Documentation of implementation processes

Claims Processing and Reimbursement

Pilot project - Providing out patient healthcare to complement Rashtriya Swasthya Bima Yojana (RSBY)

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This document presents the process involved in processing of claims and reimbursement of payments to providers in the RSBY OP pilot project. It also specifies the role of stakeholders in the process.

This report was accomplished by Triumph Health Enhancing Systems (documentation agency contracted by ICICI Foundation to document the RSBY OP pilot project) after conducting interviews with implementing partners (ICICI Foundation, ICICI Lombard, RSBY State Nodal Agencies in Gujarat and Odisha. The entire exercise spanned from February 2012 to June 2012.

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/learning’s if any with in such context. This report neither reflects a generalized view of implementation or impact of the established system.

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Introduction

ICICI Foundation for Inclusive Growth (ICICI Foundation), Rashtriya Swasthya Bima Yojana (RSBY) and International Labour Organisation (ILO) are experimenting new mechanisms to provide outpatient health care to the poor. A pilot project to provide out patient healthcare is being implemented in two districts in India - Puri district in Odisha and Mehsana district in Gujarat beginning June 2011. Provision of out patient health services is based on expanding the current RSBY inpatient benefit package to include outpatient healthcare services to complement the existing RSBY scheme with the primary objectives of

- To improve the health seeking behavior among BPL population.
- To ensure delivery of quality outpatient services by healthcare providers (both public and private) nearer to the community.
- To provide financial access to out patient healthcare among BPL population.

The out patient benefit package was designed to be delivered by both public and private empanelled providers. It included the following benefits –

- Out patient health services - free doctor’s consultation and drugs (as per WHO essential drug list) for 10 outpatient visits per year per enrolled household in the empanelled outpatient clinics.
- Each out patient visit allows the enrolled household members to access the outpatient services for a period of 7 consecutive days, should there be a need for follow up within the 7 day duration.

The provider is reimbursed to deliver these outpatient services at Rs.50 in Puri District-Odisha and Rs.75 in Mehsana district -Gujarat per OP visit. In Mehsana, the empanelled specialist doctors are reimbursed Rs.150 per utilized OP visit.

Service delivery to the beneficiary and reimbursement of claims to the provider occurs supported by the RSBY technology platform. It includes a hard ware (biometric card reader, finerprint scanner and printer – single instrument) that authenticates the RSBY beneficiary and a computer/laptop installed with specific OP software where medical details of the beneficiary are entered particular to that OP visit. The authentication of the beneficiary and entry data into OP software constitute a ‘transaction’. Transaction technically is an indicative proof of delivery of service to the beneficiary by the provider. The provider is eligible to claim reimbursement when the particular transaction occurs ot the OP visit.

The process of indicating occurrence of a transaction to the insurer, its validation and reimbursing the provider is known as ‘claims processing’. The transaction is intimated to the insurer when provider uploads data and the OP software syncs the data with the central server.
Establishing roles of stakeholders involved and Claims process

Once the doctor consults the beneficiary and the data operator completes entry of medical data into the OP software, the data has to be uploaded to sync with the central technology server, to intimate the insurer about occurrence of a transaction so that claim is registered and processed. There are two ways of uploading/transmitting the transactions to the central technology server from the OP software through RSBY platform –

**Online** – when there is Internet connectivity, the data is transmitted or ‘syncs’ as soon as the transaction occurs and is uploaded by the provider.

**Offline** – when there is only intermittent Internet connectivity, defined number transactions can be stored and uploaded later when there is Internet connectivity during the day. Initially only a maximum of 6-8 transactions were allowed offline, after which the transactions had to be uploaded before the next transaction could occur. Due to problems with Internet connectivity, the maximum number of transactions allowed offline were increased to 100. It was also arranged that if the facilities have no Internet connectivity at all, a representative from FINO would in person collect the transaction data in a data card for claims processing.

Work is underway to ensure accessing the RSBY technology platform through the mobile phone application to increase the reach of the pilot.

In the RSBY OP pilot as the technology partner (FINO) manages the technology platform, it receives the claims indication/transaction first on its central server. FINO performs initial data checks before sending the claims data for further validation and processing at the insurer (ICICI Lombard).

The claim settlement process is done internally by the insurer without the involvement of any Third Party Administrator (TPA) for the RSBY OP pilot project. The whole process of claim reimbursement is completed in a 15-day cycle. 95% of the payments to the providers are done through the electronic transfer system.
Challenges

- Uploading of transactions (claims data) through the OP software at provider end posed challenges in Puri though the offline transaction mode was initiated. Initially only a maximum of 10 transactions could be allowed offline, after which the transactions had to be uploaded before the next transaction could occur. Currently the maximum number of transactions allowed offline is increased to 100. If the empanelled facilities have no Internet connectivity at all, a representative from FINO would in person collect the transaction data in a data card for claims processing.
Initially providers complained of delays in reimbursement of the claims payments. Sometimes the reimbursements took more time (more than 21 days as agreed) due to claims data sanity issues or incorrect bank account details of the providers.

**Learnings**

- Alternative ways of uploading transactions (claims data) through the OP software at provider end were devised due to internet connectivity issues. Transactions limit in Offline transaction mode was increased.

- Delays in reimbursement in the initial stages of the OP project which demotivated the provider. Measures have been taken to address them. Rigorous checking of the bank details of the providers is now being performed to eliminate any errors and providers are being informed if there is any delay in payment of claims.