

Appendix 1

Addendum to Anti-Fraud Guidelines

Ayushman Bharat-
Pradhan Mantri Jan Arogya Yojana (AB PM-JAY)

National Health Authority
Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (PM-JAY)

Disclaimer

The purpose of these guidelines is to provide the SHA with information to assist in the formulation and implementation of Anti-fraud measures against any fraud/abuse with respect to BIS.

The guidelines provide the overall framework to States around the action to be taken in such cases and still provides flexibility to States to levy penalties/ take due action as per the existing State laws/ regulations in place in line with the severity of the offence established.

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1. Objective

Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB PM-JAY) provides health coverage of Rs. 5,00,000 to more than 10 crore poor beneficiary families, which constitutes over 40 percent of the country's population. This unprecedented effort of the Government of India is likely to have a significant impact on the poor and vulnerable population's access to secondary and tertiary hospital care.

Global experience indicates that integrity violations in health insurance programmes are high, which not only result in financial losses but have a much greater impact on people's health.

More than 10 Crore Beneficiary e-Cards have been created in the first year of AB PM-JAY, which reflects that the scheme is progressing in a strong, steady and positive direction. It is a good time to evaluate the effectiveness of existing Fraud controls and those currently planned for mitigation of fraud / abuse during the process of PM-JAY card creation in BIS.

The purpose of this paper is to lay down and define the different mechanisms and controls being leveraged under AB PM-JAY for fraud prevention, detection and deterrence and provide insights to further strengthen and enhance the scheme design and implementation in context of e-card generation.

2. Definition of Beneficiary fraud

Fraud under PM-JAY shall mean and include any intentional deception, manipulation of facts and / or documents or misrepresentation made by a person or organization with the knowledge that the deception could result in unauthorized financial or other benefit to herself/himself or some other person or organization. It includes any act that may constitute fraud under any applicable law in India.

Beneficiary Fraud refers to any such intentional misrepresentation made by an individual who is not the true intended beneficiary under PM-JAY in order to obtain benefits under the scheme through manipulation of facts or collusion with different stakeholders. Few examples of Beneficiary fraud are:

- **Impersonator gets covered as Primary Beneficiary**
- **Impersonator gets covered as Add on Beneficiary**
- **Same Beneficiary is able to generate multiple Id's by getting registered under PM-JAY**

The key entities that could be perpetrating Beneficiary Fraud include, but are not limited to, the following:

- Impersonator
- Eligible PM-JAY Beneficiary in collusion with other entities
- Common Service Centre Village Level Entrepreneur (CSC VLE)
- Pradhan Mantri Arogya Mitra (PMAM)
- Any other agency for e card generation
- Implementation Support Agency (ISA)
- State Health Agency (SHA) officials
- Collusion among the entities

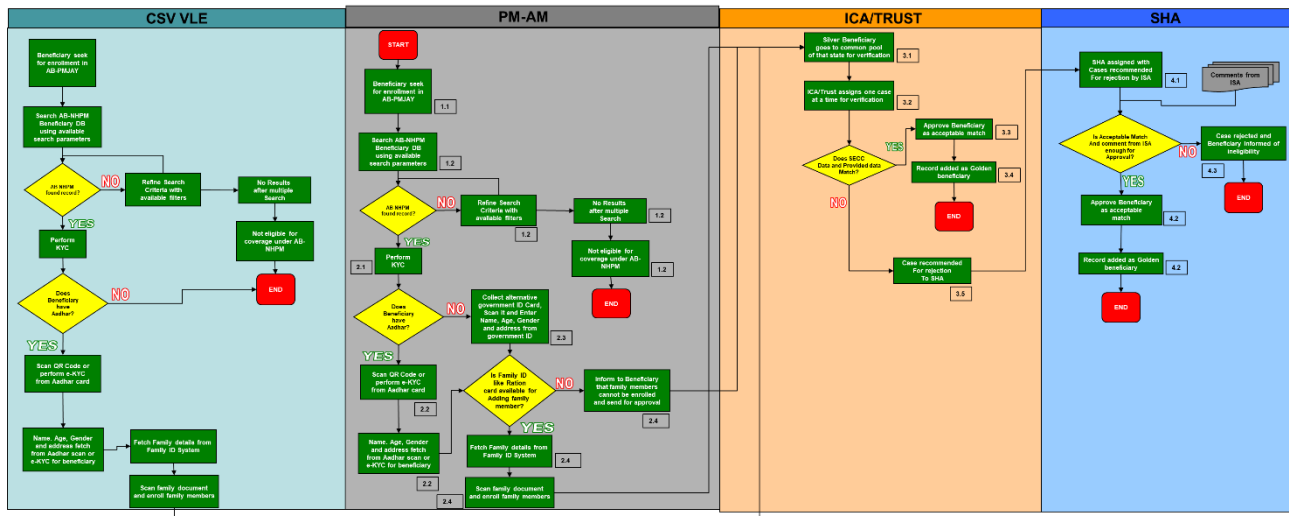
3. Beneficiary identification system process flow

In order to understand the potential risks and threats to the scheme during the card creation process, it is important to understand the current beneficiary identification system process flow.

