JRFHHA

10.5005/jp-journals-10035-1032

RESEARCH ARTICLE

Optimal Utilization of Government Assisted Financing for Poor Patients: Facilitation by a Hospital

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ABSTRACT

Introduction: Sole objective of healthcare financing is that rich and poor should be treated equally as poverty is not a disability and wealth is not an advantage. Approximately, 78% of Indian population spends for healthcare from out of pocket expenditure, remaining by salary, agriculture, business, etc. Only 3% population is covered by health insurance. Prime minister (PM) fund is one of the methods to offset the treatment cost from poor.

Objective: Present paper is aimed to highlight the contribution of PM fund for patients getting treatment at Sanjay Gandhi Post Graduate Institute of Medical Sciences (SGPGIMS) hospital and efforts made by hospital for its optimal utilization.

Materials and methods: Retrospective studies were carried out in 2010 and July 2013 for contribution received form PM fund for indoor poor patients treatment during last 5 years, number of patient availed/not availed financial assistance, reasons for not availing, on the line of problem solving process. Efforts made by SGPGIMS for its optimal utilization were also highlighted.

Result: During financial year 2007-2008 to 2009-2010, total 1246 patients received the fund of worth USD 1.30 million (₹ 78792750.00) and only USD 1.09 million (₹ 65569869.00) was utilized by 1110 (89%) patients. One hundred and thirty-six (10.91%) patients did not utilize. Hospital administration made efforts for optimal utilization by minimizing the barriers, consequently it improved the utilization by 8.20%. During financial year 2010-11 to 2011-12, USD 1.85 million (₹ 111081789.00) was received for 1450 patients, out of which 730 patients have already utilized and 682 are still using the fund (total 1412/97.40%) and 38 patients (2.60%) did not use it.

Conclusion: Simple efforts made by hospital improved the utilization of PM fund by 8.20% and poor were really benefited. Hospitals should also fulfill the social responsibility by facilitating the patients.

Keywords: Healthcare financing, Developing country, Out of pocket expenditure, Below poverty line, Prime minister fund.

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How to cite this article: Chandra H, Bhardwaj ND, Mansoor F, Mandal R, Srivastava DC, Harsvardhan R. Optimal Utilization of Government Assisted Financing for Poor Patients: Facilitation by a Hospital. Int J Res Foundation Hosp Healthc Adm 2015;3(1):25-28.

Source of support: Nil

Conflict of interest: None

INTRODUCTION

Due to advancement in technology, emergence of different diseases and many other factors, expenditure on healthcare, especially tertiary care treatment, is increasing unabatedly, and is beyond the reach of the common man. This, in turn, becomes one of the hindrances in the social development of any country.[1] Healthcare expenses in India are increasingly going up. A onetime heavy expenditure or a recurring cost of treatment of a chronic disease can erode all the savings and even drive people into debt. India is a developing country and approximately 30% population lives below poverty line. With such widespread penury, people do not aspire to save money for future expenditures on their health. Henceforth, tertiary care facility is inaccessible to majority of patients in India. Investment in healthcare is a necessary social investment so that, despite omnipresent destitution, majority of Indians can realize good health and contribute vehemently to the growing economy. In India, though the state has a large stake in the health sector, investment has not been effectively utilized.[2] The situation becomes more abysmal as majority of Indians are unable to afford the entire cost of healthcare treatment especially the enormous cost of tertiary care treatment. Thus, financing of healthcare is of paramount importance so as to deliver quality healthcare services in the country and, thus different modes of HCF should be explored.[3]

There are four major modes of healthcare financing viz. free services, fee for services (FFS), diagnosis related groups (DRGs) and capitation.[4] Sole objective of health-care financing is that rich and poor should be treated equally as poverty is not a disability and wealth is not an advantage. But, developing country having 30% population living with below poverty line (BPL) can accomplish this objective, is a millions of dolor question.

