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RSBY IMPLEMENTATION IN WEST BENGAL: A CASE STUDY

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This paper analyses Rashtriya Swastha Bima Yojna (RSBY) implementation in West Bengal and attempts to understand issues affecting service delivery and the impact of use of Information and Communication Technologies (ICT) in the implementation process. The data was collected through fieldwork conducted from December 2010 to March 2011 in Bardhaman, one of the prosperous districts of the state. Through participant observation and in-depth interviews with key stakeholders like district officials, nursing home owners, and the representatives of third party administrators appointed by medical insurance companies, this paper shows that RSBY has succeeded in providing healthcare support to a large number of poor people. However, its implementation is plagued by absence of political will, widespread ignorance, weakness in monitoring and supervision, and opportunistic behaviour of nursing home owners. We also find that while the use of ICT has failed to eliminate the delay in claim settlements, it has had profound impact on prevailing power relations between doctors and nursing homes.

Introduction

Rashtriya Swastha Bima Yojna (RSBY) is an innovative scheme which was launched with the aim of providing cash-less hospitalisation benefit to registered BPL (Below Poverty Line) families. It was launched by the Ministry of Labour and Employment on 1 April 2008. Out of 485 districts in the country, 350 were covered under RSBY up to 31 March 2013. RSBY beneficiaries are entitled to hospitalisation coverage up to Rs. 30,000/- per year per family. Pre-existing conditions are covered from day one, and there is no age limit. The coverage extends to five members of the family which includes the head of the household, spouse, and up to three dependents. Beneficiaries need to pay only Rs. 30/- as registration fees. Expenditure on account of insurance premium is borne by the Central and State Governments in 75:25 proportions. Two striking features which make RSBY different from other government sponsored health-care schemes are (a) involvement of private agencies in key activities and (b) information and communication technology forming an integral part of all its activities.

Considering the cost of providing quality health care and condition of rural health infrastructure in India, RSBY has the potential for providing a cost effective solution to health-care needs of rural poor. However, given the low levels of literacy

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and infrastructure (both information technology as well as medical), and problems associated with involving private parties in healthcare (Meuleman, 2008), the effectiveness of RSBY in addressing healthcare needs of rural poor requires to be evaluated.

Methodology

With this objective in mind, we conducted an in-depth study of functioning of the scheme in Bardhaman district, West Bengal. Bardhaman being one of the more developed districts of West Bengal has a well-developed healthcare infrastructure. It is also one of the first districts to be covered in the first phase of RSBY implementation. The second phase of RSBY registration was complete at the time of the fieldwork for this study. Thus reasonable time had elapsed for overcoming teething problems associated with any project implementation. Our fieldwork was conducted during December 2010 to March 2011 in Bardhaman, Katwa and Panagarh towns as well as in Kanksa and Memari-II Blocks.

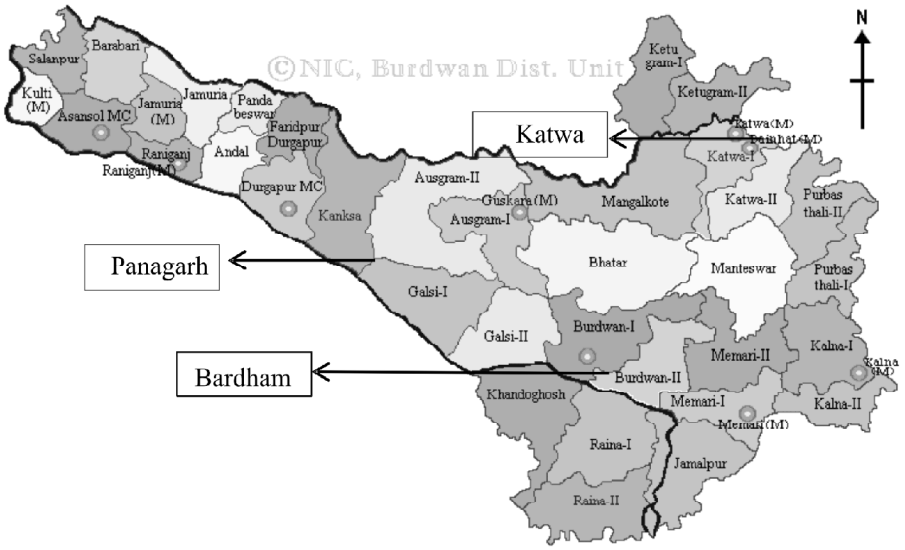

Figure 1: Bardhaman District with Blocks covered in the study highlighted

Source: NIC

During the course of the fieldwork, we interacted with government officials and representatives of medical insurance companies, Third Party Administrators (TPA), nursing home owners and patients admitted to different nursing homes. In-depth interviews and participant observation were used to collect information.

