How does access to social pensions and public health care affect the well-being of elderly poor in India?

Sitakanta Panda and Sourabh B. Paul (IIT Delhi)
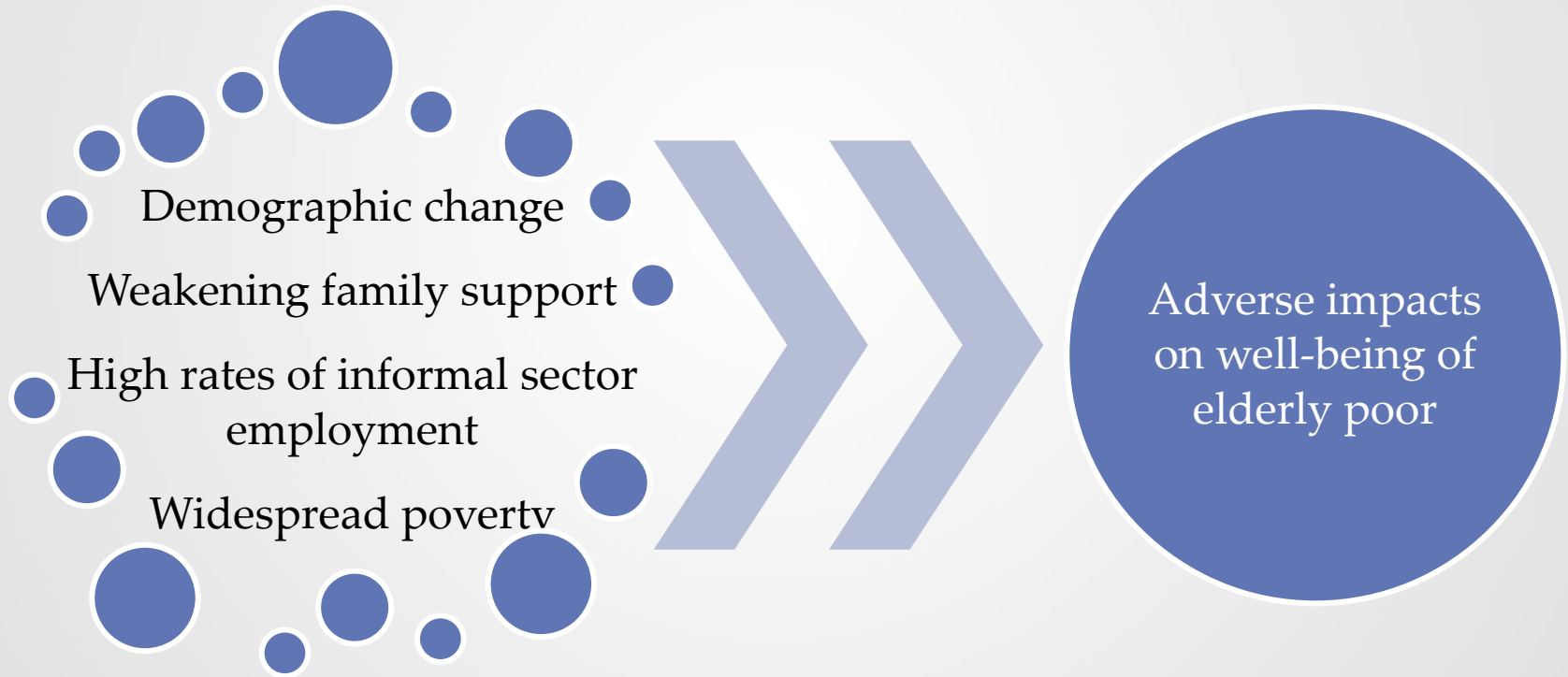
Katharina Michaelowa and Viola Werner (UZH)

Indo-Swiss Social Sciences Research Seminar: 8th-10th of September

Overview

- Motivation

- Research questions

- Background on social pensions and public health care

- Data

- Empirical approach

- Milestones

Motivation

- Poverty-mortality linkage: Elderly poor die earlier than elderly rich (Pal & Palacios, 2011)

Demographic change

Weakening family support

High rates of informal sector employment

Widespread poverty

Adverse impacts on well-being of elderly poor

Motivation

To mitigate the adverse impacts on elderly poor, governments in developing countries are pursuing two important approaches:

1) Social pensions

2) Public health care

What do we do in this project?

We analyze the effectiveness of these two strategies in improving the health status of the elderly poor in India.

Research questions

How has access to

social pensions

public health care

improved the well-being of elderly poor in terms of health outcomes?

