

## **A. Introduction to Universal Health Coverage (UHC):**

Universal Health Coverage (UHC) is defined as “*ensuring people obtain the health services they need, of good quality, without suffering financial hardship when paying for them*”. This means that no one should be impoverished by accessing essential healthcare or denied access because they cannot afford it.

Out-of-pocket expenditure (OOP) on healthcare is a major cause of poverty, as unaffordable healthcare depletes a family’s limited financial resources and the impoverishing impact of OOP is harsher on the vulnerable sections.

Unaffordable healthcare expenditure not only pushes a third of the hospitalized patients into poverty but also acts as barrier to access to healthcare. An estimated 8% of the Indian population is pushed below the poverty line by high out-of-pocket payments for health care. Out of pocket expenditure on hospitalization in India is over 60% which leads to nearly 6 million families getting into poverty due to health expenditures.

Average Out-Of-Pocket-Expenditure per delivery in public health facility in Nagaland is Rs. 5,880/- as compared to National average of Rs. 3,197/- (NFHS-4).The expenditure of State Ex-chequer for Government servants and their dependence amounts to Rs. 20-25 crores per annum while the cost for private citizens is expected to be much higher.

A primary strategy to mitigate impoverishing impact of OOPE on healthcare and to promote access to healthcare is to provide financial protection on healthcare to the vulnerable sections if not to every citizen.

Thus, Governments around the world is committed to the UHC as a developmental imperative and as an ethical commitment to equity in a vital area of human welfare, whereby no one should be impoverished by accessing essential healthcare or denied access because they cannot afford it.

Recognizing the importance of increasing access by all to critical health services for achieving Universal Health Coverage, almost all States in the Country have rolled out health protection schemes for entire population with their own resources.

As envisaged in the State’s Vision 2030 document and as a way forward to achieve the UN Sustainable Development Goal, there is a need to provide some sort of health insurance cover as a social security net for the entire population of the State.

Presently, 233328 ie about 61.53% of the total Households of 3,79,164 as per SECC 2011 are covered under PMJAY. However, due to poor data quality coupled with non-listing of genuine families in the SECC database, only about 40% of the total households could be enrolled till date.

Except for the AB-PMJAY beneficiaries and Government employees eligible for Medical Reimbursement, there is no financial security net on medical expenses for the remaining population, causing undue hardships and financial burden.

## **B. Self-Sponsored Health Insurance Initiative under AB-PMJAY Platform:**

Many States in the Country have rolled out health protection schemes for entire population with their own resources and is running under AB-PMJAY Platform. However, considering the huge financial burden, it is recommended that **Self-Sponsored Model** may be considered for Expansion of Beneficiary Coverage to the rest of the population irrespective of socioeconomic or employment status on voluntary basis, without additional financial burden on the Government. All benefits under PMJAY scheme will be entitled equally to the beneficiaries under this category.

The cost for subscription of benefit coverage ie: Premium as discovered through National Bidding and Administrative Cost per Household and cost of eCard as per Programme Guideline, will be paid by the interested beneficiaries. The subscription cost under this category is expected to be much lower and more advantageous in comparison with similar insurance schemes under private Insurance Companies.

### **Proposed Modalities:**

1. Name of the Scheme: “**Self-Sponsored Health Insurance Initiative**”

2. Eligibility:

Any family residing in Nagaland will be eligible irrespective of socioeconomic or employment status under the **Self-Sponsored Health Insurance Initiative** subject to payment of the Premium and Administrative Cost at the time of enrolment.

3. Beneficiary Family Unit:

Beneficiary Family Unit will comprise of all members in the enrolled family with no cap on family size and age of the family members.

- **Size of family** will be listed out at the time of enrolment, any addition to family unit after policy start will be allowed only for qualifying “life events” such as marriage, birth, adoption etc.

- Addition of spouse on marriage

- Addition of children on birth, adoption etc

- **Family composition** will be limited to

- Head of family and spouse, children

- Addition of dependant parents- on top up premium

*\*No other relations shall be allowed to be added*

4. Benefit Coverage:

Every enrolled beneficiary family will be entitled to annual benefit coverage for the hospitalization expenses upto Rs. 5.00 lakh on a family floater basis. The benefit cover / Risk

Cover (RC) including Pre-existing health conditions, Portability, Empanelled Health Care Providers (EHCP) etc will same as AB-PMJAY.

5. Policy Period:

- a. The policy period for the '**Self-Sponsored Health Insurance Initiative**' will be for a period of 1 (one) year (1<sup>st</sup> April to 31<sup>st</sup> Mar) and will commence from the first day of FY ie. 1<sup>st</sup> April every year.

6. Payment of Premium and Administrative Cost:

- a. Interested family will pay Premium as discovered through National Bidding and Administrative Cost @ Rs. 150/- per family per annum.
- b. The Premium and administrative cost shall be prorated in case of extension of Enrolment period.

7. Enrolment:

- a. Enrolment will be done prior to starting of Policy.

There will be a fixed period of enrolment for 3 months every year, after which enrolment shall be freezed for the current policy, except for the addition of new household member due to a qualifying life event as follows:

- Enrolment period: January-March
- Policy Period : 1<sup>st</sup> April -31<sup>st</sup> March of following year

*NB: Special enrollment window shall be open for 60 days after a qualifying life event-marriage, birth/adoption (to be intimidated within 60 days of event).*

- b. The list of all the family members shall be mandatorily submitted during the enrolment of the 1<sup>st</sup> Family member. The names of family members once submitted will be final for the said policy period and will not be allowed to change at later stage of the policy period except for a qualifying life event as mentioned.
- c. One eCard will be issued to each member upon successful enrolment. Each member of the family shall produce the following during enrolment: (1). Any ID Card Issued by the Govt and (2). Aadhaar Card.(3). Verified Mobile Phone Number.
- d. Enrollment shall be carried out by the selected Insurance Company (IC).
- e. The approval of beneficiaries for enrolment in the '**Self-Sponsored Health Insurance Initiative**' will be done only by SHA officials designated as "Approver".

The IC shall submit the list of enrolled members at the end of the 2 month enrolment period, thereafter on a predefined periodic base for any addition to enrolled households.

8. Collection & Deposit of Premium and Administrative Cost:

- a. A separate saving bank account will be opened to deposit/manage the Premium and Administrative Cost of the '**Self-Sponsored Health Insurance Initiative**'.
- b. IC shall collect the both premium and administrative cost during the enrolment and shall deposit the amount collected against Administrative Cost into the designated SHA bank account at the end of the enrolment period.

9. Implementing Agency:

- a. The selection of Insurance Company for the ‘**Self-Sponsored Health Insurance Initiative**’ shall be done through a separate competitive national bidding.

10. Payment of Premium to the Insurance Company:

IC shall collect the premium from the beneficiary household at the time of enrolment along with the administrative cost.

11. Deliverables and Penalties:

- a. KPI & Deliverables to be fulfilled by the Insurance Company in line with AB-PMJAY.
- b. Penalties to be imposed for non-fulfillment of KPI & Deliverables by the Insurance Company in line with AB-PMJAY.

12. IT system:

The Insurance Scheme shall be implemented using the IT platform of AB PMJAY.

13. Hospital Network:

All hospitals empanelled for AB PMJAY in the state shall be automatically deemed empanelled for **Self-Sponsored Health Insurance Initiative**.