The organisation of the paper is as follows. The next section presents an overview of the RSBY scheme. This is followed by our findings on a) issues impacting service delivery, b) role of third party administrators, and c) RSBY's impact of existing power relations. The final section of the paper presents the conclusions derived from these findings.

Overview of RSBY Implementation Process

The RSBY guidelines assign well defined roles and responsibilities to different agencies involved in the implementation process (Table 1). The process begins with registration of BPL families at the annual registration camps. All registered families are provided with a smart card containing biometric information of all family members who attended the registration camp. Beneficiaries can visit any empanelled hospital/ nursing home, anywhere in India, with this card. Cashless medical care, up to an annual ceiling of Rs. 30,000 per household, is provided after verifying genuineness of beneficiaries by matching her finger print with the biometric information stored in the card (*www.rsby.gov.in*). In case of any mismatch or data entry errors, the beneficiary has to approach the Third Party Administrator (TPA) helpdesk to get the problem rectified. Decisions regarding hospitalisation and the nature of treatment required are decided during preliminary investigation. In case the treatment is not covered under any of the standard packages then the hospital submits an on-line request for a special package, giving full details of the case. The TPA can approve the special package and confirm it through email. Lodging and settlement of claims take place online. If the treatment is as per a standard package then the TPA does not insist on additional paper documents. However, the TPA can demand submission of additional document in support of the claim at any time.

Issues Impacting Service Delivery

Hardships Faced by Beneficiaries

The list of people living below poverty line (BPL) forms the basis for identifying RSBY beneficiaries. However, errors in BPL list are common knowledge. So much so that the state government had to order a review of the BPL list for removing names of non-BPL households (Economic Times, 2009). During our fieldwork, the TPA representatives narrated numerous instances of affluent families getting registered for RSBY. In one instance, a family came to the registration camp driving a brand new Santro car.[1] On another occasion, the TPA representative received a call from a Writers' Buildingofficial requesting him to assist an old lady who was having some problem with the card.[2] After sometime a well-dressed aged lady came to the kiosk and referred to the telephonic conversation with her son who works at the Writers' Building.[3]

TABLE 1: ROLES & RESPONSIBILITIES OF AGENCIES INVOLVED IN RSBY IMPLEMENTATION

Agency	*Function*
Central Government	• Ministry of Labor & Employment is responsible for policy formulation and monitoring. • Releases 75% contribution towards insurance premium.
State Government	• Appoints a State Nodal Agency (SNA) for scheme implementation • Contributes 25% of premium.
State Nodal Agency (SNA): ESIC[17] appointed as SNA.	• Selects Medical Insurance Company for each district through competitive bidding. • Appoints District Key Managers (DKM) as District Nodal Officer. Generally, the ADM (Zila Parishad) is appointed as the DKM.
District Administration	• The DKM identifies Field Key Officials (FKO). • Organises annual registration camps. • Issues smart card containing biometric information
Gram Panchayats	• Beneficiary identification through preparation of BPL List
Insurance Company	• Appoints Third Party Administrator (TPA) • Collects biometric information at registration camps. • Reimburses TPA for claim settlement
Third Party Administrator (TPA)	• Agreement with Nursing Homes & installation of software at Nursing Homes • Setting up kiosk for addressing difficulties faced by beneficiaries • Verification & Settlement of claim • Post payment verification, Nursing Home inspection

(Rashtriya Swastha Bima Yojna Guidelines, 2008)

In many cases, genuine beneficiaries are not included in the BPL list. For example, in one of the villages in Memari-II Block, we found only three families were included in the BPL list although signs of poverty were visible in many more families. The Panchayat Pradhan complained that the previous Panchayat had excluded supporters of Trinamool Congress (TMC), which was the opposition party during the time of the fieldwork, from the BPL list. Since the majority of villagers in this village were TMC supporters so, very few got enlisted in the BPL list. When we asked the Panchayat Pradhan whether he was rectifying these errors he answered in the negative.[4] This is because orders regarding revision in BPL list empowers them to delete names only. They cannot include new names. Thus, errors in BPL list are not being rectified.

