

NATIONAL CONFERENCE
Emerging health care models:
Engaging the private health sector

25 - 26th September 2009
Mumbai



Centre for Enquiry Into Health and Allied Themes

Network Facilitator – Ensuring Hassle-free Utilization of Health Insurance Services by Low-Income Households

Devashish Saini MBBS MSHI and Swapna Nair MBBS MHA

Swasth India Services Pvt Ltd

611 Palms 2, Royal Palms Estate, Aarey Colony, Goregaon E, Mumbai - 400065

Contact Phone: +919769575857, Contact email: devashish@swasthindia.in

Abstract

Several health insurance schemes for low-income households launched by both community-based organizations and the government are empaneling small hospitals and nursing homes in the private sector, especially those based in smaller cities and towns. These health care providers are new to insurance and work in an environment where they are not used to having their decisions questioned by patients or third parties. Given low awareness and low empowerment in low-income communities, it is almost impossible for the patient to understand and ask the provider to go through the kind of processes that routinely take place in an insurance environment – preauthorization, reauthorization, filling and submitting a claim form, getting additional information and/or documentation from the provider etc. We propose the role of a 'Network Facilitator' to act as an interface between the patient and provider in this context, educating both, and hand-holding them both to take them through the insurance procedures. She visits the hospital at the time of admission and discharge, and during hospitalization if needed. She fills up forms, educates patients and providers regarding processes and what to expect, explains nuances of coverage, collects all required documentation at the time of discharge, ensures treatment given matches documentation provided by the doctor, gets any additional documentation needed by the insurance company, and solves any other problems the patients or families may be facing during hospitalization. She also mediates and resolves conflicts between providers and patients. In addition, she mobilizes the village-level network of community health workers (CHWs) to educate and empower members regarding facilities available to them and how to best utilize them. We are in the process of piloting this role in 150 villages in rural Maharashtra and 8 urban slums in Bangalore city. Initial findings indicate that the Network Facilitator played a key role in ensuring hassle-free hospitalization for the beneficiaries of the scheme, resulting in higher acceptability of the scheme in the community, as reflected by increase in the enrolment rate. This is also expected to lead to a higher renewal rate. She has also been able to convince the providers to complete all required documentation in time for the claim processing deadline. In conclusion, a Network Facilitator is a key person in introducing insurance to a nascent area, in the context of uneducated and unempowered member base. She can increase acceptability of the scheme, educate and empower both providers and members, and protect the scheme by ensuring there is no patient-provider collusion or over-billing. In schemes where enrolment is highly subsidized, and the community unaware of such schemes, the role of Network Facilitator could be enhanced to further educate the community regarding the array of quality services available to them and how best to utilize them.

Introduction

An estimated 20 million Indians fall below poverty line every year due to health related expenses leading to indebtedness. [1] This happens as ~25% of outpatient and ~60% of inpatient events lead to low-income households taking loans at high interest rates (3-5% per month) or selling or pawning their assets. [2] The fact that over 60% of households prefer to seek care at a private healthcare facility adds to the problem. [3] Most earn through daily wage or small farm holdings;

with irregular and unpredictable income patterns. There is no system or willingness to save, and almost all excess is spent on a daily basis, usually to pay back loans or interest. The poor are thus financially vulnerable, especially in the face of a less-frequent but high-cost health event like hospitalization.

Several health insurance schemes have recently emerged, offering a safety net to the low-income household, helping them absorb financial shocks related to healthcare expenditure. These include offerings from private insurance companies, community-based health insurance initiatives, and government-subsidized schemes. Most of these schemes are heavily subsidized or priced at or below the payment capacity of the potential member base. We studied some of these schemes in our focus-group discussions in about 50 villages in seven states across India. The following problems were reported during these discussions:

1. **Lack of understanding of complex insurance products:** The limits imposed by the insurers on inclusions, exclusions, per-event limit, floater limit, waiting period, etc are all quite complex. They are either not explained or not clearly understood at the time of enrollment into the scheme.

2. **Lack of awareness of benefits:** While a large amount of money is spent on enrollment drives, not enough is spent on educating the members regarding their benefits and how to avail them. This is especially relevant for government-subsidized schemes, where neither the insurance company nor the TPA have an incentive to educate and encourage the enrolled members regarding utilization of services.

