

Odisha State Treatment Fund OSTF

POLICY BRIEF

ChALLENGES and Opportunities

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This policy brief is an attempt to understand various types of challenges associated with effective implementation of Odisha State Treatment Fund (OSTF). Till date, there has been limited information available in the public domain on OSTF, which is considered as a successful health care financial protection scheme for the poor. The policy brief is an attempt to;

- + Understand the financial protection health care schemes and programme in Odisha.
- + Analyse the state assured financial protection health scheme – OSTF
- + Identify the implementation challenges and provide suggestive measures for improvement of the scheme.

Despite of its well articulated nature, some setbacks are triggering in the process and approach of OSTF. The major issues and challenges have been identified and some mechanisms are suggested for wider and hassle free implementation of OSTF.

Introduction

Health is a fundamental human right and basic need for a better quality of life. It has been recognised by the government in several plans and policies. The 12th Five Year Plan targeted a long-term goal of Universal health coverage where “each individual would have assured access to a defined essential range of medicines and treatment

its report on National Health Accounts. The key estimates for Odisha and India (for 2004-05) are:

- + Total estimated OOPS on all types of medical care in Odisha was ` 27.55 billion. This was roughly 80% of total health expenditure – much higher than national average of about 71%.
- + Medicines account for the major share of OOPS in public hospitals (72.6% in rural and 77% in urban areas). This is also much higher than national average (66.5% and 62% respectively).
- + About two-thirds (65.4%) of total OOPS in the state (i.e., ` 27.55 billion) was attributable for Outpatient care, followed by 27% to inpatient care, and about 3.4% to birth deliveries. The ratios were more or less the same for all states taken together.

World Health Organisation (WHO), define Universal Health Coverage: “Ensuring that all people have access to needed promotive, preventive, curative and rehabilitative health services, of sufficient quality to be effective, while also ensuring that people do not suffer financial hardship when paying for these services”.

at an affordable price, which would be entirely free for a large percentage of the population. The National Health Policy 2017 which is in tuned with Sustainable Development Goal (SDG)-3 emphasises on universal access to good quality health care services without anyone facing financial hardship as a consequence.

Based on the NSSO's 60th round data, the Government of India has presented a set of estimates related to Out Of Pocket Spending (OOPS) in medical care for all Indian states in

A recent study by Technical Management Support Team (TMST), Odisha in the year 2011-12, showed that the OOPS for common ailments was Rs 2,041 and Rs 3,562 for trauma and other ailments. The share of drugs in total OOPS for inpatient care was 53%, whereas it was 48% for outpatient care in Odisha. It was also estimated that about 5% of all households in the state fell below

the poverty line due to debt incurred in order to access health care and related services. A Similar observation was made by another study, which estimated that around 4% of the people fall into poverty trap because of high OOPS, and around 90 % of this occurred in the rural areas of Odisha (Garg and Karan, 2009). As per the NSSO 71st round (2014) 21% of the population are insured by any insurance scheme, of which 19% are covered under publicly-financed insurance schemes.

However, despite the past and recent reform measures undertaken by the Government of Odisha to invest more in the health sector and to strengthen the service delivery system especially at the public health facilities, the issues related to financial protection of the

people from catastrophic OOPS on health care remain largely unaddressed. The recent cash transfer schemes under NRHM, such as JSY, have demonstrated promising progress in this direction; however, the policies regarding OOPS in general inpatient and outpatient care (not related to pregnancy or neonatal care) still remain blurry and unfocused.

Until 2007, India had only two large fragmented health insurance schemes- the Central Government Health Scheme (CGHS) and Employees' State Insurance Scheme (ESIS). CGHS benefits are available to all central government employees, with a minimal contribution from the employees. The ESIS is a typical social health insurance programme, wherein the employees, employers and the government

together contribute to a fund, which pays to provide both inpatient and outpatient care benefits to the enrolled employees and their dependents. In the following year, the Centre introduced Rashtriya Swasthya Bima Yojana (RSBY) but confined the benefits to secondary care hospitalisation, which entailed lower costs.

There are two types of schemes for providing financial security to the critically ill patients at secondary and tertiary level for people below the poverty line. They are known as insurance and assurance schemes. While RSBY and Biju Krusaka Kalyana yojana (BK KY) are two health insurance schemes, Odisha State Treatment Fund (OSTF) and Chief Minister Relief Fund are assurance schemes.

Odisha State Treatment Fund an Analysis

This scheme provides financial assistance to poor patients suffering from life threatening disorders and diseases. The financial assistance is released to the patients admitted in government medical institutions or enlisted private medical institutions approved by the government. A person is eligible to be covered under the scheme if his annual income is less than INR 50,000 in rural areas and INR 60,000 in urban areas. The financial assistance is up to INR 3 lakhs per patient per year in general circumstances and, can be more in special cases, which has to be approved by designated authorities at different stages.