While an erroneous BPL list is not unexpected, and is widely talked about in the literature, what came as a surprise to us was that technology itself can become a cause for exclusion of certain sections of the population. This became evident during our visits to the TPA's help desk at Bardhaman. One day a very old man, suffering from acute asthma, was carried into the room by two persons.[5] The old man, named Sk. Gulam Mohammad (all names changed), had been refused

admission by a nursing home because there was some problem with his RSBY card. Sanjiv, the TPA representative, inserted the card in the card-reader and saw that the card has two members, Sk. Golam Mohammed and his wife Zarina Bibi. The finger print of Sk. Golam Mohammed was very faint and barely visible and Zarina Bibi's finger print was missing. Sanjiv tried to scan Gulam Mohammed's finger-print. However, ever after 15-16 attempts, the finger print could not be scanned. This was because his skin had become so smooth that the finger print was not making any impression in the machine. Since the card will not work without finger print of any one of the beneficiaries so, they needed to bring Zarina Bibi, the wife. All of them, including Sk. Mohammed, said that Zarina Bibi was an invalid person, and could not be brought. Finding no other alternative, Sanjiv scanned the finger print of one of his companions in place of Zarina Bibi and initiated the process of the admission of Sk. Golam Mohammed with somebody else's finger print. He also called up the nursing home and asked them to admit him with the finger print of his companion. Later, Somnath (another representative of TPA) said that this was very common with aged persons. In many such cases he himself goes to the nursing home and gets them admitted with his own finger print. Otherwise, he argues, such persons would die without any treatment.

Error in creation of smart cards is a common reason for harassment of patients. One day a young lady came to the TPA help desk at the Zila Parishad building at Bardhaman.[6] She had gone to a nursing home but they could not admit her because there were some problems with the card. Somnath, the TPA representative, inserted the card in the card-reader and found that her finger print was missing. Moreover, her name was noted as 'wife', to which she protested and said that her name was Juthika. Somnath scanned her finger prints said that nothing could be done now and she had to get admitted under the name 'wife'. A similar experience awaited us during our visit to one of the nursing homes in Katwa town. A Muslim lady from the neighboring district had come for admission. She was accompanied by her husband, Rahmat, aged about 40 years. However, as per the RSBY card his name was Shyam and his age was 85. The manager told him *"tomader district-a to sob card-e Ram, Shyam kore toiri korechhe"* (all cards in your district have been made in the name of Ram and Shyam). He was asked to get a certificate from the Panchayat certifying that the person mentioned in the card and the patient is one and the same person.[7]

The TPA representatives admitted that such errors are common. According to them, this was even unavoidable. Recounting their experience of RSBY registration camps, the TPA representatives narrated the chaotic conditions under which registration is done. Political parties mobilise their supporters to the camps. Impatience grows as the day progresses. The people standing in queue become restless and a crowd of people come inside the camp. With so many people shouting and swarming the place, errors are bound to happen, they argue. Sometimes names

are recorded incorrectly; sometimes finger print of one person gets mapped to another person's data. Officials of the district Management Information Systems (MIS) cell who act as the Field Key Officials also narrated similar examples. This creates problems at later stages when the beneficiaries go to the nursing homes for treatment.

Lack of Awareness Not Restricted to Beneficiaries Only

Awareness about RSBY was one of the issues which we tried to analyse during our fieldwork. Interaction with patients admitted in nursing homes visited by us revealed a low level of awareness. Many respondents said that each member of the family were entitled to Rs. 30,000 medical treatment. Very few of them knew about the provision for payment of Rs. 100 for visiting nursing homes. One of the nursing home owners in Katwa narrated an incident which happened during the first year of RSBY implementation. Immediately after distribution of RSBY cards, the nursing home started receiving a large number of enquiries from villagers. They wanted to know when they should come to collect Rs. 30,000 from the nursing home. They had conceptualised the RSBY card to be some sort of ATM card, which they could insert in the computer kept at the nursing home and withdraw their money.

Lack of awareness was also evident among senior bureaucrats and nursing home owners. For example, during one of our meetings with the nursing home owners, the ESI representative mentioned that the premium amounting to Rs.15.808 crore had been paid and claims amounting to Rs. 3.039 crore had been settled during the second round of RSBY.[8] This prompted an immediate response from the District Magistrate who was present to argue that in such cases, the claims should not be held up for lack of funds. The dominant feeling amongst the district bureaucracy was that since claims are being settled out of funds paid to the insurance agency, therefore claim processing should not be delayed as long as the total claim does not exceed the premium paid.

