HEALTH MUTUAL FUND
PREM SEVA

FEASIBILITY SURVEY REPORT

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Table of Acronyms

APVS	Annapurna Parivar Vikas Sandhan
CBHMF	Community Based Health Mutual Fund
HCP	Health Care Providers
HMF	Health Mutual Funds
HSE	Health Service executive (Field staff in charge of HMF operations)
HO	Head Office
IPD	In-Patient Department
IV	Intravenous
MBBS	Bachelor of Medicine, Bachelor of Surgery
MCGM	Municipal Corporation of Greater Mumbai
MIU	Micro-Insurance Units
NSVK	Navnirman Samaj Vikas Kendra
OOPE	Out of Pocket Expenses
OPD	Out-Patient Department

1 EXECUTIVE SUMMARY

2 BRIEF CONTEXT OF THE STUDY

2.1 Health and Health care system

2.1.1 Health status

With more than 18 million inhabitants, Mumbai, in Maharashtra, is the most populous city in India. It is also the commercial hub of India, attracting thousands of immigrants from all over the country and from many parts of South Asia. This has resulted in a spike in urban poverty. More than half of Mumbai's residents live in slums. In some areas the population density approaches a million bodies per square kilometer. The spread of the slum areas and the heterogeneity of the population is the outcome of a huge migrant population coming in the city, mostly looking for employment.

The term slum refers to area lacking basic human needs and services. The slum dwellers together with the pavement dwellers, wanderers, vagrants constitute the urban poor.

The following data are average data in India and Maharashtra. There are important heath and access to health inequalities according to the socio economical level and the place of living.

Social and health indicators[1]:

	India	Maharashtra	France
% of urban population living in a slum	23%	33%	
Life expectancy at birth (2002-2006)	62.6 for men 64.2 for women	66 for men 68.4 for women	78 for men 85 for women
Infant mortality rate (per 1000 live birth)	50	33	4
Maternal mortality rate (per 100 000 live birth)	254	130	7
Children < 5 years who are under weight	42.5%	37%	-
Women whose body mass index below normal	35.6%	36.2%	-
Children age 6-59 months who are anaemic	69.5%	63.4%	-

The health related problems for the slum dwellers result in poor living condition, behaviour and habits, overcrowding, mal-nutrition and poor access to health care mainly due to lack of money but also to the difficulty to understand the health care system. It is difficult to have specific health status data for the slum areas but we can suppose that it is below the average in Maharshatra.

Until today, neither the mediation of private health insurance nor the implementation of RSBY (public plan of universal social welfare) or Rajiv Gandhi Jeevandayee Arogya Yojana in Mumbai enable to include the poor families in the social welfare program.

[1] WHO, 2010, demographic indicators
WHO, 2010, health status indicators

2.1.2 Health care system in Mumbai

The provision of health services and related infrastructure in Mumbai are met through Municipal Corporation of Greater Mumbai (MCGM), the state government, and public trust and private organisations. MCGM is the main public healthcare provider in the city.

MCGM services:

Primary care	- 182 health posts - 168 dispensaries - 26 Maternity homes
Secondary care	- 16 peripheral hospitals
Tertiary care	- 4 Medical colleges - 5 speciality medical centers

There are altogether 559 hospitals within the city of Mumbai of which 170 are nursing home. The total bed capacity of the city is 42 000, of which 12 000 beds belong to BMC, 6 700 beds belong to the state and central governments, around 21 500 belong to private and trust hospitals.

The slum dwellers do not have the financial capacity to access the private hospital and the existing public healthcare infrastructure is over stretched by the burgeoning population. Alongside the shortfalls in hospital beds, there is also a shortage of healthcare professionals, equipment and infrastructure needed at various level.

Regarding the primary care, there is a high number of private practitioners working in slums area but some are not registered and can be fake doctors providing wrong and/or unnecessary treatments.

2.2 Prem Seva Credit Co.op

Premseva Mahila cooperative credit society ltd. Mumbai, is one of the cooperative of the Sisters of Mary organization working in Gavdevi slums since 1991.
Sister of Mary built the Credit coop society after noticing that the families in Gavdevi slums lived in bad condition especially in monsoon and faced lot of difficulty in housing, jobs, food and education because of a lack of income.
These findings stressed a great need to mobilize the people to tackle the financial problems that they faced, which rose to question of how to generate funds.
The sisters have initiated a savings program with saving as small as Rs.10. In 1993 Premseva Mahila Co.op Credit Society Ltd.Mumbai was registered.
Mission:

1. To organize slum dwellers on cooperative lines to address effectively their socio-economic related problems through mutual pool of Resources for loaning among themselves, as well as business guidance and skill trainings to improve their business.
2. To build up a banking system in the form of Premseva Mahila Co-op., Credit Society Ltd., a self sustaining institution where savings could be collected from the members and loans could be made available to the members on easy terms for various purposes in the community.
3. Generating their own savings against unforeseen emergencies like death, sickness.

Bharati Tai works as a micro-finance consultant for Prem Seva Credit Co.op since 2010. Her objective is to structure the cooperative and to redefine micro-finance process.

Some years ago Bharati Tai was working for Annapurna Parivar (APVS) on Income Generation Program and has followed the Health Mutual Fund Program developed by APVS with the support of Inter Aide and Uplift. She has observed similar access to health needs (access to health care and to health awareness) for the members of Prem Seva and has noticed that 13% of the loan amount was for health expenses. According to this assessment she proposed to Prem Seva Director, Sister Shakuntala, to develop HMF program for Prem Seva's members. It is in this context that Uplift and Inter Aide have conducted the following feasibility survey in order to better understand the health needs and practice of the community and the feasibility to implement HMF program with Prem Seva Credit Cooperative.

3 DESIGN OF THE BASELINE SURVEY

3.1. Objectives of the survey

General objective:
To better understand the health and access to health care difficulties faced by the community, and plan the activities accordingly

Specific objectives:
Household survey:

- To assess the Health status of the community
- To assess the Health seeking behaviour of the community
- To assess the Health expenses of the community
- To assess the management of health expenses by the community
- To assess the capacity / modality to Pay for Prem Seva's Members

Output: Mutual Scheme/Product Design

Health Care provider (HCP) survey:

- Review the Health care access facilities in the concerned area
- To assess the quality of these services

Output: Need Assessment for medical services and investments required to launch Health mutual insurance.

Organisation survey:

- To better understand Prem Seva organisation objectives, structure, human ressources and activity
- To understand the organisation process, tools and forms in order to define HMF process

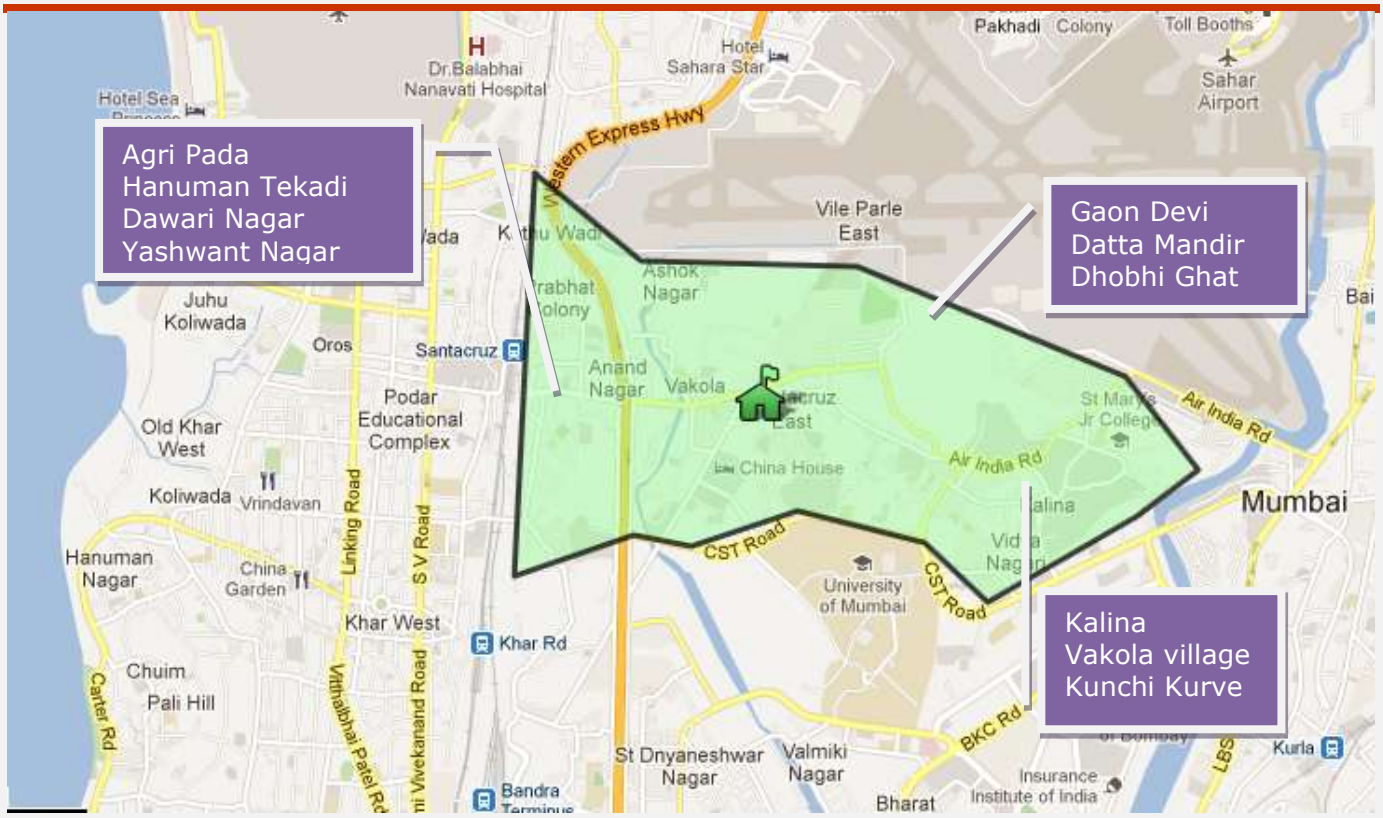
Output: Governance capacities to run the health mutual programme in house and need for capacity building.