Process to avail OSTF Assistance

Assistance under OSTF is available in all State Government Hospitals which also include three Govt. College and hospitals, SVPPGIP (Sishu Bhawan) and AHRCC, Cuttack. In addition to this, some empanelled private hospitals (Annexure-C, OSTF guideline) are also providing health care facilities through OSTF. However, the process of getting assistance is a bit different in Private and Government hospitals. The detailed process for both Government and Private empanelled hospitals is being given in the Annexure 1&3.



Key Challenges & Way forward

1 Access:

As per the guideline of OSTF, one can avail the assistance if he/she has a BPL Card / RSBY Card / Antodaya Card or the income is below Rs. 50,000 (Rural) and Rs. 60, 000 (Urban). It is observed that in case of emergency, patient who does not have any of the above mentioned cards and need to submit an income certificate face problem. However, the process of getting income certificate from Tahsildar takes at least a week which ultimately poses life threat. Therefore, a fast track mechanism needs to be in place for the treatment of emergency patients.

- The Health department and/or OSTF cell can play a role to facilitate the process of getting income certificate on a fast track basis.
- The state Government has multiple insurance schemes like RSBY, BKRY etc. and assurance schemes like OSTF and CMRF, which are operating separately. For instance a RSBY card holder can avail the assistance under OSTF and OSTF is a top-up to RSBY card holders. In some cases when person is availing assistance under OSTF after getting the treatment through RSBY, it necessitates a prolonged procedure to tag along. Therefore, for smooth functioning of all these schemes, single window approach would be a great help.

2 Effective Monitoring necessitates more Human Resources:

Lack of human resource for monitoring whether actual beneficiary is availing the assistance is missing. Again it is observed that, except few districts such as Mayurbhanj, Balasore, Jajpur and Puri, the high burden districts are still inactive in availing the assistance.

- This requires some designated persons in place both at the state and district level to monitor the process and spread awareness.

3 Establishment of Grievance and Feedback Mechanism for a Patient-friendly Scenario:

OSTF has a wider wing all over the state. As per the available (Refer to table no-1) data, there has been an increase in the number of patients covered under OSTF. However, the grievance mechanism and patient's feedback for such a specially designed scheme has not been taken care of for further improvement. It is also observed that many a times patient get into hardship.

- For better utility and wider implication of OSTF, there is need of a grievance unit. Rather than setting a separate grievance unit at every layer where the OSTF is in operation, at Government hospitals, the concerned cell itself can facilitate the grievance process. In case of the Pvt. Hospitals, persons dealing with OSTF can assist to take the grievances/feedback from concerned patients/attendants.
- A helpline number (toll free) may be facilitated to register the grievances and take the feedback in accessing OSTF health care facilities.

4 Wider awareness and disclosure can contribute a wider impact of OSTF:

At the district level, wider awareness regarding OSTF is still a major setback. Due to weak information system OSTF fails to reach the actual beneficiaries particularly at the district level. Again there is no data available publicly on the number of beneficiaries covered and expenditure incurred under OSTF.

- Massive awareness is required at grassroots level to yield success of the scheme. It may be done through various health related public meetings like VHND, use of print and electronic media, wall paintings etc. The effort should be continuous and timely by involving all stakeholders.
- For transparency and effective implementation of OSTF scheme, a public portal bearing the patients data base and financial details may be introduced

5 Awareness through IEC material at the district level can make the process more fruitful:

As per the guideline of OSTF, the district OSTF fund has four major criteria to fulfil i.e. a) Patient's treatment; b) Data operator's salary; c) Contingency; and d) IEC activity. Further, there is a provision to prepare IEC material out of the interest money of district OSTF fund. However, it was observed that in most of the district the interest money of OSTF remains unutilised.

- The provision for IEC material needs to be strengthened for wider awareness at district level.

6 The follow-up mechanism of patients after treatment can make the process more effective:

The follow up of patients' condition after treatment is not recorded anywhere. It leaves no scope to know about the patient's condition, and how far OSTF has benefitted the patient.

- Getting feedback from the patient may led to improvement the scheme. In this context, ASHA and/or ANM can be assigned to collect the track record of patients and can submit the same to OSTF cell at district level.

7 The synergy between OSTF and Niramaya could minimise the cost burden:

The number of patients under OSTF is increasing over the years. As per the available data the number of patients in public hospital is more as compared to private hospital. At the same time the average treatment cost is more expensive in private hospitals. In future, to cover more number of beneficiaries under OSTF would be a challenge for the Government.

