

ADVISORY NOTE TO INSURANCE COMPANIES FOR HOSPITAL SURVEILLANCE, DE-EMPANELMENT OF THE HOSPITALS AND THE PROCESS FOR DISPUTE RESOLUTION

Background

1. The effective and efficient implementation of Rashtriya Swasthya Bima Yojana (RSBY) is dependent mainly on the coordination amongst stakeholders, especially the insurance company, the state nodal agencies, the district administration and the hospitals. Although there are adequate measures built into the scheme to minimize the probability of the occurrence of any malpractice or fraud, laxity on part of any one of these stakeholders, and more importantly the Insurance Company (IC) and the State Nodal Agency (SNA), can lead to leakages. It is, therefore, extremely important that the IC and the SNA maintain a strict vigil on the data that comes to them from various hospitals. It is also imperative to ensure a robust and concurrent monitoring and evaluation mechanism at the operational level.
2. It is evident that the scheme relies heavily on the business interest of the hospitals and the insurance companies, to create counter checks which should help in minimizing malpractices. It is in the interest of the IC to spend time and effort on an effective monitoring mechanism to ensure that the claim ratios are realistic, manageable and correct. Otherwise, the IC is bound to make a loss. In the overall long term business interest of the hospitals should ensure that they do not indulge in malpractices which would lead to punitive action being initiated against them. Apart from the financial loss, it would obviously tarnish the image of the hospital leading to loss of both RSBY and non-RSBY clientele.
3. The following advisory attempts to provide broad operational guidelines to the Insurance Companies to implement a robust monitoring strategy at the operational level and also provides details of the procedure for initiating punitive action against errant hospitals.

Responsibilities of the Insurance Company

The insurance company plays a vital role in plugging leakages that may arise out of malpractices by the empanelled hospitals. However, the insurance companies should not precipitate an action that might adversely affect the provision of health benefits to the beneficiary.

The monitoring and evaluation strategy of the Insurance Company should **at least** include the following aspects

1. **Daily monitoring and analysis of data** at the district and state level, to look at following trends:

- i. Sudden growth in admissions
- ii. Sudden growth in admissions from a particular village / cluster
- iii. Unrealistically high number of cases of same / similar ailments coming from a hospital / group of hospitals
- iv. Extremely short / excessively long length of stay of patients
- v. Clinically un-probabilistic / unrealistic trends
- vi. Trends which could be linked to unethical clinical practice

It is suggested that the IC/TPA employs suitably qualified staff, preferably exclusively for RSBY cases at the state level

2. **Manual submission of claims** by the hospital should be immediately looked into and all possible efforts should be made by the IC/TPA to rectify technical snags that are forcing the hospital to submit claims manually.

3. **Hospital visit by insurance company**

The Insurance company representatives should periodically visit hospitals to physically verify the presence of RSBY patients and also the medical records of RSBY patients. The empanelled hospitals would be required to assist in this. However, it is important that this visit is conducted in a professional manner without causing inconvenience to either the hospital staff or the beneficiary. In case of lack of cooperation from either side (Hospital or insurance company) the aggrieved party may approach the State Nodal Agency immediately, who in turn would instruct the District level representative of the State administration to look into the matter immediately.

- a) **Do's and Don'ts**

- a. The representative of the Insurance Company, would under no circumstances question the line of treatment during the hospital visit, he/she may take photocopies of all relevant medical records and send them to his/her underwriting team with appropriate observations. Based on the report of the underwriting team, the IC may initiate action if deemed considered necessary.
- b. The representative of the Insurance Company may also take photocopies of any/all documents of RSBY beneficiaries from the hospital, including diagnostic films etc. In case the original X-Ray / USG / CT Scan films or ECG are being taken by the Insurance Company, the representative of the Insurance Company must give a receipt of the same to the hospital. This may be in a pre-defined format or on a plain paper, but should be signed by the representative with his name and contact details.
- c. Non-RSBY patients' data should not be asked for.