3.2 METHODOLOGY

3.2.1 Area selection

Prem Seva has one branch situated in Vakola (near Santa Cruz station). Prem Seva team works in 10 clusters and 38 pockets in the same area.

Prem Seva area map



Details of the area covered:

Slum / pocket	Cluster
Shubhas Nagar	Gaon Devi
Madras wadi	
Lasun Wadi	
Indira Nagar	
Milind Nagar	
Asgarali Compound	
Waghariwada	Datta Mandir
D'melo Compound	
Khandwala Compound	
Dhobi Ghat	Dhobhi Ghat
Kapur Basti	
Shubhash Nagar	
Ram Mandir	
Pandhurang Wakil Wadi	Vakola Village
Rai Dongari	
Sardar Singh Chawl	
Out Post	
Chirekhan Nagar	
Ramabai Wadi	
Kadam Wadi	
Dudhwali Chawl	
CST Road	Kalina
Mani Pada	
Jambhali Pada	
Shastri Nagar	Kunchi Kurve
Koliwali Village	
Lanka Nagar	Agri Pada
Ram Nagar	
Golibar Road	Hanuman Tekadi

Maratha Colony	
Gate No 1,2,3, & 4	
Gate No.1,2,3,4 & 5	Dawari Nagar
Siddharth Nagar	Yashwant Nagar
Krishna Nagar	
Prem Nagar	
Sagar Nagar	
Aram Society	
Ashok Nagar	

The household survey and the Health Care Provider survey were conduct all around these areas with the help of Prem Seva's team.

3.2.2 Sample selection

3.2.2.1 Household survey selection

In July 2012, Prem Seva had 4 406 ongoing members among which 1 602 are borrowers. Almost 10% of the ongoing members were interviewed.
300 Prem Seva's members spread over the 10 clusters and 20 pockets were interviewed. They were randomly selected.

Criteria	Prem Seva Micro-finance member.
Sample	10% of Prem Seva members
Selection	Members were randomly selected
Areas	Cover all the area

Details per area:

Cluster name	Number of interview	Proportion
Gaon Devi Datta Mandir Dhobhi Ghat	101	34%
Vakola village Kalina Kunchi Kurve	100	33%
Agri Pada Hanuman Tekadi Dawari Nagar Yashwant Nagar	100	33%

3.2.2.1 HCP selection:

Dr Neelesh (Uplift Dr.) has visited the public and private hospitals of the area and realized a mapping of Health

Services available in the area.

After discussion with Prem Seva staff and analyzed of the HCP that the community declared to use (i.e household survey) and according to the HMF health care provider network rules, Uplift will be able to build the HCP network in this area.

3.2.3 Data collection

3.2.3.1 Household survey data collection

Uplift team trained one male surveyor to conduct the personal interviews with members. The interview questionnaire was tried and tested before actual implementation. The surveyor was accompanied by Uplift staff during the first day interviews with members for on field.

3.2.3.2 HCP survey data collection

The Uplift Dr visited the HCP in Vakola area. He visited the public hospitals V.N. Desai Muncipal General Hospital and Bhabha hospital, and the private hospitals Pushpa Kunj Nursing Home, Shastri Nursing Home & ICCU, Sai Deep clinic & Nursing home and Durga Nursing Home & Icu.

3.2.3.3 Organisation survey data collection

3 interview have been done with Prem Seva's team including the Director Sister Shakuntala, the consultant Bharati and the three field workers.

4 PARTICIPANTS SOCIO-ECONOMIC PROFILE

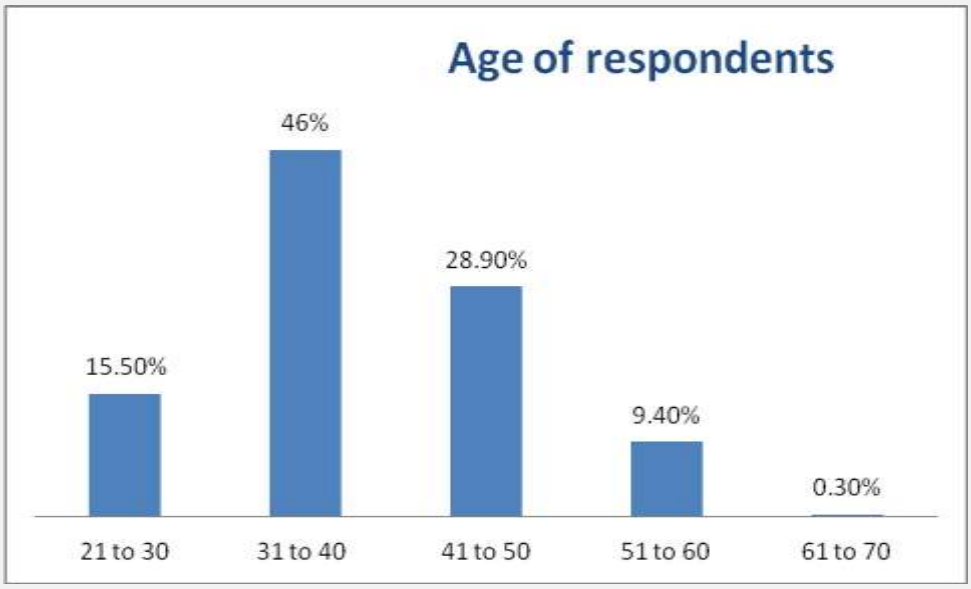
The socio-economical status of the respondent is quite homogeneous as they are living in the slums of a geographically limited area (4 km2), in same housing conditions, and are all borrowers of the same organization.

4.1 Sex

99% of the respondents were female as Prem Seva provide loan to group of women.

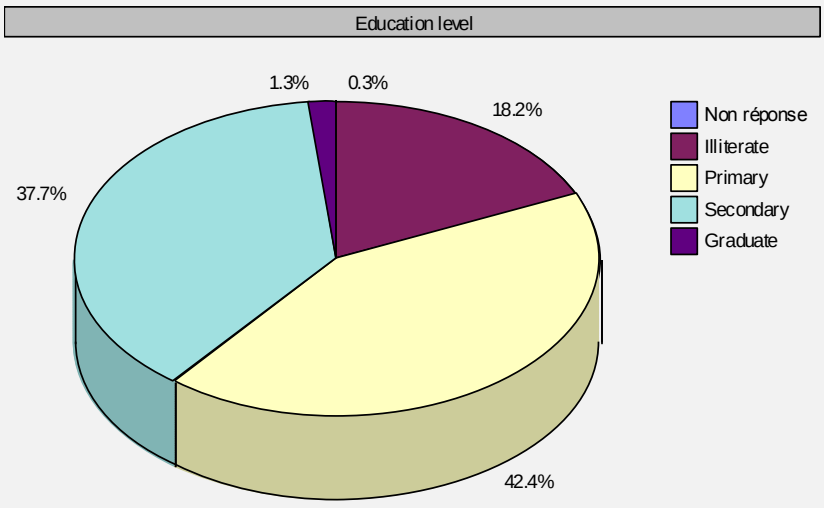
4.2 Age

Respondents were between 21 and 62 years old. The average age is 41 years old.