The same meeting also revealed absence of awareness on the part of the nursing home owners. For example, one nursing home owner complained about rejection of many genuine claims. The TPA informed him that claims relating to alcoholic patients are not admissible. This was news to most nursing home owners. Another nursing home owner complained that the requisite hardware and software were yet to be installed even though he had paid the requisite money to the TPA about three months ago. Further discussion however revealed that he had actually paid the amount to the TPA responsible for the adjacent district.

Opportunistic Behaviour of Nursing Homes

Overcharging by nursing homes is not new in medical insurance. Sometime back a number of medical insurance firms were forced to withdraw cashless facilities

due to overcharging by nursing homes (Economic Times, 2010). RSBY is no exception to this. In some cases the package rates are much lower prevailing market rates. For example, package rate for maternity cases is Rs 2000 only while the prevailing market rate is around Rs. 7000. All nursing home owners in Bardhaman admitted that this is insufficient to cover expenses of vaccination, food, and other medication for the mother and the child. As a result, some nursing homes were reluctant to admit such patients. For example, a well-known nursing home in Katwa town prominently displayed a board indicating that maternity cases are not done there. Others had found ways of compensating themselves. As one nursing home owner informed, nursing homes compensated themselves by claiming that the infant had to be treated in the intensive care unit. This was also corroborated by TPA representatives at Bardhaman.

However, low package rate is not the main reason for overcharging. All nursing home owners whom we interacted with were of the opinion that for some ailments the RSBY package rates are more than prevailing market rates. Moreover, since many nursing homes have unutilised capacity so, there is no loss if some patients are treated at a marginally lower rate. Even then different forms of overcharging do take place. Both TPA representatives and Panchayat officials during our fieldwork admitted that instances of nursing homes asking the patients to take certain medical tests done (which are included in the package) before they get admitted were common.

On one occasion, we found a middle aged lady sitting inside the TPA help desk.[9] The lady was complaining that a doctor at one of the reputed private nursing homes in Bardhaman town had taken Rs. 4200 for medicines and had made her sign a declaration that she is paying this money willingly for additional medicines not covered under the package. While recording her statement, the TPA representative, told us that this was a new way to overcharge. After the lady left, he said that he had visited this nursing home on the previous day and had found twelve similar cases.

Cataract operation was another case where many nursing homes indulged in malpractice. One nursing home owner informed that many nursing homes work in close coordination with NGO's.[10] They conducted eye camps for identifying cataract patients. There were three types of patients: (a) RSBY beneficiaries, (b) Non-RSBY beneficiary patients who are willing to pay extra for a better lens, and (c) Non-RSBY beneficiary patients who cannot pay anything extra. Most patients belonging to the third category were not taken to the nursing home on the appointed day. The RSBY card holders were the most 'preferred lot' because the nursing homes get paid twice. They get the package rate under RSBY. Since the government pays Rs. 700 per case for providing free cataract operation so, they also get this amount by saying that the operation was done free of cost. This was also corroborated by TPA representatives and officials of district MIS cell.

There were also instances of nursing homes claiming package rates without conducting any surgical procedure. Owner of a nursing home in Katwa informed that this is particularly common in the case of illiterate beneficiaries. We were curious to know how he could say so with such confidence. "It's very easy, the RSBY card contains details of all previous transactions", he said.[11] On a number of occasions, patients were denied operations, while the RSBY card showed that they had been operated. Obviously, the nursing home had applied for the package without the patient's knowledge when the card was presented for verification. Ignorance of villagers is not the only factor responsible for malpractices. Officials of the Panchayat and TPA also alleged that there are instances of collusion between nursing home officials and patients. In such cases the patients willingly give their RSBY cards to nursing home owners for lodging false claims. Once the claim is settled, the nursing homes pay them some money after deducting an amount.

Monitoring and Supervision: Responsibility without power

Considering instances of overcharging and other forms of malpractices, monitoring and supervision becomes a key aspect of RSBY implementation. As per RSBY guidelines, the TPA is responsible for monitoring and supervision of the scheme. This involves conducting surprise inspections to nursing homes and examination of post-operative patients. However, the TPA does not have any powers to penalise nursing homes. At most, the TPA can forward its findings to the district administration for further action. The role assigned to the TPA is not easy. Initially the TPA was handicapped due to absence of technical expertise. Recently a medical practitioner has been engaged. Even then there are problems.

