BULLETIN OF
HOSPITAL BOARD OF INDIA

HEALTH INSURANCE
Plans in India

INDIAN MEDICAL ASSOCIATION
HBI e-Newsletter
SEPTEMBER 2020, ISSUE-2

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www.imahbi.in
September, 2020, Issue-2

Created and Marketed by:
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Message from Team IMA HBI

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Chairman, IMA HBI

DR. JAYESH M. LELE
Hony. Secretary, IMA HBI

DR. MANGESH PATE
Treasurer, IMA HBI

Greetings from IMA HBI!

Expenditure on health by an individual are never pre-budgeted. A family can save money for a child's education or a marriage in the family but never for health or sickness. Over the years, it is assessed that two thirds of Indians spend money out of their own pockets on treatment of their families.

In spite of the fact that health insurance was launched in 1986, a great majority of Indians are not covered by any insurance scheme. Over the years various governments have tried to provide various support systems to the public but they were not adequately planned or executed resulting in little relief to the masses. Recently launched PMJAY of Indian government is a much ambitious project aimed at providing healthcare to 40% of our population in the country.

Common factor in all the insurance schemes has been the non-involvement of healthcare providers in planning and execution resulting in misunderstanding and non-development of trust between the government and private sector. As private small, medium and large healthcare institutions are partnering in achieving universal health coverage, they being major stakeholders should be involved in all such planning.

Our demands for academic exercise of costing of various procedures and redressal of grievances of providers have never been acted upon.

Through this second newsletter of IMA HBI we are bringing to you various issues of small and medium hospitals pertaining to insurance being faced on a day to day basis and we expect all members to give their feedback and comments. We are grateful to Dr. A. K. Ravi Kumar for his inputs for the newsletter.

We thank National President Dr. Rajan Sharma and Dr. R. V. Asokan team to pursue with Govt and respective authorities to make MSME available for the small and medium hospitals. Dr. R. S. Bedi, Vice Chairman HBI, is the convener for the above project and has studied in details of this scheme. He has written detailed information for the same and shall be very useful while registering. We thank Dr. R. S. Bedi for his guidance.

Take all the precautions, Stay Safe, Stay Healthy.

DR. V. K. MONGA
Chairman, IMA HBI

DR. JAYESH M. LELE
Hony. Secretary, IMA HBI

DR. MANGESH PATE
Treasurer, IMA HBI

Issues in Healthcare Insurance Sector in India

Dr. Mangesh Pate
National Treasurer, IMA HBI
State Chairman, IMA HBI
Maharashtra State

Healthcare Insurance has evolved as a necessity for people. Started in 1986, the insurance was a limited sector due to limited availability, very limited people accessing it & again limited facilities delivering healthcare against the insurance. GIC of India (General Insurance Corporation of India), a government enterprise in India, was commissioned in 1972. It was the only healthcare insurance company in country. The insurance market was opened to foreign insurance companies in last decade. The Insurance Regulatory and Development Authority of India (IRDAI), a statutory body was constituted by the Insurance Regulatory and Development Authority Act, 1999. IRDAI is responsible for regulating and promoting the insurance sector in India.

The National Health Insurance Program (Rashtriya Swasthya Bima Yojana- RSBY) was launched in 2007 under the Ministry of Health. Government with IRDAI launched various awareness campaigns to promote the healthcare insurance. 2018 saw the largest healthcare insurance scheme, Modicare, launched by central government.

The percolation & awareness of healthcare insurance has been better in recent times in the country. Issues in healthcare insurance grew parallel with the growing percolation of the sector. Government involved private players to offer the health insurance to people. Private players acted more lucratively, stood accessible over the period of time & superseded government regulatory control to big extent. This culminated in formulation of self-regulatory mode of insurance delivery by private players to the extent of autonomous decisiveness in basic preconditioning of health insurance sector. The private players, competing amongst themselves, also adopted all possible means to acquire the business in the country. The four stakeholders of healthcare insurance sector, namely Government, Insurance Companies, Insurers & Hospitals are nearly dominated by uncontrolled private insurance players today. The introduction of TPAs has converted healthcare insurance sector into pure business. Today this has reached a stage, where basic objectives of healthcare insurance have been lost.

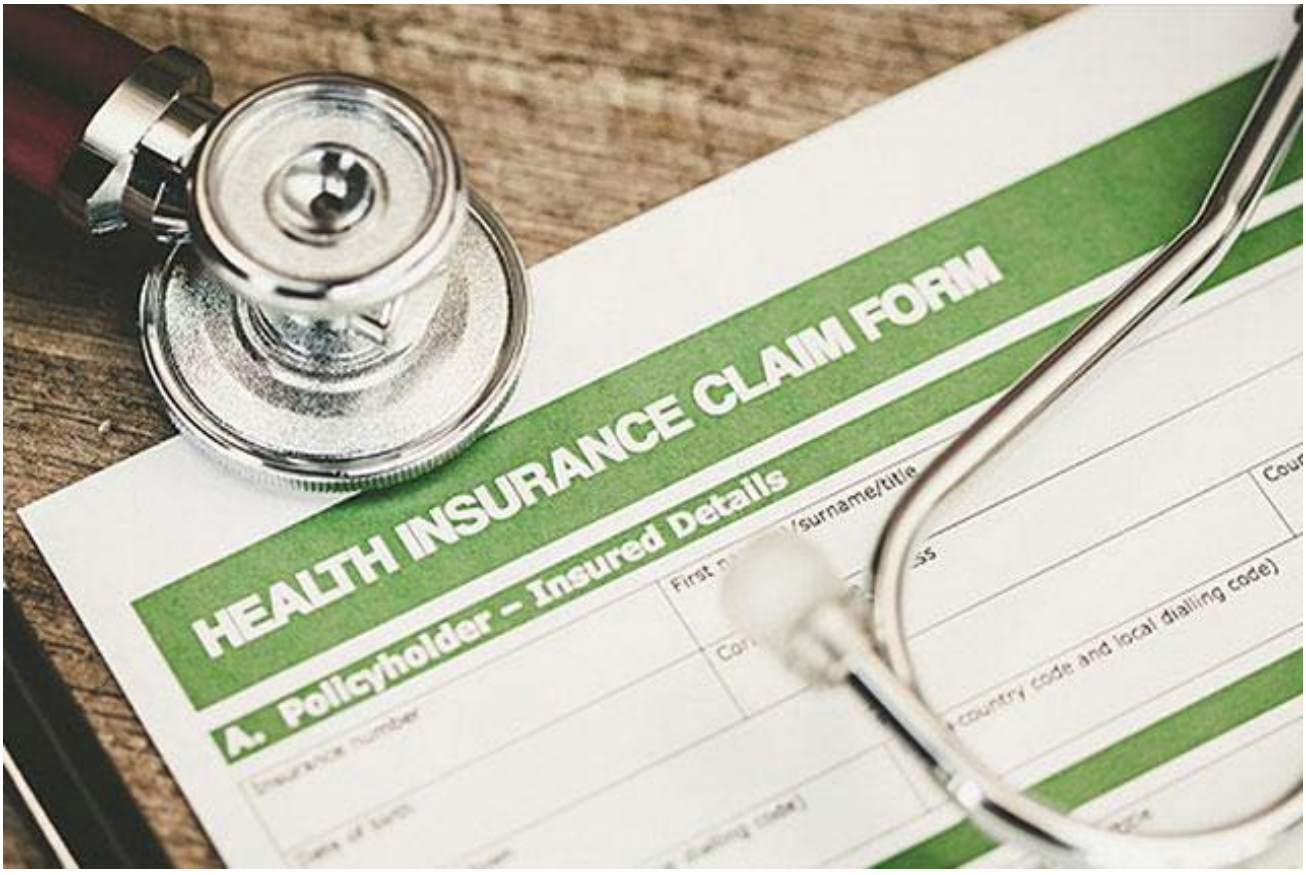
Hospitals, doctors & entire medical fraternity as a whole, though important stakeholder in the healthcare insurance sector, remain without say in policymaking.