4.3 Education level

Majority of the respondents have a primary (42%) or secondary (38%) education level.

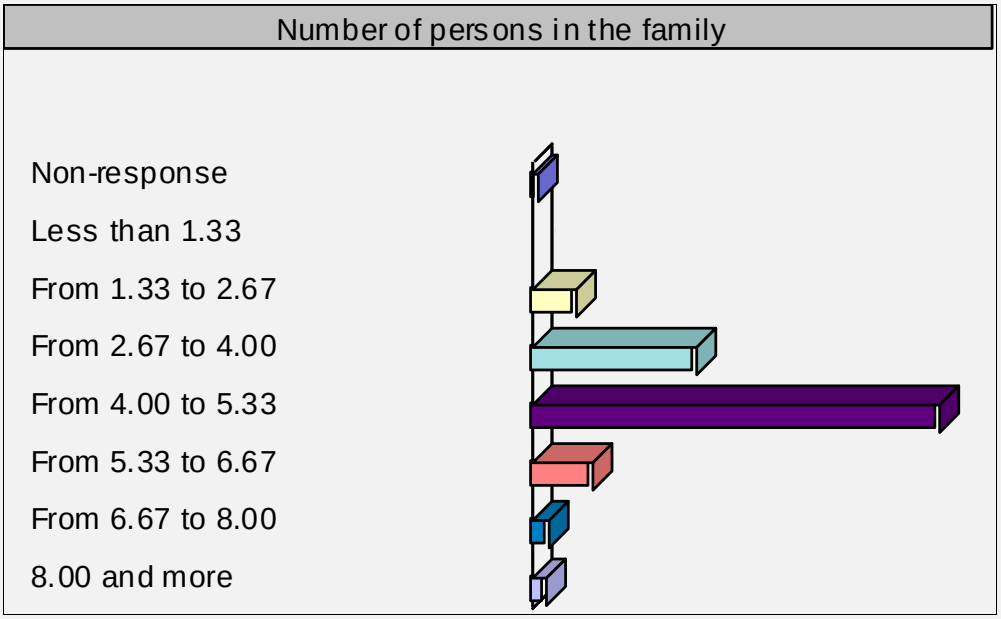


4.4 Activity

57.7% of the respondents were housewives (not into any business or service).
The other respondents were in occupation like housemaids, servants, chapati makers, child care, tailors, vegetable vendors etc.
Majority of the respondents husbands are on job (128 out of 160) i. e on fixed salaries with average income of 7726 Rs. Other occupation included auto drivers, drivers, salesman and daily wage workers.

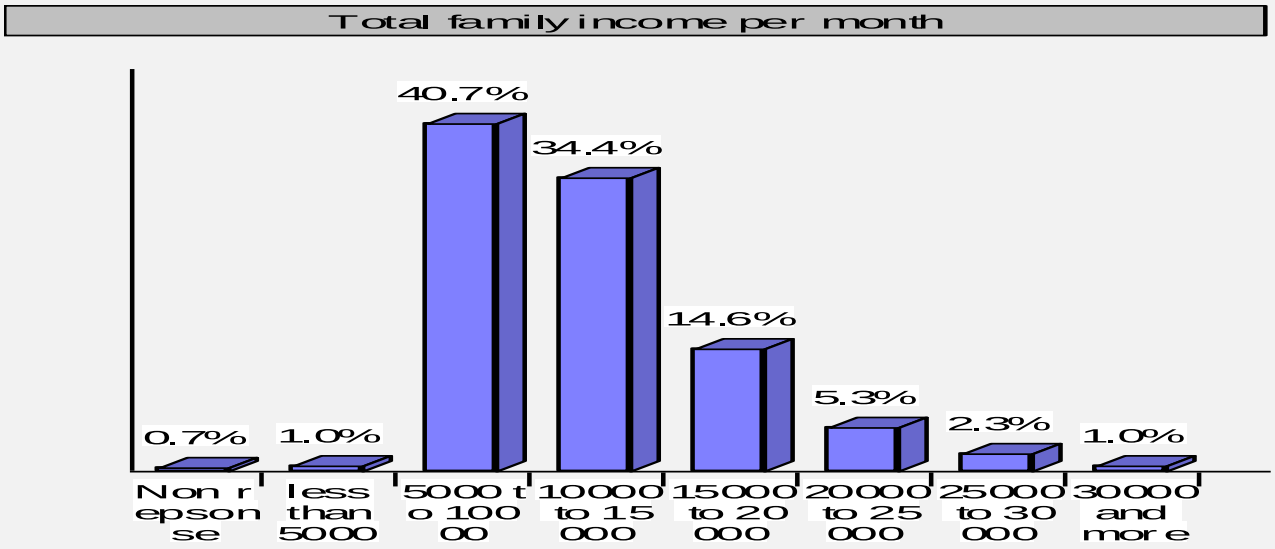
4.5 Family size

55.7% of the respondents have family size of 4-5 members .**The average family size is 4.22.**



4.6 Income

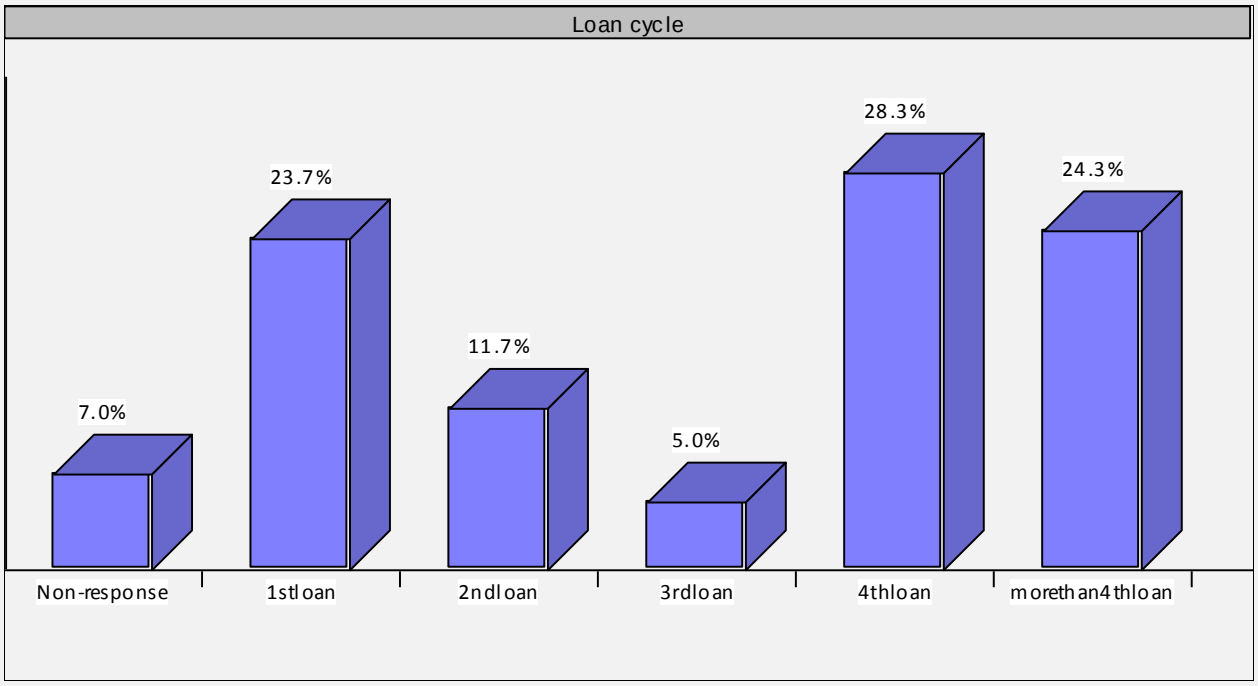
The Average income per family is 11492 Rs per month. So the **per capita income is 2 723 Rs**.



75% of the respondents have an income between 5 000 and 15 000 rs/ per month.

Prem Seva provide loan between 10 000 rs and 30 000 rs. The average loan size of the respondents is 17 158 rs. 63.3% members have taken 15,000 loan, 20% have taken 30,000 and 6.7 % have taken 20,000 loans.

77% of the respondents were old members of Prem Seva. 52.6 % are from 4th and 5th loan cycle.



Prem Seva members have to save 20% of their loan amount as a compulsory saving: 10% at the time of the loan release and 10% during the installments. That means that the respondents have to save in average 143 Rs per month with Prem Seva (as the average loan amount is 17 158 Rs).

