Community Health Insurance

Some issues in Group formation

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- The paradigm of health sector reforms currently undertaken in structurally adjusting countries like India and elsewhere in the developing world

The Consequences?

- Declining investments
- User fees

- . The State is often characterized as inefficient and considered ill equipped to handle social sectors such as health

- Alternatives such as NGOs and Public Private Partnerships are being suggested

From the point of view of health provisioning important determinants of group formation are

Morbidity

The level of morbidity in a community

Expenditure

Share of different stakeholders

Source of Funds

Public **20.3%**

Central **6.4%**

State **12.6 %**

Local bodies **1.3%**

Private

Households **72%** **Rs. 10445 Private Rs. 6609 Public**

Private Firms **5.3%**

NGOs **0.1%**

External support **2.3%**

Source: National Health Accounts 2001-2

Kerala Study **source: KSSP 2006**

	1987	1996	2004
Morbidity per 1000/two weeks	206	121	79
Per capita annual expenditure	89	549	1722

Economic Groups	Expenditure for treatment per capita/annual	% of family income
I BPL poor	1552	32
II poor	1309	18
III Middle	1801	13
IV upper M	3238	10

KSSP, 2006

Percapita Treatment expenditure in different categories Rs.

Source KSSP, 2006

	I	II	III	IV	Total
Drugs	714	527	578	1196	622
Fees	192	172	164	252	175
Lab	76	128	160	717	181
Others	569	481	897	1071	742

Hospital Treatment in-patients

Group	One time	Per capita
I	6698	608
II	7040	704
III	11699	1213
IV	17177	1426
Total	9680	971

KSSP, 2006

Preference in case of serious illness

Group	Government	Private
I	71	28
II	57	42
III	39	59
IV	17	82
Total	47	52

KSSP, 2006

Apart from expenditure…….
there are other social dimensions

Community-based insurance

- In 1946, the BHORE COMMITTEE a a universal insurance scheme but realized the problems of introducing a universal CBHI at that time given the large proportion of poor who cannot afford even small contributions
- It suggested that CBHI should wait until the material condition is improved

Bhore committee report contd….

- It also discussed the issue of health as a right against as a concession.

How does it become a right?

- At the same time, it also recognized the humiliation and bitterness in accepting charity

Issues to be considered…..

Utilization of existing institutions –the social capital

One of the recent initiatives is the self-help groups

Self-Help Groups typically start from a condition of powerlessness

- **In the Indian case, it was largely steered from outside by the NGOs or by the government. The assumption was the women members will achieve economic empowerment and thereby control over their lives including decision-making in health.**
- **The focus was largely on economic empowerment**

Enabling conditions

Our own case studies in different states indicate that group formation is influenced by a number of factors

- Economic benefits especially savings linked groups have more viability
- Income generation

For instance in Kerala they have been extremely successful. But Kerala has a history of effective decentralization and a favorable socio-political climate

Women members can play an effective role in mobilization and maintain solidarity

Constraining conditions….

Most of these SHGs are focused on women and with the idea of enhancing empowerment of women.

Economic empowerment has not resulted in social empowerment

Strong patriarchal social structure and

Caste are constraining conditions

To conclude…….

Existing institutions such as SHGs need to be utilized although there can not be standardized models.

It can be an alternative model for community based insurance as well as for primary health care given an enabling environment.

Enabling environment here means

- an effective health services at the primary and secondary level,
- savings linked insurance and based on income generation and
- mobilization of women as leading players within the existing model of SHGs

Thank you