Health insurance in India is seen only as a major contributor to the Indian economy. With one of the largest health systems in the world, with 135 crores of people being catered, the exponential growth of the healthcare insurance sector was natural. But meagre healthcare GDP pushed the government controls on the backfoot. Only business-oriented healthcare insurance sector grew, which saw lack of rational & protective insurance delivery to end users. People of the country still remain with substantial out of pocket expenditure in spite of holding the healthcare insurance. This is a clear sign of unsuccessful & unhealthy healthcare insurance sector of the country.

Hospitals, doctors & entire medical fraternity as a whole, though important stakeholder in the healthcare insurance sector, remain without say in policymaking. The medical fraternity is being pushed against wall by the near autonomous, under regulated private insurance players.

Healthcare Insurance in the country is not satisfying for both stakeholders, people as well as hospitals. Insurers often lack complete knowledge about the insurance policies they purchase. There are always indirect or direct hidden clauses which restrict the benefits to the insurers. Comprehensive insurance cover & subsequent delivery to insurer is a remote possibility. Uneven distribution of insured healthcare delivery is denying insurers of their right to choose the healthcare facility.

Empanelment of Hospitals : There has been biased approach towards basic empanelment of healthcare facilities. In the beginning, the empanelment was restricted only to corporates & multibed giants, keeping SHCOs & HCOs devoid of the insurance facility. With the realisation that SHCOs & HCOs deliver more than 80% of country's healthcare, they were thought for empanelment. Still over long period of time, the empanelment has missed uniformity & equality. Initial minimum bed requirement has taken a back seat in recent times though, small healthcare establishments truly face hardship for empanelment. Involvement of various agents, agencies in market who are entertained by various TPAs & insurance companies has made empanelment itself a big business! Online empanelment is not a cakewalk & the red tapes from local civic bodies create difficulties for SHCOs. Healthcare Quality or Accreditation has given some solace to SHCOs with favourable clauses in empanelment. Comprehensive empanelment shall be adopted & SHCOs/HCOs should be



treated at par with multi-bed giant hospitals.

Insurance Rates : Since long time lowest insurance/cashless rates have been experienced by the medical fraternity. The insurance rates never are based on actual costing of the medical institution & the management. There is clear bias depending upon size & location of HCEs. Big and corporate customers have been getting the best rates. Personal approach in HCOs/SHCOs, with same medical management at par with any corporate hospital, has been overlooked. This bias has become wider with TPAs & unprofessional TPA agents active in insurance sanctioning process. The costing-based rates with augmentation parallel to the inflation is must.

Pre-authorisations are unprofessionally approved and cause great stress on hospitals while complying with the actual expenses. The miniscule & inadequate sanctioning by TPAs actually incur out of pocket expenditure from patients & also hampers quality of healthcare delivery. There is huge TAT for hospitals getting their dues from insurance companies.

Cashless models are proving to be incomplete for patients & putting burdens on hospitals. It usually lacks comprehensive coverage for patients. Working of cashless models lack professional decision making. It involves inexperienced & unqualified personnel as expertise making professional decisions. Personal interface between TPAs & other stakeholders is a concrete ground for corrupt practices.

Preferred practitioners or hospitals is unwarranted concept. It only serves more gain for insurance companies from healthcare personnel in return of miniscule augmented sanctioning of rates. This is nothing but use of medical fraternity in the profit building by insurance companies.

Third Party Administrators have been sweeping big profit margins at the cost of HCEs. Insurance sum are pre-decided for patient seeking treatment as per the premiums paid. The TPA functioning is as per the sum assured & not on costing of HCEs with treatment involved.

Minuscule healthcare GDP saw meagre government involvement in the sector & has directly affected the progress & regulation of country's healthcare insurance sector.

Healthcare insurance needs to aim at 'quality healthcare with minimum out of pocket expenditure'. 'Return based insurance business' as objective is harming the medical fraternity & proving useless to the insurers. The righteousness in the healthcare insurance sector is the need of hour from stakeholders. SHCOs & HCOs deserve unbiased place as a major stakeholder in insurance sector.

COVID Pandemic has exposed the inadequacies of healthcare insurance in the country. Unprecedented & different hospital working during the pandemic has increased the expenses & so the demands from the insurance sector. Rejection of necessities like PPEs, Safety Gears, Higher Oxygen charges by insurance companies has clearly exposed their denial mode. Complete revamping & restructuring of Indian Healthcare Insurance sector is the need of time.

Health Insurance in India (Abstract)

Dr. A. K. Ravikumar, MS
Vice Chairman -IMA HBI
State Secretary IMA Tamil Nadu
Member IRDA Health Forum

Definition of Health Insurance

- System for financing full or partial medical expenses from the contributions (or) taxes paid into a common pool by policy holder individually (or) by Govt / institutions for selected group of population

Why Health Insurance ?

