

**RAJIV GANDHI SHILPI SWASTHYA BIMA YOJANA****PREAMBLE**

Handicrafts constitute an important segment of the decentralized/unorganized sector of our economy. Originally, started as a part time activity in rural areas, it has now transformed in flourishing economic activity due to significant market demand over the year. Handicrafts have big potential as they hold the key for sustaining not only the existing set of millions of artisans spread over length and breadth of the country, but also to increasingly large number of new entrants in the crafts activity. Presently, handicrafts are contributing substantially in employment generation, and export. The Handicrafts sector has suffered from basic problems of being in the unorganized sector with additional constraints like lack of education, capital, poor exposure to new technologies, absence of market intelligence and poor institutional framework. These problems have been further aggravated due to lack of proper care on the welfare of the artisans. In order to address the welfare needs of artisan in terms of health & dwelling insurance, this scheme has been envisaged.

**OBJECTIVE**

Rajiv Gandhi Shilpi Swasthya Bima Yojana aims at financially enabling the artisans' community to access to the best of healthcare facilities in the country. This scheme covers not only the artisans but his wife and two children also.

**ELIGIBILITY TO GET THE COVERAGE**

All Craft persons whether male or female, between the age group of one day to 80 years will be eligible to be covered under the Rajiv Gandhi Shilpi Swasthya Bima Yojana.

**Other Conditions:**

- a) One artisan family will receive the benefit for 3 years
- b) Primacy would be given for renewals. Minimum 80% cases should be renewed.
- c) The Handicrafts Artisans Comprehensive Welfare Scheme will be implemented for a period of 5 years. The Rajiv Gandhi Shilpi Swasthya Bima Yojana, for the first 2 years, i.e. for the year 2007-08 & 2008-09, will be implemented for all categories of handicrafts artisans.

In terms of CCEA approved scheme for the 11th Plan, the Rajiv Gandhi Shilpi Swasthya Bima Yojana (RGSSBY) component of Handicrafts Artisans Comprehensive Welfare Scheme was to be implemented for all categories of artisans in the first 2 years and thereafter, on implementation of Health Insurance Scheme of Ministry of Labour for BPL Workers, the RGSSBY was to be implemented, from 2009-10 to 2011-12, only for Non BPL Handicrafts Artisans.

3. Since the Health Insurance Scheme of Ministry of Labour for BPL Workers had not been fully implemented in the entire country. Therefore, it was proposed that RGSSBY should be implemented in 2009-10 for BPL artisans as well so as to ensure the BPL artisans covered in the first 2 years of the 11<sup>th</sup> plan do not get deprived of the benefits available under RGSSBY in the 3<sup>rd</sup> year of the Plan. The matter was taken up with Ministries of Labour and Finance and both these Ministries have given their consent for implementing RGSSBY in 2009-10 for all categories of Artisans i.e. including artisans belongs to BPL families,

**SALIENT FEATURES OF THE SCHEME.****FUNDING PATTERN**

- |  |                                   |
|--|-----------------------------------|
| i. Contribution by the Govt. of India        | : Rs.697/- or Rs. 797/- per annum |
| ii. Contribution by the handicrafts artisans | : Rs.200/- or Rs. 100/-per annum  |

**Total premium : Rs. 897/- per annum**

The funding pattern would be as following:

<b>Contribution by the Government of India</b>	<b>Rs.697/- or Rs.797/-</b>
Contribution by the Handicraft artisan	Rs.200/- in case of General Category Artisans and Rs.100/- from artisans belonging to North Eastern Region and SC/ST communities/Below Poverty Line (BPL) families
<b>Total Premium</b>	<b>Rs.897 /-</b>
<b>Service tax</b> on total premium i. e. on Rs. 897/-	At applicable rates which at present is 10.30% which works out to Rs. 92.40

The artisan's contribution shall be kept at 20% of the accepted bid, rounded off to nearest Rs.50/- in case general artisans. The annual premium in respect of artisans belonging to SC, ST, BPL families & NER, will be @ 50% of the premium payable by general category artisans.

#### **Release of funds:**

- i) The Central Govt's share of premium will be released to the insurance company directly for coverage of artisans under the scheme in installments.
- ii) Service Tax at applicable rates, which at present is 10.30% over the annual insurance premium will borne by the Government of India.
- iii) In the event the claims ratio including all related costs is below 70%, with the view to incentives the scheme, the surplus shall be rolled over to the next policy period.

#### **TARGET GROUP.**

The scheme will cover the artisan's family of four, comprising self, and any other three members of the family from amongst the dependent parents, spouse and children. The scheme is to cover people between age group of 1 day to 80 years.

#### **THE COVERAGE.**

The insurance company shall pay/reimburse expenses incurred by the artisans in course of medical treatment availed of in any hospital or nursing home within the country, subject to limits/sub-limits.