b) What to observe

- a. Whether the signage indicating empanelment with RSBY is prominently displayed or not.
- b. Whether the patients whose cards have been blocked are physically present in the hospital or not. In case the patient is not physically present the same should immediately be brought to the notice of the SNA.
- c. Check whether the hospital is providing free of cost OPD consultations to RSBY beneficiaries and the cards are not being blocked for the same. The hospitals should be advised to maintain a separate OPD register for RSBY beneficiaries, or the RSBY beneficiaries should be clearly marked in the existing OPD register. Also the following details must be documented for all RSBY, OPD beneficiaries
 - i. URN No. of RSBY Card
 - ii. Name of the Patient
 - iii. Name of the Beneficiary as written on the RSBY Card
 - iv. Age & Gender of the Patient
 - v. Broad symptoms presented
 - vi. Date of consultation
 - vii. Specialty to which referred
- d. To check whether the cards are being swiped immediately upon admission
- e. Interview the beneficiary using the questionnaire attached as **Annex 1**. This report may be documented on a regular basis and the same may be shared with the SNA periodically.

4. Setting up of Grievance Redressal Committee at the State Level

The Nodal department of RSBY shall form a Grievance redressal committee at the State level to look into these issues. This committee will be chaired by the Principal Secretary/ Secretary of the Nodal department for RSBY with representative of the Insurance Company and representative of the State Nodal Agency as members as provided for in clause 20 of the RSBY tender document.

PROCESS FOR ACTION AGAINST THE HOSPITALS AND DISPUTE RESOLUTION

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1. Based on the data analysis and / or the hospital visits, if there is any doubt about the performance of the hospitals, the Insurance Company shall put that hospital in the watch list and data of that particular hospital shall be analysed very closely on a daily basis.
2. The Insurance Company will immediately inform the State Nodal Agency also about hospitals that have been put in the watch list. The reason for putting the hospital in the watch list shall also be shared with the State Nodal Agency along with the supporting data / evidence.
3. If the insurance company observes at any stage that it has data / evidence that suggests that the hospital is involved in any unethical practice / is not adhering to the clauses of the contract with the IC / involved in financial fraud related to RSBY patients, the IC may immediately suspend the hospital from providing services to RSBY patients. The SNA should be informed of the decision immediately.
4. The Insurance Company can then launch a detailed investigation into the issue either on the basis of the data or on receipt of complaint or on a directive from the SNA. The Insurance Company may also decide to do a field investigation of some of the beneficiaries. The guidelines for the same are attached as **Annex 2**
5. If the investigation reveals that the complaint/ allegation against the hospital is not substantiated, the Insurance Company would immediately revoke the suspension and inform the same to the SNA.
6. If the investigation reveals that the complaint/allegation against the hospital is correct then following procedure shall be followed:
 - a. The hospital must be issued a “show-cause” notice seeking an explanation for the aberration and inform the SNA.
 - b. On examining the explanation, the charges may be dropped or an action can be taken.
 - c. The action could either entail a warning to the concerned hospital or, in case the default is serious, even de-empanel the hospital.

7. In case the hospital has been suspended, the entire process should be completed within 30 days from the date of suspension.
8. The hospital can approach the Grievance Redressal Committee for the redressal. The Grievance Redressal Committee will take a final view within 15 days of the receipt of representation. However, the hospital will continue to be de-empnelled till the time a final view is taken by the Grievance Redressal Committee.
9. The SNA can also independently carry out an investigation and direct the Insurance Company to take action as mentioned paragraph 6. However, representation against the decision in this regard will be given to the Grievance Redressal Cell set up by the Central Government.
10. In case of de-empanelment of a hospital, the Insurance Company which had empanelled the hospital, may be advised to notify the same in the local media, including an advertisement in the local press, informing all beneficiaries about the de-empanelment, so that the beneficiaries do not utilize the services of that particular hospital. This advertisement should preferably be made within 7 days of the final decision of the SNA in this regards.