- 67.78% of total expenditure on health in India was paid out of pocket. The world average is 18.2%.
- 80% of Indians are not covered under any health insurance plan
- One of the biggest challenges in India in making health insurance a priority for everyone is that a major segment of Indian population is formed by the youth and spending money on insurance does not count as a priority for them
- Another challenge is any annual payout is deemed as an avoidable expenditure and prefer rather savings.
- Poor households hospitalization expenses accounted for 140% of their annual income in rural areas and 90% in urban areas.
- India's public spending is only 0.9% to 1.2% of total GDP and ranks 184/192
- Treatment costs inflates 10–12% a year
- In India, financial risk protection was only 17.9 per cent and prevention and treatment coverage for selected heath conditions was 83.5 per cent
- Health consciousness in India has undergone a positive change and with Governmental outreach along with the growing financial literacy the awareness on Health Insurance has increased.

Launch of Health Insurance

- Launched in 1986
- Health insurance in India pays for only inpatient hospitalization and for treatment at hospitals in India.

Benefits of Health Insurance

- Covers unexpected medical expenses as per policy
- Brings down the out of pocket medical expenses either as cashless (or) reimbursement.
- Tax saving on premium paid
- Other fringe benefits the MHC / no claim bonus etc.
- Insurers are now trying to move beyond mere hospitalization coverage to more comprehensive policies that can incentivize wellness , promote preventive care and create innovative health insurance

IRDA (The Insurance Regulatory and Development Authority of India)

- Have the duty to regulate, promote and ensure orderly growth of the insurance business and re-insurance business.
- Protection of the interests of the policy holders in matters concerning assigning of policy, nomination by policy holders, insurable interest, settlement of insurance claim, surrender value of policy and other terms and conditions of contracts of insurance promoting efficiency in the conduct of insurance business
- Promoting and regulating professional organisations connected with the insurance and re-insurance business
- Periodically comes out with Guidelines on the Standardisation in Health Insurance.

Classification of Health Insurance Plans In India:

- **Hospitalization:** Hospitalization plans are indemnity plans that pay cost of hospitalization and medical costs to the sum insured.

  In case of floater policies the sum insured can be utilized by any of the members in the Family insured under the plan.

  In addition to hospitalization benefits, specific policies may offer a number of additional benefits like maternity and newborn coverage, day care procedures for specific procedures, pre- and post-hospitalization care, domiciliary benefits where patients cannot be moved to a hospital, daily cash, and convalescence.
- **Family Floater Health Insurance:** Family health insurance plan covers entire family in one health insurance plan.
- **Pre-Existing Disease Cover Plans:** It offers covers against disease that policyholder had before buying health policy. Pre-Existing Disease Cover Plans offers cover against pre-existing disease e.g. diabetes, kidney failure and many more after a Waiting period of 2 to 4 years
- **Senior Citizen Health Insurance:** These kind of health insurance plans are for older people in the family. According to IRDA guidelines, each insurer should provide cover up to the age of 65 years.
- **Maternity Health Insurance:** Maternity health insurance ensures coverage for maternity and other additional expenses.

These services are supervised by the Maternity Benefit Act.

- **Hospital Daily Cash Benefit Plans:** Benefit policy that pays a defined sum of money for every day of hospitalization.
- **Critical Illness Plans:** These are benefit based policies which pay a lump sum (fixed) benefit amount on diagnosis of covered critical illness and medical procedures.
- **Pro Active Plans:** Some companies offer Pro active living programs. Provide assistance based on medical, behavioral and lifestyle factors associated with chronic conditions to help customers understand and manage their health better.
- **Disease Specific Special Plans:** Some companies offer specially designed disease specific plans like Dengue Care, COVID Specific and these.

Rohini

All Hospitals providing Health Insurance shall be registered in the Hospital Registry ROHINI maintained by Insurance Information Bureau (IIB)

Entry Level Certification

Service providers offering cashless services for allopathic treatment shall meet with the pre-accreditation entry level standards laid down by National Accreditation Board for Hospitals (NABH) or such other standards

Universal Health Coverage

- Flagship program of WHO
- India is signatory
- UHC moto of everyone, every where to have essential health care services without financial hardships is well reflected in Govt of India's Policies
- Started way back in 1946 as per Bhore Committee report of Comprehensive, Preventive and Curative Care for all.
- HIEG (High Level Experts Group Suggestions 2011) and National Health Policy is the basis for current implementation of UHC program
- Ayushman Bharat
  - PMJAY for secondary and tertiary care
  - H & WC for primary care
- There is a major gap between outreach, finance and access in India
- Public-Private Partnership Initiative (PPP) was created in the hopes of reaching the health-related Millennium Development Goals.

Govt Health Insurance

- Govt insurance is Govt created / sponsored insurance for its citizens (or) its employees.
- 17 Types of Government Health Insurance Schemes in India
- Policies are offered at a low price.
- Encourages people below the poverty line to avail insurance.
- Ensures the poor people have some sort of insurance cover.
- The government initiated policies help policyholders to feel assured.
- Inclusion of Government as well as Private hospitals for better healthcare. (PPP- Model)

Central Govt Health Insurance Schemes

Employee State Insurance Corporation Scheme

- Employees' State Insurance Scheme was launched in the year 1952
- Offer a financial cover in case of illness, disability or death faced by insured workers/employees.
- Both Out patient and In- Patient coverage
- Give sick leave coverage also
- More than 7 lakh factories are a part of this scheme.

Pradhan Mantri Suraksha Bima Yojana

- This scheme offer accident insurance to the people of India aged 18 to 70 and having a bank account
- This policy offers an annual cover of Rs. 1 lakh for partial disability and Rs. 2 lakhs for total disability/death for a premium of Rs. 12.

Aam Aadmi Bima Yojana:

- Meant for people involved in certain 48 defined vocations such as Carpentry, Fishing, Handloom weaving, etc
- Rs. 30000 coverage for a premium of Rs. 200 for a year.

Central Government Health Scheme (CGHS):

- Central Government employees are covered.
- This policy has been active for six decades and has covered more than 35 lakh employees and pensioners.
- Hospitalization, as well as domiciliary care, are covered
- Central Government Health Insurance Scheme covers Allopathy and Homeopathy
- PPP model

Rashtriya Swasthya Bima Yojana:

- For people working in the unorganized sector.
- Initiated by the Indian Government's Ministry of Labour and Employment.
- Workers in the unorganized sector and below the poverty line are covered.
- Family floater (maximum of five members)

Universal Health Insurance Scheme:

- This health care schemes is for the benefit of poor people.
- Can be availed by the poorest of the poor in the age group of 5 to 70 years.
- Universal Health Insurance Scheme offers individual as well as group insurance.
- Covers hospitalization, accident, and disability.
- The premium varies as per the size of the family.