A doctor who had been engaged by the TPA said that once he had inspected two nursing homes in Panagarh town.[12] In both cases he did not find proper operation theatre note. In absence of an operation theatre note, it is difficult to establish what operation was performed. Tracing post-operative patients is not easy. On one occasion, he went to villages with a list of the patients names to find some of these patients. However, there are often multiple persons having the same name and after spending a whole day, he could find only a couple of patients. Despite these difficulties, the TPA had detected a number of glaring instances of irregularity. For example, the TPA representatives informed they had detected a number of instances where claims pertaining to abdominal surgery were lodged but on physical inspection they could not find any evidence of surgery on the patient's body. They had forwarded these cases to the Zila Parishad but no action have been taken till date.

The fact that the district bureaucracy is aware of malpractices indulged by nursing homes became apparent during a meeting with nursing home owners. As the owner of a reputed nursing home started complaining about arbitrary rejection of claims, the Additional District Magistrate (ADM), Zila Parishad shot back by

asking him how he had claimed for treating a patient on 23 and 24 of a month when the patient expired on 22nd of the same month.[13] Similarly, responding to a nursing home's complaint about rejection of claims, the TPA had said that they had claimed charges for an intensive care unit, while this is not part of the signed memorandum of understanding. At this point the ADM said that 'although you do not inform us, we know what happens 'inside' your nursing home'. During the same meeting, the District Magistrate had threatened the nursing homes that while the district administration will provide all possible support to the nursing homes, they should stop unfair practices. If they did not stop unfair practices, public hearings would be held to expose them.

Delayed Claim Settlement: Control over funds as the lever of control

Timely settlement of claims is one of the key success factors of RSBY. This is because, delay in claim settlement not only discourages existing nursing homes from providing medical facility to RSBY beneficiaries but it also discourages non-empanelled nursing homes from getting empanelled. The importance of speedy claim settlement is reflected in the MOU signed between the insurance company and the state nodal agency. As per the MOU, if a claim is not acceptable then it has to communicate the reasons to the designated authority within three days of receipt of the claim. Claims which are not rejected can be processed for payment or further investigation. In any case, it has to be settled within one month from the date of receipt of the claim, and at least 75% of claims have to be settled within 21 days from the date of receipt. Further, details of all claims pending beyond one month have to be provided to the state nodal agency. Promptness in settling claims is one of the performance measures based on which the contract gets renewed. Also, a contract can be terminated on this ground.

Information and Communication Technology (ICT) plays a critical role in the settlement of claims. Lodging of claim needs to be done online; its amount is also pre-determined. This is because the claim depends on two factors: the package applied for, and duration of the patient's stay in the nursing home. The first is specified by the nursing home. The second is calculated by the system on the basis of admission and discharge dates recorded on the smart card. In such cases, claim-processing ideally should not take much time. However, there were widespread complaints regarding delayed settlement of claim in Bardhaman. In fact, claim-settlement data provided by the TPA (Table 2) showed that 65% of claims pertaining to second round of RSBY were yet to be settled for the financial year 2010-11 until December 2010. As we started interacting with different stakeholders, the reasons for delayed claim settlement started unfolding.

During our course of interaction with TPA and nursing home owners, it became apparent that extensive use of ICT had not translated into better flow of information. Rather, there was a feeling that the use of ICT has made the system completely

TABLE 2: STATUS OF CLAIM SETTLEMENT IN BARDHAMAN DISTRICT FOR 2010-11 (AS ON 25.12.2010)
(SOURCE: RSBY OFFICE, BARDHAMAN)

