

# Chief Minister's Comprehensive Health Insurance Scheme (CMCHIS)

A study

PHFI-IITM Team

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## CMCHIS : A study

Two overarching objectives of this study:

(1) to understand and analyze how effectively the scheme has been functioning in fulfilling its objectives:

“To ensure access to treatment for a number of severe and life-threatening ailments through a network of public and private hospitals.”

(2) to suggest ways to move forward – to strengthen and improve effectiveness of the scheme

# Methodology

- Analyzed: Basic features (issues around Eligibility, coverage, cashless operations; Institutional aspects, selection process wrt Insurance agency, TPAs, Empanelment of providers); Awareness Generation (IEC activities); Enrolment process (different phases, experience of households);
- Claims Process (providers' experience, Patterns of claims, private/public/ Age-wise/districtwise/procedure wise);
- Payment Methods/ Management process, including Monitory mechanisms)
- Methods: Quantitative and Qualitative Methods:
  - UIIC data base: all claims related data for 4 years (2012-13 to 2015-16)
  - Household survey among card holders and non-card holders.
  - Key Informants Interviews

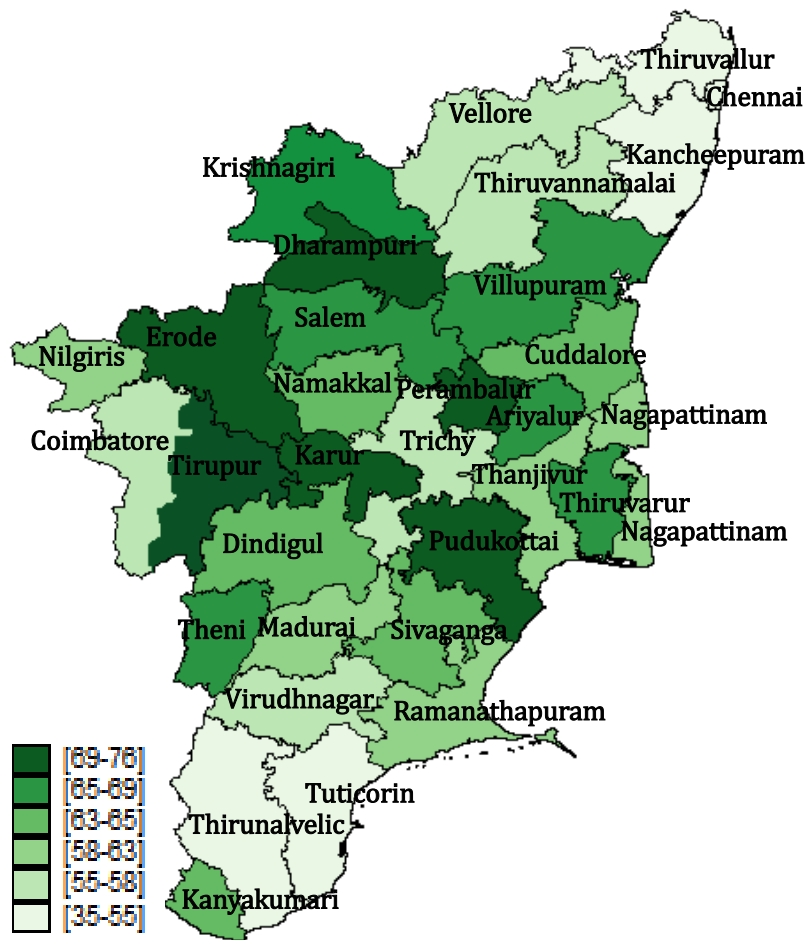
## Four Key Observations:

Over the past 4 years, CMCHIS has...

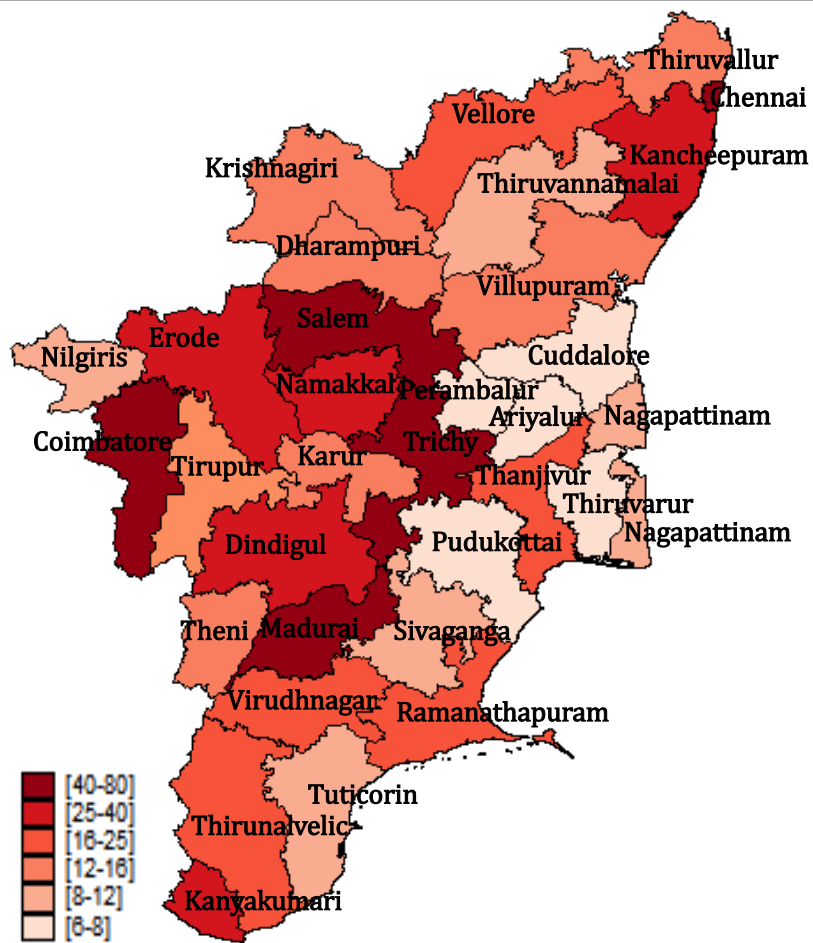
1. Grown in coverage (in terms of households enrolled, across districts, total claims and total approved amount);
2. Enhanced access to tertiary care (through public / private facilities);
3. Reduced the total financial burden patients may have incurred had they had no support from the scheme), and
4. Progressively adopted effective managerial practices (towards provider payment, purchasing of care, and implementation of effective monitoring system -- presence of elements of strategic purchasing mechanisms.