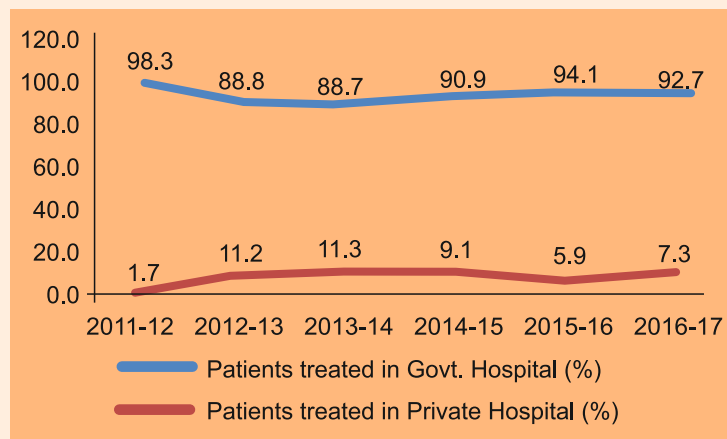
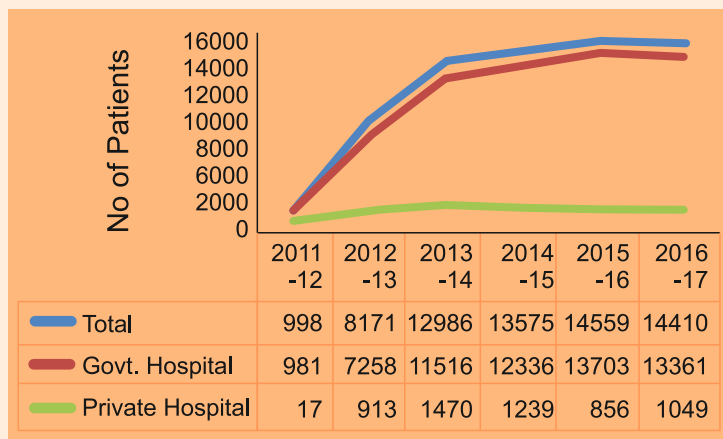
- For instance during treatment at private hospital the medicine cost may be linked with Niramaya, to minimise the cost burden of OSTF. This requires convergence between the Government and private hospital.

As it is known that post treatment care for any type of chronic disease is strongly essential to keep the patient stable, the intake of drugs is greatly essential too. Consequently, purchase of medicine directly affects the financial health of poor.

- In such a case, providing medicine pass book for patient treated both at government and private hospital may be beneficial if linked with Niramaya.

A snapshot of Beneficiaries and Budget under OSTF

Fig -1: Patients treated under OSTF



- Over the years, patients treated under OSTF in Government hospitals are more than in private hospitals. In an average, 10783 patients are treated in Government hospitals and 924 patients are treated in private hospital.
- Patient treated in Private hospitals are more of referral cases.

Table -1: Allotment and Expenditure in OSTF (Rs in Cr), Budget Head 18045, H&FW Dept

Item / Year	2011-12	2012-13	2013-14 (Pre Audited)	2014-15 (Pre Audited)	2015-16 (Pre Audited)	2016-17 (Pre Audited)
Amount Received	10	20	20	25	30	35
Fund Utilised	1.04	17.35	21.34	30.14	28.98	5.09
%	10	87	107	121	97	100

- ✚ Except the beginning year 2011-12, where the fund utilisation is only 10 percent, the utilisation under OSTF has increased over the years. In the years. 2013-14, 2014-15 and 2016-17, the utilisation is more than 100%.

Table -2: Comparison of expenditure of Patients Treated in Govt. & Private Hospital

Year	No. of Patients treated in Govt. Hospital	Expenditure Under Govt. Hospital (Rs In Cr.)	Per Capita Cost in Govt. Hospital (In Rs)	No. of Patients treated in Private Hospital	Expenditure under Private Hospital (Rs. in Cr.)	Per Capita cost in Private Hospital (In Rs)
2011-12	981	0.91(87.5%)	9321.80	17.00	0.13(12.5%)	74784.71
2012-13	7258	13.34(76.9%)	18383.72	913.00	4.00(23.1%)	43847.75
2013-14	11516	15.29(71.6%)	13277.38	1470.00	6.05(28.3%)	41160.76
2014-15	12336	23.57(78.2%)	19106.11	1239.00	6.57(21.8%)	53028.61
2015-16	13703	19.19(66.2%)	14002.72	856.00	9.80(33.8%)	114438.90
2016-17	13361	22.08(62.9%)	16524.13	1049.00	13.01(37.8%)	124024.70

- ✚ The per capita treatment expenditure in Private hospital is significantly higher than the Government hospitals. It is also seen that the utilisation of OSTF by Government hospitals was 87.5% in 2011-12, which has reduced to 62.9 5 in 2016-17. Whereas, the utilisation of OSTF fund by Private hospitals has increased from 12.5% to 37.8 % during the same period.
- ✚ A comparison between the years 2014-15 and 2016-17 shows that, the per capita expenditure in Government hospitals has reduced from Rs 19106.11 in 2014-15 to Rs 16524.13 in 2016-17. In the other hand, the per capita expenditure in Private hospitals in 2016-17 has gone up more than double as compared to 2014-15 (Rs 53028.61 in 2014-15 to Rs 124024.70 in 2016-17).