AB- PMJAY (AYUSHMAN BHARATH)

Pradhan Mantri Jan Arogya Yojana (AB-PM-JAY)

- Leading initiative of Prime Minister Modi to ensure health coverage for poor and weaker population in India.
- Health services in India are largely segmented and Ayushman Bharat (AB-PM-JAY) aims to make them comprehensive and Integrate all Schemes. It is about looking at the health sector as a whole and ensure continuous care for the people of India.
- Citizens –particularly poor and weaker groups, have access to healthcare and good quality hospital services without facing financial difficulty.

- Rs 5 lakh per annum to the 100 million families in India for secondary and tertiary hospitalization.
- Funding 60 % central and 40% state.
- PPP model
- PMJAY for secondary and tertiary care
- Health and wellness clinic (H & WC) for primary care
- NHA, IRDAI recommend measures for effective healthcare through health insurance
- NHA, IRDAI launched 'four' reports to further strengthen AB-PMJAY focusing on – Hospital Network Management (which focuses on quality standards, rates, etc,), Common IT Infrastructure for Health Insurance Claims Management, Fraud and Abuse Control and on Data Standards and Exchange.
- The quality and standard treatment protocol without proper working out of costing and without involving the Stake Holders will be detrimental
- This worlds largest health insurance program for achieving uhc could not make a major impact as it expected as most of the private health care providers could not opt for as the health care packages are not sustainable for them.

State Govt Health Insurance Schemes

Awaz Health Insurance Scheme:

- This is a health insurance cover for migrant workers initiated by the Government of Kerala.
- Offers Health insurance and Insurance cover for death by accident for labourers falling in the age group of 18 to 60. Launched in the year 2017
- The health insurance coverage is Rs. 15000, while the cover for death is Rs. 2 lakh.

Bhamashah Swasthya Bima Yojana:

- Rajasthan Government supported insurance for rural people of Rajasthan.
- No prescribed age limit.
- Covers both in-patient as well as out-patient expenses.

Chief Minister's Comprehensive Insurance Scheme

- Promoted by Tamil Nadu Government .
- It is Insurance model
- Family floater plan covers up to Rs. 5 lakhs per family.
- People residing in Tamil Nadu earning less than Rs. 75,000/- annually are eligible for this scheme.
- Empanelled Govt and Private Hospitals give the service.

Karunya Health Scheme:

- Promoted by Kerala Government
- Providing Health Insurance for listed chronic illnesses. It is a Critical Illness plan for the poor and covers major diseases such as Cancer, Kidney Ailments, Heart-related medical issues, etc.
- Those below or near the poverty line are covered.

Mahatma Jyotiba Phule Jan Arogya Yojana:

Mukhyamantri Amrutum Yojana:

- Launched by Government of Gujarat for the benefit of the state's poor people, Lower middle-class families and those living below the poverty line .
- Offers a cover of Rs. 3 lakhs for a year on a family floater basis.
- PPP model

Dr. YSR Aarogyasri Health Care Trust Andhra Pradesh State Government:

- The Andhra Pradesh Government along with the Dr YSR Aarogyasri Trust, has come up with four beneficial welfare schemes. These schemes cater to different people and assist them in time of need.

The four schemes:

- **Dr. YSR Aarogyasri –** This scheme is dedicated to the welfare of the poor.
- **Aarogya Raksha –** This scheme is designed to benefit people Above Poverty Line (APL).
- **Working Journalist Health Scheme –** This scheme is for journalists and it offers cashless treatment in case of listed procedures.
- **Employee Health Scheme –** This scheme is for the benefit of state government employees.

Telangana State Government – Employees and Journalists Health Scheme:

- Offered by the Telangana Government for its employees and journalists.
- Beneficial for those currently working as well as retired and are pensioners.
- Empanelled hospitals render cashless treatment for certain ailments as per the terms and conditions.

Yeshasvini Health Insurance Scheme:

- Promoted by the Karnataka State Government.
- Meant for farmers and peasants associated with a co-operative society.
- Co-operative societies help the peasants and farmers
- Selected 800 procedures (Orthopaedic, Neurology, Angioplasty, etc.) are covered as per this insurance policy.
- Family Floater policy
- Empanelled Hospitals render the service.

West Bengal Health Scheme: (West Bengal Health for All Employees and Pensioners Cashless Medical Treatment Scheme)

- Launched by the Government of West Bengal for its employees and pensioners.
- Family floater for the sum insured is Rs. 1 lakh.
- The policy covers OPD and Selected surgeries including cosmetic surgeries and non emergency procedures.

The Private Sector

- 58% hospitals, 29% of beds in hospitals, and 81% of doctors
- Remains the source of health care for 70% of urban and 63% in rural areas
- In Year 2000, Government of India liberalized insurance and allowed private players into the insurance sector. Which brought in novel health Insurance Plans.

Private Health Insurance Coverage

- For those who are not being covered by the Govt. schemes and

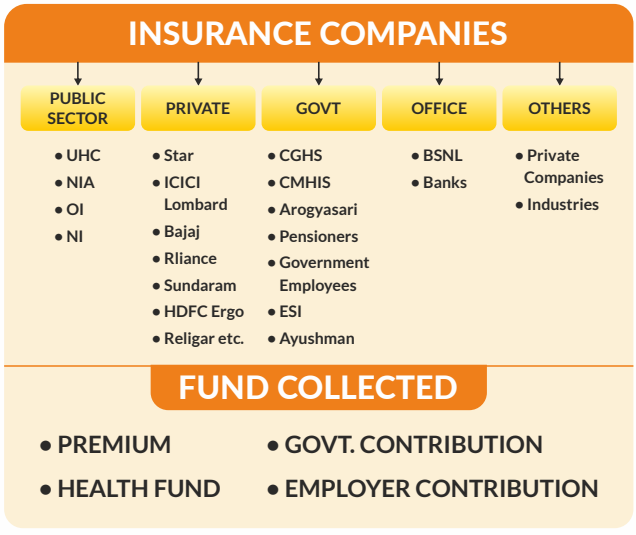
for any citizen willing can take Health insurance policy by paying premium as per selection of type of policy

