

**IDSK  
SEMINAR**

**Public Private Partnership Models in  
Social Health Insurance Schemes -  
Evidence from a Pioneering Program in  
India**

**Speaker**

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**Venue**

Fifth Floor, IDSK



**Abstract:**

*An emerging model in health care is the creation of public and private partnerships, since the construction of physical infrastructure is costly. With an aim to increase healthcare access for poor households, many state and national governments, in India, have introduced free health insurance programs, where qualifying families get access to private hospitals for their tertiary care needs. We analyze one such pioneering social insurance scheme – the Rajiv Aarogyasri program (RA) introduced by the Government of Andhra Pradesh (AP) in 2007. We use policy discontinuities at state borders to identify the program's effects on reproductive health behavior. Our results show a clear substitution effect of the relative price change – it significantly increased deliveries in private hospitals and reduced out-of-pocket costs. However, the effects are largely limited to areas near hospitals, showing little expanded access to private facilities in general. We also do not find any effect on infant mortality rates. There are two significances of our findings. First, in India, many other states and even the national government emulated the model forging public-private partnership. Globally also, governments are increasing preferring to leverage private health infrastructure for providing subsidized health service. The study offers caution that changing the financing model alone without expanding the health infrastructure may have a limited impact on outcomes and access for low-income families.*

**Sd/-**

**Simantini Mukhopadhyay  
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