Background on social pensions

1995   Introduction of Indira Gandhi National Old Age Pension Scheme (IGNOAPS)

2006-07   Significant increase of social pension amounts, Below Poverty Line (BPL) card was recommended for targeting

Eligibility:
- State-specific retirement age
- Living in a BPL household

Social pension amount:

Central government contribution **+** State government contribution **=** Social pension amount

Background on public health care and RSBY

Access to health infrastructure

- Network of public health care

- Availability of health care services for elderly

- Progress under NRHM for basic health care

National Health Insurance Scheme - RSBY

- Introduced in 2008, 35 million households

- Free in-patient health care for BPL households in registered hospitals

- Protection against catastrophic health care expenditures
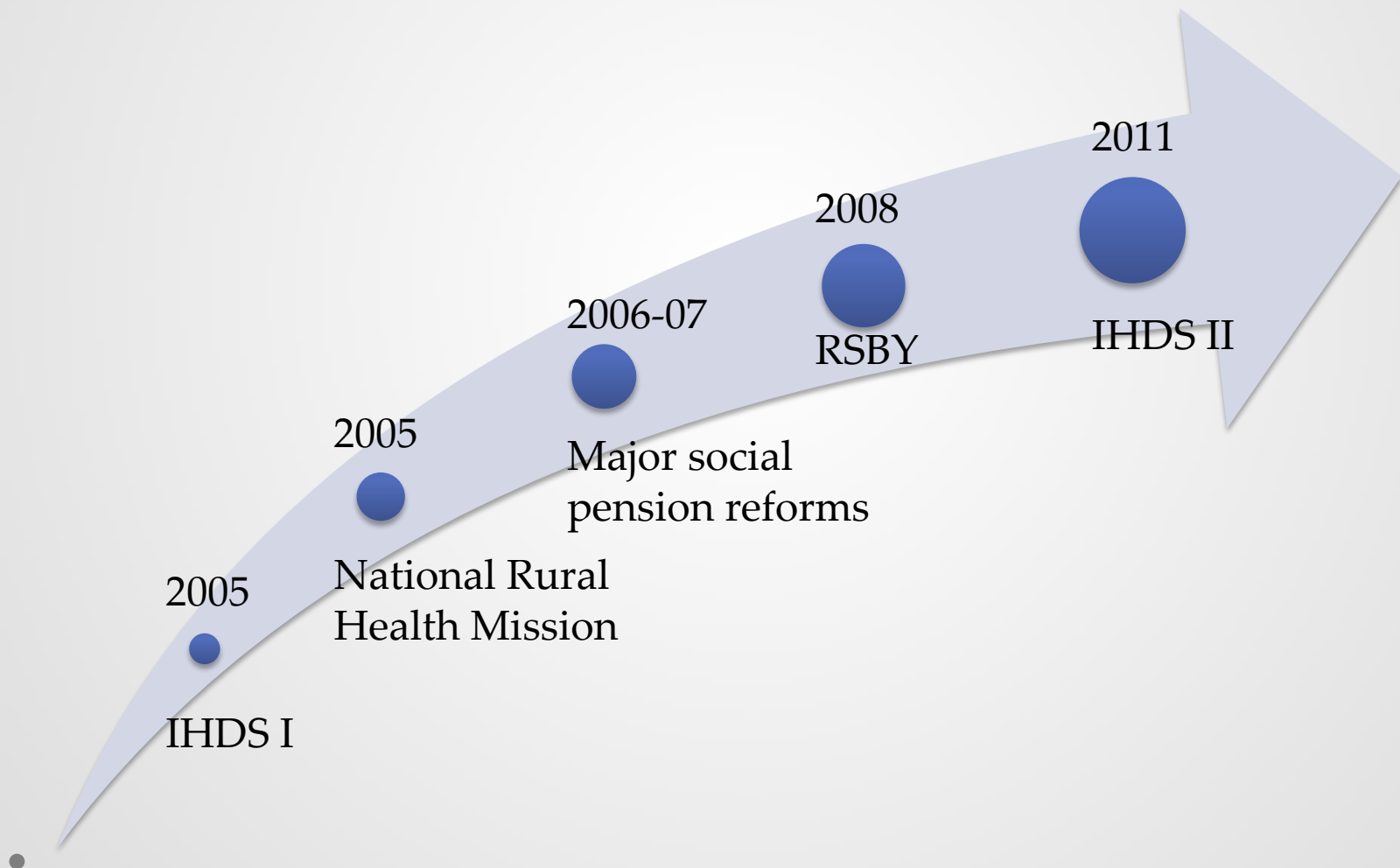
Data

Indian Human Development Survey 2005 and 2011

- Nationally representative survey of more than **41,000 households** in about **1500 villages** and **970 urban neighborhoods** across India

- Information on access to social pensions, village level health care facilities, health insurance coverage

- Several individual and household characteristics

Why is the data unique?