**Pioneer in:** Round the year enrolment; reservations of services for government facilities

# District-wise Distribution of Percentage Enrolled in CMCHIS to Total Population, 2015-16



# District-wise Distribution of Empaneled Hospitals under CMCHIS, 2015-16

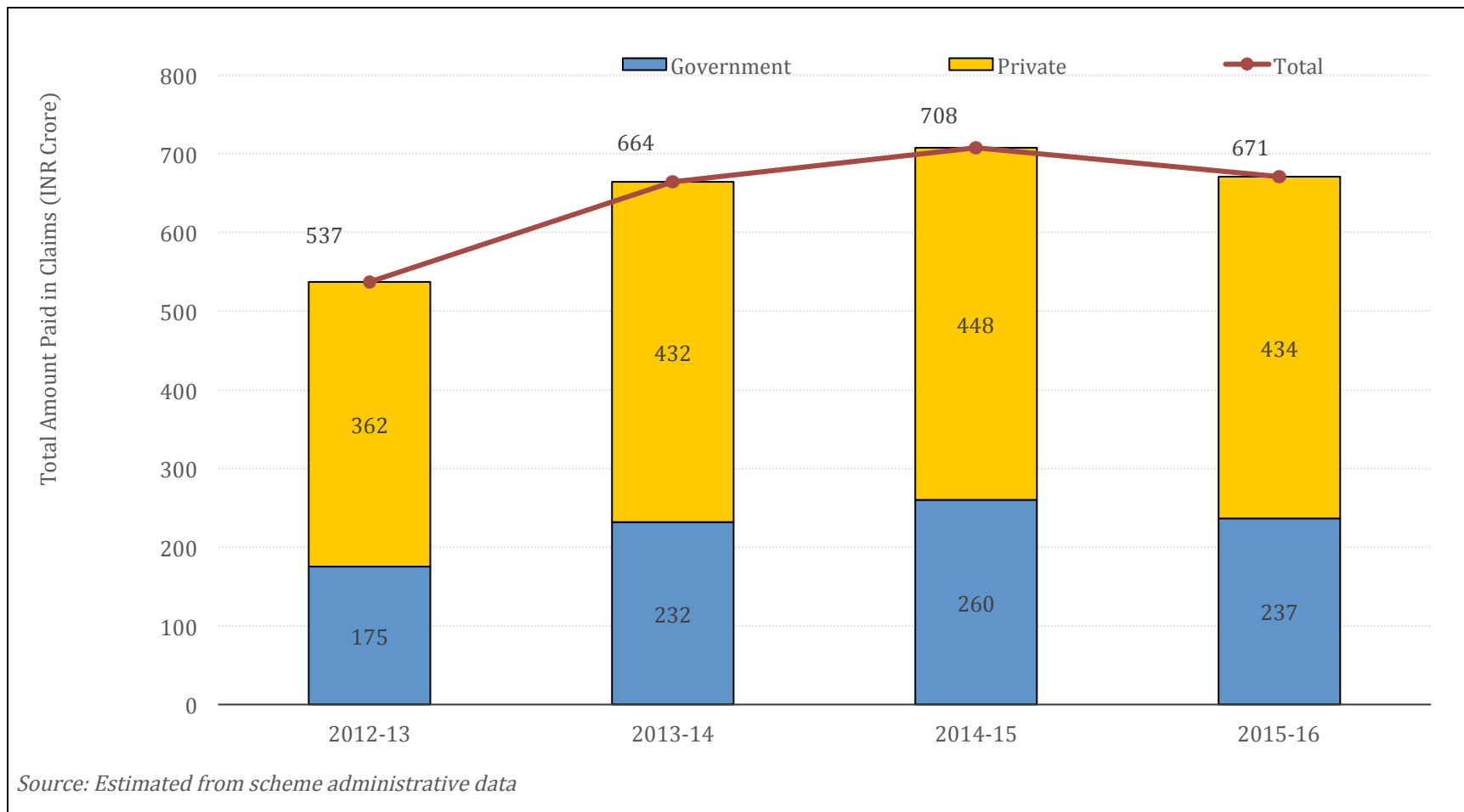


## Share of Government and Private Hospitals in Claims – 2012-13 to 2015-16

<i>All Packages</i>					
Year	No. of claims			% of claims	
	Government	Private	Total	Government	Private
2012-13	91,275	1,64,398	2,55,673	35.7	64.3
2013-14	1,35,387	2,00,562	3,35,949	40.3	59.7
2014-15	1,56,605	2,06,747	3,63,352	43.1	56.9
2015-16	1,48,127	2,05,398	3,53,525	41.9	58.1
<i>Excluding packages reserved for government hospitals</i>					
2012-13	73,317	1,64,726	2,38,043	30.8	69.2
2013-14	1,10,111	2,00,061	3,10,172	35.5	64.5
2014-15	1,29,102	2,06,228	3,35,330	38.5	61.5
2015-16	1,22,728	2,05,421	3,28,149	37.4	62.6