Beneficiary Identification System (BIS) functions on a maker-checker mechanism, where in, users creating an e-Card generation request act as makers and the state (performs the verification of the data of identified beneficiaries) is the checker.

Either the Insurance Company or Trust can perform the verification of the data of identified beneficiaries. The team needs to work with strong Service Level Agreements (SLA) on turnaround time.

The system maintains a track of which user of ISA/TPA/Trust/Insurance Company is approving / reject the silver record. The SHA can analyze the approval or rejection pattern of each user and further revoke any rejection.



4. Anti-Fraud measures against beneficiary fraud

4.1 Prevention

Prevention mechanism against beneficiary fraud consist of the following:

4.1.1 Verification of documents by PMAMs/ CSCs

The PMAMs/CSC VLEs/etc act as first level verifiers in BIS. They identify if the person eligible as per PM-JAY's eligibility criteria is the same individual as the one in front of them. They capture the individual identification and family identification document post this verification. Therefore, it is essential that due diligence should be done that can be attributed to an incoming record for approval. Once they verify the information and submit it in BIS, a silver record is generated.

4.1.2 BIS Scoring/Auto-Approval Algorithm

To increase the rate at which records are being approved in BIS and to reduce the load on State Approvers and SHAs, Auto-Approval mechanism is being implemented.

The algorithm checks how closely the name and relationship names match between the eligibility record and the identity document. The algorithm then provides an auto approval when the match is considered acceptable.

The Auto Approval algorithm can be run on all records created by PMAMs/CSC VLEs.

4.1.3 Controls for Impersonation while Adding members

Additional checks and controls are applied in case a new member is being added to an eligible beneficiary family.

- **Aadhar Verification:** In case of aadhar verified primary family member (person whose record already exists in SECC), a bio-authorization is required every time a new member is added.
- **Proof of Relation Documentation:**
 - In addition, it is mandatory for the operator to upload a valid proof of relation of beneficiary with the parent family member
 - Add member can only happen for relation either through birth/adoption or through marriage post 2011.
 - In case of marriage between an eligible female who gets married into an ineligible family the lady will remain as eligible but not the entire family including children
 - Only documents which are proof of relation mentioned below, Ration card can not be used further to establish proof of relation:
 - Birth certificate
 - Adoption certificate
 - Marriage certificate
 - Only relations that can be added are:
 - Son
 - Daughter
 - Father
 - Mother
 - Wife
 - Daughter in law

- **System Alerts for high number of add members to a family:** As part of the inbuilt system checks a mechanism is built into the system wherein, an alert is generated and displayed to the PMAM if he is trying to add a new member in a family where already 4 or more members have been added

All States are required to conduct a de-duplication exercise to ensure that each beneficiary only has 1 card issued under PM-JAY and all individuals should be availing of benefits only under PM-JAY or state scheme and not both for the same procedure.

4.2 Detection

4.2.1 Analytics/Triggers by NHA Forensics team

- The National Anti-Fraud team conducts Forensic analytics to detect instances of fraud and abuse. The Team leverages machine learning and artificial intelligence algorithms to generate Anti- fraud triggers, automated alerts and subsequent treatment/action thereof into the IT solution.

Following are some of the key areas against which the Anti-Fraud triggers are executed:

- Identify impersonation by fraudulent individuals
- Highlight instances of potential fraudulent in case of added members
- Detect instances of collusion and association among different entities at the time of card creation and approval

4.2.2 Audits

SHA is required to conduct desk/ field audit for all the suspicious cases that are identified by SHA/ or shared with the SAFU team.

4.2.2.1 BIS Audit Module: NHA has devised a BIS audit module to empower states to conduct a desk audit for the fraudulent cases identified by NHA or SHA.

The objective of the auditor login is to check and validate the uploaded documents and the credentials of the verified users/ beneficiaries and their families. In case of any discrepancy, the auditor can submit his/ her observations along with his/ her comments against the respective beneficiary for further perusal.

4.2.2.2 Field Investigation: Field investigation is mechanism to go to ground level and conduct audit and interviews of the genuine PM-JAY beneficiary (if possible) and suspected entities to confirm fraud. User manual can be referred from Fraud Investigation and Medical Audit Manual Audit form is available in Annexure 1.

4.3 Reports from State Health Agency, Call Centre, Grievance & Support Portal and other channels

Case of potential beneficiary frauds reported from NHA/SHA Call centre, grievance portal, whistle blower, local media and other sources

In case any details are found to be then corrective action should be taken to update the details

4.3 Deterrence

Deterrence refers to the punitive actions and proceeding which are taken against errant entities in order to deter other in resorting to similar offences.

4.3.1 Penalties

Sound contracts, strong contract management, prompt action, speedy adjudication and strict enforcement of penalties and contractual provisions act as strong deterrence for fraud.

SHA should take action against all entities confirmed to be perpetrating beneficiary fraud- the CSC/ VLE,Hospital, PMAM, approving ISA including but not limiting to levying fines and penalties, termination of service contract agreement and filing FIR if the case so warrants.