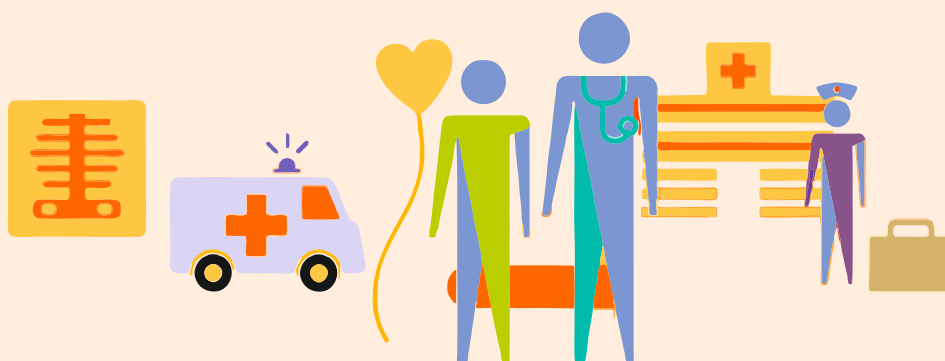
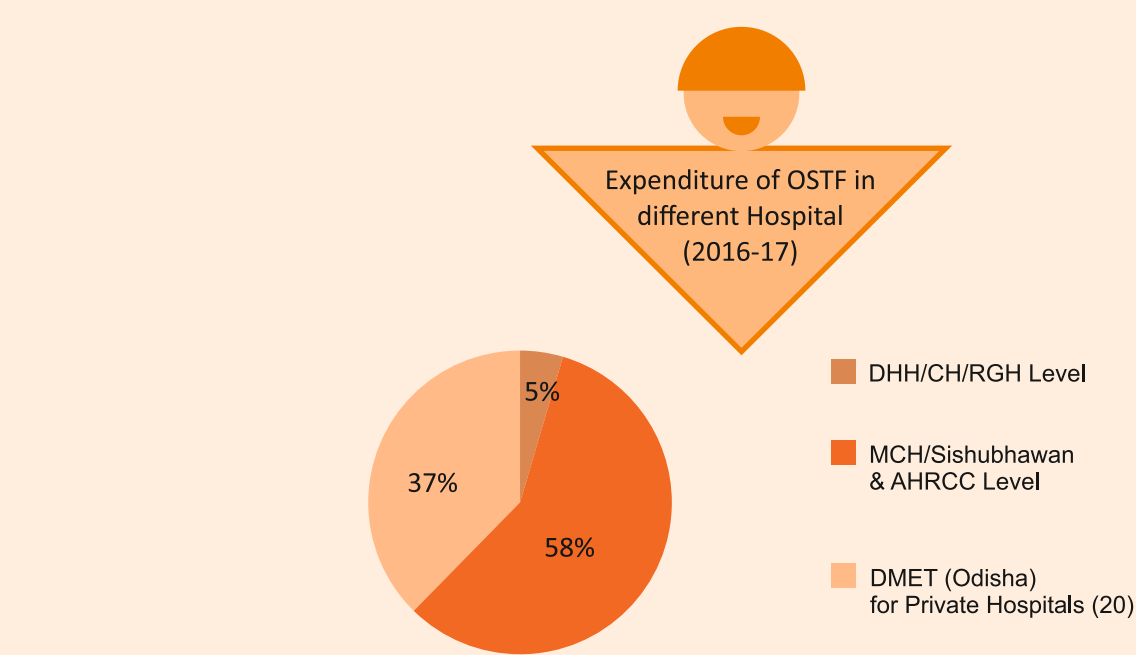
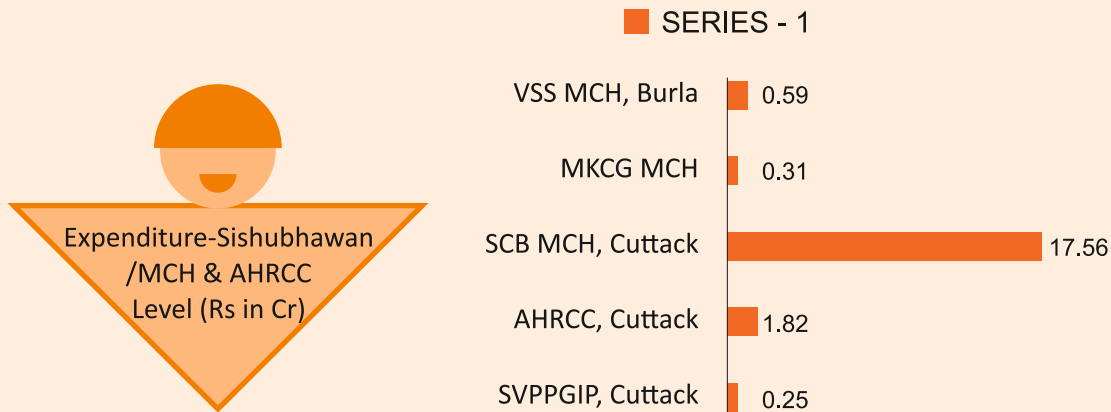