Free treatment to all is out of reach poor as country can not afford. Tertiary care is more expensive. A study of HCF conducted between 2007 and 2010 at SGPGIMS Lucknow, UP, India revealed the followings outcome.[5]

Financing Mode

Sl. no.	Source	Percent (Approx.)
1.	Self but no reimbursement (out of pocket*)	75
2.	Self but will be reimbursed	19
3.	Advance payment by the employer	5
4.	Insurance	1

*Detail of out of pocket expenditure

Sl. no.	Source	Percent (Approx.)
1.	Salary	10
2.	Pension	03
3.	Deposit	17
4.	Cash in hand	20
5.	Loan from bank	03
6.	Loan from friends/relatives	30
7.	Selling of assets	08
8.	Mortgaging the asset	07
9.	Others	02

India, having approx. 1.25 billion population spends 4.5% of GDP in health sector and 2% of union budget is spent for health sector. Though health is a matter of state but union government simultaneously releases funds for states. Presently approximately 78% of Indian population spends for healthcare from out of pocket expenditure, remaining by salary, agriculture, business, etc. Only 3% population is covered by health insurance. In India, slowly people are now receptive to insurance as a cost-effective method of risk-mitigation to take care of possible healthcare expenditure. A thriving insurance sector is of vital importance to every modern economy. First, because it encourage savings habit, second because it provides a safety net to rural and urban enterprises and productive individual and perhaps most importantly it generates long-term investable funds for infrastructure building.[6]

Literature Review

The government of India and state governments have started many fully or partially financing schemes for economically deprived/BPL patients (less than 1.50 USD per day earning). Rashtriya Swasthya Bima Yojana (RSBY) is one of the best community financing scheme. Rashtriya Swasthya Bima Yojana, literally 'National Health Insurance Program',[7] is a government-run health insurance scheme for the Indian poor. It provides for cashless insurance for hospitalization in public as well private hospitals. The scheme started enrolling on April 1, 2008 and has been implemented in 25 states of India. A total of 23 million families have been enrolled as of February 2011. The RSBY is a project under the Ministry of Labor and Employment.[8] Prime Minister's (PM) fund is ALSO one of the financing mechanisms for poor patients.

Sanjay Gandhi Post Graduate Institute of Medical Sciences (SGPGIMS), a tertiary care hospital, Lucknow, India also gets the PM fund for treatment of poor patients from same source. The Uttar Pradesh (UP) government is also financing the poor through Antyodaya/BPL Nidhi,[9] Asadhya Rog Nidhi[10] and Chief Minister's (CM) discretionary fund. The SGPGIMS has also developed an in-house financing mechanism for poor patients getting treatment at this hospital through a society named 'Kamdhenu Ati Nirdhan Chikitsa Sahayata Society' (KANCSS). So for 8367 patients have received USD 1.67 million as financial assistance from KANCSS and benefited. The care institution across the third world countries should take KANCSS as a prototype.[11] To receive the CM and PM fund, patients have to make many efforts but despite of all efforts made for financial assistance by the patients, the PM Fund released from New Delhi was not utilized by all patients. It was a general observation by the hospital that many patients used to visit hospital account's department frequently to enquire about fund availability from PM office, and account's department denial caused much inconvenience to patients. In most of the such cases, the money was not utilized due to delay in receipt by hospital. This situation led the hospital administration to find out the reasons in delay in receiving the money by hospital and non utilization by some patients. The present study is based on situation and to facilitate the utilization of PM fund by patients at SGPGIMS as a part of its social responsibility.

OBJECTIVE

Present paper is aimed to highlight the contribution of PM fund for patients getting treatment at SGPGIMS and efforts made by hospital for its optimal utilization.

MATERIALS AND METHODS

The methodology adopted was on the line of problem solving process and divided in three parts, i.e. Pre-strategy, strategy and post-strategy.

Pre-strategy: A retrospective study was carried out in August 2010 for contribution received for patients from all sources with a special reference to PM fund during last 3 years (2007-2008 to 2009-2010), number of patient availed/not availed financial assistance.

Strategy: Forty patients/relatives of who could not avail the facility were contacted to know as to why

they could not avail the same to find out reasons for not availing, based on feed back received from patients, hospital administration tried to eliminate/reduce the possible hurdles. The PM office was contacted and informed about nonutilization of money, problem faced by patients and reasons for nonutilization of money as per feed back received from patients. Efforts were made by SGPGIMS for its optimal utilization by advising the elimination of delay factors.

Post-strategy: A similar retrospective study was carried out in July 2013 for contribution received for patients from all sources with a special reference to PM fund during post-strategy 2 years period (2010-2011 to 2011-2012) for number of patient availed/not availed financial assistance.

The improvement in utilization (effect of efforts made) was observed during 2010-2011 to 2011-2012.