PREM SEVA
Type of operational model

Loan details

Currently the loans are given to a group of 5 women (5 to 10 min distance in the slum)
Maximum loan amount: 30 000 Rs
Minimum loan amount: 10 000 Rs
Loan length: 12 months for the first loan, up to 18 months for the 2nd loan, up to 24 months for the 3rd and 4th loan.
Rate interest of loan: 16% reducing balance
Compulsory saving interest: 7% per annum

Loan acquisition cost
Processing fee: 1% of the loan
Share capital: 5% of the loan
Savings: 20% of loan amount (10 % at the time of the realise and 10% during the instalment)
Stamp cost: 110 Rs

Fix deposit
This new product will start in August 2012.
It is a non compulsory fix deposit from 1000 Rs till 25 000 Rs per year.
Fix deposit interest: 10.5%
Maturity after 3 years

5 FINDINGS AND ANALYSIS

In this section we present the findings from the individual interviews and their related analysis.

5.1 Health expenses and practices

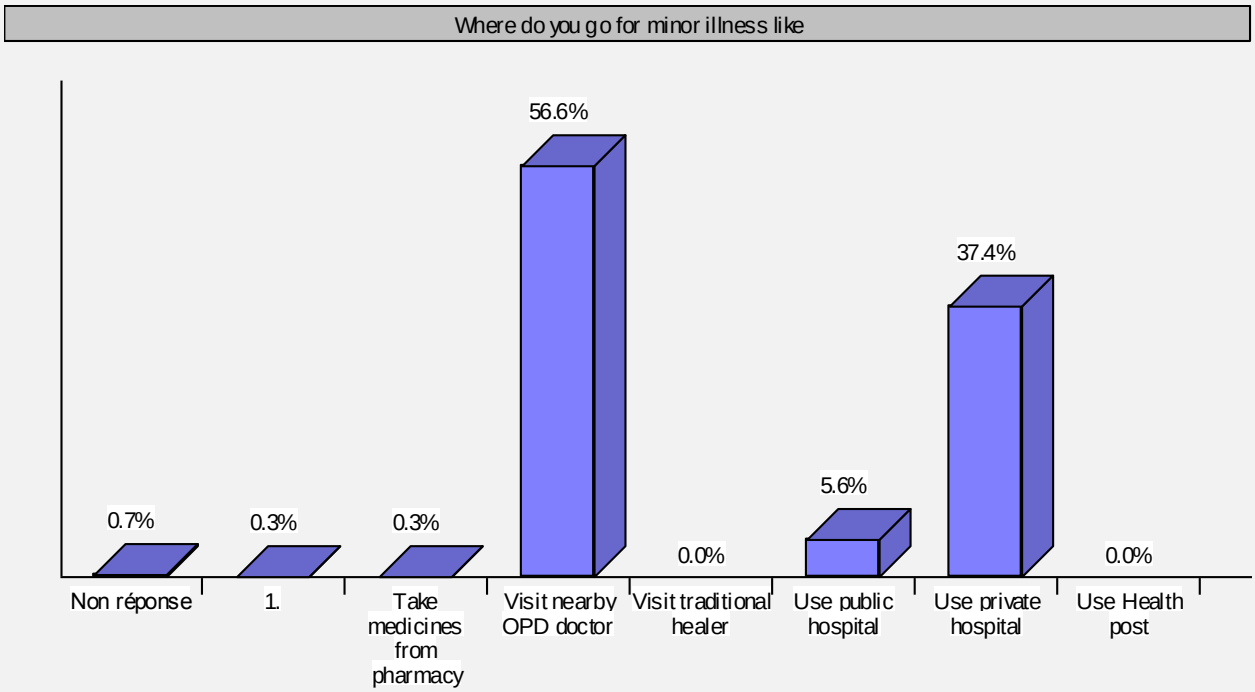
5.1.1 Average expenses per month

Average food expenses	Average clothe expenses	Average transport expenses	Average health expenses* / Median Health expense
3 862	535	883	628 / 85

*The average health expenses is the average health expenses during the last 6 months (after deduction of the spikes in expenses) declared by the respondents divided by 6. It includes minor and major diseases.

5.1.2 Health practices

In case of minor illness **56.6% of respondents prefer to use nearby or family OPD doctors** while 37.4 % prefer private hospital, 5.6% public hospital and 0.3% go directly to the pharmacy. No one is declaring using the health post or traditional healer.



In case of major illness **84.4% of respondents prefer to use the public hospital** and 8.6% the private hospital.

Main difficulties faced for approaching health care provider:

- Only one member reported that he faced waiting while approaching general practitioners. The other does not face any difficulty.

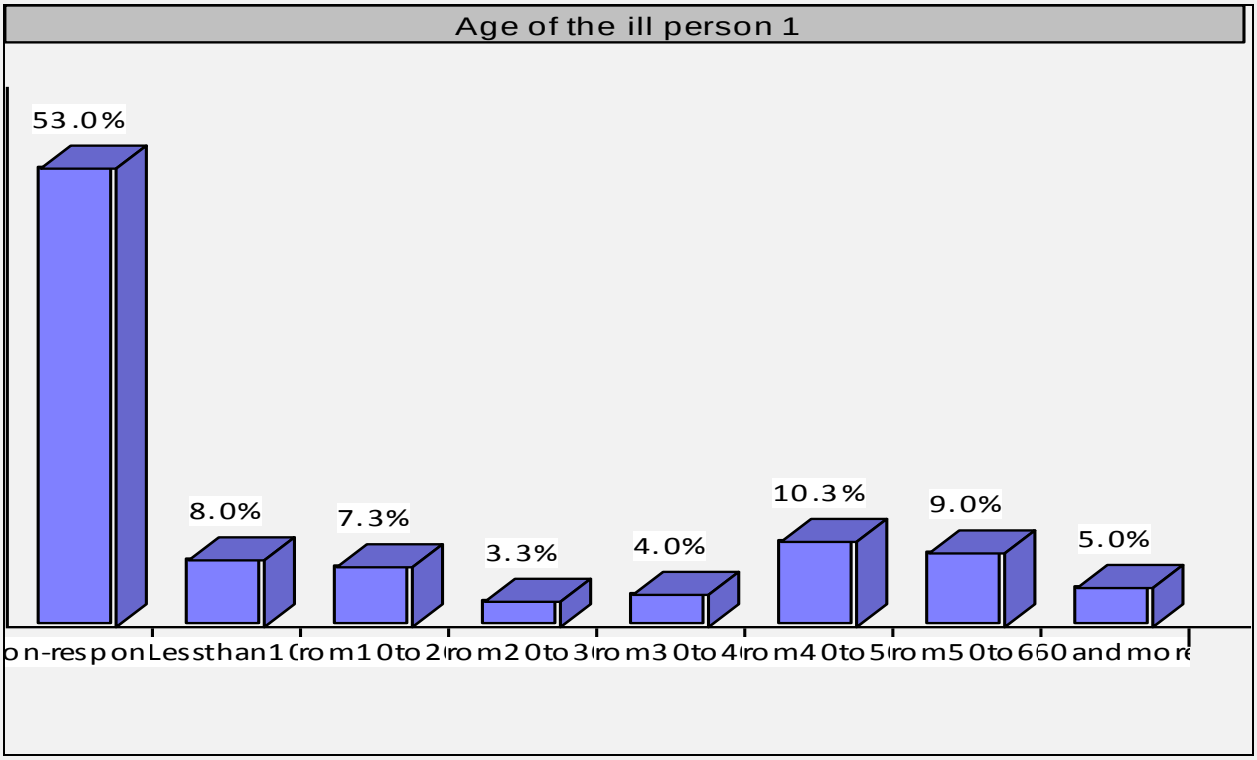
- More than 57 % of respondents reported waiting as the difficulty while approaching for public hospitals. And 32% the quality of care.

- Most of the respondents do not face difficulty for approaching private hospital. Some respondents reported cost (5.7%), waiting (7.3%) and distance (1.3%) in case of private hospitals.

5.2 Frequency of illness (past 6 months)

The 300 families interviewed represent a total of 1 260 persons out of which **12% have declared to have faced one or more major or minor illness event in the last 6 months**. Among which more than 50% have been to hospitals (public or private).
This proportion is high comparatively of HMF data from other NGO where the average is 12 % of major and minor illness per year (10% of OPD and 2% of IPD). There is probably a tendency to overestimate illness frequency or to mention older diseases.

The illness age group seems to be evenly distributed with very little difference



As most of the illnesses were of type that is treatable on OPD basis we can see the use of general practitioner on a higher side (21%). Members have used private hospitals (18.7%) more than the public (10.7%) for admission purpose.