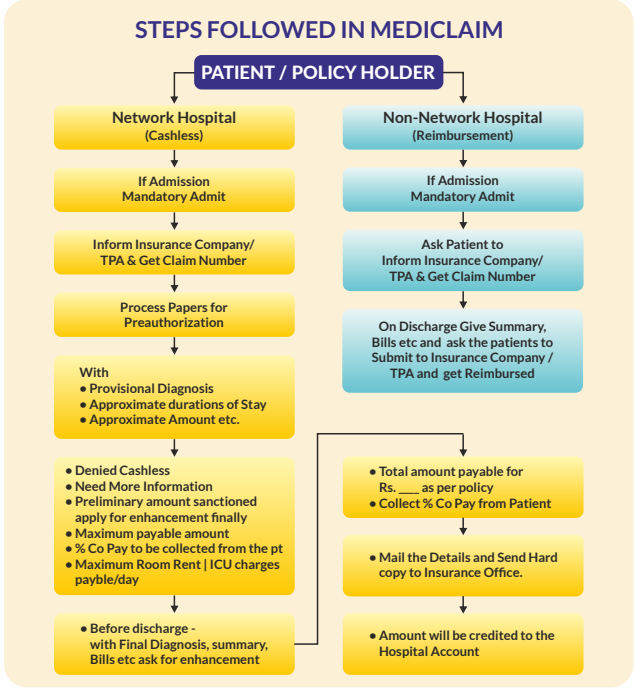
GIPSA

- General Insurance-public Sector Association
- Public sector Insurance companies, New India Assurance, Oriental Insurance, United India and National Insurance formed an association GIPSA.

Private Insurers

- Many private insurance companies including standalone companies insure.





PPN (preferred providers network)

- Insurance companies fix up package rates for certain procedures and which ever hospital signs MOU will be empanelled for cashless.

Claim Settlement

- Cashless
- Reimbursement

Who will Pay:

- Directly by Insurance company/ Govt

Who are all service providers

- Providers are a clinic, hospital, doctor, laboratory, health care practitioner, or pharmacy.
- Govt hospitals and Private Health care providers for PPP model

Package Rates

- End to End Specialised rates for selective procedures
- Fixed mutually by the Insurance company and service provider (private)
- For Govt. schemes Government fixes
- Quality Health Care Involves Finance and Package Rates Curtails the Freedom of Treatment.

Pit Falls

- Packages may not be sustainable for Private providers
- Quality care may be at stake
- Failure of Govt health Insurance Schemes for want of Funds
- Settlement Issues
- Should Governments engage health insurance intermediaries TPAS?

A comparison of benefits with and without insurance intermediary in a large tax funded community health insurance scheme in the Indian state of Andhra Pradesh Concluded that Introduction of insurance intermediary has the twin effects of reduction in benefit payments to beneficiaries, and chocking fund flow to government hospitals. The idea of engaging insurance intermediary should be abandoned.

Srikant Nagulapalli* and Sudarsana Rao Rokkam

- Health Financing and Financial Protection Recommendations by HLEG (High Level Experts Group Suggestions 2011)
- Government (Central government and states combined) should increase public expenditures to at least 3% of GDP by 2022.
- Prepayment from compulsory sources (i.e. some form of taxation), and pooling exclusively for UHC programme
- Ensure availability of free essential medicines by increasing public spending on drug procurement
- Use general taxation as the principal source of health care financing –by additional mandatory deductions for health care
- Do not levy fees of any kind for use of health care services under the UHC.
- Expenditures on primary health care, including curative services at the primary level should account for at least 70% of all health care expenditures
- Do not use insurance companies or any other

independent agents to purchase health care services on behalf of the government

- All health insurance cards should, in due course, be replaced by National Health Entitlement Cards.
- Impact evaluation of the RSBY insurance scheme clearly showed oope spending (both inpatient and outpatient) increased by 30 per cent which was expected to decrease
- To meet the objectives of the policy, the governments should increase their total allocation towards health to Rs. 800,000 crore - increase at least 20 percent year-on-year for the next seven eight years .
- Even more importantly, the proportion of the population aged 65 and above is expected to grow significantly. From 4.3% of the population in 2000, Oxford Economics forecasts the share of population over 65 to rise to 6.7% in 2021. This means that in four years, 95m Indian citizens will be over 65. Along with the rising aspirations and economic vitality of a growing middle class, this increasing share of an aged population should raise additional demands for health care services.
- Health care providers are not being consulted in Health Insurance policy making and costing which pushes them out from coming forward to cashless treatment where Package rats are mandatory which is detrimental to the patients.
- Certain Govt. Health Insurance coverage restrict patients to only empanelled Hospitals which is against the patients right to choose his doctor or hospital and also prevents him from getting health care at his door step
  - Choice of selecting Doctor | Hospital of his choice curtailed
  - During Emergencies golden hour lost in searching for Empaneled Hospitals
  - Reimbursement may not be done
  - Reimbursement not allowed in some Schemes
  - Policy holder Not Aware of Policy norms

Table 1: Transition in health financing and Insurance to universal coverage

	2011	2017	2020
Tax financing	Relatively low	Increasing	Relatively high
Private financing	Relatively high	Decreasing	Relatively low
Employer-employee contribution	Relatively low	Increasing	Relatively high
Coverage	Mostly rich and targeted poor	Expanded coverage to include poor and other targeted communities	Universal
User fees	Prevalent	Eliminated	Eliminated
Central Government insurance schemes	Large Numbers catering to different groups	Reduced in numbers; merged with the UHC system	None-and integrated fully with the UHC system (including CGHS, ESIS and schemes for the railways and other public sector institutions)
State Government insurance schemes	Option open subject to state government financing	Option open to top up central Government's UHC - National Health Package (NHP) funding subject to state government financing	Option open to top up Central Government's UHC - NHP funding subject to state government financing
Private (including community-based) insurance schemes	Large variety with option to individuals to top up government coverage	Large variety with option to individuals to top up government coverage	Large variety with option to individuals to top up government coverage

Issues faced by insurance companies/ TPA's

- Hospitals not providing genuine details of patients
- Gross variation in charges among hospitals
- Not having uniform quality standards
- Incurring loss
- Charging high for insurance patients
- Competition among themselves in catching clients decreasing the premium

Need of the hour IMA/ AHPI/ Insurance Forum with IRDA/Insurance Companies/TPA'S

Can jointly

- Develop Standards for Grading the Hospitals
- Develop Standards for Empanelment
- Derive on Package Rates
- Solutions for Settlement issues.
- Guide in insurance policies / asking for capping on diseases for pts.
- Become members in the various committees

Take Home Message

To achieve the Universal Health Coverage in India Health Insurance in some form either Private or Government is a must for every citizen and should give Quality care which must be Economically Sustainable for Insurers, Policy Holders and Providers.

Healthcare sector under MSME - A Giant Leap

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National Co-Ordinator-MSME,
Vice Chairman IMA- Hospital Board of India ,
Official Advisor, Medical Ethics,
World Medical Association
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The inclusion of healthcare sector in MSME through the efforts of IMA will lead to many benefits/ reliefs and subsidies to the healthcare sector registered under MSME, for times to come. The advantage of cluster scheme can be had by having a society/ Trust of different establishments in an area, for activities like biomedical waste disposal, installing STP and ETP etc.

