services.

Creating awareness on outpatient healthcare is difficult, when compared to the inpatient benefits. Both inpatient and outpatient services need to be clearly differentiated in the publicity materials. Also, engaging with beneficiaries and panchayat officials/ health intermediaries at Gram Sabhas/ sector-level meetings, is essential. More time needs to be spent on awareness during enrolment, as this can have significant benefits. The team has experimented with different awareness generation activities during the pilot, based on feedback received.

We have leveraged the existing network of Accredited Social Health Activist (ASHA) 27 workers through a referral scheme for OP beneficiaries at Mehsana, as another measure in this endeavour. The ASHA workers are paid by the RKS for each beneficiary referred to the public hospital. Though the impact of this scheme is still awaited, the initial feedback seems to be encouraging.

Even the outpatient healthcare providers are willing to participate in the network and abide by the RSBY protocol and reporting framework. With proper training, medical data will get recorded more accurately and this will translate into better data for public health planning in the future.

27 One of the key components of the National Rural Health Mission is to provide every village in the country with a trained female community health activist - ‘ASHA’ or Accredited Social Health Activist. Selected from the village itself and accountable to it, the ASHA will be trained to work as an interface between the community and the public healthcare system. Taken from the website of the Ministry of Health and Family Welfare, Government of India.
Certain improvements can be observed in the quality of the services being provided at the public hospitals. The footfalls at public hospitals have increased; the use of drugs supplied free-of-cost by the Government has improved, and the conduct of the staff is changing for the better. Through structured incentivisation from the funds generated in the RKS through the RSBY outpatient healthcare programme, the motivation levels of the medical and para-medical staff at public hospitals can be further improved, leading to a strengthening of the public healthcare system in the country.

The larger public hospitals at Puri have hired operators to manage the RSBY Help desk and carry out data entry into RSBY software. These operators are paid by the RKS from the funds generated from RSBY inpatient and the RSBY outpatient pilot. However, for PHCs, it is not feasible to appoint operators since sufficient funds are not generated on account of relatively lesser footfalls. The Department of Health and Family Welfare, Government of Odisha has now taken a decision to incentivise the pharmacist working at the PHCs to undertake the data entry for the outpatient pilot. Even for some of the larger hospitals where a full-time operator is not required, existing staff conversant with technology can now be paid an incentive in addition to their regular salary, on a per transaction basis, to undertake data entry. Such staff will be trained before their deployment. If these decisions can be successfully implemented, the benefits of the outpatient pilot can be extended to a larger set of beneficiaries in a cost-effective manner.

Public and private healthcare providers, and in turn the pharmacies can be encouraged to store and sell Janaushadhi and other generic drugs. The right logistics (delivery on demand) and financial arrangements (procurements on credit) from the stockist/ supplier are to be ensured, as has been done in the Pilot project.

The programme has succeeded in widening the network of inpatient facilities, with the addition of outpatient healthcare facilities. Referrals and quality of service provision can now be monitored. The medical data entered at the healthcare providers’ site could be used to improve prescription patterns among the providers, going forward.

As outpatient healthcare on the RSBY platform progresses, it will further provide insights into the impact on cost and quality of delivering outpatient services using insurance as a mechanism; improving service delivery and availability of necessary drugs, especially at public facilities; and reduction in out-of-pocket expenditure for outpatient healthcare.

The success achieved through the RSBY inpatient scheme, provided a platform for the implementing partners to experiment with an add-on for outpatient healthcare benefits package for BPL families, who may otherwise ignore treatment of minor illnesses that could lead to more critical health conditions in the future.

The Outpatient Healthcare Pilot project with the RSBY was conducted in two locations, namely Puri District, Odisha and Mehsana District, Gujarat - bringing to notice several learnings. It is evident that it is possible to provide an outpatient benefits package through an insurance mechanism that complements the existing RSBY scheme.

A total of 131,966 households (401,049 individuals) in Puri and 78,283 households (275,487 individuals) in Mehsana were enrolled. Under the pilot more than 63,000 beneficiaries in Puri and around 45,000 in Mehsana have utilised RSBY outpatient services, till February 2013. 54% of the RSBY households (who used the outpatient services) have utilised it more than once, thus perceiving a value in the benefits being offered.