3. **Lack of provider experience with insurance:** These schemes often empanel small hospitals and nursing homes in order to reduce cost of claims. However, these facilities often do not have prior experience with health insurance and do not understand the need for additional paperwork that insurance companies or their TPAs routinely ask for. Also, they are not used to having their decisions questioned by third parties.

4. **Low member education level:** It is almost impossible for a low-income member to understand and ask the provider to go through the kind of processes that routinely take place in an insurance environment – preauthorization, reauthorization, filling and submitting a claim form, getting additional information and/or documentation from the provider etc

5. **Lack of empowerment:** Individual members lack the voice to protest against difficult paperwork, or in case providers refuse to provide the requisite paperwork.

Rejection of claims based on these poorly understood limits and paperwork requirements significantly reduces the acceptability of insurance schemes in the community, thereby reducing penetration in the community as well as renewal rates.

The Network Facilitator Role

Swasth India has partnered with two field-based organizations to design and implement comprehensive health schemes including benefits related to preventive, primary and inpatient care. We envisage a role for a Network Facilitator (NF) who is responsible for facilitation of all processes during a hospitalization event so that the hospitalization occurs smoothly and without hassles for the member. The NF plays the following roles in the whole process:

1. **First Point of Contact:** A key responsibility of the NF is to act as first point of contact for members and providers. The NF is available to attend phone calls any time during the day or the night from the inpatient providers as well as the patients. The process of facilitation begins after this first phone call from provider or patient.

2. **Provide Information:** The NF is responsible to provide the members accurate

information regarding the benefits they are entitled to, what to expect during hospitalization, how much it may cost them, etc. This is especially important for urgent hospitalizations. The NF is expected to keep herself updated about all information related to the scheme, benefits to the patients, services available at providers, other health care services (e.g. government services), etc. The NF is expected to be the most informed person about all health-related services available in the area (e.g. The most cost-effective way to get from the villages to the hospitals, rates of different dharamshalas in the city, etc)..

3. **Collect Information:** The NF is the eyes-and-ears of the community insurance management team. He/she is expected to collect the relevant information before and during the hospitalization and inform the backend team regarding salient points. This helps the backend team make better and more informed decisions regarding pre-authorization and claim processing.

4. **Visit Hospitals:** The NF is expected to visit the hospital at the time of Pre-Authorization and at the time of Discharge for each hospitalization. In addition, visits may be needed for Re-Authorization or for resolving conflicts. The NF is expected to reach the hospital within 2 hours of receiving a call, during daytime working hours. Even if the member is not covered for admission, NF visits the hospital to personally convey the information to the member and the provider, and explain the reason why they are not covered.

a. The Hospital Visits are important to help the members fill the paperwork needed. Forms in English are explained to the patient in the local language, before making them sign.

b. Visits also help to reduce the chance of fraud. During a visit, NF verifies the ID Card, takes a look at the original lab reports etc supporting the admission, and ensures that the hospitalization actually took place for the reason mentioned in the forms.

5. **Collection of Documents:** NF is responsible to collect all original documents necessary for claim submission and approval at the time of discharge, and to educate the providers regarding need for such documents and their timely collection. The NF needs to carry spare copies of all forms at all times with her, since providers without prior experience with insurance often misplace documents and files.

6. **Additional Facilitation:** Hospitalization of a patient, apart from routine processes as described below, may also include facilitation of stay of relatives, helping them arrange cash if the policy limit is exceeded, etc. NF is not directly responsible, but is expected to help the members in whatever capacity he/she can.

7. **Resolution of Complaints/Conflicts:** The NF is expected to try to resolve conflicts, as and when they arrive, between providers and members, in a timely manner. He/she is also responsible for recording complaints or feedback from the providers and members, and convey them to the backend management team.

8. **Quality Concerns:** In addition to our quarterly quality checks of hospitals and clinics, NF is expected to look for and note down problems in the quality of care during his/her interaction with providers, and bring them up to the management, who will then take up the issues with the providers.