Bardhaman Round-2 RSBY details as on 25.12.2010

Sl. No	*Hospital Name*	*LOCATION*	*Total no. of Total Claim Settled*	*Amount of Total Claim settled*	*No of Claims Outstanding*	*Outstanding Amount*	*No. of Claim Rejected*	*Rejected Amount*
1	Arogya Niketan Clinic & Nursing Home	Katwa	228	1648175	112	417125	3	2000
2	Astha Nursing Home Pvt.ltd	Barakar	0	0	0	0	0	0
3	B.d.r.c. Pvt. Ltd	Burdwan	153	1209209	234	1646600	5	58500
4	Bidhan Niramoy	Dugapur	0	0	0	0	0	0
5	Daffodil Medical Centre	Asansol	76	299900	68	200100	18	31000
6	Debipur Netralaya Pvt. Ltd.	Vemari	537	2046000	258	609700	0	0
7	Diplomat Nursing Home	Burdwan	46	408627	39	284400	1	1500
8	Dream Land Ursing Home	Rana-1	31	224450	61	259250	2	7000
9	HLG Memorial Charitable Hospital and Research Institute Pvt. Ltd.	Asansol	0	0	0	0	0	0
10	Jeevan Deep Nursing Home	Burdwan	211	1496350	205	1287250	13	61500
11	Jeevandeep Nursing Home (Durapur)	Dugapur	18	75000	23	75700	1	2500
12	Kalyan General Hospital	Budbud	0	0	0	0	0	0
13	Kalyani Nursing Home	Burdwan	0	0	0	0	0	0
14	Kamalalaya Hospital Extension	Asansol	141	514250	115	386450	19	37000
15	Life Care Nursing Home	Dugapur	126	442500	65	133400	21	55500
16	Lions Club of Jamalpur Welfare Trust	Jamalpur	233	832800	144	274200		
17	Maa Durga Nursing Home	Rajbandh	174	584900	93	225850	12	28500
18	Memorial Nursing Home & Clinic	Burdwan	32	255950	48	243300	4	22000

contd. table 2

Sl. No	*Hospital Name*	*LOCATION*	*Total no. of Total Claim Settled*	*Amount of Total Claim settled*	*No of Claims Outstanding*	*Outstanding Amount*	*No. of Claim Rejected*	*Rejected Amount*
19	New Kife Nursing Home	Burdwan	46	324800	47	254400	1	3000
20	Panagarh Nursing Home	Panagarh	69	321100	40	147900	24	40500
21	Mrs. Puspa Dutta Park Nursing Home	Burdwan	60	458925	40	212950	4	3500
22	Repose Nursing Home	Panagarh	124	634400	81	254475	9	35750
23	Shyamsundar Nursing Home	Rana	26	159100	59	291150	11	22500
24	Vivek Nursing Home	Durgapur	30	141000	38	113500	0	0
25	Vivekananda Hospital Pvt. Ltd.	Durgapur	171	750328	248	1069600	17	43500
26	West Land Nursing Home	Dugapur	19	72150	20	49600	10	18000
27	Sharanya Hospital	Burdwan	298	1999650	241	1307725	23	53500
		Total	2849	14899664	2279	9744625	198	527250

opaque. For example, during interactions between nursing home owners and the district administration, one of the nursing home owners from Kalna complained that Rs. 7.5 lakh pertaining to the first round of RSBY was yet to be cleared.[14] The TPA representatives informed that the claim was pending because information was not available in the 'central server'. The nursing home owners retorted back saying that they had updated the information. However, without any system of confirmation, they were totally in the dark about the fate of the uploaded information.

The TPA countered the complaint by saying that all nursing homes were supposed to submit a daily report on patients admitted to the nursing home. In cases of mismatch between this report and data available in the central server, the TPA was supposed to contact the Nursing Home and get the issue clarified. However, this nursing home was not sending the report daily to the TPA. The TPA further clarified the reason for non-settlement of claims pertaining to first round of RSBY by arguing that these claims could not be validated because they were done in an 'off-line mode'. Such off-line transactions could not be reimbursed. The TPA further complained that the activities of the nursing home were suspicious. The nursing home had contacted the software service provider, bypassing the TPA, for converting off-line transactions to on-line transactions.

The nursing home owner, on the other hand, justified the need for off-line transactions. Sometimes they receive critical patients and the treatment has to be started immediately. However, due to finger-print mismatch or other forms of error in the card, they often cannot complete the online process. Representatives of another well-known nursing home from Bardhaman supported him saying that off-line transactions may also become necessary because of server-problems or poor internet connectivity. The representative of the state nodal agency argued that when offline transactions become necessary, the nursing home should immediately contact any of the members of an empowered committee and get her prior approval. The ADM said that in such cases, they should send an email to the concerned official because telephonic conversation has no validity. However, the nursing home owners wondered how they could send an email if offline transaction becomes necessary due to non-availability of internet service.