Fig -2: Expenditure of OSTF by Different Hospitals (2016-17)



DHH - District Headquarters Hospitals | CH - Capital Hospital | RGH - Rourkela Government Hospital | MCH - Medical College & Hospital | DMET - Directorate of Medical Education and Training



VSS MCH - Veer Surendra Sai Medical College & Hospital | MKCG - Maharaja Krishnachandra Gajapati Medical College & Hospital | AHRCC - Acharya Harihar Regional Cancer Centre. SCB MCH - Sriram Chandra Bhanja Medical College & Hospital | Sardar Vallabhbhai Patel Post Graduate Institute of Pediatrics

- + An analysis of OSTF utilisation in the year 2016-17 shows that the district level hospital could only spend 5 % of the total OSTF fund. The total OSTF Expenditure in SCB, Cuttack is 17.56Cr which is 50% of the total treatment Fund.
- + It is seen that in 2016-17 many districts except Deogarh, Jajpur and Puri have not received any fund from OSTF.
- + It is also observed that many districts like Kalahandi, Malkangiri and Nawarangpur have not spend under OSTF even if the districts have available fund under OSTF and have acquired bank interest during 2016-17.
- + The tribal dominated districts like Malkanagiri, Nabarangpur and Sundargarh have refunded OSTF Fund.



FAQs on OSTF

What is Odisha State Treatment Fund?

- OSTF is a financial assistance scheme which provides financial assistance for treatments to the poor patients suffering from life threatening disorders and diseases.

Who manages the OSTF fund?

- The Dept of Health & Family Welfare has a separate unit which manages the fund i.e. "ODISHA STATE TREATMENT FUND SOCIETY".

What are the eligibility criteria for assistance under OSTF?

- The person should be a BPL card holder or can produce the annual income certificate issued by concerned Tahsildar.
- The annual income of a person should not exceed more than Rs. 50,000 in rural area and Rs. 60,000 in urban areas.

What are the diseases that can be treated under this scheme?

The diseases that can be treated under OSTF are: cardiology and cardiac surgery, cancer, urology/nephrology/gastroenterology, and orthopaedics. Besides this, all major surgeries and investigations can be treated under OSTF (For detailed list of disease, Annexure-A of OSTFS Guidelines can be followed).

Who are hospitals where the patients can avail treatment under OSTF?

The patient can avail treatment in Govt. hospitals including three medical colleges and the empanelled private hospitals decided by governing authorities.

How many times a person can avail treatment under OSTF?

A person can be assisted once in a financial year. Repeated case of same disease cannot be entertained in any case.

What is the quantum of assistance?

- Sanction at DHHs is limited to Rs. 30,000 per case.
- Sanction up to Rs. 50,000 can be granted jointly by CDMO and collector-cum-district magistrate.
- Sanction at medical college and hospital/capital hospital/RGH is limited to 1 lakh per case.
- Superintendent with the approval of the Revenue Divisional Commissioner concerned can make payment up to maximum limit of Rs.2.00 Lakh. When the quantum of assistance exceeds Rs. 2 Lakh, the Member Secretary (D.M.E.T, Odisha) of OSTF Society can consider and approve up to 3 Lakhs.
- When the treatment requires more than 3 Lakhs, the person can seek the approval of Hon. CM of Odisha.