The NF is recruited locally, with a formal degree or experience in social work. She is trained for a day in the basics of insurance, risk management, form-filling and a brief on the above roles and responsibilities. She can attend and facilitate up to 3 hospitalizations per day, or about a thousand per year. Assuming a yearly hospitalization incidence rate of 5%, she can cater to a member base of about 20,000 lives. In areas where the penetration of the scheme is 25%, one NF can thus cater to 40 villages of population 2,000 each. Addition of Rs. 5 to the annual premium for each life enrolled more than adequately covers the salary and travel cost of the NF, at this scale.

Our Experience

We have gathered experience of facilitating a total of eleven hospitalizations so far in our two pilots. We have seen a great need for facilitation in a majority of the cases. The following were the common issues experienced and the importance of NF in addressing them:

1. **Lack of proper filing system with providers:** Busy doctors and surgeons running their own private nursing homes often misplaced documents and forms. The NF ensured they got the forms in a timely manner, and educated them regarding need for keeping copies at the hospital in an accessible place
2. **Unwillingness towards additional documentation:** Repeated visits are needed for obtaining complete documentation needed for processing a claim, especially during the first few hospitalizations at a facility. NF can pay multiple visits to providers to keep reminding them about the paperwork, and to educate them about the need to get it done in a timely manner
3. **Quality Issues:** NF has been instrumental in correcting perceptions about one of our empaneled trust hospitals. She also has been able to mediate conflicts between providers and patients on issues of quality, and provide an objective point of view
4. **Patient Education:** NF spends her spare time spreading awareness regarding the scheme among members and non-members, including their benefits and how to best utilize them. This has increased the acceptance of the scheme in the community
5. **Other Facilitation:** The NF also accompanies members to hospitals in case they are not sure whether they need hospitalization or not, and helps them understand the choices given to them during consultation with specialists.

Discussion

The Network Facilitator role seems to be emerging as an important role in the micro-insurance context, and our experience highlights the importance of this role in encouraging appropriate utilization of services. This is especially true for claim-based schemes, where the amount of specialized paperwork needed is beyond the capacity of the uneducated and unempowered members. Additional facilitation roles are relevant for cashless schemes, including smart-card based schemes such as the Rashtriya Swasthya Bima Yojana. For such schemes, the NF's role primarily can be focused on increasing awareness regarding available benefits, where and how to avail of them.

This role takes on a higher importance in new areas without penetration of conventional health insurance products, and while working with providers without prior experience with insurance. These providers need hand-holding in the initial few hospitalisation cases, and even beyond then, need constant reminders regarding the need to submit documents on time. As in any novel idea, it takes time to build the trust and professional relationship needed to convince providers to submit documents in a timely manner.

Since this role is primarily in conflict with the business proposition of insurance companies, and on the other hand in conflict with the pro-community bias of community-based insurance initiatives, it should be overseen by a neutral third party, to ensure objectivity and true encouragement of appropriate utilization.

At the same time, NF needs to be supported by a more informed call centre, and a robust claims processing backend, so that specialized questions can be answered there. The provider network needs to conform to a certain standard of quality care, and the providers willing to learn

new concepts and processes.

As described above, NF can be quite an inexpensive resource for the benefit accrued to members. Further economy can be achieved by stationing the NF in a hospital, once the rate of hospitalization increases beyond 2 per day.

Conclusion

The Network Facilitator is an important role in the context of health insurance for the low-income households. She can educate both patients and providers, mediate conflicts, ensure there is no fraud, and increase efficiency of processes. Claim-based schemes essentially need such a role, while the necessity can be strongly argued for cashless schemes as well.

References

1. PriceWaterhouseCoopers. Emerging market report: Health in India. PriceWaterhouseCoopers: 2000, pp 8. Available from: http://www.pwc.com/en_GX/gx/healthcare/pdf/emerging-market-report-hc-in-india.pdf [Retrieved September 15, 2009]
2. National Sample Survey Organization. Morbidity, Health Care and Condition of the Aged – NSS 60th Round. National Sample Survey Organization. 2004.
3. International Institute for Population Sciences (IIPS) and Macro International. 2007. National Family Health Survey (NFHS-3), 2005–06: India: Volume I. Mumbai: IIPS.