#### **CASHLESS FACILITY.**

The insurance company shall through its authorized representatives (Third Party Administrator) provide a cashless facility in empanelled hospitals/nursing homes in various states all over the country. This would mean that a patient can avail of treatment in anyone of the panel hospitals without actually having to pay the bills. In case a patient has to go to a doctor or a clinic, not in the approved list, he can submit the prescription and the vouchers for the medicines to the insurance company or its authorized representative (TPA) who will ensure that full payment is made within 7 days after receipt of all the requisite documents and information.

#### **PERIOD.**

The Policy shall be valid for a period of 12 months, from the date of receipt of premium by the insurer.

#### **BENEFITS**

**A.Personal Accident :- Upto Rs.1.00 lakh**

**Death : Sum Assured : Rs.1.00 lakh**

b) Total and irrecoverable loss of : any one limb by physical separation

**Sum assured Rs. 1,00,000/-**

c) Total and irrecoverable loss of : any one limb without physical separation

**Sum assured Rs. 1,00,000/-**

**B. Medi-claim :-**

Particulars	Amount (in Rs.)
Annual Limit Per Family (1+3)	15000/-
Sub Limits per Family	
All pre-existing Diseases + New Diseases	15,000/-
Maternity Benefits (per child for the first two)	2,500/-
Dental treatment	250/-
Eye treatment	75/-
Spectacles	250/-
Domiciliary Hospitalization	4,000/-
Ayurvedic / Unani / Homeopathic / Siddha	4,000/-
Pre- Hospitalization & Post Hospitalization	15,000/-
Baby coverage	500/-
OPD	7,500/-
Limit per illness	7,500/-

**EXCLUSIONS:**

Corrective cosmetic surgery or treatment, HIV, AIDS, Sterility, Venereal diseases, Intentional self-injury, use of intoxicating drug or alcohol. War riot Strike Terrorism acts & nuclear risks.

**OPERATIONAL MODALITIES:**

- The scheme will be effective from the date of issue of the Guidelines of "Rajiv Gandhi Shilpi Swasthya Bima Yojana" for handicrafts artisans by the Government of India.
- The Office of the Development Commissioner for Handicrafts (DCHC), Government of India (GOI) in the Ministry of Textiles (MOT) shall release its share of the premium to the insurance company either fully or in installments based on the proposed coverage of artisans under the scheme.
- A list of organizations working with handicraft clusters may be made available by the Office of DC (Handicrafts) to the insurer for wider coverage of artisans under the scheme
- A prospective beneficiary shall be required to fill up an enrolment form through implementing agency (IA). The format of the application form shall be made available to the IA through field offices by the Insurance company.
- Field office of the Office of the Development Commissioner (Handicrafts) would certify that those covered under the scheme are artisans and IAs should deposit premium with local branch of Insurance Company
- On receipt of the premium amount with the list of beneficiaries from field offices, the Insurance company shall issue **Health Cards** to the field offices, alongwith the statement indicating the names of the individuals insured. IAs will arrange to inform individual beneficiaries about the coverage.
- The State Governments and other developmental partners such as voluntary organizations /NGOs/Apex Societies involved in promotion of handicrafts sector State Handicrafts Corporations and Districts Industrial Centers shall be actively associated in implementation of the scheme by way of sensitizing the handicrafts artisans to join the scheme.
- Insurance company shall submit periodical reports on 15<sup>th</sup> of every month indicating the details of coverage and settlement of claims to the Development Commissioner for Handicrafts, Ministry of Textiles.

**CLAIM PROCEDURE:****Planned hospitalization**

- a) A patient can go to any empanelled hospital/nursing homes of his/her choice. A list of such hospitals will be provided by insurance company.
- b) The name of the patient/policy No./nature of ailment /the name of the hospital is to be communicated to insurance company or its representatives by the concerned empanelled hospitals/nursing homes. A list of insurance company's representatives (TPA)/ contact persons shall be provided by the insurance company.
- c) ID Cards to the artisans will be issued by the insurance company to the insured persons to avail the cashless facility. The details of insurance company or its representatives, phone numbers, help line numbers shall also be mentioned in the I.D. cards for ease of reference. Additionally the empanelled hospitals shall also fax an authorization form to the insurance company or its representatives on their own. insurance company or its representatives would give approval with 12 hours.
- d) Patient would take the treatment, sign the bill and get discharged. No payment is to be made.

**Emergency hospitalization**

- a) The patient can be rushed to any empanelled hospital.
- b) ID card is to be produced to the hospital and the patient can avail the treatment. Simultaneously, the family can contact the of insurance company or its representatives (TPA) over help line and submit the pre-authorization form. The Insurance company or its authorized representatives (TPA) has to fax the approval to the hospital immediately.
- c) Patient would take the treatment, sign the bill and get discharged. No payment is to be made.

