HEALTH CARE FOR ALL

India is in the process of setting up the world's largest health insurance programme. This will give millions of people access to the health system, generally at no cost.

Text Fritz Schaap **Photos** Sascha Montag/Zeitenspiegel

The new health card is personalised by fingerprinting. The system is quick and simple and has broad-reaching measures to protect against abuse.

M eeda Khilchian stands in the crowded consultation room at the health centre in Khalchian, a village in the district of Amritsar in the northern Indian state of Punjab. She is surrounded by families with babies, blind people assisted by family members, and elderly people on walking sticks. The ceiling fan struggles to move air around the stuffy room. The few, ancient electric appliances that are there are powered by a truck battery. Meeda looks a little disbelievingly at the plastic card she holds in her hands. A fingerprint and 30 rupees was the price the 35-year-old day labourer paid for something she has rarely known in her life: security. This small piece of plastic is a health insurance card – the key that opens the door to the health system for Meeda and her family.

Access to health insurance in Germany and Europe, even for the poorest, is taken for granted thanks to the solidarity principle. For most in India, however, it is the stuff of dreams. Now, thanks to 'Rashtriya Swasthya Bima Yojana', the National Health Insurance Programme, it is a dream that has been realised. It guarantees that all costs for hospital visits in any one year will be paid up to a maximum of 30,000 rupees – equivalent to approximately €430. The programme involves the cooperation of 14 insurance companies. The lion's share of each insurance premium – around €10 per insured household per year – is paid for by the Indian Government, with the remainder coming from the relevant Indian state. Regardless of whether they are private or public, all participating hospitals are now accessible to Indian workers like Meeda Khilchian. And that includes everyone from tailors, stone crushers and latrine cleaners to corpse incinerators, refuse collectors and rice farmers. Even 'unorganised labourers in the informal labour market' are covered – in other words, those workers at the very bottom of the ladder.

This success has been a long time in the making and is closely linked to India's development over recent years: the economic upturn in the country is clear to see. Thanks mainly to economic liberalisation in the early 1990s, the subcontinent is booming in the fields of medicine, biotechnology and IT, with hundreds of

A boon for families: the smartcard insures up to five family members.

thousands of highly qualified doctors, engineers and programmers, with economic growth rates approaching 7%. Yet despite all the success, India is not just the 'slumbering elephant': it is also the 'poorhouse of the world'. In a country where a few have everything, most have nothing. According to the World Bank, 44% of the population of around 1.2 billion are forced to live on a dollar a day, and one quarter is underfed. Based on UNESCO figures, more than two million children die each year before reaching their fifth birthday. Malaria, typhoid, and even the plague are still a long way from being eradicated in India. Treatment is only available for those with money. This has been the way the Indian health system has worked for decades.

Growth and health for all

So in 2007 the Indian Prime Minister Manmohan Singh warned that India must on no account become a nation with pockets of high growth amid extensive areas untouched by any growth. He surprised the world with his idea of 'inclusive growth' to benefit all, particularly the country's poorest. It was the move that initiated several social reforms. Above all, it paved the way for Meeda Khilchian to leave her squalid house with open toilet and tiny cooking area

built on foul-smelling, brackish water to attend the health centre's consultation room on this muggy September morning with her two children, husband and mother-in-law.

In a country accustomed to huge distances, this reform has been a long journey. 'And it was not an easy one,' admits Anil Swarup in his office in New Delhi. 'After all, we're talking here about the world's largest health insurance programme.' The 53-year-old is the driving force behind the programme, even if he had little choice in the matter. 'Back in 2007, the Singh Government came up with an assignment which no one wanted to take on initially. It was more or less left sitting in the Ministry of Labour and Employment.' Swarup faced some big issues. And even bigger problems: 'What's health insurance?' was supposedly the first question he asked, the deliberate understatement lending even greater brilliance to the solutions painstakingly put in place by Swarup and his team.

With his glasses, white kurta, side parting and moustache, Anil Swarup seems content. As he talks about the challenges he and his team had to deal with, his folded hands remain motionless on the heavy glass surface of his wooden writing desk. 'First there's the target group,' he recalls. 'So many poor people. With as good »

Mobile teams are using laptops and printers to gradually bring health cards to every village.

Anil Swarup is the brains behind the smartcard.

as no education. Unable to read or write. Then there are the migrant workers, people who move about the country with no fixed address. What insurance system wants to reach out to these people?' The situation called for a major revolution. An insurance system without cash payments and complex red tape, a plan which covered the entire country and a concept that promised planning security for the insurance companies. 'Smartcard technology came in just at the right time,' Swarup explains. The smartcard – a piece of plastic with a chip capable of storing large quantities of data – led to the creation of the National Health Insurance scheme 'Rashtriya Swasthya Bima Yojana', better known throughout India simply as RSBY.