ANNEX 1

**QUESTIONNAIRE FOR PATIENT INTERVIEW WITHIN THE HOSPITAL BY
INSURANCE COMPANY**

1.	Date of visit	
2.	Name and address of Hospital	
3.	Name, designation & organization of Interviewer	
4.	URN No of beneficiary	
5.	Name of the Head of Household	
6.	Name of beneficiary	
7.	Age of beneficiary	
8.	What factors helped him/her on deciding which hospital to visit	
9.	What was the mode of transportation and approximate travel time	
10.	Did anybody accompany the patient, and if yes the name and relationship of the attendant (it may or may not be a family member)	
11.	What symptoms was the patient exhibiting when he/she visited the hospital	
12.	Was the patient informed about the value of the package which was blocked by the hospital	
13.	Was the patient informed about the residual value available on his / her card post the treatment	
14.	What diagnostic tests (if any) were performed on the patient	
15.	Was the patient provided food free of cost during his/her hospital stay	
16.	Was he/she operated upon, if yes, is there a scar on the body, which could help in verification of the surgery	
17.	Was the patient / attendant asked to sign or put their thumb impression on any blank paper / letterhead. If yes was the patient explained why this signature or thumb impression is being taken	
ONLY IF A DISCHARGED PATIENT IS AVAILABLE IN THE HOSPITAL PREMISES		
18.	Was the patient provided Rs.100/- for transport expenses	
19.	Was the patient given a discharge summary. Does the patient still possess that discharge summary. If yes can the team physically	

	verify the same	
20.	Was post-hospitalization medication provided to the patient. If yes has he / she consumed it or is it still available with the patient	
21.	Was any money asked by the hospital at any point of time. If yes then for what purpose	
22.	Was patient or the attendant asked to purchase any o the medicine or carry on any of the diagnostic test at their own cost?	

**FIELD VERIFICATION OF RSBY BENEFICIARIES WHO HAVE AVAILED
HOSPITALISATION**

In case of any complaint, or as a matter of routine, if the SNA finds it appropriate to conduct a field verification of the RSBY beneficiaries, the following steps / suggestions may be followed

1. The team may comprise of representatives of the SNA and IC. Incase someone from the District Administration can join the team, that would further strengthen the process.
2. The team should ideally try and reach the villages / sites either early in the morning or slightly later in the evening, as during the day, the likelihood of meeting the beneficiary would be low, due to the employment characteristics of most of these beneficiaries.
3. He team should as a first step should verify the URN number of the RSBY card with the URN of the Statement attached with the case sheet.
4. Then the team should verify the name of the patient. This person may be the Head of the family of a dependent. The relationship should be established and recorded
5. Preferably the patient should be interviewed, only in cases where the patient is not physically available should a family member be interviewed. The fact as to who is being interviewed should be clearly recorded
6. The patient / respondent may be interviewed using questionnaire attached on next page

QUESTIONNAIRE FOR FIELD INVESTIGATION

1.	Date of visit	
2.	Name of village, block and district	
3.	Name, designation & organization of Interviewer	
4.	URN No of beneficiary	
5.	Name of Head of the Household	
6.	Name of beneficiary	
7.	Age of beneficiary	
8.	Ask the beneficiary as to which hospital did he/she visit	
9.	What factors helped him/her on deciding which hospital to visit	
10.	What was the mode of transportation and approximate travel	

	time	
11.	Did anybody accompany the patient, and if yes the name and relationship of the attendant (it may or may not be a family member)	
12.	What symptoms was the patient exhibiting when he/she visited the hospital	
13.	Was the patient informed about the value of the package which was blocked by the hospital	
14.	Was the patient informed about the residual value available on his / her card post the treatment	
15.	What diagnostic tests (if any) were performed on the patient	
16.	Was the patient provided food free of cost during his/her hospital stay	
17.	Was he/she operated upon, if yes, is there a scar on the body, which could help in verification of the surgery	
18.	Was the patient / attendant asked to sign or put their thumb impression on any blank paper / letterhead. If yes was the patient explained why this signature or thumb impression is being taken	
19.	Was the patient provided Rs.100/- for transport expenses	
20.	Was the patient given a discharge summary. Does the patient still possess that discharge summary. If yes can the team physically verify the same	
21.	Was post-hospitalization medication provided to the patient. If yes has he / she consumed it or is it still available with the patient	
22.	Was any money asked by the hospital at any point of time. If yes then for what purpose	
23.	Was patient or the attendant asked to purchase any o the medicine or carry on any of the diagnostic test at their own cost?	
24.	Did someone from the hospital or the insurance company visit the patient either before or after the hospitalization. If yes, when and what was the reason.	
25.	If the patient has been diagnosed with a chronic ailment, please verify with the patient if he/she still exhibits the symptoms	
26.	Also in cases of chronic ailments, has the patient been advised to come for any follow up visits.	