The provision of protection against delayed payments specially from insurance, TPA, ECHS, CGHS and patients is a useful provision.

Similarly, reimbursement of NABH accreditation decreases the financial burden.

Various benefits to Healthcare

Proof of Legal Existence

Any MSME having Udyog Aadhar Registration is treated as a registered business entity in India. This is beneficial for Proprietorship Firms which otherwise do not have any other proof of existence in the name of proprietorship firms.

Credit Facilities through Financial Institutions at lower rate of interest

Due to the MSME registration, the Financial institutions lend money at a lower rate of Interest

Easy Availability of Finance

Finance to Micro, Small and Medium Enterprises comes under the Priority Sector Lending directions issued by the Reserve Bank of India. Thus, Banks have to achieve this target and hence lend loans to these MSME on priority.

Collateral Free Loans

The Government of India has made collateral-free credit available to all small and micro business sectors. This initiative guarantees funds to micro and small sector enterprises. Under this scheme, both the old as well as the new enterprises can claim the benefits. A trust named The Credit Guarantee Trust Fund Scheme was introduced by the GOI, SIDBI and the Ministry of Micro, Small and Medium Enterprise to make sure this scheme is implemented (Credit Guarantee Scheme) for all Micro and Small Enterprise.

Related Scheme - Credit Guarantee Trust Fund for Micro & Small Enterprises (CGT SME)

Description - Ministry of Micro, Small and Medium Enterprises and Small Industries Development Bank of India (SIDBI) jointly established a Trust named Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) in order to implement Credit Guarantee Scheme for Micro and Small Enterprises. The corpus of CGTMSE is contributed by Government of India and SIDBI.

Nature of assistance - Collateral free loan up to a limit of ₹ 100 lakh is available for individual MSE on payment of guarantee fee to bank by the MSE.

Any collateral / third party guarantee free credit facility (both fund as well as non fund based) extended by eligible institutions, to new as well as existing Micro and Small Enterprise, including Service Enterprises, with a maximum credit cap of Rs. 200 lakhs, are eligible to be covered.

Additional Benefit under CGTMSE due to Covid -19

- Emergency Credit Line to Businesses/MSMEs from Banks and NBFCs up to 20% of entire outstanding credit as on 29.2.2020
- Borrowers with up to Rs. 25 crore outstanding and Rs. 100 crore turnover eligible
- Loans to have 4 year tenor with moratorium of 12 months on Principal repayment
- Interest to be capped
- 100% credit guarantee cover to Banks and NBFCs on principal and interest
- Scheme can be availed till 31st Oct 2020
- No guarantee fee, no fresh collateral

Fewer Electricity Bills

This concession is available to all the Enterprises that have the MSME Registration Certificate by providing an application to the department of the electricity along with the certificate of registration by MSME, subject to conditions. However it is a state prerogative.

Exemption from Stamp Duty

This concession is given by the State Government(s) in the Stamp Duty charged by them. Stamp comes under the State List, thus it is the prerogative of the State Govts to provide such benefits, subject to conditions laid by them

Exemption from Property Tax

This concession is given by the Local Authorities in the Property Tax charged by them. It is the prerogative of the Local Authorities to provide such benefits, subject to conditions laid by them

ISO 9000/ISO 14001 Certification Reimbursement

Similar benefit may be demanded by the Medical Professional for accreditation by NABH

MSME SAMADHAAN- Delayed Payments to Micro and Small Enterprises under Micro, Small and Medium Enterprise Development (MSMED) Act, 2006

The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 contains provisions of Delayed Payment to Micro and Small Enterprise (MSEs). (Section 15- 24).

State Governments to establish Micro and Small Enterprise Facilitation Council (MSEFC) for settlement of disputes on getting references/filing on Delayed payments. (Section 20 and 21). This provision of protection against delayed payments will be useful against Insurance/ TPA's/ CGHS/ ECHS patients etc.

Salient Features

The buyer is liable to pay compound interest rate to the supplier which is set at 3 times of the RBI notified bank rate, in the event he does not make payment to the supplier for his supplies of goods / services within 45 days of the acceptance of the goods/services rendered. (Section 16)

Every reference made to MSEFC shall be decided within a period of ninety days from the date of making such a reference as per provisions laid in the Act.

If the Appellant (not being the supplier) wants to file an appeal, no application for setting aside any decree or award by the MSEFC shall be entertained by any court unless the appellant (not being supplier) has deposited with it, the 75% of the award amount. (Section 19)

Implementation

The provisions under the Act are implemented by MSEFC chaired by Director of Industries of the State /UT having administrative control of the MSE units.

Micro and Small Enterprises Cluster Development Program (MSE-CDP)

Under this scheme, clusters can be formed of a group of clinical establishments in a particular area to have a common facility, like Bio Medical waste management Plant, STP and ETP etc.

A detailed project report (DPR) has to be submitted. Once the DPR is approved Rs 10 lac is considered as a contribution by Special Purpose Vehicle (SPV) towards project.

MSME definition

MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing and Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr	Investment < Rs. 10 cr. and Turnover < Rs.50 cr	Investment < Rs. 50 cr. and Turnover < Rs.250 cr

Investment refers to investment in Plant and Machinery or Equipment

Frequently Asked Questions

Is MSME updated to Udyog Aadhar?

A. Yes. MSME registration has been replaced with the Udyog Aadhar registration. If any micro, small and medium industries want to start any business; they need to do the registration with MSME/Udyog Aadhar. This registration with MSME/Udyog Aadhar can be done in two ways online and offline. This facility provides the business with a lot of benefits and subsidies.

Q. Is Aadhar Card compulsory?

A. Yes. For registration under the Udyog Aadhar scheme, Aadhar card is compulsory. In case an applicant is other than the proprietor, the Aadhar card of the partners and the directors will be required.

Q. Can existing and new businesses both apply?

A. Yes, an existing and new business can apply for MSME/Udyog Aadhar registration. Provided the existing unit is functioning and meets the threshold limits for registration.

Q. What is the validity of the certificate?

A. There is no expiry of the Udyog Aadhar Certificate. As long as the entity is ethical and financially healthy there will be no expiry of the certificate.

Q. Can trading companies register under MSME?

A. No. MSME covers only manufacturing and service industries. Trading companies are not covered by the scheme. MSME is to support startups with subsidies and benefits, trading companies are just like middlemen, a link between manufacturer and customer. Hence not covered under the scheme.