Since 2008, mobile groups of insurance and government employees have been travelling the length and breadth of India – from the slums in the major cities to the remote villages. Their arrival is announced weeks in advance, since smartcard registration takes place only once a year. Their luggage contains a laptop, scanner and card printer, equipment they can set up in health centres, town halls or even in the open air. That is all they need to register on one card the first and last names of the head of the family and up to four other family members, regardless of their age, previous illnesses or ex-

isting medical condition. Photographs of all newly insured are taken using a webcam and a fingerprint scanned for identification. With a click of the mouse, the printer churns out another new card in just a few seconds, personalised and ready for immediate use. Over 12,000 hospitals already accept the new card – and the number is rising every day. All are eager to have a slice of the budget for new policyholders, a market mechanism that ensures checks and balances between the hospitals, as well as competition and a better quality of care for the sick.

Improved security for millions

Around 33 million households and an estimated 165 million people are now protected by 'Rashtriya Swasthya Bima Yojana' as of November 2012. This year the Indian state is investing €300 million and that figure is set to rise in the years ahead – the programme is unlikely to fail for lack of money. €300 million is just 0.1% of India's gross national product. The biggest challenges are logistical and administrative.

'We provided support with project management and invested German experience,' says Rolf Schmachtenberg. He works from his office in New Delhi, about a 15-minute drive

from Swarup, and like his Indian colleague is closely involved with RSBY. Normally employed at the German Ministry of Labour and Social Affairs, since mid-2011 Schmachtenberg has been heading up the Indo-German Social Security Programme, which GIZ implements on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). He uses his experience to advise Indian colleagues on programme implementation and set up contacts with Germany. Although the €2 million paid annually by Germany is relatively little compared to the scale of the Indian programme, the Indian partners are grateful for this German solidarity, since 'the aid is rapid, flexible and shows an understanding for the problematic aspects of statutory health insurance,' says Swarup.

'But the RSBY concept is still not without controversy,' Schmachtenberg explains. Although it has been adopted by almost all Indian states, certain officials in the Ministry of Health and Family Welfare regard it with suspicion. They would like to continue using all state funding for health care to finance only public hospitals. In addition, of course, in any system set up to implement health insurance for 33 million insured households and 12,000 registered hospitals, there are bound to be

daily disagreements. Some insurance companies make a fuss about paying up, for example, or hospitals invoice additional services they have not provided. Those insured also need to be better informed about their entitlements. Most Indians have no idea of the principle of risk insurance – i.e. paying in advance for services they may possibly never use. The main criticism, however, is that the programme only covers hospitalisation, not outpatient treatment. And yet this is far more pressing – and cheaper. In short, RSBY still has a number of major and minor teething problems that need to be sorted out. Some solutions are in sight. Recently, for example, it was decided to include outpatient treatment in the budget of 30,000 rupees.

And Schmachtenberg sees many other applications for the concept – particularly since the smartcard provides a technical platform that can be applied to other social systems. These may include accident or pension insurance for the poor, for example, making the smartcard a collective medium for state benefits. Here, in particular, there is the opportunity for an Indo-German 'dialogue between equals', which could lead to improvements in both countries. At a workshop in New Delhi in November 2012, for example, Indian and German experts worked out how the RSBY smartcard could be developed into a health card. German participants left the workshop with new ideas for transferring the practice to the German health care system. They were particularly impressed with the way public IT development projects were set up and implemented in India.

An exchange has been established between municipal authorities in Greifswald, Offenbach and Mannheim on how something similar to the Indian smartcard might be used in German municipal administrations. For example, as a way of subsidising school lunches for children from socially deprived families, who are only required to pay a part of the cost. 'That could easily be calculated using this kind of card,' says Schmachtenberg.

And think of the positive psychological impact it would have in India. If far-off Ger-

many is importing Indian expertise, then Swarup's concept must surely be a part of it. Even as we speak, India is helping colleagues in Pakistan, Bangladesh, Nepal, Viet Nam, Cambodia and Nigeria based on the concept of his insurance system. But the idea that Germany, too, might be interested in his smartcard

brings a broad smile to Anil Swarup's face. 'That's a very pleasant surprise,' he says. ∎

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> **INDIA**

> **VITAL STATISTICS**
Capital: New Delhi
Population: 1.2 billion
GDP per capita 2011: US$3,700
Percentage of population living below the national poverty line: 29.8% (2010)
Life expectancy at birth: 65.4 years
Human Development Index ranking: 134 (out of 187)

Social security for the informal sector

Project: Indo-German Social Security Programme
Commissioned by: German Federal Ministry for Economic Cooperation and Development (BMZ)
Country: India
Partner: Indian Ministry of Labour and Employment
Overall term: 2011 to 2014

94% of India's working population work in the informal sector, most of them without any social protection. Under the auspices of the project, experts provide advisory services to the central Ministry of Labour and Employment, as well as to a number of federal ministries, authorities and bodies, on implementing the 2008 Unorganised Sector Workers' Social Security Act. The objective is to improve social protection for workers in the informal sector and their families, particularly those living below the poverty line. This targets in particular health insurance, pension provision and life and accident insurance. It is hoped that the advisory services will also lead to greater coherence between different social programmes implemented by the Indian Government. The accompanying Indo-German social policy dialogue clearly demonstrates that in addition to India learning from Germany, the IT-based administrative instruments developed in India may also be of interest to Germany's social protection system.