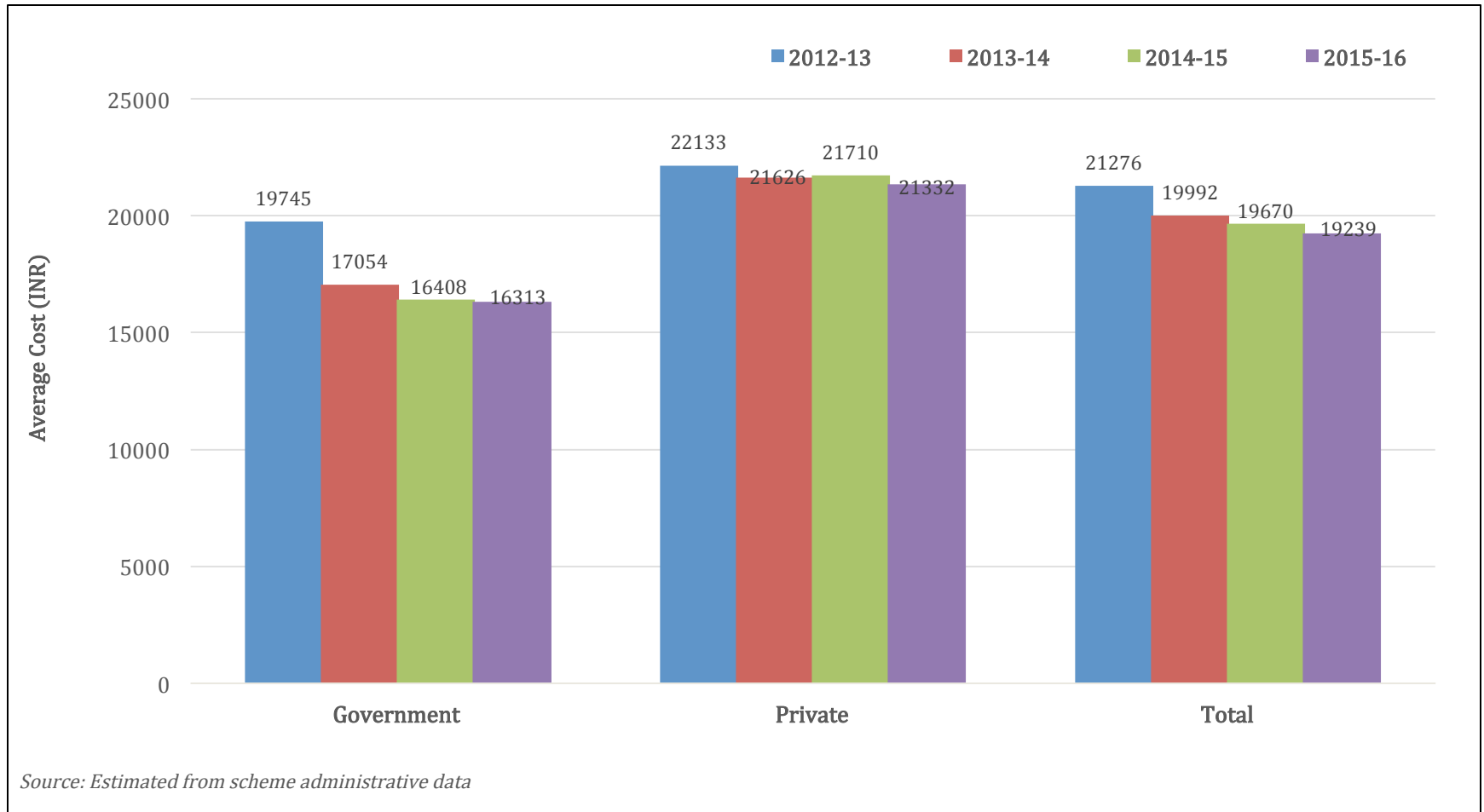
*Source: Estimated from scheme administrative data*