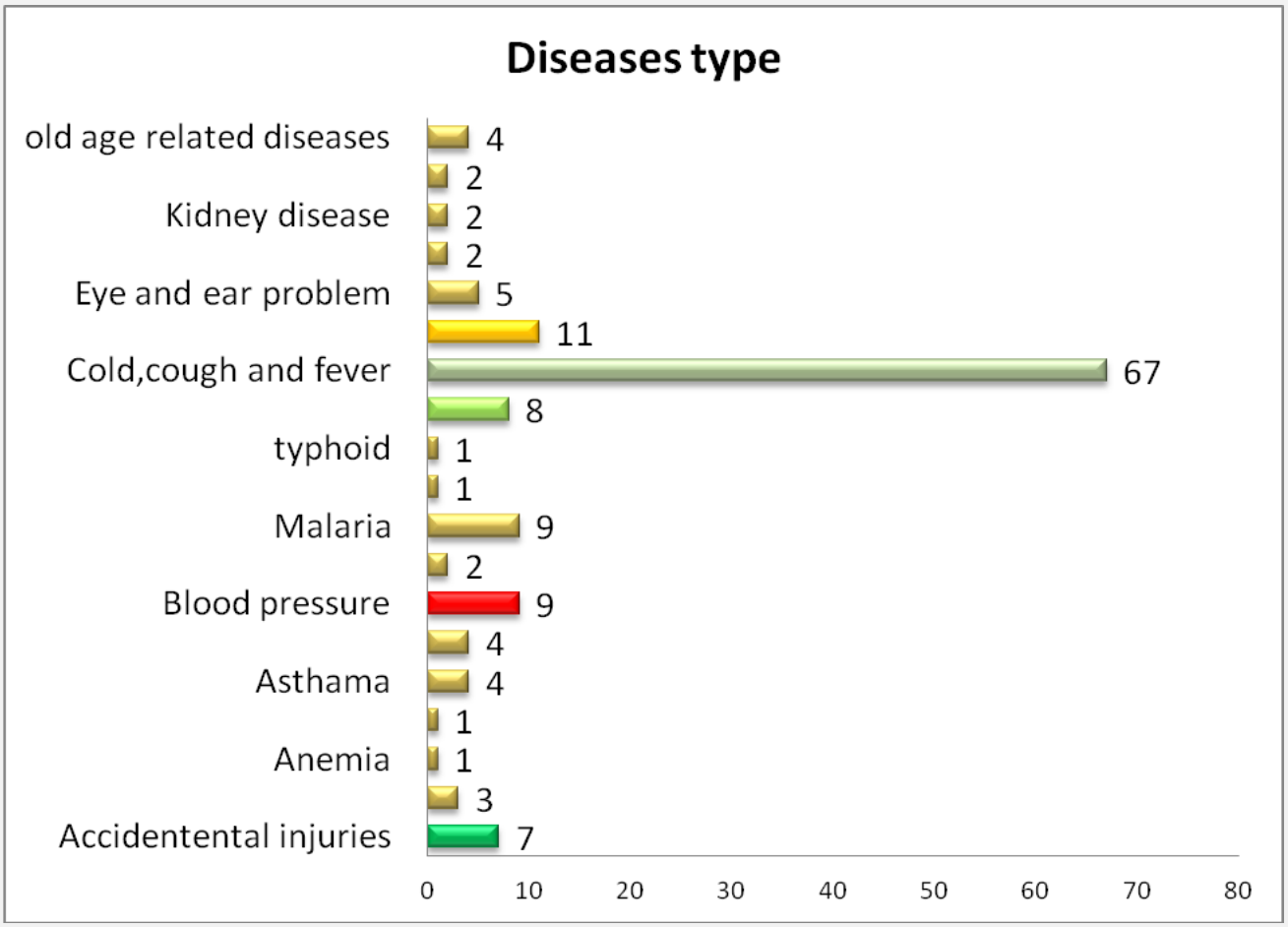
Out of 300 families, 4 families faced death. Out of these three died due to old age and one died due to liver failure.

5.3 Diseases prevalence

The most prevalent illness reported were **cough, cold and fever** affecting 22% of the household - **6% of the total family members**.Than, the more common diseases affection the members are diabetes (1%), malaria (1%), blood

pressure (1%) and cardiac diseases (1%) and accidental injury (1%).

Diseases prevalence does not significantly vary with the family income.



5.4 Expenditure on health care (OPD and IPD)

The average expenses for health during the last 6 month is 15167 Rs the median being 500 Rs. If we remove the spikes in expenses that were done for cancer and cardiac cases the average expense is **3 770 Rs.**

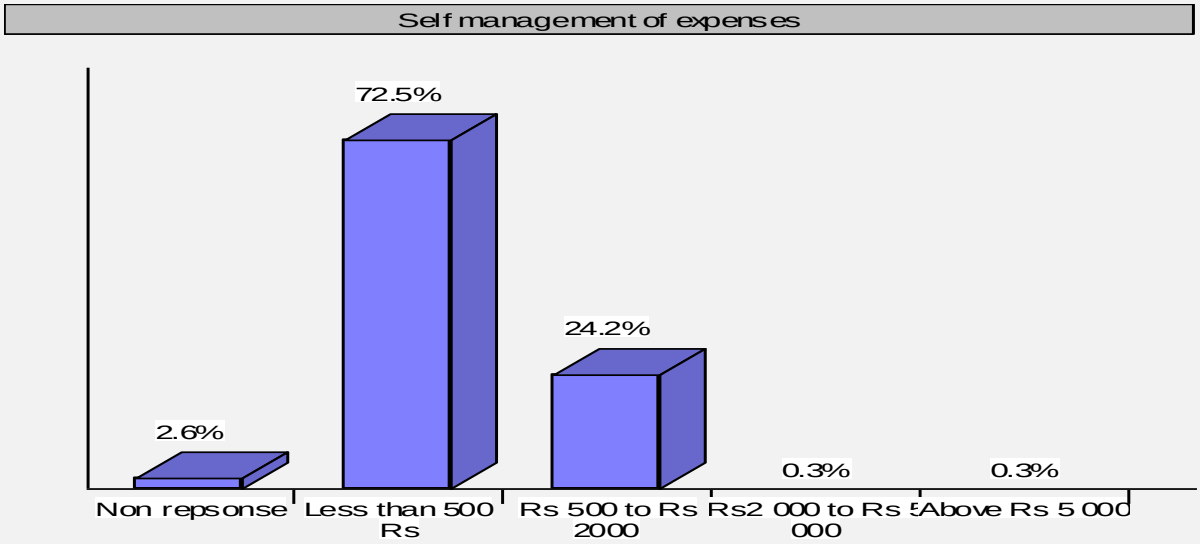
- Total 34 % of the household had to spend Rs 100- 200 for minor illness i.e cough ,cold and fever.
- Average cost (in rs) – disease wise

Accidental cases	**6442**
Diabetes	**1000**
Cardiac	**93150**
Cancer	**300000**
cough cold fever	**467**
Eye and ear problem	**10712**
Malaria , typhoid, chickenguinea	**3545**
BP	**3871**

5.5 Financing health expenses

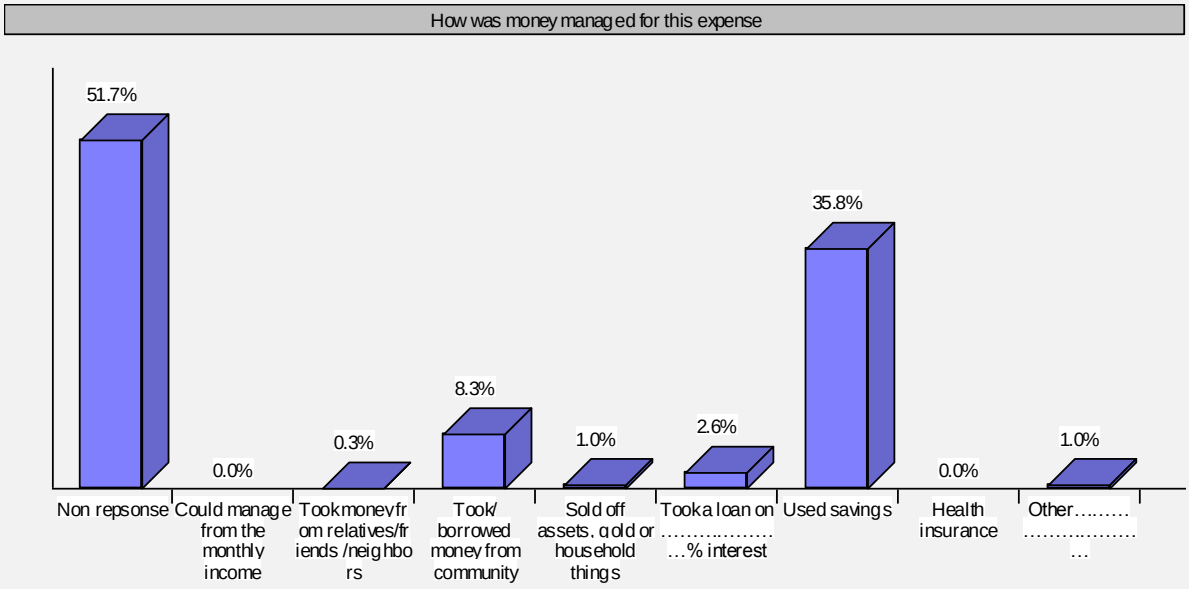
As part of the assessment, we tried to understand how much a family can bear from their own resources at the time of a health incident. This is largely required to estimate what amount is available upfront with families and design an advance payment mechanism (preferred to a cashless system) to avoid indebtment of families.