RESULT/ANALYSIS

As evident from hospital statistics, the SGPGIMS hospital had catered to approximately 388362 outpatients in the years 2012 to 2013. Out of these nearly 1,00,000 were new patients rest were old OPD patients. On an average, 300 new patients and 650 old patients were registered per day at SGPGIMS. The annual discharge is 34926 with a bed occupancy of 87%. These registered patients are availing facilities of various superspecialities like cardiology, renal sciences, neurosciences, gastroenterology, endocrinology, immunology, hematology and genetic medicine, pulmonary medicine, pediatric GE, pediatric surgery, MRH, etc. The institute hospital receives financial assistance for poor indoor patients from many sources and also contributes the same through a society formed, the detail of which given below.

Various financial assistance (FA) schemes offered for poor patients at SGPGIMS

Sl. no.	*Name of scheme*	*Year of commencement*	*No. of patients benefited so far*	*Amount of FA (₹/USD)*
1.	Kamdhenu Ati Nirdhan Chikitsa Sahayata	2009	8367	105804354 1763406
2.	Chief minister's fund	1995	4826 (wef FY 2009-10)	413349000 6889150
3.	Prime minister's fund	2007	2696	189874539 3164576
4.	BPL/antyodaya nidhi	2011	295	45901950 765032
5.	Asadhya rog nidhi	2013	30	9173000 152885

Prime Minister's Fund

Prime minister's fund is a voluntary scheme governed by PM office, New Delhi. Fund allocation varies from patient to patient, and approaches by given application. It also depends upon the need and availability of fund.

Status of PM fund released to SGPGIMS—at a glance

Financial year	*PM office fund*	*No. of patient*	*Money utilized*	*Percent of money utilized*	*Money not utilized*	*Percent of money not utilized*
2007-08	25643500	418	23968366	93.47	1675134	6.53
2008-09	29454250	479	23680390	80.40	5773860	19.60
2009-10	23695000	349	17921140	75.63	5773860	24.37
2010-11	38230500	647	26548898	69.44	11681602	30.56
2011-12	72851289	803	60302392	82.77	12548897	17.23

Comparison between pre- and post-strategy period

Financial year	*PM office fund received*	*No. of patient*	*Money utilized*	*Money not utilized*	*No. of patient utilized the fund*	*No. of patient did not utilize the fund*
2007 to 2010	78792750 ($1.30 million)	1246	65569869 ($1.09 million)	13222881	1110 (89%)	136 (10.91%)
2010 to 2012	111081789 ($1.85 million)	1450	86851290 ($1.44 million)	24230499	730 + 682 (97.40%)	38 (2.60%)

Pre-strategy: During financial year 2007-2008 to 2009-2010, total 1246 patients received the fund of worth USD 1.30 million (₹ 78792750.00) and only USD 1.09 million (₹ 65569869.00) was utilized by 1110 (89%) patients. A 136 (10.91%) patients did not utilize.

Strategy: The feedback response of patients/relatives, who could not utilized the PM's fund revealed delay in communication by PM office with patients, non clarity in details of patients received by hospital, delay in receiving the money through cheque by hospital and no more money required as the patient is already treated or dead, are the main reasons for nonutilization of money. Hospital administration made efforts for optimal utilization by minimizing the barriers by contacting PM office and advising accordingly.

Post-strategy: As a result, by efforts made by hospital for timely information to patients by PM office, accuracy in detail of patients and transfer of money through RTGS by PM's office, improved the utilization by 8.20%. During financial year 2010-2011 to 2011-2012, USD 1.85 million (₹ 111081789.00) was received for 1450 patients, out of which 730 patients have already utilized and 682 are still using the fund (total 1412/97.40%) and only 38 patients (2.60%) did not use it.

Thus, the situation was improved and problem up to many extent was solved.

CONCLUSION

The SGPGIMS hospital is getting financial assistance from various sources and the funds are also being utilized optimally. The CM fund, Kamdhenu fund, BPL fund and Ashadya rog fund being released locally Lucknow/ institute are properly traced and followed, therefore being used optimally. But PM fund, which is released from New Delhi was not properly traced and followed. Simple efforts made by hospital with the help of PM' office, in the form of timely information to patients, accuracy in detail of patients and transfer of money through RTGS improved the utilization of PM fund by 8.20% and poor were really benefited and problem was solved.

RECOMMENDATION

Accuracy in details, timely communication about availability of fund and transfer of fund through RTGS facilitate the utilization of money. Hospitals should also fulfill the social responsibility by facilitating the patients.

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