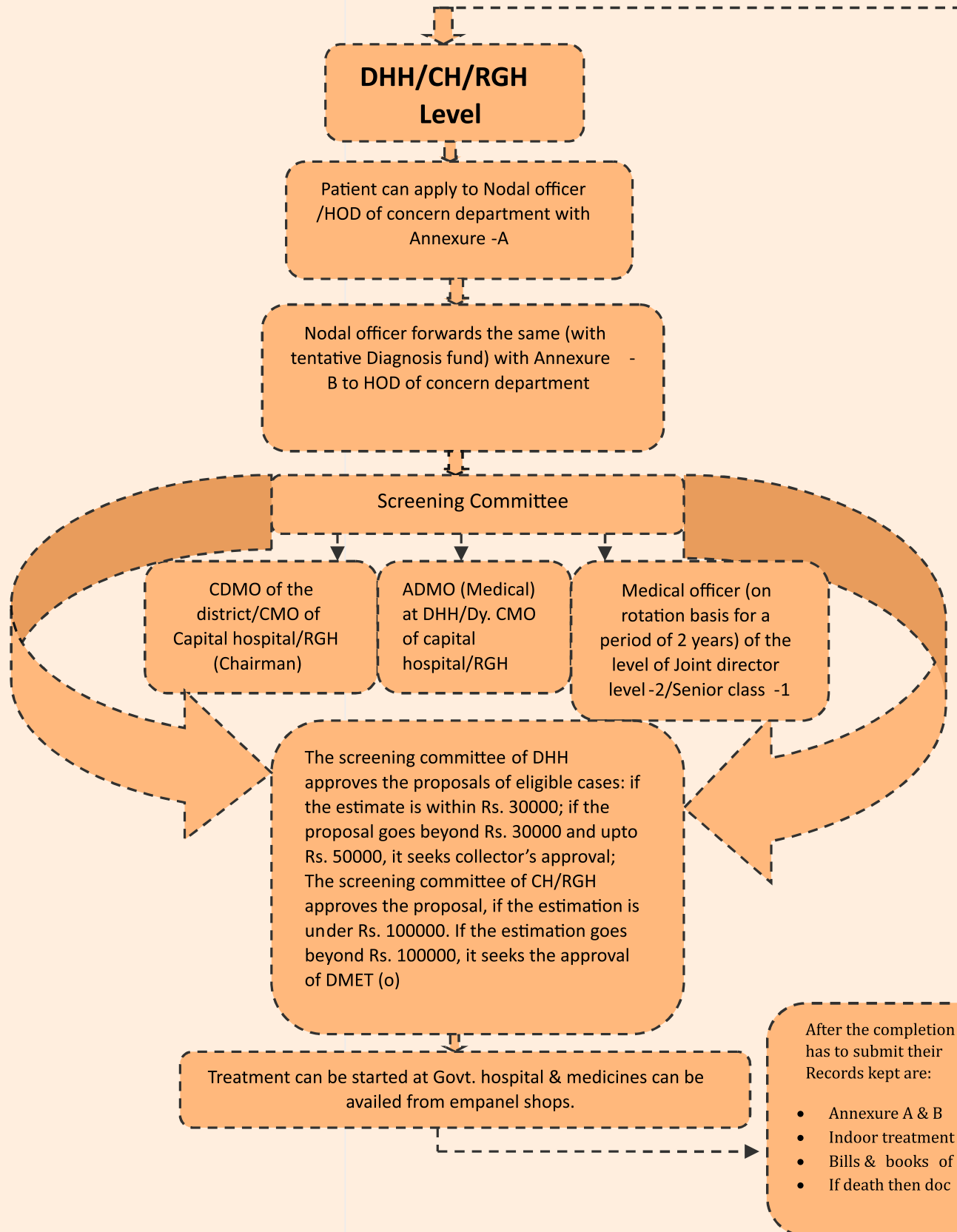
Who else are eligible to get the assistance through OSTF?

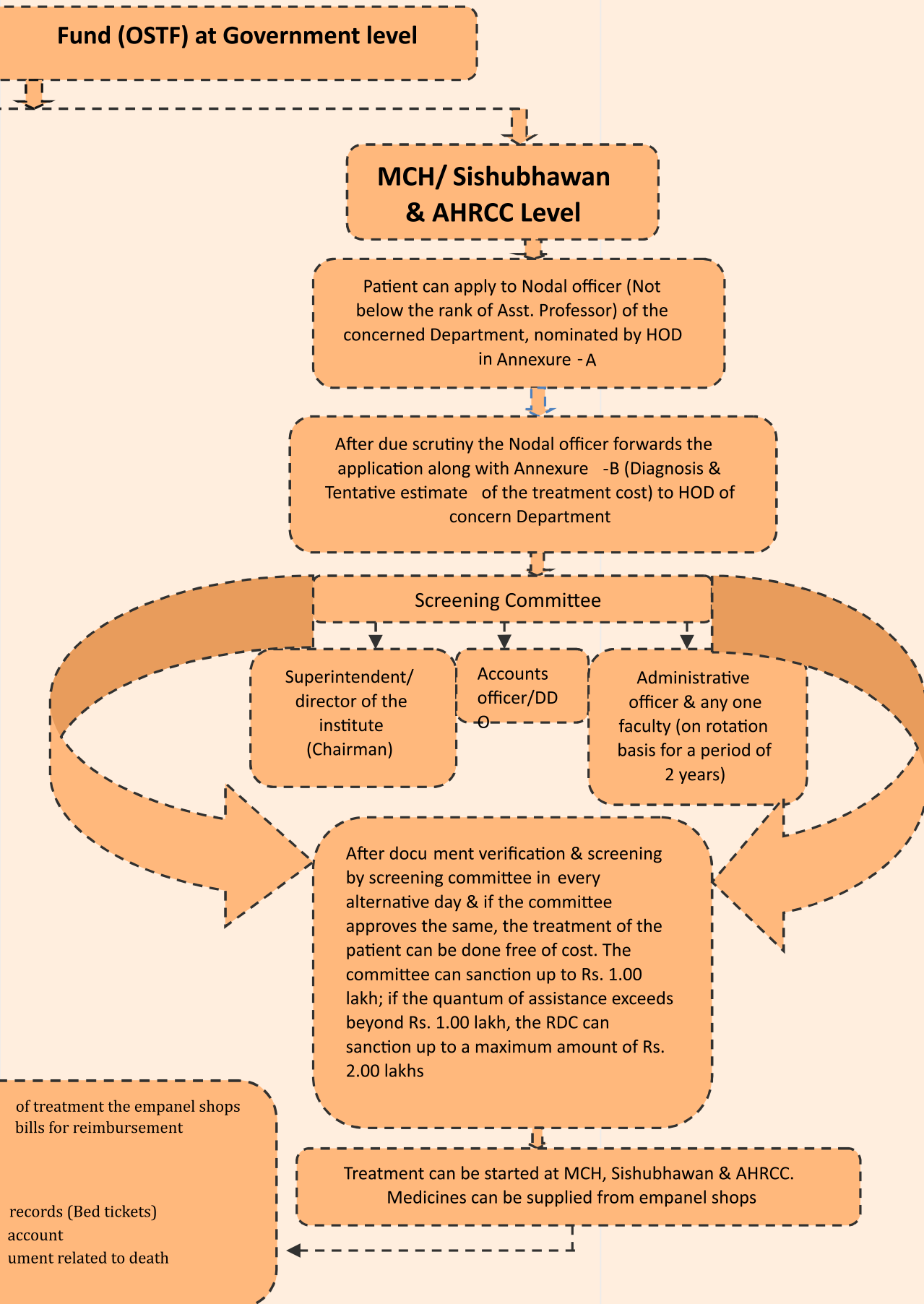
- An unknown accident victim /patients referred from registered destitute home/orphanage / mental asylum can also avail treatment through OSTF by citing sufficient reason for treatment.