Q. Do I need multiple registrations for manufacturing plants in different cities?

A. No. The MSME/Udyog Aadhar certificate is for a single entity irrespective of multiple branches or plants. However, information about multiple branches or plants must be furnished.

Q. What is included in cost of investment?

A. As per Notification dated 05.10.2006, the cost of which shall be excluded while calculating the investment in plant and machinery in the case of the enterprises mentioned in Section 7(1)(a) of the said Act, namely:

i. Equipment such as tools, jigs, dyes, moulds and spare parts for maintenance and the cost of consumables stores;
ii. Installation of plant and machinery;
iii. Research and development equipment and pollution controlled equipment
iv. Power generation set and extra transformer installed by the enterprise as per regulations of the State Electricity Board;
v. Bank charges and service charges paid to the National Small Industries Corporation or the State Small Industries Corporation;
vi. Procurement or installation of cables, wiring, bus bars, electrical control panels (not mounded on individual machines), oil circuit breakers or miniature circuit breakers which are necessarily to be used for providing electrical power to the plant and machinery or for safety measures;
vii Gas producers plants;
viii Transportation charges (excluding sales-tax or value added tax and excise duty) for indigenous machinery from the place of the manufacture to the site of the enterprise;
ix. charges paid for technical know-how for erection of plant and machinery;
x. such storage tanks which store raw material and finished produces and are not linked with the manufacturing process; and
xi. Fire Fighting equipment.

2. While calculating the investment in plant and machinery refer to paragraph 1, the original price thereof, irrespective of whether the plant and machinery are new or second handed, shall be taken into account provided that in the case of imported machinery, the following shall be included in calculating the value, namely;

I. Import duty (excluding miscellaneous expenses such as transportation from the port to the site of the factory, demurrage paid at the port);

ii. Shipping charges;

iii. Customs clearance charges; and

iv. Sales tax or value added tax.

There are no drawbacks for registering as MSME and no extra statutory requirements to be complied.

Under MSME Act, MSME registration number must be mentioned on the face of the invoice.

Procedure for registration under MSME

NIC 2-Digit Code	86
2 Digit NIC Code Description	Human health activities
Micro	83567
Small	26485
Medium	1894
Total Count	111946

Visit https://udyogaadhaar.gov.in/

Enter Aadhaar number of the authorised person filling the form

Enter name of the authorised person filling the form

Validate Aadhaar number through OTP

Social Category- The Applicant may select the Social Category (General, Scheduled Caste, Scheduled Tribe or Other Backward Castes (OBC). The proof of belonging to SC, ST or OBC may be asked by appropriate authority, if and when required.

Gender- The Applicant can select gender of Entrepreneur

Physically Handicapped- The Applicant can select Physically Handicapped status of Entrepreneur

Name of Enterprise- The Applicant must fill the name by which his/her Enterprise is known to the customers/public and is a legal entity to conduct business.

Type of Organization- The Applicant may select from the given list the appropriate type of the organisation for his/her enterprise.

PAN Number - The Applicant have to enter PAN Number in case of Co Operative, Private Limited, Public Limited and Limited Liability Partnership. It will be optional in remaining type of Organisation

Location - The Applicant may add multiple locations in one registration by clicking Add Plant button

Official Address- The Applicant should fill in the appropriate field the complete postal address of the Enterprise including State, District, Pin code, Mobile No and Email.

Date of Commencement- The date in the past on which the business entity commenced its operations may be filled in the appropriate field.

Previous Registration Details(if any)- If the Applicant's enterprise, for which the Udyog Aadhaar is being applied, is already issued a valid EM-I/II by the concerned GM (DIC) as per the MSMED Act 2006 or the SSI registration prevailing prior to the said Act, such number may be mentioned in the appropriate place.

Bank Details- The Applicant must provide his/her bank account number used for running the Enterprise in the appropriate place.

Major Activity- The major activity i.e. either "Manufacturing" or "Service" may be chosen by the enterprise for Udyog Aadhaar.

National Industry Classification Code (NIC Code)- The Applicant may choose multiple National Industrial Classification-2008 (NIC) Codes to includes all their activities. Which means user can select multiple NIC code of Manufacturing and Service sector by clicking "Add More" button. If you want to add Manufacturing then select "Manufacturing" radio button and keep on adding by clicking "Add More" button otherwise if you want to add Service then select "Services" radio button and keep on adding by clicking "Add More" button. The NIC codes are prepared by the Central Statistical Organisation (CSO) under the Ministry of Statistics and Program implementation, Government of India. The Applicant may use National Industrial Classification-2008 (NIC) Codes searching facility to avoid 3 steps selection process.

Example: User has to write matching key word (2 or more characters) in Search text box in Column No 11. Then all related NIC CODEs will be listed (including Nic 2 Digit, Nic 4 Digit & Nic 5 Digit) with code and description. If User selects NIC 5 Digit code, then automatically all the related fields (like NIC 2 Digit, 4 Digit, 5 Digit & Enterprise Type) at column 11 will be automatically filled. Same way, If user selects NIC 4 digit, then related field of 2 digit NIC Code will filled, but user has to select NIC 5 digit from drop down (In this case 2 steps are required).

Person employed- Mention The total number of people who are directly been paid salary/ wages.

Investment in Plant & Machinery / Equipment- While computing the total investment, the original investment (purchase value of items) is to be taken into account excluding the cost of pollution control, research and development, industrial safety devices, and such other items as may be specified, by notification of RBI. If an enterprise started with a set of plant and machinery purchased in 2008 worth Rs. 70.00 lakh has procured additional plant and machinery in the year 2013 worth Rs. 65.00 lakh, then the total investment in Plant & Machinery may be treated as Rs. 135.00 lakh.

DIC- The Applicant, based on the location of the Enterprise, has to fill in location of DIC. This Column will be active and show option only when there are more than one DIC in the district. In fact if there is only one DIC in the district system will automatically register you in the same DIC.

Submit- The Applicant must click on Submit button to generate OTP which will be sent to email id mentioned for registration

The Applicant have to enter OTP received on mobile (linked with Aadhaar) second time.

Enter Captcha- The Applicant must enter Captcha before clicking Final Submit button.

Certificate shall be received via-email

STRESS MANAGEMENT

"People who are recovering from COVID-19 and those who have recovered from COVID-19, their life will go on with their jobs, families and loved ones"

This time of crisis is generating stress in the population. These mental health considerations were developed by the Mental Health Department of WHO as support for mental and psychological well-being during COVID-19 outbreak.