The acceptance of outpatient healthcare services gradually gained momentum and utilisation level increased as the pilot progressed through February 2013. Impact has been observed on the parameters of improvement in the health-seeking behaviour of the poor; improvement in the access to healthcare; reduction in out-of-pocket expenditure; improvements in infrastructure of the participating public and private healthcare providers in the scheme. Public healthcare facilities have been strengthened due to the additional financing available in the form of reimbursements, for the utilised visits of the beneficiaries and by establishing a systemic demand-side pull, ensuring better services at these healthcare facilities.

Learnings from implementing the outpatient healthcare pilot have shown that there are various challenges to be resolved. The implementing partners were quick to respond to these challenges resulting in more awareness campaigns among the beneficiaries; prioritising capacity building initiatives and simplifying the technology platform. Focus on quality management through innovative approaches has led to positive results in terms of processes and output, through February 2013. While it is true that the governance and structure of the scheme has to be linked with the RSBY inpatient scheme, the key challenges have to be given special attention. In view of the specific nature of delivery of outpatient healthcare services, the monitoring too, must be more robust and engaging. There is also a need to further bring down the cost of the outpatient component, as the programme is taken to the next level. This is turn will require an even greater effort and innovation of processes and technologies.

The workshop conducted in Puri towards the end of one year of implementation, to discuss and analyse various aspects of the outpatient healthcare pilot with the RSBY, enabled the group to aggregate the results and take a comprehensive view of the developments and challenges.

The enthusiasm generated by the outpatient healthcare pilot and the comfort from the initial findings and observations, have given encouragement to other states like Punjab, Uttarakhand, Mizoram, and Andhra Pradesh to carry out similar experiments. The decision to extend outpatient healthcare facilities to all the RSBY beneficiaries as a standard product offered by the Government of India, will add a new dimension to the scheme.
Table 2: Summary of the Pilot Project 'Outpatient Healthcare with RSBY'

<table>
<thead>
<tr>
<th>PRODUCT FEATURES</th>
<th>PURI, ODISHA (Commenced July 2011)</th>
<th>MEHSANA, GUJARAT (Commenced November 2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population enrolled</td>
<td>131,966 BPL households</td>
<td>78,283 BPL households</td>
</tr>
<tr>
<td>Average members covered per household</td>
<td>3.2</td>
<td>3.5</td>
</tr>
</tbody>
</table>
| Empanelled Providers | Total: 42  
Public: 13  
Private: 29 | Total: 104  
Public: 70  
Private: 34 |
| Benefit Package | Free-of-cost consultation and drugs for 10 outpatient visits per household, per year. Each visit allows doctor’s consultation for up to seven days | Free-of-cost consultation and drugs for 10 outpatient visits per household, per year. Each visit allows doctor’s consultation for up to seven days |
| Provider reimbursements | ₹50 per outpatient visit inclusive of consultation fee and drugs (provider payment for Puri is also being revised to ₹100) | ₹100 per outpatient visit (initially ₹75) inclusive of consultation fee & drugs. In case of a specialist ₹150. |
| Agency financing the premium | ICICI Foundation | ICICI Foundation |
| Agency selecting the insurer and routing the premium (SNA) | Department of Labour, Government of Odisha | Department of Health and Family Welfare, Government of Gujarat |
| Selected insurance agency | ICICI Lombard | ICICI Lombard |
| Agency facilitating implementation and monitoring the pilots | RSBY central team, Department of Health and Family Welfare, Government of Odisha and SNA | RSBY central team and SNA |
| Cost of RSBY Technology (per empanelled outpatient clinic) | Funded from grant from ILO. Laptop provided at subsidised rates by FINO, if providers so desire | Funded from grant from ILO. Laptop provided at subsidised rates by FINO, if providers so desire |

Disclaimer: All photos and illustrations throughout this Case Study are representative and are to be used as a guide only. Some names and identifying details have been changed to protect the privacy of individuals. This Case Study is prepared in connection with the documentation of the Outpatient Healthcare Pilot Project. The document presented here reflects experiences of providers and beneficiaries participating in the pilot in Puri and Mehsana since the commencement of the pilot. Documentation using exploratory case studies captures perspectives of both the above mentioned groups, as observed ‘on field’. It is aimed at engaging the implementing partners to discuss and support decision making during review of the pilot’s progress. It is advised that the document must be read with an understanding of the context and design of the pilot project and be used/ shared judiciously only to interpret findings/reaching’s if any with in such context. This report neither reflects a generalized view of implementation or impact of the pilot nor supplements systematic research being conducted. No part of this document may be reproduced or transmitted in any form or by any means, including photocopying or by any information storage and retrieval system without the knowledge and consent of ICICI Foundation for Inclusive Growth.

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