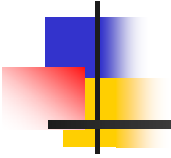
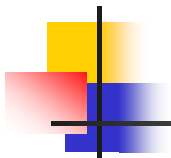


PRO-POOR HEALTH INSURANCE IN INDIA



SIZE MATTERSSUSTAINABILITY TOO
IRDA'S ROLE

MEGA NEEDS



- 64% OF INDIAN POPULATION PAY HEALTH COSTS OUT OF POCKET vs. 1+% INSURED
- THESE ARE THE MOST VULNERABLE/ EXCLUDED
- MILLIONS RELAPSE IN FURTHER POVERTY ON ACCOUNT OF ILLNESS/ACCIDENT
- URGENT NEED FOR ACCESS TO HEALTH FINANCING

ARE THE POOR INSURABLE?

YES



- Predominance of communicable diseases
- Preventive care can reduce incidence
- The poor/rural people reluctant utilisers
- Lack of knowledge and social capability restrains utilization
- Loss of income also limits seeking of care
- Associated expenses a drawback
- Lack of infrastructure a constraint

STRATEGIES FOR INSURING THE POOR



- NEED FOR HARNESSING THE LINKS TO CREATE HOMOGENOUS, VIABLE GROUPS
- EXPLOITING THE CONNECT WITHIN COMMUNITIES
- GETTING A CENTRAL ADMINISTRATIVE POINT
- GETTING A MANDATE TO INTERMEDIATE, NEGOTIATE, ADMINISTER, ASSIST, ENHANCE SERVICES



COMMUNITISING HEALTH FINANCING/INSURANCE

- SOCIAL CONSENSUS IN LINE WITH SOCIAL MILIEU FOR BONDING A GROUP SAFETY NET
- NEED FOR POOLING FOR COMMON GOOD
- INSURANCE, REINSURANCE, TO CREATE CAPACITY
- NEED FOR SAVINGS INCLUDING MEDICAL SAVINGS
- COMMUNITY DECISIONS FOR PUBLIC GOOD, TO PROVIDE INDIVIDUAL & SOCIAL SAFETY NETS



GROUP Vs INDIVIDUAL INSURANCE

- UNLOCK CAPABILITY TO FORM A BIG POOL
- GET CAPABILITY, EMPOWERMENT TO NEGOTIATE, OBTAIN BEST TERMS, RESULTS
- DEVISE LARGE INCLUSIVE PLANS WITH SUB-PLANS TO OFFER CHOICES
- DISCUSS LEVERAGING THE NUMBERS TO LEVERAGE PRICES DOWNWARDS AND SERVICES UPWARDS



ORGANISING THE UNORGANISED

- VAST MAJORITY OF THE POPULATION WORK IN UNORGANISED SECTORS
- EMPLOYER BASED INSURANCE NOT POSSIBLE
- BUT MOST UNORGANISED CONNECTED
- EXPLOIT THE SAME TO CREATE BONDING, FINANCIAL LITERACY FOR PROTECTION PRODUCTS



DISTRIBUTION ISSUES



- INTERMEDIATION ESSENTIAL IN INSURANCE
- HEALTH INSURANCE EVEN MORE COMPLEX
- COMMUNITY AS INTERMEDIARY
- ROLE FOR CORPORATE AGENTS – BANKS, COOPERATIVES, LOCAL GOVERNMENTS, UNIONS, ASSOCIATIONS ETC.
- USE OF LINKAGES TO MEMBERSHIP CARDS, CREDIT CARDS, UNION LINKAGES



SUSTAINABILITY – SERVICE ISSUES

- THIRD PARTY ADMINISTRATORS IN HEALTH INSURANCE TO ENHANCE SERVICE
- LINKAGES, NETWORKING, TIE-UPS FOR ENHANCED SERVICE
- HEALTH INSURANCE RENEWABILITY
- ISSUES OF COST & HAZARD REDUCTION



EXPANDING COVERAGE

- MORE ENROLEMENT WITH IMPROVEMENTS
- BETTER & WIDER COVERAGE
- GETTING TO LOOK AT HEALTH INSURANCE IN LONG TERM
- LIFELONG INSURANCE, ANNUAL PREMIUM AT NEGOTIATED RATES
- MEDICAL SAVINGS SCHEMES



AFFORDABILITY ISSUES

- Poor Paying Capacity – AFFORDABILITY through
 - small premiums
 - installment facility
 - financing of premium
 - premium subsidy
 - waiver of tax



PREMIUM FINANCING

- HEALTH PREMIUMS MAY GO UP
- OPTION TO PAY IN INSTALEMENTS – BUT GUARANTEE REQUIRED
- OPTION TO PAY LUMSUM
- NEED FOR FINANCING THE PREMIUM
- OTHER SERVICES AS REQUIRED



MICRO INSURANCE

- FROM MICRO-FINANCE TO MICRO INSURANCE
- CREATING COMMUNITIES THROUGH SHGs
- LINKING VARIOUS INSURANCES, OPTIONS, CHOICES
- SERVICES ENHANCEMENT BY MIAs
- CAPACITY CREATION BY INSURERS
- OVERCOMING PARTICIPATION CONSTRAINTS



ISSUES IN MICRO INSURANCE

(contd.)

- Economic Covers
 - small sum insured
 - flexible covers
 - group covers
 - simple/package/hybrid policies
 - combined service package
 - ease of use



CUSTOMER SATISFACTION / GRIVANCES ISSUES



- REVIEW & UPGRADING OF SERVICE PARAMETERS
- USE OF SIMPLE FORMS & FORMALITIES
- TIME SPECIFIC SETTLEMENTS
- CASHLESS APPROACH WHERE EVER POSSIBLE
- REDUCE COSTS THROUGH GROUP ACTIVITY



THANK YOU

PC James
Executive Director
IRDA