Who are exempted in getting assistance through OSTF?

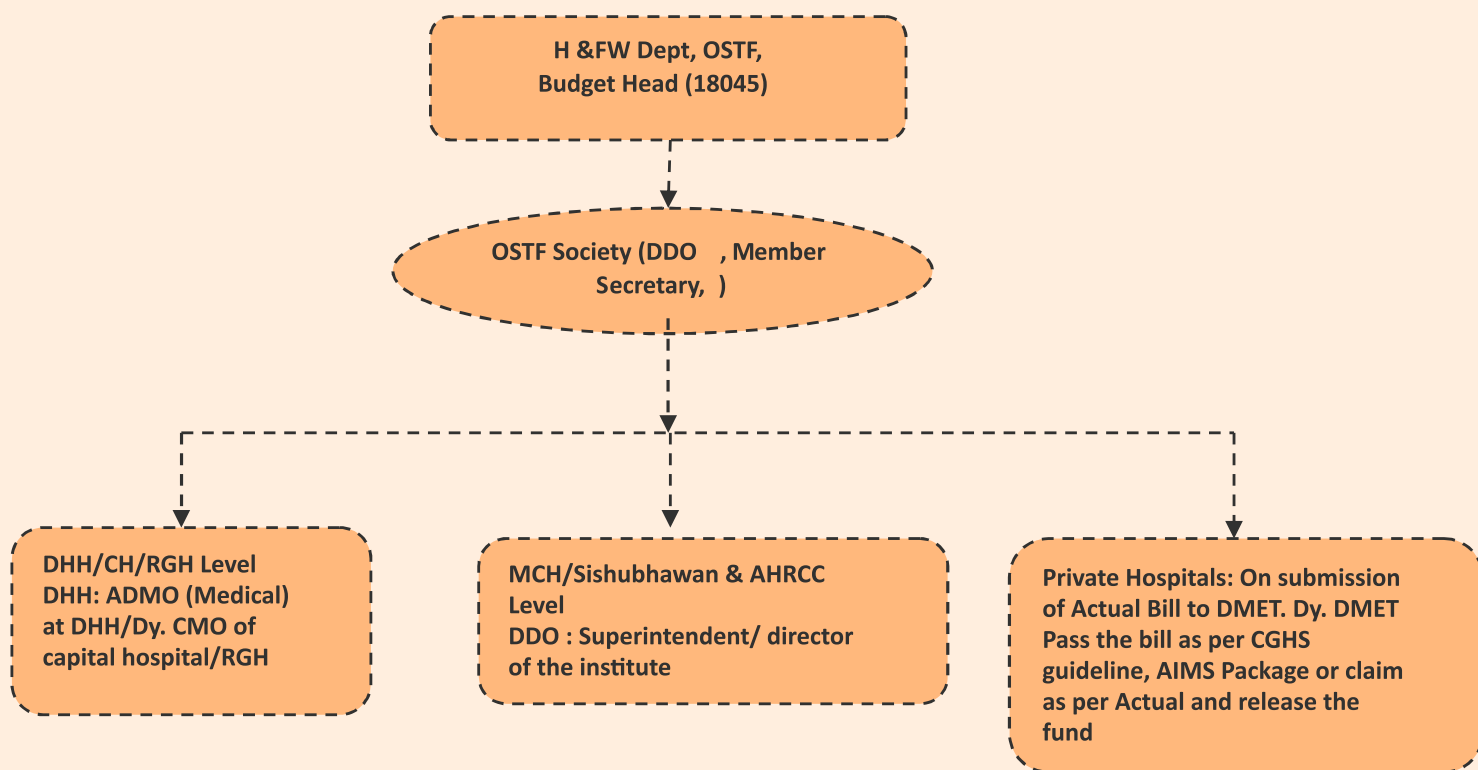
- Diseases of common nature and disease for which treatment is available free of cost under other health programmes/schemes.
- Where medical coverage under Employee State Insurance (ESI), CGHS or any other scheme is available.
- Where there is a provision for reimbursement of cost of medicine.

