Andhra Pradesh: Healing Fields Foundation Health Insurance Scheme

Scheme Design

Established in 2005, Healing Fields Foundation is a not-for-profit organization with a mission to make healthcare available and affordable to all people in India. The main objective of the foundation is to create a viable model allowing for a significant reduction of household expenditures on health, particularly hospitalization expenses. One distinctive feature of the organization was to bring together all stakeholders i.e. insurers, health providers, intermediary and community based organizations to cooperate in the design of a health insurance product catering to the needs of the poor. The whole process started with comprehensive needs assessment and healthcare services surveys whose findings provided the outline of an entirely new product. Additional preparatory activities included the organization of health camps and the development of insurance awareness and training programmes.

Healing Fields relies on an extensive knowledge of health care administration and has developed its own management information system to improve the effectiveness of the system. The organization also selects health providers through a rating system, negotiates standardized tariffs with all hospitals willing to enter into the network and relies on facilitators to do all the documentation, claims processing, health education and hand holding of the insured.

In the last year they have also introduced 2 new products.
Single member product for construction/migrant workers premium Rs 264;
Cover health – Rs 15000; Personal accident – Rs 25000
Family floater for Metro cities Rs 469 premium for 5 member fly;
Rs 508 for 7 member fly;
Cover health - Rs 28000; Personal accident Rs 25000

Eligibility Conditions

The scheme is open to all adults from 16 to 65 years with children belonging to the 90 days – 21 years (unmarried) age group

Exclusions

Coverage for listed illnesses only.

Plan Benefits

- Rs 20,000 hospitalization coverage for a family of five
  - Wage compensation for a maximum of 15 days at Rs 100 per day starting from 3rd day
  - Post hospitalization medicines (Rs 300) at discharge
  - Investigations costs covered if admitted within 10 days
  - Transportation reimbursement for tribal groups
- Rs 25,000 personal accident cover for insured & spouse
  - Additionally, Rs 5,000 for education of surviving child
  - Additionally, Rs 5,000 for marriage surviving girl child

General Overview

Starting date:	March 2005
Ownership profile:	Trust
Target group:	BPL/tribal families
Outreach:	5 states
Intervention area:	Rural and urban
Risks covered:	Health and personal accident
Premium Insured/Y:	Rs 67.2
Co-contribution:	-
Total premium:	Rs 336 per family
No of insured:	25,252

Operational Mechanisms

Type of scheme:	Partner-agent
Insurance company:	Private (HDFC)
Insurance plan year:	Not fixed (open year round)
Insured unit:	Family of 5
Type of enrolment:	Voluntary
One-time enrolm.fee:	Rs 10 per person
Premium payment:	Upfront
Easy payment mech:	Yes, with some partners
Waiting period:	No
Indirect subsidy:	Yes

Scope of Health benefits

Tertiary health care:	☺
Hospitalization:	☺
Deliveries:	☺
Access to medicines:	☺
Primary health care:	NO

Level of Health benefits

Hospitalization:	Up to Rs 20,000
Medicines:	Up to Rs 300

Service Delivery

Prior H. check-up:	No
Tie-ups with HP:	Private HP + nurse manned dispensary
Type of agreement:	Formal agreement
No of Assoc. HP:	44
Access to HC serv:	Pre-authorization
Co-payment:	25% of the bill
HC service payment:	Cashless
TPA intervention:	No
Addit. financial ben.:	Wage compensation
Addit. non-fin. ben.:	Health educ. progr.

Premium

The annual premium to cover a family of five is Rs 336 with a variable onetime registration fee of Rs 10 to Rs 50 depending on family size.

Insurance Plan Key Features

The insurance plan has the following main features:

- Holistic approach which packages the health insurance with prevention, promotion and health education programmes;
- Additional benefits targeting children that makes the scheme more attractive to families;
- Well-defined process to prepare and engage interventions in a new area;
- Broad network of hospitals applying pre-negotiated rates;
- Hospitalization process co-ordinated by a Healing Fields facilitator and monitored by Medical Management team;
- Robust MIS which helps in analyzing the claim data for product and programme innovations;
- Speedy in-house claims settlement (15 days);
- Second opinion provided by in-house medical advisor;
- Regular linkages with health programmes developed by public providers;
- 3rd day and 10th day feedback collected from the patient to ensure drug compliance and assess the quality of services delivered and usefulness of facilitator

Main Achievements

- Wide range of partnership arrangements with various intermediary and community based organizations;
- Over a two-year period, 490 patients have benefited from the health insurance;
- 45 community animators covering 88 villages trained in health education;
- Nurse Manned Dispensaries reduces cost of health care
- Based on the experience of the first year, addition of new benefits in Year II;
- Effective participation in Governments' efforts to contain epidemics like typhoid and malaria in operational areas;
- High level of satisfaction expressed by clients (95% in Year I and 96% in Year II).
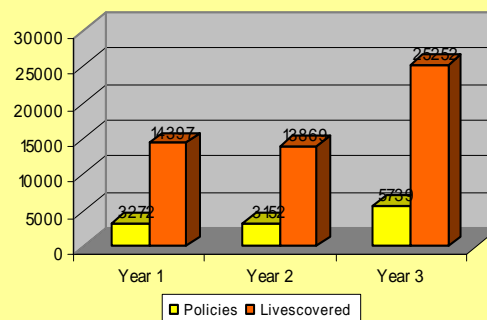
Remaining Challenges

- To enhance insurance awareness at the community level and develop capacity of partner organizations;
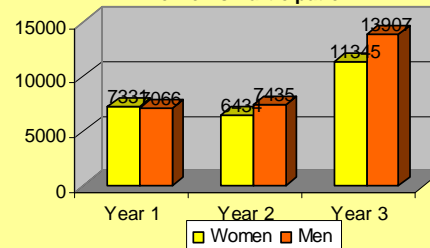
Development Plans

- Achieve a stable coverage of 500,000 lives and extend programme to Uttar Pradesh, Orissa and Rajasthan;
- Shift from voluntary to compulsory enrolment mechanisms;
- Encourage more insurance companies to intervene;
- Negotiate and organize a co-contribution mechanism.
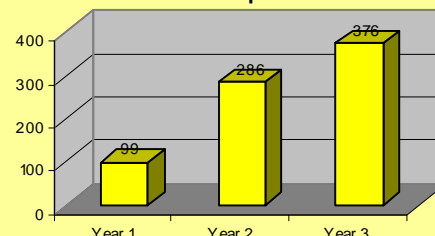
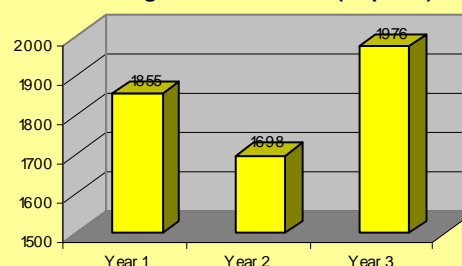## Activity Indicators

Number of Insured

	Year 1	Year 2	Year 3
Policies	3272	3452	5734
Livescovered	14397	12869	25252

Women's Participation

	Year 1	Year 2	Year 3
Women	7331	6434	11345
Men	7066	7435	13907

Number of Hospitalisations

Year 1	Year 2	Year 3
99	286	376

Average Claim Amount (Rupees)

Year 1	Year 2	Year 3
1855	1698	1976

Development Plan

500,000

↑

25,252