**Reimbursement claims**

- a) Patient can avail treatment from a doctor or at a clinic in addition to the network/ empanelled hospitals.
- b) Can settle the hospital bills directly by paying all the charge.
- c) Can call/contact Insurance company, TPA office on Toll-free number 1800 222 555 which can be accessed from BSNL/MTNL land line phones.
- d) Can submit the prescription and the vouchers for the medicines / claim form to the Insurance company or its representatives.
- e) The claims have to be settled immediately on receipt of all the documents/information.

**Assistance.**

- a) For any assistance Toll-free numbers ----- which is accessible from BSNL, MTNL, Land lines, can be reached by anyone.
- b) Additionally for any assistance State co-coordinators of Insurance company allover the country can be contacted. A list of such officers/ contact persons will be provided by the Insurance Company.

- c) Besides giving printed lists, Insurance Company shall also post full details of hospitals/nursing homes, the TPAs and Insurance company on the web site of all related government bodies.

#### **ROLE OF INSURANCE COMPANY.**

- a) Insurance company or its authorized representatives (TPA) will furnish a list of medium class hospitals/nursing homes for medical treatment to the handicrafts artisans, the State Governments and Office of Development Commissioner for Handicrafts.
- b) Insurance company should take all steps to make the scheme a success. The Insurance company will get in touch with the field offices of O/o the DC(Handicrafts) for taking preparatory steps like identification of beneficiaries, furnishing forms, instructions etc. immediately for coverage of artisans under the scheme.
- c) Insurance company or its authorized representatives (TPA) will take all steps to popularize the scheme among the handicrafts artisans through out the country by various means including advertising in the media.
- d) Insurance company will prepare information related to the scheme/beneficiaries in vernacular languages.
- e) For early settlement of medical bills of handicrafts artisans under the OPD cover, the Insurance Company or its representatives will open offices in major handicrafts clusters in the country.
- f) Insurance company will send a monthly progress report on 1st of every month to the Office of the Development Commissioner for Handicrafts every month indicating number of people insured, funds utilized and the claims settled.

#### **MONITORING AND EVALUATION.**

The Office of the Development Commissioner for Handicrafts will monitor the progress through its various field offices and by convening meetings with the State Governments and Insurance company from time to time. Further, officers from the Office of the Development Commissioner for Handicrafts will also make periodical visits to the States from time to time for physical inspection, to review the progress of implementation of the Rajiv Gandhi Shilpi Swasthya Bima Yojana.

## **2. BIMA YOJANA FOR HANDICRAFTS ARTISANS**

### **Objective:**

The objective of “Bima Yojana For Handicrafts Artisans” is to provide life insurance protection to the Handicrafts Artisans, whether male or female, between the age group of 18-60 years.

### **Eligibility:**

All crafts persons, whether male or female, between the age group of 18- 60 years will be eligible to be covered under the BIMA Yojana For Handicrafts ARTISANS.

### **Scheme Contents:**

**JANSHREE BIMA YOJANA**

- i. Life Insurance cover towards natural death shall be a sum of Rs.30,000/- per member.
- ii. For accidental death or permanent total disability, the coverage shall be maximum Rs.75,000/- per member and for permanent partial disability, the coverage shall be maximum of Rs.37,500/- per member.
- iii. Added benefits in the form of, an associated scheme of LIC – “Siksha Sahyog Yojana”, under which not more than 2 dependent children of the beneficiary studying in the classes 9th to 12th are given Rs.300/- per quarter per child as educational allowance for a maximum period of 4 years or till they complete XII standard, whichever event occurs earlier.

**Pattern of Financial Assistance:**

1. The annual premium rate per person under the policy will be Rs.200/-
2. The annual premium charged would be Rs.200/- per annum, of which i.e. Rs.100/- is to be borne by Life Insurance Corporation from its Social Security Fund, Rs.60/- is to be borne by the Government of India in the Office of the DC (Handicrafts) and remaining Rs.40/- is to be borne by the beneficiary.

It is estimated to cover 5 lakhs artisans under the insurance coverage during the 11<sup>th</sup> Five Year Plan.