72.5 % of members can manage health expenses up to Rs 500 and 24.2% members can manage expenses up to 2000 Rs.



97.7 % of members do not have health insurance. Only 1 % members are covered by LIC or ESI or their employers.

Most of the respondents (74% of the persons who have faced a health problem) **have used their savings as the primary financing mechanism to cover their health expenses.**
17% of the family who have faced a health problem have borrowed money from the community.
6 families took a loan, there health expenses being between 2000 and 100 000 rs.



Sale of goods was also seen as distress financing method for 3 families.

From the information provided on the loans disbursed by Prem Seva Credit co.op ,we could see that 13% of the

loans are given for health/medical purpose. But in case of emergency, we can suppose that they took money from a moneylender with a high rate of interest.

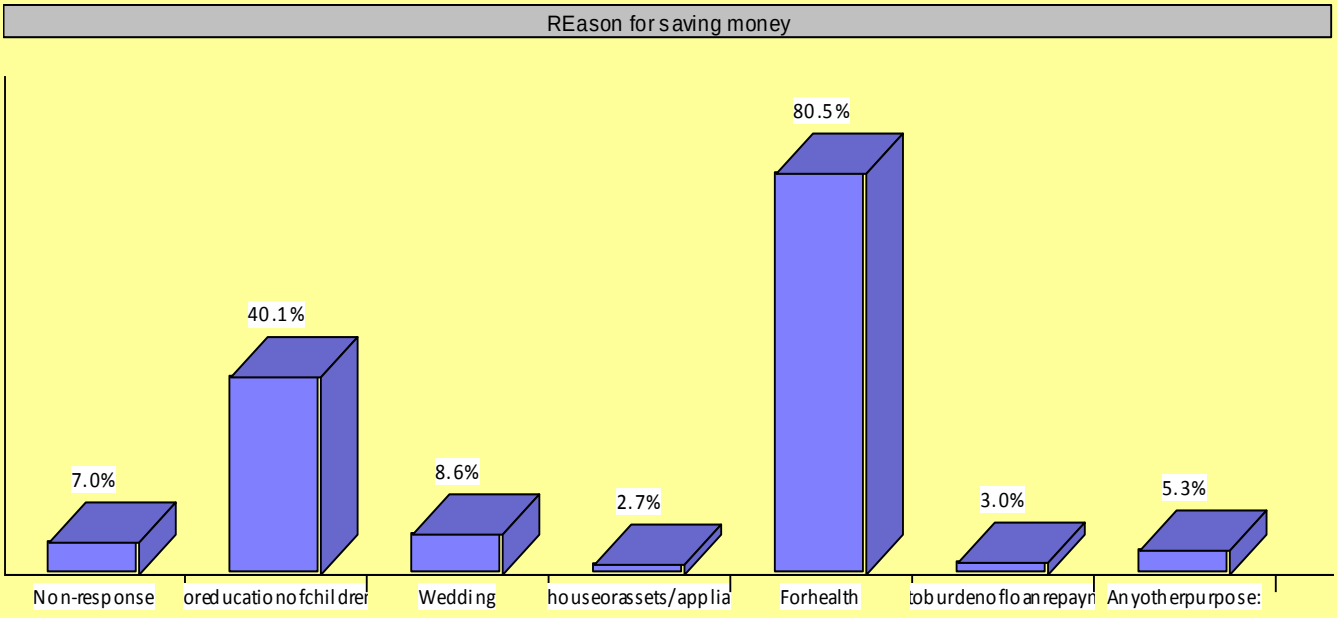
SAVING HABIT

93.1 % of respondents save money.
The main reason for not saving is that the total income is spent on household expenses leaving no disposable income for saving. Some members also reported that as they had no fixed income it was difficult for them to save.
81% members prefer to save in house.

Saving amount:
Apart Prem Seva compulsory Average amount of saving done by members is Rs 190 per month (Max is 2000 and min is 50) .
64% members are able to save Rs 200

Frequency of saving:
91 % members are saving monthly.

Reason of saving:
Respondents declare saving mainly for health (80%) followed by education of children (40%) and wedding (9%). We suppose that if 80% of the respondents did not save FOR health, they used it for health purpose.



93.7 % members were ready to save money each month for covering health expenses.
81% members prefer to save in house

93.7 % members were ready to save money each month for covering health expenses.

5.6 Health care forgo

54.3 % members had to compromise with medicines due to lack of money while 0.3 % members had to forego admission in hospital.
This high proportion of family who forgo medicines can be explain by the high cost of chronic disease treatment.

6. COMMUNITY AND INSTITUTION READINESS FOR COMMUNITY BASED HEALTH MUTUAL FUND

6.1 Community readiness

Such a discussion needs wider consultations among Credit Co.op members so that the decision is acceptable by all of them.

Prem Seva, has presented the concept of Community based Health insurance fund to all the members during their AGM in September 2011 and August 2012. During the second meeting, Uplift has also animated a participative game with the community for a better understanding of the concept of insurance and has shown to the community a movie explaining the program.

After discussing the benefits of being together in health crisis the participants said that if they get some support on how to implement the programme they would like to go for it as they currently do not have such a system to address health issues.

6.2 Institutional intent and capacity observed

Setting up and managing in-house health protection scheme require institutional intent and capacities at various levels since it involves roles and responsibilities akin to an insurer and close management of Health care providers. Governance of the community is also a key ingredient in managing in-house health protection systems.

At the Cooperative level we have observed the micro-finance processes, tools and formats, workload and intent on starting insurance/social protection programmes.

6.2.1 Intent

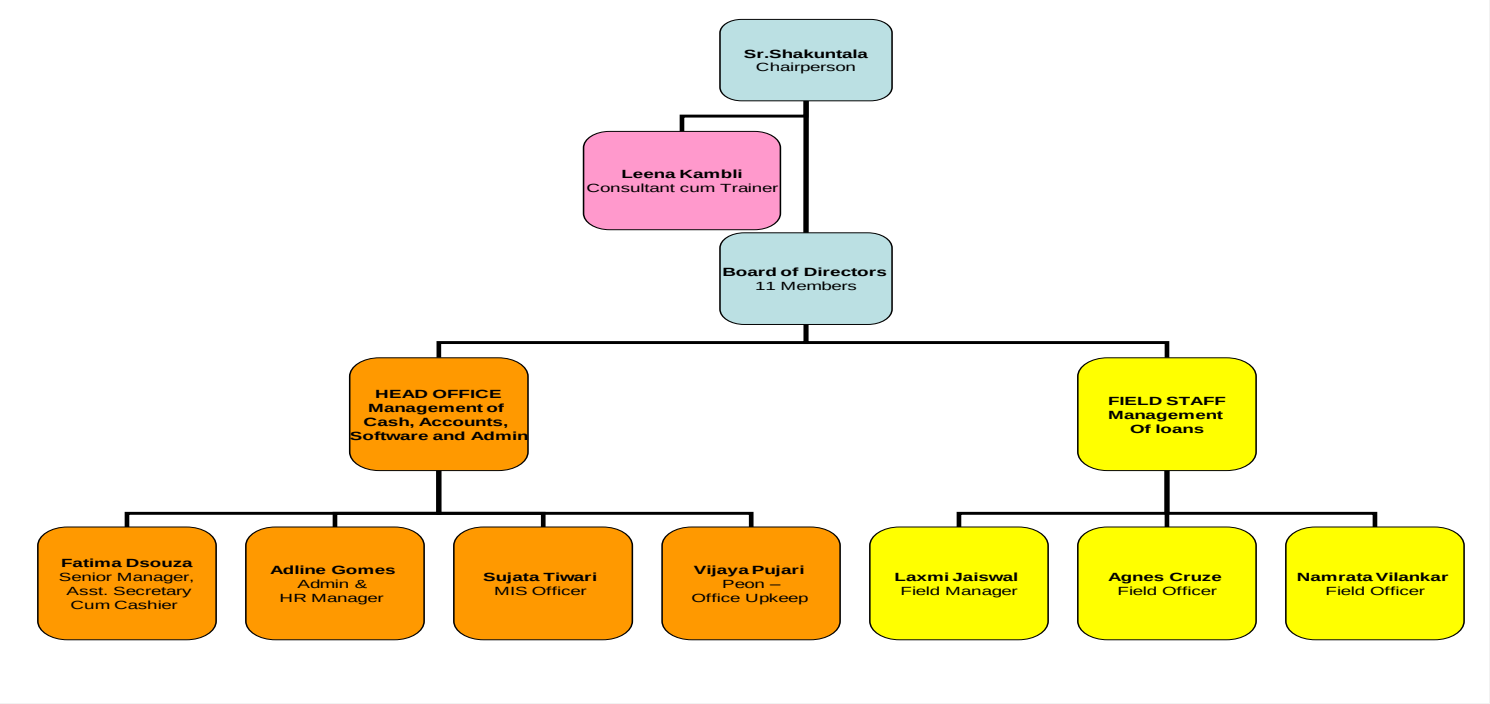
Prem Seva Credit Co.op manager, showed immense interest in setting up such a system and were very keen on discussing the same with their network of 13 Credit Co.op. The team showed us that members are asking for health loans and are facing difficulty in accessing heath care system.
The managing level understands very well the concept of health micro-insurance. For the field team this concept is still unclear, a strong training will be necessary to explain this new concept.