# Total Claim Amount Paid (Reimbursement) to Government and Private Hospitals

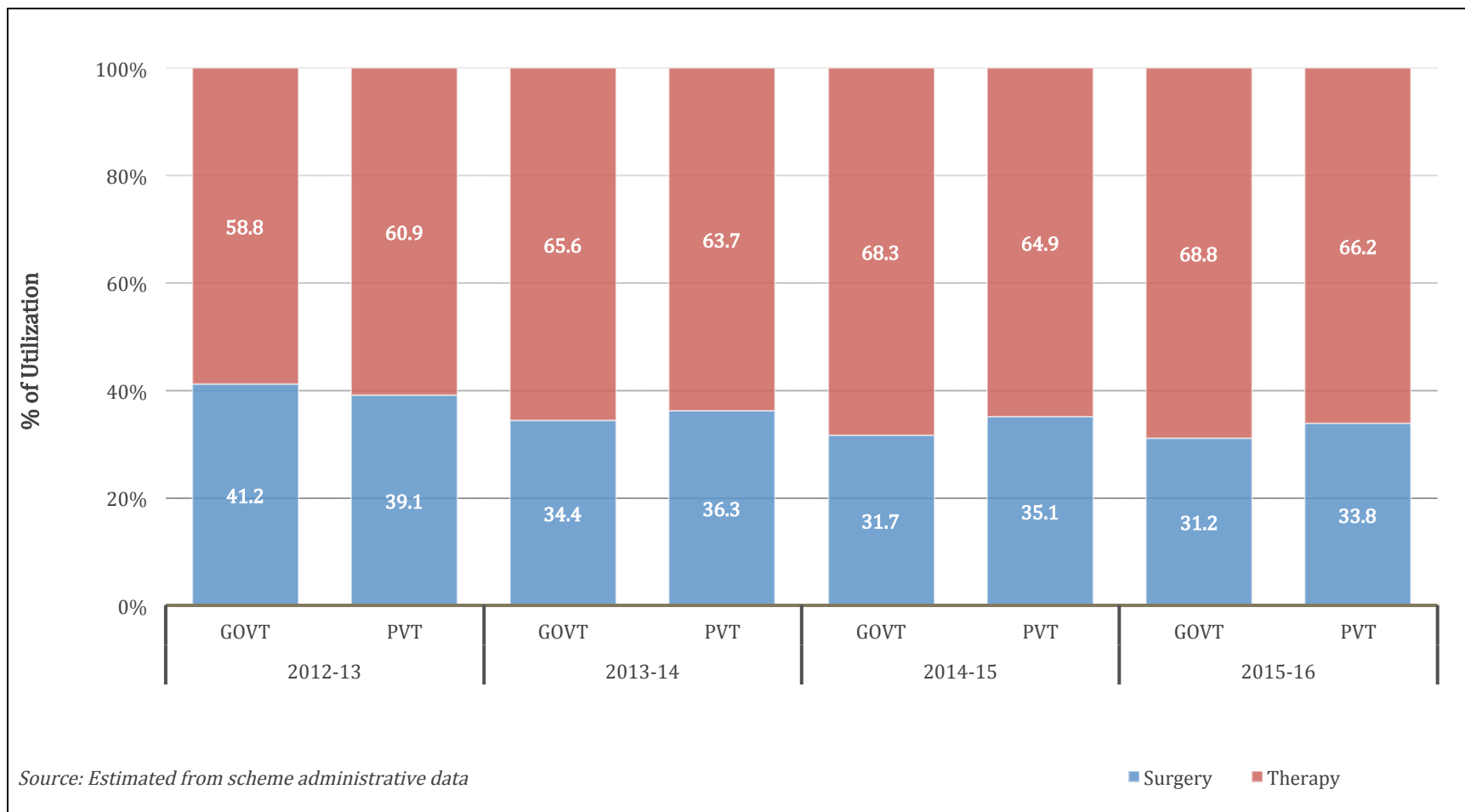




## Average amount reimbursed by Treatment – by Government, Private



## **Percentage Distribution of Claims by Type of Treatment across Government and Private Hospitals: 2012-13 to 2-15-16**



## Average and Median Reimbursement by Type of Treatment over the Years - to Government and Private Hospitals

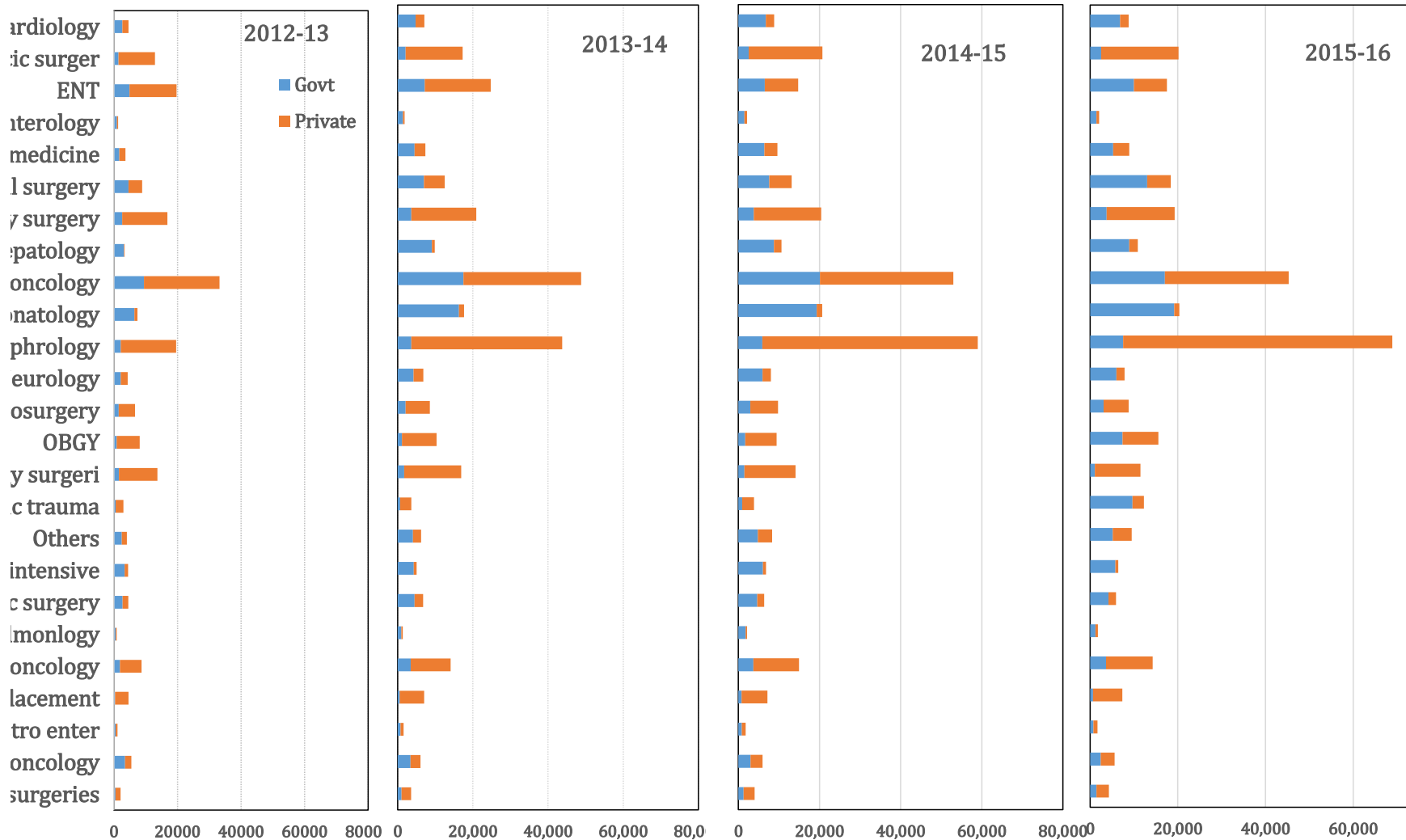
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**2012-13 to 2015-16**