**OPERATIONAL MODALITIES:**

- a) The scheme shall be operative on year-to-year basis.
- b) The premium amount of artisan shall be paid one time for the whole year to the Life Insurance Corporation of India. The premium, once paid, shall not be refunded.
- c) The Office of the Development Commissioner for Handicrafts (DC HC) Government of India (GOI) in the Ministry of Textiles (MOT) shall release its share of the premium as per annual target in scheme to the LIC.
- d) A prospective beneficiary shall be required to fill up an application-cum-nomination form and submit the same to the implementing agency alongwith his/her share of the premium. The format of the application form shall be made available to the implementing agencies by the LIC. The implementing agencies shall be satisfied with kind of proof of evidence provided as proof of age etc., by each member for availing this scheme.
- e) On receipt of the above, the implementing agency shall scrutinize the application and if found eligible, shall accept the premium amount and forward the lists on such beneficiaries along with premium amount to the LIC.
- f) On receipt of the premium amount with the list of beneficiaries from the implementing agencies, the LIC shall issue to the implementing agency, a group policy certificate alongwith the list of names of individuals insured. Implementing agencies will arrange to inform individual beneficiaries about the coverage.
- g) In the case of death or disability, the nominee/beneficiary concerned shall submit his/her claim to the LIC through the implementing agency with required documentary evidence such as death certificate/post-mortem examination report/medical certificate/discharge certificate and other related documents, as applicable. The implementing agency shall forward the claim, to the LIC within 15 days of receipt of the claim. LIC shall settle the claim within one week from the date of receipt of the claim and pay the amount to the beneficiary/nominee directly by AC/Payee Cheque (under intimation to the Implementing Agency) or through the implementing agency.
- h) In the event of non-payment of the insurance premium for the next year by the beneficiary, the insurance cover shall automatically cease. The beneficiary will however be free to rejoin the scheme

in any subsequent year on payment of required premium.

- i) In case a Handicrafts Artisans changes his membership during the period of insurance from one Society/SHG to another, he/she, as the beneficiary of the scheme, shall furnish intimation to the implementing agency.
- j) The State Government & the implementing agencies shall be actively associate in implementation of the scheme by way of sensitizing the artisans to join the scheme under the ambit of AHVY. The performance of the scheme would be monitored as usual by three tier committees constituted for monitoring the projects of AHVY.

#### **ADDITIONAL BENEFITS:**

- a) The Janshree Bima Yojana also provided scholarship to the children of parents who are covered under it.
- b) A scholarship of Rs.300/- per quarter per child is to be paid to students studying in standard IX to XII for a maximum period of four years or till they complete XII standard whichever event occurs earlier. The scholarship will be for academic year June to May.
- c) The benefit is restricted to two children of the member covered. Both the children will be covered for scholarship.
- d) If a student fails and is detained in the same standard, he/she will not be eligible for scholarship for the next year in the same standard.
- e) Once a person is admitted as a member under Janshree Bima Yojana, further proof of income is not necessary at the time of selection of beneficiary under the scheme.
- f) No Premium is charged either to the parent of the scholarship holder or to the implementing agency. It is an additional benefit given to the children of the parents covered under Janshree Bima Yojana. If the premium under Janshree Bima Yojana is not paid on annual renewal date in such case, the child shall not be eligible for scholarship.
- g) The beneficiaries have to be selected out of the members covered under Janshree Bima Yojana. The targeted beneficiary students of the State may be divided among the members covered under Janshree Bima Yojana in proportion to the number of lives covered within the State. The final selection shall be based on the criteria of poorest of the poor, as the number of scholarship is limited.
- h) The members of Janshree Bima Yojana whose child is eligible for scholarship shall fill up an application form (available with the implementing agency) and submit to the implementing agency. The application duly filled up and certified will be sent along with the list of beneficiary students by the implementing agency to the concerned LIC P&GS Unit for disbursement of scholarship. The scholarship will be disbursed to the beneficiary students through the concerned implementing agency.
- i) LIC will send the Account Payee Cheque in the name of the implementing agency along with list of beneficiary students who will pass on the scholarship to eligible students. Implementing agency has to maintain records and submit certificate of utilization periodically to LIC, P&GS Unit.
- j) On introduction of Janshree Bima Yojana, the earlier Group Insurance Scheme stands discontinued and no proposals for further renewal under this scheme will be considered. The amount standing to the credit of the artisans in the savings element of the earlier Group Saving Linked Insurance Scheme will be paid to him by the LIC along with interest thereon on receipt of request for withdrawal.

#### **CLAIM PROCEDURE**

The beneficiary of the deceased member will be required to furnish the original death certificate to the implementing agency who will arrange to forward the same along with the claim papers to LIC i.e. the Branch which has originally finalized the insurance cover. LIC will settle the

claim by sending A/C Payee Cheque directly to the beneficiary however, intimation to this effect has to be furnished to the concerned implementing agency. In the case of accidental claim, police inquiry report will also be required to be submitted. The detailed procedure will be mainly on the lines of the procedure of Social Security Group Scheme of the LIC.

#### **RELEASE OF FUNDS**

The Nodal Agency/implementing Agency will collect the beneficiary contribution, prepare a consolidated list of beneficiaries get it certified form field office of DC(HC) and deposit the same with LIC's concerned P&GS Units.