The team has acknowledged that health protection is very pertinent though it is something they have not focussed on yet. If there was a technical assistance they would for sure setup such a system for their members and their families.

On being asked whether they would link the Health protection with their credit activities the answer was a unanimous yes.
For a better sustainability of the health insurance fund, it would be interesting that other Credit Cooperatives of the network could start similar programs.

6.2.2 Governance

Prem Seva Credit Cooperative is a small team of 8 persons: one chairperson, one senior manager, one HR & Admin manager, one MIS officer, three field officers and one consultant.



Nine community representatives are on the board of the Credit Cooperative. There is the tradition of conducting meetings once a month with them in order to discuss the activity of the Cooperative.

6.2.3 Capacities

Thanks to the work of the consultant, Prem Seva is a professionally managed microfinance organisation.
As Prem Seva is working in a geographically limited area, the field workers know very well the different pockets and the difficulty faced by the community. However, the work load of the micro-finance field workers is increasing and they will not be able to also handle the micro-insurance activity. A specific team of two persons will be necessary to promote the program, manage the enrolment and provide services to the community.

Prem Seva has a dedicated software (Applitech Innovation) for running their operations but some of the loan data (such as reason for taking a loan), cannot be encode in this software. They are in touch with the Indian software designer for its improvement.

The Credit Cooperative would need dedicated technical support to build the program, the process and to conduct the activity and training in setting up the program.

7 HEALTH CARE PROVIDERS CONTEXT

The third and critical component of the assessment was to understand the health care provision in the operational areas of Prem Seva and we did a very short assessment of the public and private health care facilities that were available in the area and where we could meet the resource person.

In area where Prem Seva is working, Dr Neelesh (Uplift Dr) visited the main public, trust and private hospitals and collect, with the help of Prem Seva team the data regarding the health post, general practitioners, specialist OPD, pharmacy and investigation center.

7.1 Health Care Providers availability

Dr Neelesh has listed the health care providers (HCP) accessible per area.

Criterias for the HCP accessibility are:

- General practitioner: 15-20 minutes' walk able distance
- Pharmacy: maximum 3km
- Laboratory / Radio-diagnostic centre: maximum 3 km
- Hospitals: maximum 4 km

Each area has access to primary and secondary care:

- Each area has access to a public hospital and at least one private hospital.
- There are several general practitioners (private general OPD) implanted in all areas. All the general practitioners listed by Dr Neelesh are registered.
- Specialists OPD (dental, eyes, gynaecological) are unequally distributed among areas, only Prabhat Colony, Gaon Devi and Kalina have access to them.
- Only Agripada area does not have access to a Health Post
- All areas have access to at least one pharmacy

Regarding the investigation center all areas have access to trust or private investigation center.
4 areas have only access to private investigation center. In Mumbai the cut system (to pay a commission to the Dr who prescribes the analysis) is a common practice for the private investigation center. Because of this practice the cost of analysis becomes higher for the patients.

Number of HCP accessible per area

	Investigation center trust	Investigation center private	Public Hospital	Private hospital	Private General OPD	Private specialist OPD	Health Post	Pharmacy
Agripada	1		1	1	8			4
Prabhat Colony	1	1	1	2	10	3	1	1
Hanuman Tekadi	1		1	2	9		2	2
Dawari Nagar	1		1	3	2		2	1
Gaon Devi		1	1	3	7	2	2	3
Datta Mandir	1	1	1	3	1		1	3
Vakola Village		1	1	3	1		1	1
Kalina		1	1	5	8	1	1	4
Yashvant Nagar		1	1	1	5		2	2
Kunchi Kurve		1	1	5	9		1	5

7.2 Health Care Providers details

7.2.1 Public & private hospital

Public hospitals

Two public hospitals are accessible for all the areas:

- V.N Desai Municipal hospital
- Bhabha Hospital

These two hospitals provide multi specialty with IPD facility and laboratory, radio-diagnostic and medicines are available.

Public hospitals details

Public						
corporation owned						
Secondary care						
Area covered	**HOSPITAL**	**faculty**	**faculty details**	**laboratory**	**radio-diagnostic**	**medicine in house**
Agripada, Prabhat Colony, Hanuman Tahedi, Devari Nagar, Gaon Devi, Dta Mandir, Vakola, Yashvant Nagar	V.N. Desai Muncipal General Hospital	Multi speciality	Multi speciality with IPD facility	yes	yes	yes
Kunchi Kurve, Kalina	Bhabha hospital	Multi speciality	Multi speciality with IPD facility	yes	yes	yes

Private hospitals

Each area has access to at least one private hospital. And each private hospital has laboratory, radio-diagnostic and medicine services.

Up to now we did not have access to all the rate list of these private hospitals but according to the claims data of Annapurna Mumbai in Chembur – Thane areas, one day discharge cost is on average two times more expensive in private hospital than in public and general / semi-special /special and super special cares are on average four times more expensive in private than in public hospitals.

Private hospitals details

Private						
Secondary care						
Area covered	**HOSPITAL**	**faculty**	**faculty details**	**labora-tory**	**radio-diagnostic**	**medicine in house**
Agripada, Dawari Nagar, Gao Devi, Data mandir, Vakola Village	Siddhi Nurs-ing Home	Secon-dary Care	Ortho 2. Eye & 3. General	Yes	Yes	Yes
Prabhat Colony, Hanuman Takedi, Dawari nagar, Gao Dev, Data mandir, Vakola Village	Pushpa Kunj Nursing Home	Secon-dary Care	Maternity Surgical & general	yes	yes	yes

Prabhat Colony, Hanuman Takedi	Astha Surgical Clinic	Multi speciality	General operation, ENT, Eye & vitreo Retinal surgery centre, Homeopathy, Pathology.	yes	No	yes
Dawari Naga, Gao Dev, Data Mandir, Vakola Village, Yashvant Nagar	Shastri Nursing Home & ICCU		1.Poly clinic 2. Iccu unit 3. Nursing home 3. Gastroscopy 4. Laproscopic surgery 5.EEG 6. colour doppler 7. 2d echo 8. USG 9. Stress test 10. PFT 11. Audiometry 11. ECG 12. Gynaecology	yes	yes	yes
Kalina, Kunchi Kurve	Dr.Sherekars Hospital		Gynaecological & Surgical	yes	yes	yes
Kalina, Kunchi Kurve	Sai Deep clinic & Nursing home		Gynaecological Surgical & Eye	yes	yes	yes
Kalina	Well care hospital		General Hospital with surgical & Maternity	yes	yes	yes
Kalina, Kunchi Kurve	Pranshanti Medical Centre	Muitispeciality	General Hospital with surgical & Maternity, Skin, Medicine	yes	yes	yes
Kalina, Kunchi Kurve	Durga Nursing Home & Icu	Muitispeciality	General, Surgical, Maternity & Icu	yes	yes	yes

7.2.2 Laboratories and radio-diagnostics

Each area has access to trust or private investigation center.
4 areas have only access to private investigation center which can be very expensive according to the contract that the private laboratories have with general practitioner. As we have mentioned above, in Mumbai it is a common practice to pay a commission to the Dr who prescribes the analysis.
Patients can also have access to the laboratory of the Public hospital but the distance will be higher.