		2012-13	2013-14	2014-15	2015-16
<b><i>Average Reimbursement</i></b>					
Government	Surgery	24,861	24,063	24,997	24,982
	Therapy	15,301	13,414	12,671	12,521
Private	Surgery	37,919	39,553	41,707	42,001
	Therapy	11,907	11,475	11,142	11,235
<b><i>Median Reimbursement</i></b>					
Government	Surgery	20,000	20,000	20,000	20,000
	Therapy	15,000	11,400	10,000	11,400
Private	Surgery	24,000	25,000	28,000	30,000
	Therapy	8,000	8,000	8,000	8,000

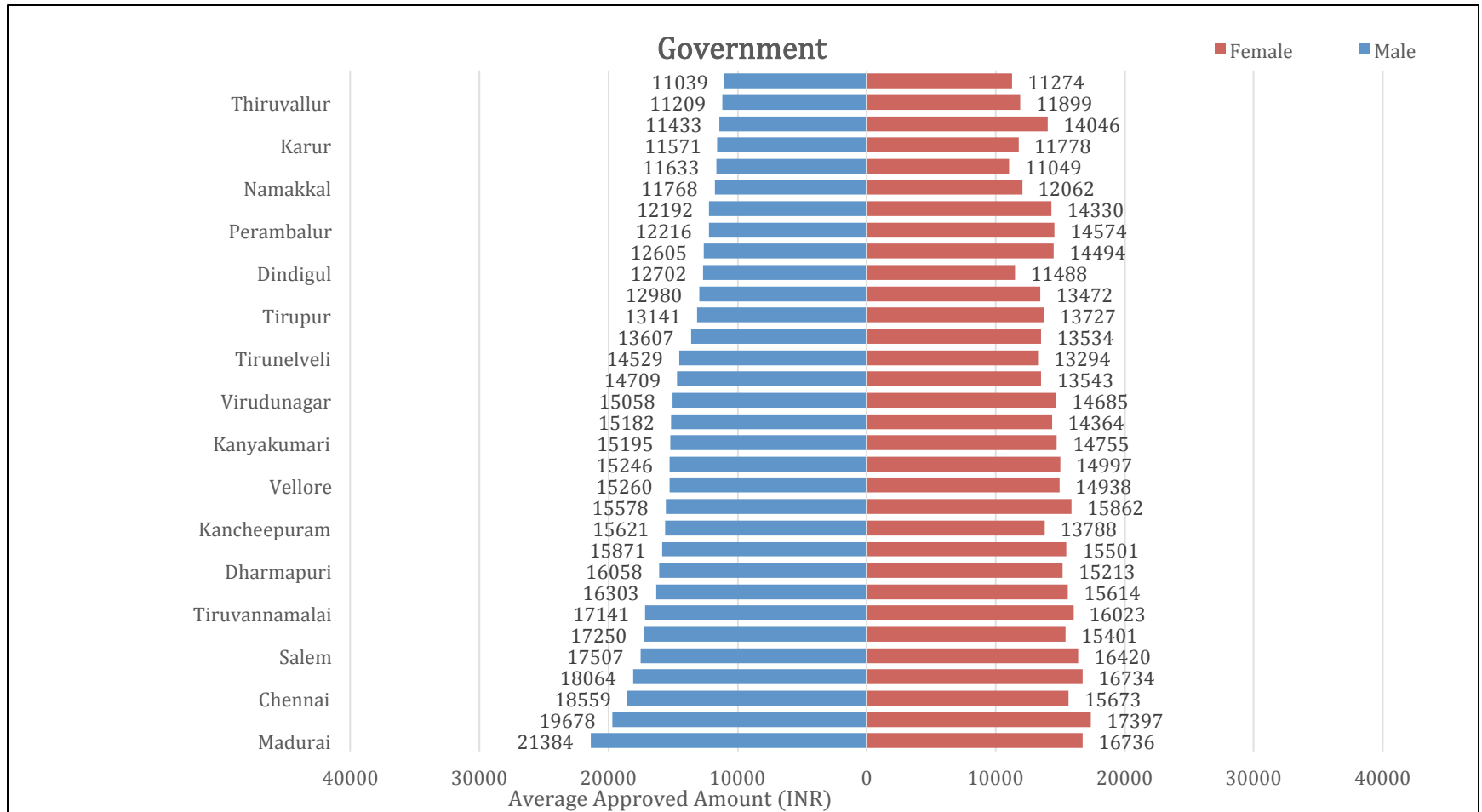
*Source: Estimated from Scheme Administrative Data*