Since claims pertaining to off-line transactions are rejected so, it does not explain delayed settlement of claims. As time progressed, we could see that the reason laid elsewhere. The claims are processed in batches, with each batch spanning over ten days. However, the TPA has a drawing limit of 20 lakh per a ten-day period. This limit is fixed by the insurance company. So, cumulative claims of up to 20 lakhs are cleared, and the balance is taken up during the next ten-day period. Thus, time taken for settling claims is dependent on the amount of claim that remains unsettled from earlier batches. This introduces delay and uncertainty to claim settlement process. Payment trough electronic fund transfer can reduce time taken

for claim settlement by eliminating the need for writing cheques, physically delivering them to nursing homes and clearance by the banks. However, Somnath, the TPA representative explained why cheque payment is preferred. It allows them to visit the nursing home on the pretext of handing over payments. The nursing home authorities keep good relation with then because they 'bring' the pay-out cheques. In absence of this, the nursing home authorities would possibly not give any importance to them.[15]

Role of the Third Party Administrator: Balancing Conflicting Goals

The Third Party Administrator (TPA) occupies a pivotal position in day-to-day functioning of the RSBY. Its role includes registration of RSBY beneficiaries, processing the nursing homes' application for empanellment, installation and maintenance of software at empanelled nursing homes, timely settlement of claims and ensuring the nursing homes' compliance to RSBY guidelines (Rashtriya Swastha Bima Yojna Guidelines, 2008). To what extent is it equipped to deal with these multifarious functions, what are the difficulties encountered by it and what impact it has on RSBY implementation were questions we raised as part of our study.

We had an opportunity to be present during an informal meeting between the TPA representatives and district officials. The TPA representatives from Kolkata had been called by the ADM for a meeting. Since they reached a little early so, they came to the MIS Cell to have an informal discussion. Ranjit babu, the MIS cell official responsible for handling RSBY, mentioned that there were widespread complaints about delayed settlement of claims and a growing perception that the TPA was more interested in protecting the interests of the insurance companies. The entire team of TPA officials got agitated after hearing this. They said that the nursing homes always complained about unsettled claims but they never divulge the amount of claim that had already been settled. One of the nursing home, they claimed, had already received more than one crore that year. One of the members expressed her anguish over the position of the TPA in RSBY implementation. She complained that, as a premium paying authority, the government was interested in maximising claims. The nursing home owners also liked to get more money from them, even if it involved submission of inflated claims. The insurance company, she pointed out, appointed the TPA with the expectation that it would reject inflated claims and restrict the amount paid to a nursing home because unbridled claim could spell ruin for the medical insurance company. However, if they were too strict, then the nursing homes will not be attracted to RSBY and the beneficiaries will have to face the consequence. So, the TPA had to balance the conflicting goals and objectives of all the stakeholders. However, apart from getting a fixed remuneration from the insurance company, they had very little stake in the scheme.[16]

Altering Power Relations between Doctors and Nursing Homes

One of the surprises that came up during our fieldwork was RSBY's impact on power relations between the nursing homes and the doctors. We came across this issue accidentally. While discussing different aspects of health-care industry in general, the TPA representative said that in medical field there are three principal parties: nursing home, doctors and the agents. Most patients do not know the name of any nursing home. They generally go to a doctor. It is the doctor who decides where the patient would get admitted. The doctor calls up nursing homess and selects one which allows her to use the nursing home infrastructure at the lowest cost. Some patients, on the other hand, do not approach doctors. Agents guide them to nursing homes that pay the agents a commission. Thus, most nursing homes are heavily dependent on either doctors or agents and the doctor is an actor in this triad.

RSBY has altered the scenario dramatically. Suddenly it has created a new set of customers who do not know any doctor. The better-informed amongst them go to a nursing home directly and the less-informed are guided by agents. In either case, the patient does not choose the doctor, she selects the nursing home. Thus, the balance of power has shifted away from the doctors. We raised the issue with a nursing home owner during our visit to Panagarh. He admitted that the number of patients who are coming to the nursing home directly has increased considerably after the introduction of RSBY. We were also fortunate to witness an incident which demonstrated this fact.

We had gone to visit one of the empanelled nursing homes in Katwa. While waiting for the owner, we observed how patients were handled. The manager was sitting in a small squarish room with a queue of patients standing before him. He was looking at the medical reports and prescriptions submitted by one patient. He wrote down the name of a nearby medicine shop. She was instructed to meet one Dr. Chattaraj in his chamber and revert back after getting his medical advice. Later, the nursing home owner told us that since he was not a doctor, he needed to get operations done by other doctors. Whenever a patient came to the nursing home, the patient was referred to one of the doctors with whom he liked to work. Our discussion with this nursing home owner revealed that he was very conscious of this power dimension and it was the most important reason for getting empanelled under RSBY when no other Nursing Home in his Block had agreed to get empanelled.