Trust and Private Laboratories and radio-diagnostics details

Area covered	Lab & Radio-diagnostic	blood	Culture	urine	micro-biology	X-Ray	Barium	USG	Mammography	CT	MRI
Trust											
Agripada, Prabhat colony, Hanuman Takedi, Davari, Data Mandir	Shree Krupa Diagnostic charitable Centre { Dr. Anil Pichhad }	yes	yes	yes	yes	yes	No	yes	No	No	No
Private											
Prabhat Colony	Shiv Pathology lab & x-Ray	yes	yes	yes	yes	Yes	No	No	No	No	No
Gaon Devi, Data Mandinr, Vakola village, Yashvant nagar	Alpha Diagnostics centre	yes	Yes	yes	yes	yes	No	yes	No	No	No
Kalina, Kushi Kurve	Unique Path	yes	yes	yes	yes	No	No	No	No	No	No

	Lab										

7.2.3 Primary care

Health Post

Each area except Agripada area has access to Health Post. In the health post the primary care are free of cost or available for a very low cost. Medicines are also available.

Health post (public OPD) names

Area covered	Health Post name
Datta mandir	Swami Vivekanand Mandir Health post
Vakola Village	Vakola Health Post
Kalina, Kunchi Kurve	Kalina Health Post
Prabhat Colony	Global Health Post
Hanuman, Dawari Nagar, Gaon Devi, Yashvant Nagar	Shastri Nagar Health Post
Hanuman, Dawari Nagar, Gaon Devi, Yashvant Nagar	V.N. Desai Health Post (V.N Desai Mun. Gen. Hosp.)

Private OPD

Around 60 general private practitioners are available and registered on the area. The cost of private OPD & medicines is between 30 and 40 Rs, injection & medicines between 60 and 70 Rs, Intravenous (IV) fluids cost around 250 to 300 Rs.
The details of the specialist OPD are shown below.

Private OPD specialty details

Private OPD - Specialty		
Area covered	**Speciality**	**faculty**
Gaon Devi	Dr. Dilip Bhatt {MBBS DGO}	
Gaon Devi	Dr. Shruti Patekar MD { Gynaec}	Gynaecologist
Prabhat Colony	Dr. Nayana Wagh	Dentist
Prabhat Colony	Dr.S.V. Sharma	Eye Specialist
Kalina	Dr.Suman Bathla {MBBS DGO}	Gynaecologist
Prabhat Colony	Dr. Jyotsana Jhavar	Dentist

8 THE NECESSITY OF HEALTH INSURANCE AND A CONTEXT FAVORABLE TO THE IMPLEMENTATION OF AN HEALTH MICRO INSURANCE

Prem Seva reaches the community living under the poverty line, as targeted by Inter Aide.
From the survey we notice a real difficulty of access to health and health care. The main obstacle for access to health is financial since no one has health insurance and since the average heath cost is important (more than 10 000 rs) because of the high cost of chronic diseases and surgery. On average the respondents can only manage up to 500 Rs for health expenses and have to use their saving or to borrow some money for hospitalisation.
The difficulty for accessing to health is also due to a lack of understanding of the health care system and to a lack of confidence in the system.

The community, structure and health care provider context is favorable to the implementation of this program:

- Health services of acceptable quality are available

The function of a health micro-insurance scheme is to assume total or partial responsibility for the expenses incurred in connection with the utilization of health services delivered by health centres, hospitals, private health professionals, pharmacies, etc.

No consideration can be given to establishing such a system unless a range of health services is available to respond to the principal needs of the target population, and unless the target population actually wishes to use those services. If the latter are of poor quality or are perceived to be inferior, the prospect of a health micro-insurance scheme will seem less attractive.

The existing health services must therefore be able to meet the principal health needs of the target population, be available nearby, present an acceptable level of quality and be well-regarded by the target population.

The mapping of the HCP in the area has highlighted the accessibility and quality of care available in Vakola. This Health care context is sufficient to start the program. Thanks to the HCP who will be ready to join the network, the community will have access to preventive care (concession on OPD, systematic health camps) and "health care intelligence" (right doctor, right treatment and right cost).

The accessibility of the public hospital and the utilization of these hospitals by the community will maintain a manageable average of claim amount and accordingly claim premium amount. Nevertheless, the micro-insurance field workers will have to continuously promote the public facilities as there is a large range of private practitioners and hospitals in the area.

- The target population has confidence in the promoters of the scheme and in the other persons involved

The existence of a health micro-insurance scheme presupposes the regular payment of premiums, which are then pooled to pay for the health care expenses of covered persons who require medical treatment.

The target population cannot easily be persuaded to pool its premiums when it lacks full confidence in the promoters and the other persons involved in the project. Its relationships with these parties must therefore be taken into account.

The AGM meeting with the community has demonstrated the confidence of the community towards Prem Seva and their understanding of the concept of health micro-insurance. 600 members have attended this meeting.
The community has acknowledged this access to health priority and is favourable to the implementation of such a program.
Prem Seva has a strong will to implement this program.

- Traditions of mutual aid exist within the target population

It is sometimes difficult for people to agree to the regular payment of a premium because its benefits are intangible so long as members and their dependents remain in good health. They may have the impression that they are paying premiums for the benefit of others who succumb to illness.

Understanding and acceptance of the insurance mechanism is facilitated when traditions of mutual aid exist within the target population. This spirit of mutual aid may arise from a number of situations: the fact of being residents of the same village or neighbourhood, associations, federations etc.

The fact that Prem Seva members are living in a geographically limited area and that they know each other in each cluster can facilitate the acceptance of the HMF program. Despite the fact that they borrow money to the community institution for hospitalisation, we did not observed a tradition of mutual in this area. The implementation of HMF entails a continuous training of the community for a better understanding of this concept.

- The potential number of covered persons is sufficiently high as from the first year

This precondition is particularly applicable to schemes designed to cover major risks. Major risks are rare contingencies that entail considerable expense, such as hospitalizations, complicated deliveries, surgical operations etc.

Premiums provide coverage for the health expenses of persons protected by the scheme. The calculation of premiums is usually based on estimates of the target population's average expected consumption of health care. When real consumption is greater than average consumption expected, the financial equilibrium of the scheme may be jeopardized.

The number of Prem Seva borrowers is enough to start the program. But for a better sustainability of the fund, it will be preferable if two or three other credit cooperatives of the network could also start the HMF program in order to build a solidarity fund.

9 PRODUCT DESIGN: FIRST DRAFT

9.1 Premium

According the the household survey, Prem Seva's members are ready to save for health and saved already in average 200 rs per month.

According to our experience in Mumbai with Navnirman and Annapurna, and to the analysis of the health care cost in the hospital in Vakola's area, the premium amount should be between **130 rs to 150 rs per person and per year** to cover the claims.

- It is more pertinent to have a **fix family premium (independant of the number of person in the family) in order to cover the entier family.**

  If the family have the option to enroll as many members from their family as they want, large family with less income will not enroll the entire family.

9.2 Guidelines for enrolment

- The product with this low premium will be viable if the enrolment is done enbloc i.e minimum of 1000 families enrolled at one time.
- No age barrier
- Premium is not dependent on the age.
- Minimum age of policy holder should be 18 years.

9.3 A saving based product

The survey shows that most of the members have been using their savings for health expenses.

As all Prem Seva members are saving 20% of their loan amount and as Prem Seva will start a fix deposit product for borrowers and non borrowers, the health insurance premium will be deducted from the saving to avoid the difficulty faced by members when they have to pay the global amount in cash.

9.3.1 Maximum sum insured

The policy is a floater policy .The maximum sum insured for each policy is Rs 15 000 per year.

However the reimbursement will be according to the disease category.

9.3.2 Health services

1. Referral service**:-** The referral and guidance service is provided to the member to guide him to the proper health care provider in case of an health event.

   The referral service ensures access to quality health care at concessional rates.

2. Preventive care **:-** The Uplift Health mutual model does not focus only on reimbursement in case of hospitalisation but also on various health preventive measures. These preventive measures not only help to reduce the severity of diseases thereby reducing the treatment cost but also help the member to take care of his own and families health.

   Health check up camps in alternate months.

   Health talks per month.

   The health talks and health camps are organized according to the requirement of the community.

3. Health Guidance Center

   Medical officer that provides consultation as well as primary medicines.

4. OPD discounts

   Concessions available in the cost of consultation/medicines available at the local OPD doctors of the Uplift Network.

5. Telephone Helpline

   A helpline which is available for 24 hours and all the days of the week provides referral and guidance towards appropriate health care provider.

6. Pre existing coverage

   Pre existing diseases covered from 3rd year onwards (I.e. after 2nd renewal of the policy)

7. Health care network

   Provision of a multilayered quality Health care network that provides treatment at concessional rates.