# Utilization per Procedural/Surgical Categories in Government and Private Facilities (2012-13 to 2015-16)

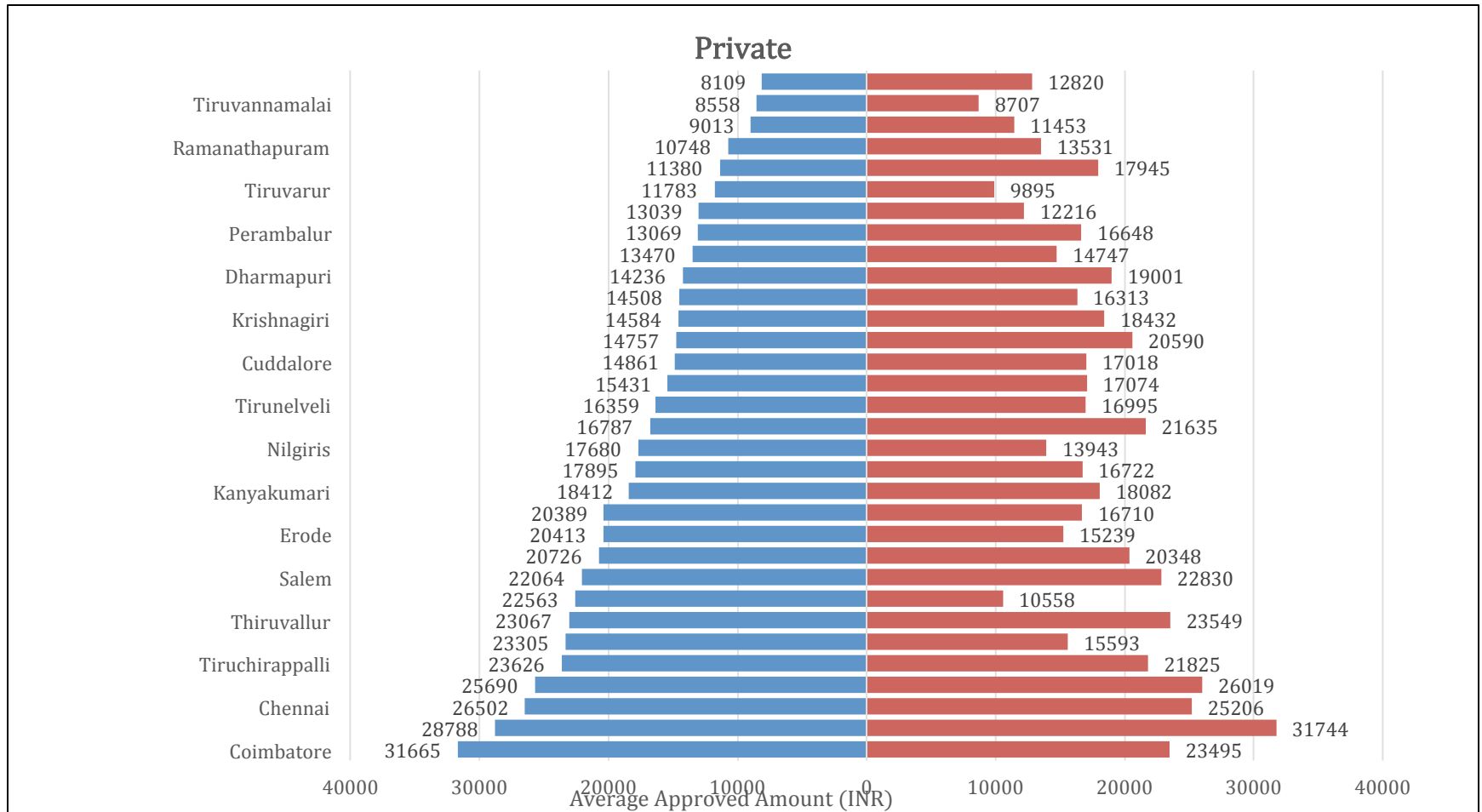
(Blue: Government; Orange : Private facilities)



# District-wise Average per Claim Reimbursement in Government Hospitals by Gender, 2015-16 (in INR)



# District-wise Average per Claim Reimbursement in Private Facilities and by Gender, 2015-16 (in INR)



## Key Indicators of the Procedures Reserved for Government Facilities

Indicators	2012-13	2013-14	2014-15	2015-16
Number of claims	17,630	25,777	28,022	25,376
Percentage of total number of claims	6.9	7.7	7.7	7.2
Average Approved Amount (INR)	17,469	17,104	17,194	16,942
Average of Approved to Claim Amount (%)	98	99	98	97

*Source: Estimated from scheme administrative data*

Overall, the scheme is well established. There is also considerable scope for improving the overall effectiveness of the scheme.

### Policy Suggestions:

- IEC strategy: much more emphasis needed and documentation—more awareness of not only the programme but of healthy practices – resources saved;
- Improve overall processing period for claim settlement time;
- Mid-term appraisal of premium and reconsideration of rates – essential – a critical aspect of strategic purchasing strategy – would help all stakeholders; **[SLIDE on Claims ratio]**
- Consider widening the base of enrollees – from above R.72K annual income – with a lower (competitive) premium;
- Increasing burden of NCDs, aging population – explore integration with national programme, such as NICU;
- Further empirical research on cost of services in public facilities required, for more effective negotiating power.