In case any official from SHA is also found to be operating in collusion with the fraudulent parties, similar action may be taken by State including termination of the SHA official.

4.3.2 Penal Action

It is the responsibility of the SHA to ensure compliance with anti- fraud guidelines as regards penalties and action. An offence refers to each instance of fake card generation.

Showcause notice should be served to Entities or their employer in confidence. In case of collusion show cause notice should be served to all entities and punitive/legal action should imposed against all entities whose involvement is confirmed.

Entity	Penalty	Action
PMAM	Penalty of Rs 1000/- for every fake card generated Recovery of 300% of amount utilized (In case PMAM is employed by provider then provider have to pay)	Suspension, Deactivation, FIR against the PMAM/ EHCP or De-empanelment of EHCP is to be determined by state as per the severity of the offence
VLE CSC or Any other ecard generating agency	Penalty of RS 1000/- for every fake card Recovery of 300% of amount utilized	Suspension, Deactivation, Lodging FIR against the CSC/VLE or any other ecard generating agency is to be determined by state as per the severity of the offence
ISA/Insurer	Penalty of RS 500/- for every fake card Recovery of 300% amount utilized	Suspension, Termination of contract, Lodging FIR against the TPA or blacklisting the same is to be determined by state as per the severity of the offence
Beneficiary - Collusion	⊠ Warning	Disabling the card is to be determined by state as per the severity of the offence
Impersonator	Recovery of Amount Utilized	FIR against the impersonator

Annexure 1

Actionable: Post Beneficiary Fraud Suspect is identified

On Suspected Beneficiary Fraud Cases

On receipt of any complaint/reports related to a suspected beneficiary fraud, the SHA's Anti-Fraud Cell shall promptly initiate action as follows:

1. State Anti Fraud Officer to initiate investigation on the case, along with the designated district vigilance officer.
2. Within 3 working days, undertake preliminary examination to make a prima facie assessment. For a prima facie assessment , the Anti-Fraud Cell should analyse available beneficiary data to create a hypothesis and test it against available facts to arrive at a reasonably certain prima facie conclusion that an act of fraud may have been conducted.
3. Detailed Investigation and field visit: For detailed investigation, the Anti-Fraud Cell shall constitute an investigation team that will be headed by the concerned District Vigilance Officer. The head of the investigation team shall report to the Chief Vigilance Officer (CVO) of the SHA. Other members of the investigation team may include members of the medical audit team, monitoring and evaluation team, district level staff as the CVO of the SHA may deem appropriate. The CVO may, at her / his sole discretion, decide on the inclusion of staff from the ISA / TPA in the investigation team. This process will entail conducting interviews of the beneficiary, other members of beneficiary family, CSC/ VLE/PMAM involved in creating the e-Card, ISA approver as well as SHA approver to identify the fraud perpetrators as well as any collusion between the different entities or negligence on the part of any agency within 15 working days since receipt of complaint.
4. The investigation team shall undertake a thorough assessment which may include but not be limited to in person beneficiary enquiry, verification of original records, oral examination of concerned individuals, and submit a detailed investigation report to the CVO within 30 working days since receipt of complaint. The investigation report shall at the minimum include all details of the occurrence of beneficiary fraud found; recommendations to prevent similar future reoccurrence; and recommendations to impose sanctions on fraud actors.

Suspect has been established as Beneficiary Fraud

1. If the investigation report confirms fraud, the SHA shall, through appropriate levels within the SHA, issue a show-cause notice to the CSC VLE/ approving ISA providing it with time of 7 working days' time to respond to the allegations and present its defence. Reminders shall be sent at the end of 3rd and 7th working day
2. Following the principles of Natural Justice, the SHA shall, within 2 weeks of receiving the response from the accused, communicate its final decision in the matter.
3. If the final decisions are related to filing an FIR against the accused, the SHA shall abide by the

Beneficiary Audit Form –

A. Patient Information

1. AB PM-JAY FAMILY ID_____

2. Name:
3. Father's or Husband's name:
4. Address:
District: State: Pin Code
5. Contact No.
6. Members registered:

	Name	AB PM-JAY ID number	Gender	Age	Relationship
1					
2					
3					
4					
5					

B. General Information

1. Where was the E card made?
2. If hospital, was the beneficiary charged any money for the E card? If yes, how much?
3. Has s/he availed services under AB PM-JAY? If yes -proceed further
4. In which hospital did s/he utilize the services?
5. What symptoms were the patient exhibiting when he/she visited the hospital?
6. When did s/he get admitted?
7. When did s/he get discharged?
8. For how many days was s/he hospitalized?
9. Was s/he provided free food?
10. What was the treatment given?

11. If any surgery, is there a scar on the body, which could help in verification of the surgery. (If yes, take photograph of the same)

(4 -11: match the information provided by the beneficiary with the one recorded in the TMS)

C. Match the photo of the beneficiary being interviewed with the one submitted in TMS

D. Any other remark or observation:

E. Recommendation of the auditor:

Name and signature of the auditor with date: