

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:159
ANSWERED ON:24.11.2014
INCONSISTENCY IN RSBY
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the Government is aware of huge irregularities in the Rashtriya Swasthya Bima Yojana (RSBY) and if so, the areas identified and the measures being taken to rectify the same;
- (b) whether the information provided by the insurance companies do not tally with that maintained by the Government under RSBY;
- (c) if so, the details of such differences along with the reasons for such instances;
- (d) whether most of the private insurance companies are not complying with the guidelines framed by the Government under RSBY; and
- (e) if so, the action taken against such insurance companies during each of the last three years and the current year along with the remedial measures taken to bring them under the relevant provisions?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT (SHRI BANDARU DATTATREYA)

(a): Taking note of reports of malpractices/irregularities regarding hysterectomy operations performed by some private Hospitals in the States of Chhattisgarh and Bihar on the Rashtriya Swasthya Bima Yojana (RSBY) a High Level Team from the Ministry of Labour & Employment investigated the matter in August, 2012. As a preventive measure for RSBY cases, Ministry of Labour & Employment issued an advisory to the State/UTs that for all hysterectomy operations under RSBY to be performed by the Hospitals on women less than 40 years of age, prior approval (Authorization letter) of the Insurance Company has to be taken.

Based on investigation of the complaints received regarding malpractices or irregularities 407 hospitals have been de-empanelled from RSBY. State-wise details are as under:

| Sl.No. | Name of State | No. of Hospitals |
|--------|---------------|------------------|
| 1 | Bihar | 27 |
| 2 | Chhattisgarh | 14 |
| 3 | Gujarat | 9 |
| 4 | Haryana | 74 |
| 5 | Jharkhand | 11 |
| 6 | Kerala | 43 |
| 7 | Odisha | 1 |
| 8 | Punjab | 29 |
| 9 | Uttar Pradesh | 156 |
| 10 | West Bengal | 12 |
| 11 | Maharashtra | 31 |
| | Total | 407 |

Also, in April, 2014, the three tier Grievance Redressal Mechanism has been reconstituted to make it more effective.

(b) & (c): RSBY is a centrally sponsored scheme implementation of which is done by State/UT Government which in turn select insurance companies through open tendering process for the purpose of enrolment of beneficiaries, empanelment of hospitals etc. data for which are maintained by the Insurance Company & the SNAs and the same is provided to the Ministry of Labour and Employment, Government of India by State Nodal Agencies(SNAs) of the respective States/UTs. There is no original data maintained by the Ministry.

(d) & (e): A model contract agreement between SNA and Insurance companies has been formulated by the Ministry of Labour and Employment, Government of India and provided to the States/UTs wherein various guidelines/performance criteria for Insurance Companies have been stipulated. It is for the State Government to enforce the conditions and penalties laid down in the contract agreement. Further the States/UTs have the option to not renew the contract with such ICs in the next year.

The decision regarding extending the contract of the Insurance Company on yearly basis is taken by the State Nodal Agency as per contract parameters. Even after the end of the contract period, the Insurance Company has to ensure that all enrolment and claim

settlement services are available until the fulfilment of its obligations with the State Nodal Agency (SNA) and settlement of claims from all hospitals and inter-insurance company claims. The guideline for the quantum and modalities of penalty is intimated by the SNA at the time of signing of the contract with the Insurance Company.