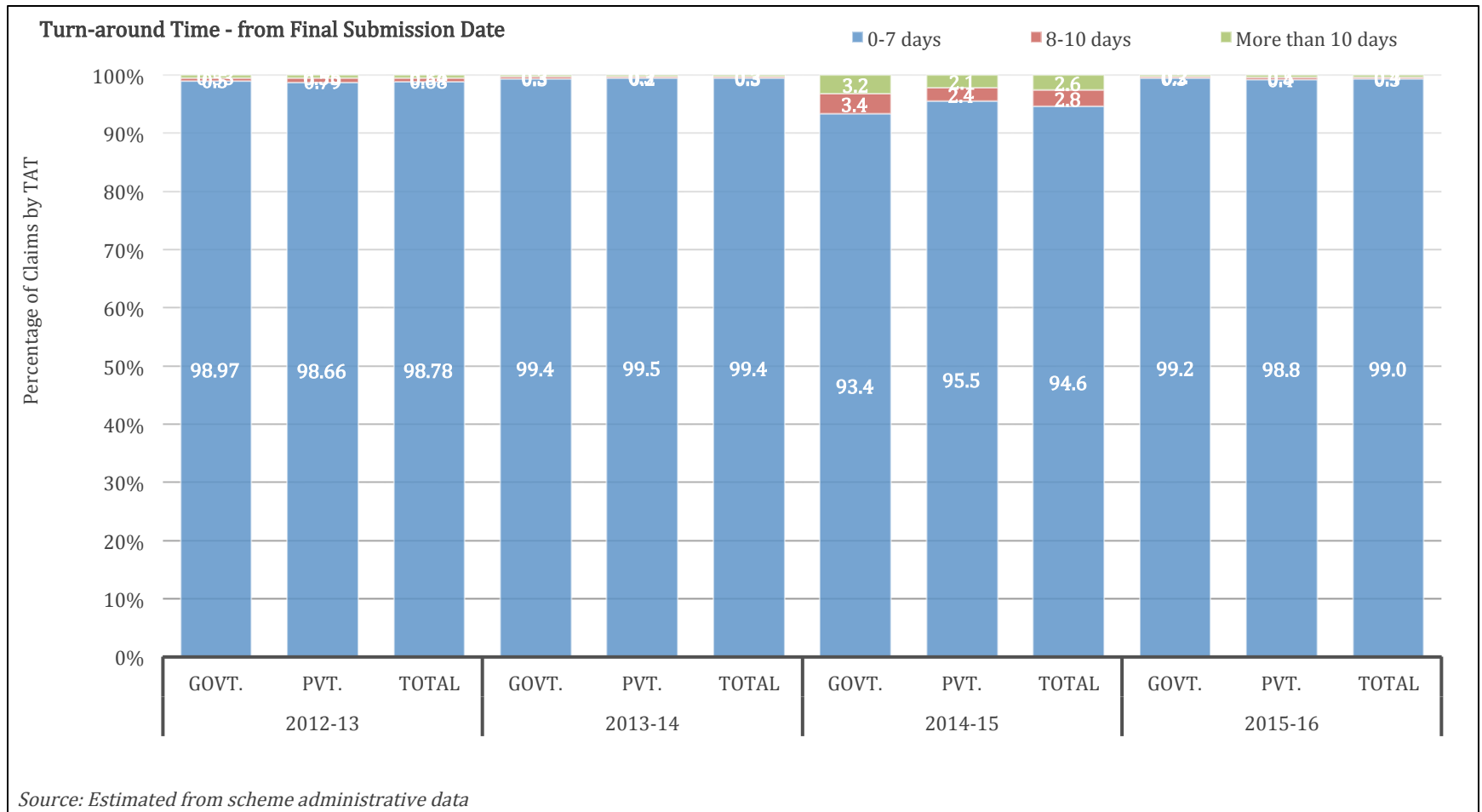
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## Policy Suggestions (1)

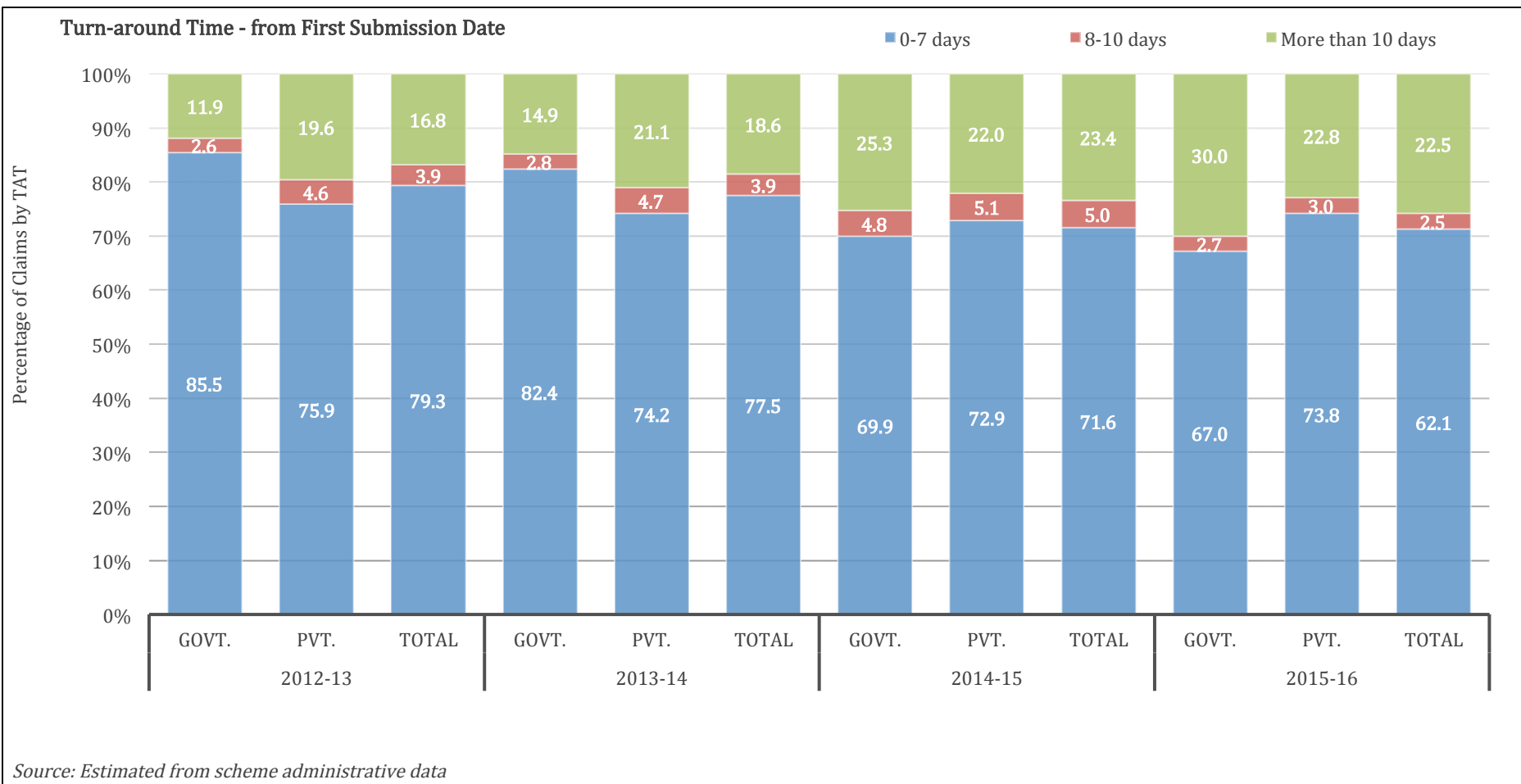
IEC strategy: much more emphasis needed and documentation— more awareness of not only the programme but of healthy practices – resources saved;