General population

1. COVID-19 has and is likely to affect people from many countries, in many geographical locations. Don't attach any significance to a person's ethnicity or nationality. Be empathetic to those who got affected, in and from any country, those with the disease have not done anything wrong.
2. Don't refer to people with the disease as COVID-19 cases, victims COVID-19 families or the diseased. They are people who have COVID-19, people who are being treated for COVID-19, people who are recovering from COVID-19 and after recovering from COVID19 their life will go on with their jobs, families and loved ones.
3. Avoid watching, reading or listening to news that cause you to feel anxious or distressed; seek information mainly to take practical steps to prepare your plans and protect yourself and loved ones. Seek information updates at specific times during the day once or twice. The sudden and near-constant stream of news reports about an outbreak can cause anyone to feel worried. Get the facts. Gather information at regular intervals, from WHO website and local health authorities platforms, in order to help you distinguish facts from rumors.
4. Protect yourself and be supportive to others. Assisting others in their time of need can benefit the person receiving support as well as the helper.
5. Find opportunities to amplify the voices, positive stories and positive images of local people who have experienced the new coronavirus (COVID-19) and have recovered or who have supported a loved one through recovery and are willing to share their experience.
6. Honor caretakers and healthcare workers supporting people affected with COVID-19 in your community. Acknowledge the role they play to save lives and keep your loved ones safe. Health care workers
7. For health workers, feeling stressed is an experience that you and many of your health worker colleagues are likely going through; in fact, it is quite normal to be feeling this way in the current situation. Stress and the feelings associated with it are by no means a reflection that you cannot do your job or that you are weak. Managing your stress and psychosocial wellbeing during this time is as important as managing your physical health
8. Take care of your basic needs and employ helpful coping strategies- ensure rest and respite during work or between shifts, eat sufficient and healthy food, engage in physical activity, and stay in contact with family and friends. Avoid using unhelpful coping strategies such as tobacco, alcohol or other drugs. In the long term, these can worsen your mental and physical wellbeing. This is a unique and unprecedent scenario for many workers, particularly if they have not been involved in similar responses. Even so, using the strategies that you have used in the past to manage times of stress can benefit you now. The strategies to benefit feelings of stress are the same, even if the scenario is different.
9. Some workers may unfortunately experience avoidance by their family or community due to stigma or fear. This can make an already challenging situation far more difficult. If possible, staying connected with your loved ones including through digital methods is one way to maintain contact. Turn to your colleagues, your manager or other trusted persons for social support- your colleagues may be having similar experiences to you.
10. Use understandable ways to share messages with people with intellectual, cognitive and psychosocial disabilities. Forms of communication that do not rely solely on written information should be utilized. If you are a team leader or manager in a health facility. Team leaders or managers in health facility

11. Keeping all staff protected from chronic stress and poor mental health during this response means that they will have a better capacity to fulfil their roles.

12. Ensure good quality communication and accurate information updates are provided to all staff. Rotate workers from high-stress to lower-stress functions. Partner inexperienced workers with their more experiences colleagues. The buddy system helps to provide support, monitor stress and reinforce safety procedures. Ensure that outreach personnel enter the community in pairs. Initiate, encourage and monitor work breaks. Implement flexible schedules for workers who are directly impacted or have a family member impacted by a stressful event.

13. If you are a team leader or manager in a health facility, facilitate access to, and ensure staff are aware of where they can access mental health and psychosocial support services. Managers and team leads are also facing similar stressors as their staff, and potentially additional pressure in the level of responsibility of their role. It is important that the above provisions and strategies are in place for both workers and managers, and that managers are able to role-model self-care strategies to mitigate stress.

14. Orient responders, including nurses, ambulance drivers, volunteers, case identifiers, teachers and community leaders and workers in quarantine sites, on how to provide basic emotional and practical support to affected people using psychological first aid. For caretakers of children

15. Help children find positive ways to express disturbing feelings such as fear and sadness. Every child has his/her own way to express emotions. Sometimes engaging in a creative activity, such as playing, and drawing can facilitate this process. Children feel relieved if they can express and communicate their disturbing feelings in a safe and supportive environment.

16. Keep children close to their parents and family, if considered safe for the child, and avoid separating children and their caregivers as much as possible. If a child needs to be separated from his/her primary caregiver, ensure that appropriate alternative care is and that a social worker, or equivalent, will regularly follow up on the child. Further, ensure that during periods of separation, regular contact with parents and caregivers is maintained, such as twice-daily scheduled phone or video calls or other age-appropriate communication (e.g., social media depending on the age of the child).

17. Maintain familiar routines in daily life as much as possible, especially if children are confined to home. Provide engaging age appropriate activities for children. As much as possible, encourage children to continue to play and socialize with others, even if only within the family when advised to restrict social contract.

18. During times of stress and crisis, it is common for children to seek more attachment and be more demanding on parents Discuss the COVID-19 with your Children in honest and age appropriate information. If your children have concerns, addressing those together may ease their anxiety. Children will observe adults' behaviors and emotions for cues on how to manage their own emotions during difficult times. For caretakers of older adults

19. Older adults, especially in isolation and those with cognitive decline/dementia, may become more anxious, angry, stressed, agitated, and withdrawn during the outbreak/while in quarantine. Provide practical and emotional support through informal networks (families) and health professionals.

20. Share simple facts about what is going on and give clear information about how to reduce risk of infection in words older people with/without cognitive impairment can understand. Repeat the information whenever necessary. Instructions need to be communicated in a clear, concise, respectful and patient way. and it may also be helpful for information to be displayed in writing or pictures. Engage their family and other support networks in providing information and helping them practice prevention measures (e.g. handwashing etc.)

21. Encourage older adults with expertise, experiences and strengths to volunteer in community efforts to respond to the COVID-19 outbreak (for example the well/healthy retired older population can provide peer support, neighbor checking, and childcare for medical personnel restricted in hospitals fighting against COVID-19.) People in isolation

22. Stay connected and maintain your social networks. Even in situations of isolations, try as much as possible to keep your personal daily routines. If health authorities have recommended limiting your physical social contact to contain the outbreak, you can stay connected via e-mail, social media, video conference and telephone.

23. During times of stress, pay attention to your own needs and feelings. Engage in healthy activities that you enjoy and find relaxing. Exercise regularly, keep regular sleep routines and eat healthy food. Keep things in perspective. Public health agencies and experts in all countries are working on the outbreak to ensure the availability of the best care to those affected.

24. A near-constant stream of news reports about an outbreak can cause anyone to feel anxious or distressed. Seek information updates and practical guidance at specific times during the day from health professionals and WHO website and avoid listening to or following rumors that make you feel uncomfortable.

IMA Hospital Board of India

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