

An excerpt from:

Better Health & Social Care: How are Co-ops & Mutuals Boosting Innovation & Access Worldwide?

An International survey of co-ops and mutuals at work in the health and social care sector (CMHSC14)

Volume 2: National Cases

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For the research framework, the analysis of the national cases, and other research components, including a description of the research team members, refer to Volume 1: Report.

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HEALTH SYSTEM¹

Today, most Indians seek health care in private facilities. Owing to many years of neglect, lower-level public health care facilities often suffer from a variety of problems, including worker absenteeism and dual public-private practice, low demand for their use, and shortages of supplies and staff. By contrast, private health care varies greatly in quality of care, being unregulated and financed largely through out-of-pocket payments. In the private sector, there are a large number of health workers who have only a high-school education or no medical degree.

There are at least two major health care programmes in India. The first is the National Rural Health Mission (NRHM). It is the central government’s attempt to improve delivery of services in public facilities as well as public health and preventive interventions, led by the Ministry of Health and Family Welfare. The second is the Rashtriya Swasthya Bima Yojana (RSBY), a health insurance programme delivered by the Ministry of Labour and Employment. In most states RSBY covers people “below the poverty line” for a specific list of tertiary care services. NRHM, launched in 2006, has had some success in improving access to certain services, such as maternal health care (under the Janani Suraksha Yojana programme). Less clear is the impact which NRHM has had on other services. However, there is early evidence that RSBY has been somewhat effective in reducing out-of-pocket payments for tertiary care. Whether this programme also improves population health is uncertain.

HEALTH COOPERATIVES

The development of cooperatives in India begins in 1904 with the passage of the Cooperative Credit Societies Act. Today, cooperatives are active in approximately 99% of Indian villages and 71% of the country’s rural households. Co-ops are especially important in to agricultural credit, fertilizer production and distribution, sugar production, cotton spinning, and the dairy sector.²

In India, health co-ops generally include in their name the words “hospital society.” For this study, several attempts have been made to collect relevant data but with very limited results.³

Under the rubric “hospital society,” using two different lists,⁴ we have been able to identify 109 health co-ops. Unfortunately, detailed information about these health co-ops (other than the geographic location) is not available, with one exception. Shushrusha Citizens’ Co-operative Hospital Ltd. provided us with key figures. See table, opposite.

The National Co-operative Union of India reported 221 hospital cooperatives with 155,978 members in 2009-2010.⁵ Its report also specifies a “government participation of 32.54%.” Comparing this

Population (in thousands): 1,240,000

Population median age (years): 26.07

Population under 15 (%): 29.43

Population over 60 (%): 8.1

Total expenditure on health as a % of Gross Domestic Product: 4.1

General government expenditure on health as a % of total government expenditure: 9.4

Private expenditure on health as a % of total expenditure: 66.9

number of co-ops and members with 2008-2009 data (216 co-ops, 150,801 members), a modest increase is discernible.

Shushrusha Citizens’ Co-operative Hospital Ltd Data⁶

Number of cooperatives	1
Types of cooperative	User (1) Multi-stakeholder (-) Producer (-)
Number of members	User: 20,000 Producer: 200 doctors, 100 nurses, 150 administrative staff, 200 support staff
Number of customers (or other enrolled users)	Tie-up with 20 companies
Services offered	Cancer, heart ailments, eye ailments, treatment of various diseases, orthopaedic, spinal surgery, etc.
Number of employees	450 staff, 200 doctors
Facilities	1 hospital at Dadar, 1 maternity unit at Vikhroli
Annual turnover	\$3,304,966 USD (Rs. 20 Crores)
Revenue sources	Out of pocket - No external sources

COOPERATIVE INSURANCE

In Karnataka State a health plan programme, Yeshasvini Co-operative Farmers Health Care Scheme, has been implemented in collaboration with existing co-ops.⁷ The programme offers free outpatient diagnosis and lab tests at discounted rates. More importantly, it covers less discretionary inpatient surgical procedures in cases of emergency. An evaluation of the scheme gives it high marks:

“Generally, the programme is found to have increased utilisation of health-care services, reduced out-of-pocket spending, and ensured better health and economic

outcomes.... however, these effects vary across socio-economic groups and medical episodes. The programme operates by bringing the direct price of health-care down but the extent to which this effectively occurs across medical episodes is an empirical issue. Further, the effects are more pronounced for the better-off households.”⁸

The evaluation demonstrates that community insurance presents a workable model for providing high-end services in resource-poor settings through an emphasis on accountability and local management.

SOURCES

¹ Extract from an interview, National Bureau of Asian Research. 2014. Retrieved August 22, 2014 (<http://www.nbr.org/research/activity.aspx?id=298>).

² National Co-operative Union of India. 2014. “Co-operative History.” Webpage. Retrieved August 22, 2014 (<http://www.ncui.coop/history-coop.html>).

³ Special thanks to Ms. Savitri Singh and the ICA Regional Office for Asia and Pacific for their generous provision of data.

⁴ One list identified nine health cooperatives in India. Another identified 100 health cooperatives, all located in Kerala State.

⁵ National Resource Centre of NCUI. 2012. *India Cooperative Movement: A Statistical Profile - 2012*. 13th Edition. New Delhi: National Cooperative Union of India. Retrieved August 22, 2014 (<http://www.ncui.coop/pdf/Indian-Cooperative-Movement-a-Profile-2012.pdf>).

⁶ Information provided by Dr. Rekha Bhatkhande, Dean of Shushrusa Citizens' Co-op. Hosp. Ltd., May 10, 2014.

⁷ Centre for Health Market Innovations. 2014. “Yeshasvini Cooperative Farmers Health Care Scheme.” Retrieved August 22, 2014 (<http://healthmarketinnovations.org/program/yeshasvini-cooperative-farmers-health-care-scheme>).

⁸ Aggarwal, Aradhna. 2010. “Impact evaluation of India's ‘Yeshasvini’ community-based health insurance programme.” *Health Economics* 19(Supplement 1):5-35. Retrieved August 22, 2014 (<http://onlinelibrary.wiley.com/doi/10.1002/hec.1605/abstract>).