

**National Workshop on**

# Safeguarding Livelihoods of Poor Through Health Insurance Under Universal Health Insurance Scheme

**Madurai Symposium 2011**

September 14-18, 2011

15 September 2011 | Thamukkam Grounds | Madurai



## National Workshop on “Safeguarding Livelihoods of Poor Through health insurance Under Universal Health Insurance Scheme”

### The Madurai Symposium 2011

The Madurai Symposium is a development platform where development stakeholders – community institutions, civil societies, the Government, non-government organizations (NGOs), financial institutions and academia - converge at Madurai for conventions and conferences. The focus of Madurai Symposium 2011 is Advancing Development: Towards Sustainable Livelihoods. The purposes of this symposium include building knowledge on the best practices for livelihoods promotion including approaches, frameworks, and models; promoting networks among the development players; fostering collaborations for action; sharing opportunities for resource mobilization; and identifying leads for action in relation to policy areas and field practices related to livelihoods development.

For India's poor, livelihoods promotion is an important tool to improve self - reliance. Poor household possess different levels of livelihoods assets and skills, and their livelihoods decisions are often influenced by the stage of their family life cycle and degree of vulnerability to shocks and uncertainties. Sustainable livelihoods interventions should be designed to move households from a state of survival (high vulnerability) to subsistence (endurance with limited security) and to self employed (a state of stabilization and security).

### Background

It is the mandate of every state to ensure health for all its citizens. India, with its dismal health budget of about one per cent of its national income, is far from reaching this caveat. About eighty per cent of health expenditure in India is met out of pocket by the people. Hardly five per cent of the health expenditure is covered through health insurance. Obviously, the two pronged strategies of increasing the national health budget to provide public health care access as well as facilitating health insurance access, would bring down the out of pocket health expenses of the nation.

As per World Bank estimate (2002), one quarter of Indians fall into poverty as a result of medical expenses in the event of hospitalization. This proves that health risk is a paramount factor of poverty, and safeguarding people from this risk would entail poverty reduction and livelihoods protection. The poor need health insurance for preventing huge health expenditure that affects the sustainability of livelihoods. Health insurance schemes are abundant in the market. However, for the poor, the only available scheme is the Universal Health Insurance Scheme (UHIS), which is offered through the four Nationalized General Insurance Companies- National Insurance, United India Insurance, New India Assurance and Oriental Insurance, with premium subsidy from the Central Government.

UHS was introduced by the Government of India during 2003 with a subsidy complement to poor. There are welcome features of pre-existing illnesses cover and providing maternity benefits after a waiting period of one year. However, the total number of people covered under UHS never exceeded one crore number of persons in the past, less than 1 per cent penetration. Further, the industry's claim experience under mediclaim insurance with the exclusions of pre-existing illnesses and maternity care is over 100 per cent, whereas the UHS claim ratio is never above 50 per cent.

In view of the foregoing, this workshop is organised involving different health insurance stakeholders, public sector general insurers, Third party administrators, community organizations, development institutions, regulators and Government officials, with the following objectives:

- Identifying the challenges and issues in accessing UHS by the poor
- Ascertaining the gaps in the product features that act as disincentive to the poor to access UHS
- Ascertaining the gaps in the scheme norms that contribute to non - entitlement of eligible claim benefits to the insured.
- Making policy recommendations and suggestions for enhancing UHS access as well as benefits to the insured.

### **Expected Output**

The workshop would bring out the following outputs:

- Areas of improvement in product features
- Areas of improvement in scheme norms
- Areas of support needed for enhancing the UHS access
- Scope of collaborations between stakeholders to improve UHS access
- Policy recommendations and suggestions for enhancing UHS access as well as benefits to the insured.

### **Date & Venue**

The workshop would be held on 15 September 2011 (Thursday) at Thamukkam Grounds, Madurai from 10.00 am to 4.30 pm.

People Mutuals and Advanced Centre for Skill and Knowledge on Micro Insurance (ASKMI) of Tata -Dhan Academy is organizing this Policy Workshop as part of Madurai Symposium organized by DHAN Foundation on Advancing Development Towards Sustainable Livelihoods.

## DHAN Foundation

DHAN Foundation works with about 850,000 families in 12 states of India, striving to improve the lives and livelihoods of vulnerable communities by organizing them to reduce poverty and address their various development needs. The interventions are spread across urban, rural, coastal and the tribal contexts. It works in different thematic areas including microfinance, tankfed agriculture, rainfed agriculture, and information and communication technology for the poor and local bodies self-governance.

## People Mutuals

People Mutuals, the insurance initiative of DHAN Foundation strives for safeguarding the poor from risks and vulnerabilities through collaboration with insurance providers and mutual solutions to reduce poverty. The poor are provided access to insurance company products that meet their needs. The gaps in the insurance company products are identified and mutual solutions are evolved and designed to ensure comprehensive risk coverage. At present over 700,000 poor have been provided with to different types of insurance including – life, health, crop and livestock.

## ASKMI

Advanced Centre for Skill and Knowledge on Mutual Insurance (ASKMI), a specialized centre at Tata-Dhan Academy fosters microinsurance development through appropriate knowledge management systems and processes such as research, documentation, publication, training, education, networking and policy advocacy. ASKMI uses the strengths of People Mutuals - a community initiative that implements microinsurance programmes across varied contexts in India. ASKMI also collaborates with other partners of micro insurance towards realizing the purpose of advancement of microinsurance.



*for further information, please contact*

**Ms. J.A.N. Vijayabharathi**  
**Event Coordinator**  
**People Mutuals**

22, Pillaiyar Koil Street, S.S. Colony,  
Madurai – 625010, Tamilnadu, India  
Tel: + 91-452-2301510, +91-4543-293405  
Mobile: 94867 31466  
Email: askmimail@gmail.com , pm@dhan.org