Process of Odisha State Treatment





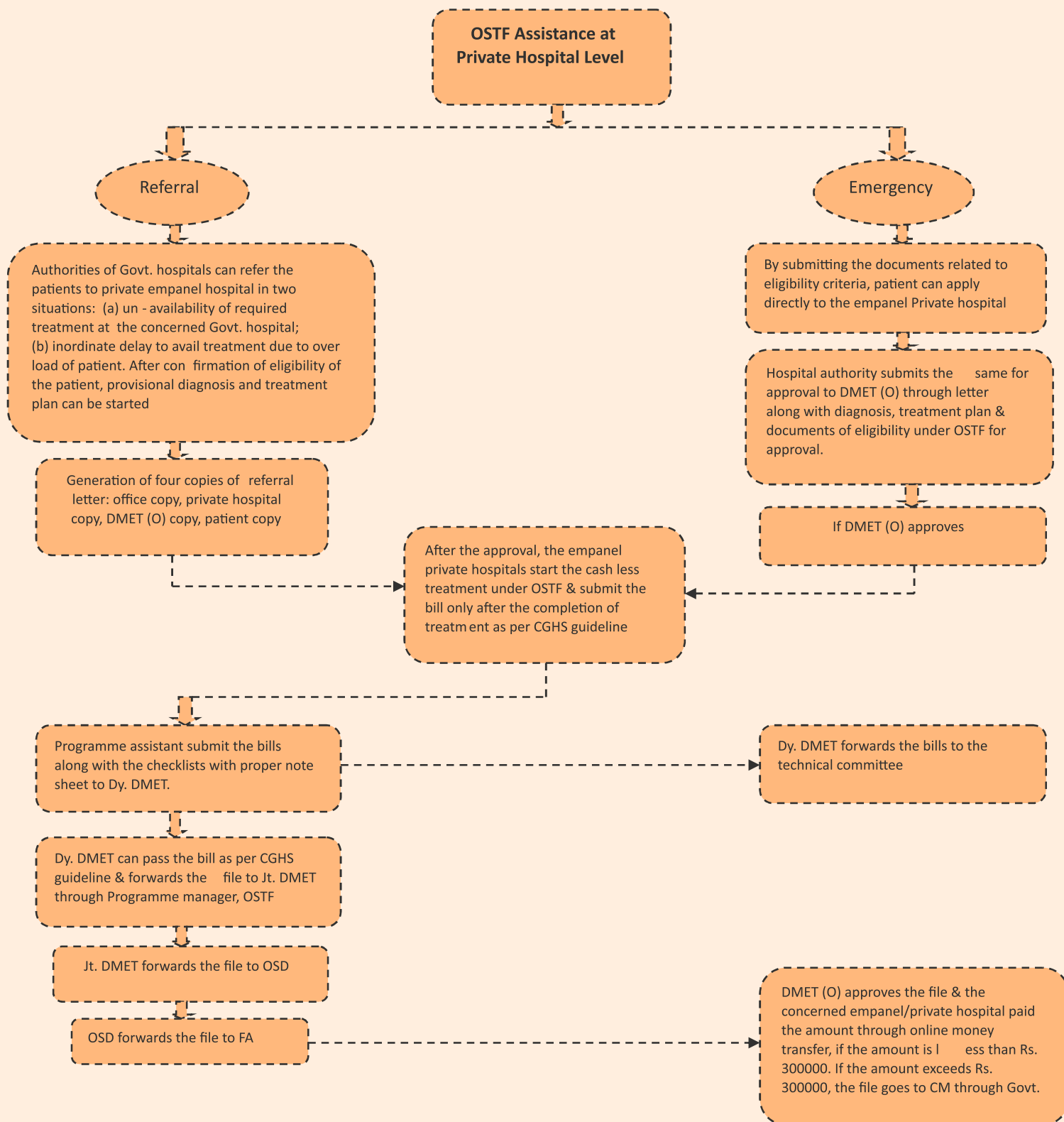
Fund Flow Mechanism of OSTF



There are four type of expenditure under OSTF

- Patient treatment (as per actual)
- Contingency Expenditure
- Data Entry Officer salary (done centrally)
- IEC (From the Interest money of OSTF)

OSTF Assistance at Private Hospital Level





Enable-Empower-Include...

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