His nursing home was established nearly two decades ago. During this time he had witnessed how nursing home owners were held at ransom by doctors. Generally a nursing home is not known to the patients. They visit doctors, and the doctors decide where they want to get the patient admitted. As discussed earlier, this decision is generally the outcome of a bargaining process: the nursing home which maximises the doctor's fees is selected by the doctor. As a result, the nursing

homes end up getting only about 30% of the total fees paid by the patient. They cannot ask any question regarding the quality of medical care and are totally at the mercy of the doctors. This nursing home owner had a gut feeling that RSBY could be an instrument for changing this power relationship. His decision had been fully vindicated. In the first year he had treated 930 RSBY patients. Till now he had done business worth more than one crore. Not only was this much more than what he would have earned without RSBY but at the same time, his payout to doctors had gone down drastically. Now doctors came to him for getting patients.

Conclusion

The findings from our fieldwork show that beneficiaries encounter different forms of hardship caused by human and technological factors. As absence of a political incentive prevents correction of BPL lists, many non-entitled persons get benefitted while many genuine beneficiaries remain excluded. Technical limitations of the finger-print scanning process lead to creation of a new class of excluded persons and human intervention becomes necessary to address their problems. However, this also raises questions about accuracy of bio-metric information and opens up the possibility of future misuse. Errors in preparation of RSBY cards coupled with a reliance on on-line claims result in undue hardship to patients in need of urgent medical attention as precious time is wasted in rectifying errors.

Problems are also caused by inadequate awareness among different stakeholders. While inadequate information about claim settlement process contributes to increasing dissatisfaction among the nursing home owners, bureaucratic misconceptions about claim settlement process makes the TPA's task difficult. Lack of awareness among beneficiaries makes them susceptible to malpractices by nursing homes, while misconceived notions about entitlements result in collusion between beneficiaries and the nursing homes. Instances of the nursing homes indulging in opportunistic behaviour get encouraged due to weakness in monitoring and supervision. While the TPA is responsible for monitoring and supervision, the power to penalise errant nursing homes rests with the district bureaucracy. The bureaucracy often prefers to do nothing except threatening nursing homes of a public hearing. In absence of an effective instrument for controlling the behaviour of the nursing homes, claim settlement is the only lever of control left with the TPA. Thus, the use of ICT fails to eliminate delay in claim settlement. This does not mean that ICT has had no impact on RSBY implementation. Use of biometric smart cards has empowered large number of poverty stricken people from getting benefitted from professional medical care. It has smoothened the flow of information from nursing homes to the TPAs and claims get lodged instantly. However, it has also made the system opaque as the nursing homes remain in dark about the fate of uploaded data. Reliance on on-line claims also makes the system less responsive to deal with exceptional cases.

RSBY's most profound impact lies in altering the existing power relations between the nursing homes and the doctors. By creating a new class of customers who come directly to the nursing homes, the scheme has provided them with the opportunity to break free from the power of doctors.

Notes

1. Interview with TPA representative at Bardhaman on 20th January 2011.
2. The State Secretariat
3. TPA Representative, Bardhaman 20th January 2011.
4. Meeting at Memari-II Block, 2nd March 2011
5. Meeting in Bardhaman, 5th January 2011
6. Meeting in Bardhaman, 4th January 2011
7. Meeting in Katwa, 21st January 2011
8. Meeting in Bardhaman, 18th January 2011
9. Meeting in Bardhaman, 1st February 2011.
10. Meeting in Katwa, 21st January 2011
11. Interview with owner of a RSBY empanelled NH at Katwa, Katwa, 21st January 2011
12. Meeting in Bardhaman, 17th February 2011
13. Meeting between district officials, TPA and Nursing Home owners at Bardhaman, 18th January 2011.
14. Meeting with nursing home owners in Bardhaman, 18th January 2011.
15. Interview with TPA representative at Bardhaman, 5th January 2011.
16. Informal discussion between TPA representatives and officials of district MIS cell at Bardhaman on 3rd January 2011.
17. ESIC: Employees State Insurance Corporation.

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