# Policy Suggestions 2

Improve overall processing period for claim settlement time;

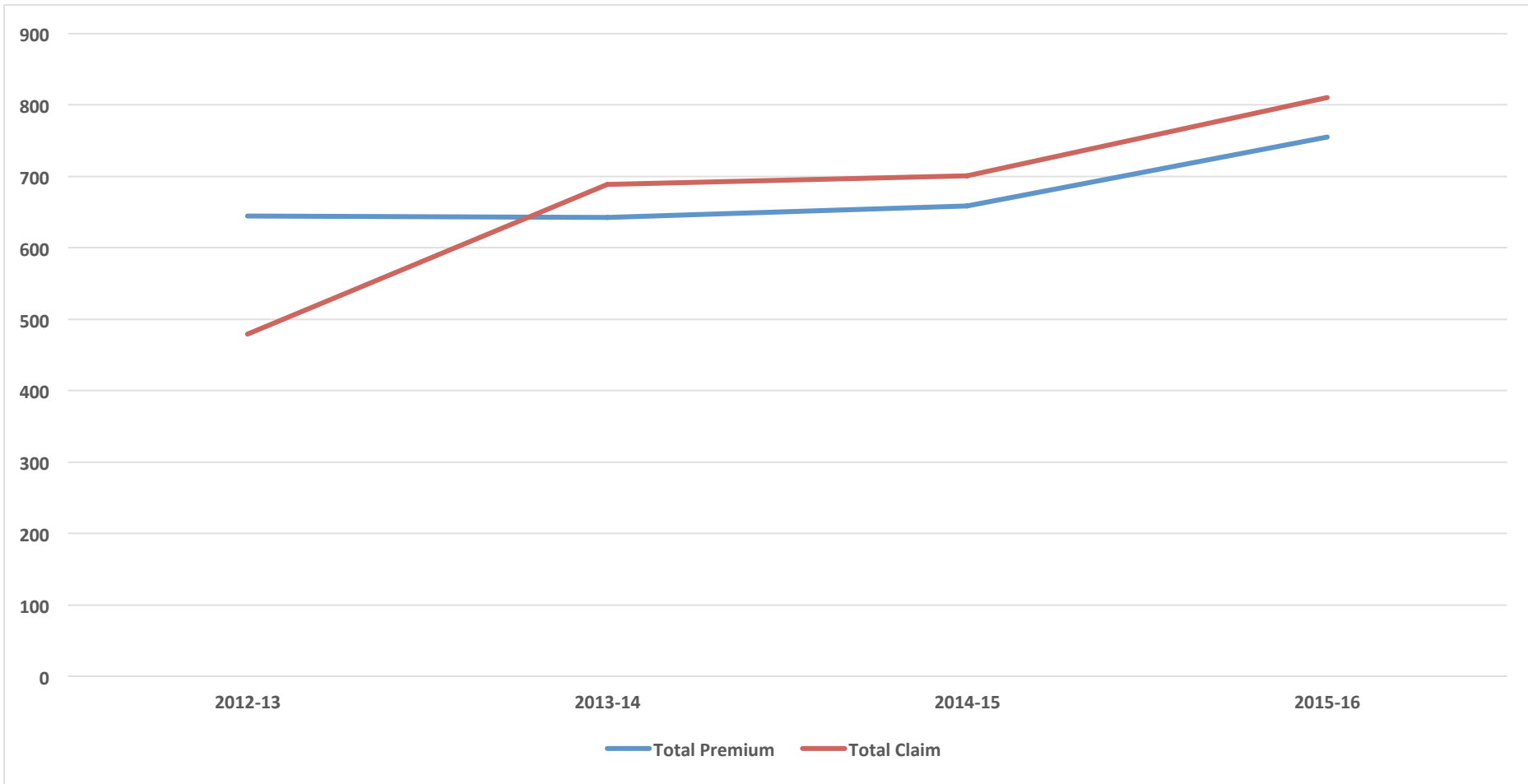


# Policy Suggestions 2 Improve overall processing period for claim settlement time;



# Policy Suggestions 3

Mid-term appraisal of premium and reconsideration of rates – essential – a critical aspect of strategic purchasing strategy – would help all stakeholders;



Claims Ratio and Burnout Ratio, 2012-13 to 2015-16.  
(Calculated for Policy year)

Period	Total Premium (INR Crore)	Total Claim (INR Crore)	Total Expenditure (INR Crore)*	Claim Ratio (Total Claim / Total Premium), %	Burn Out Ratio (Total Expenditure / Total Premium), %
2012-13	644	479	543	74	84
2013-14	642	689	753	107	117
2014-15	658	701	767	107	117
2015-16	755	810	886	107	117
Overall	2699	2679	2949	98	109

*includes 10% on premium.*

*total claim amount for 2015-16 include outstanding amount.*

## Policy Suggestions: 4-6

- Consider widening the base of enrollees – from above R.72K annual income – with a lower (competitive) premium;
- Increasing burden of NCDs, aging population – explore integration with national programme, such as NICU;
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# SPECIAL THANKS

- TNHSP
- UIIC
- TPAs
- Other stakeholders