- First all-India panel data set allowing evaluation of public policies

2005

2005

National Rural
Health Mission

2006-07

Major social
pension reforms

2008

RSBY

2011

IHDS II

IHDS I

Empirical approach: Social pensions

| Characteristics of household and of elderly individual	Access to social pensions	Health outcomes of elderly individuals

1. Analyze access to social pensions using binary dependent variable model
2. Obtain propensity score for households/individuals to receive social pensions
3. Conditional on the same propensity of receiving social pensions analyze their impact on the health state of elderly

Development of social pension amounts across India
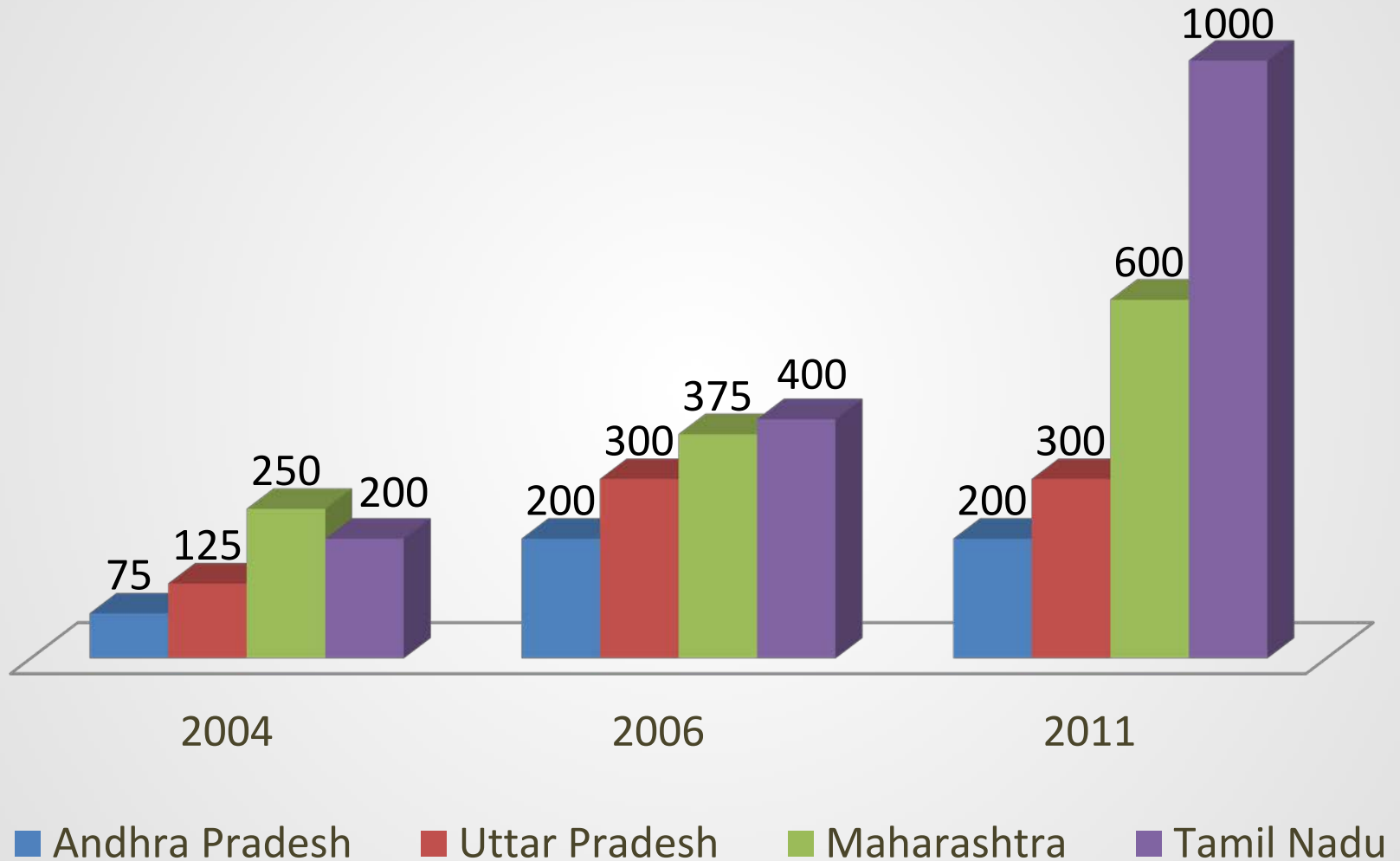
Source: Ministry of Rural Development.

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# Development of social pension coverage across India
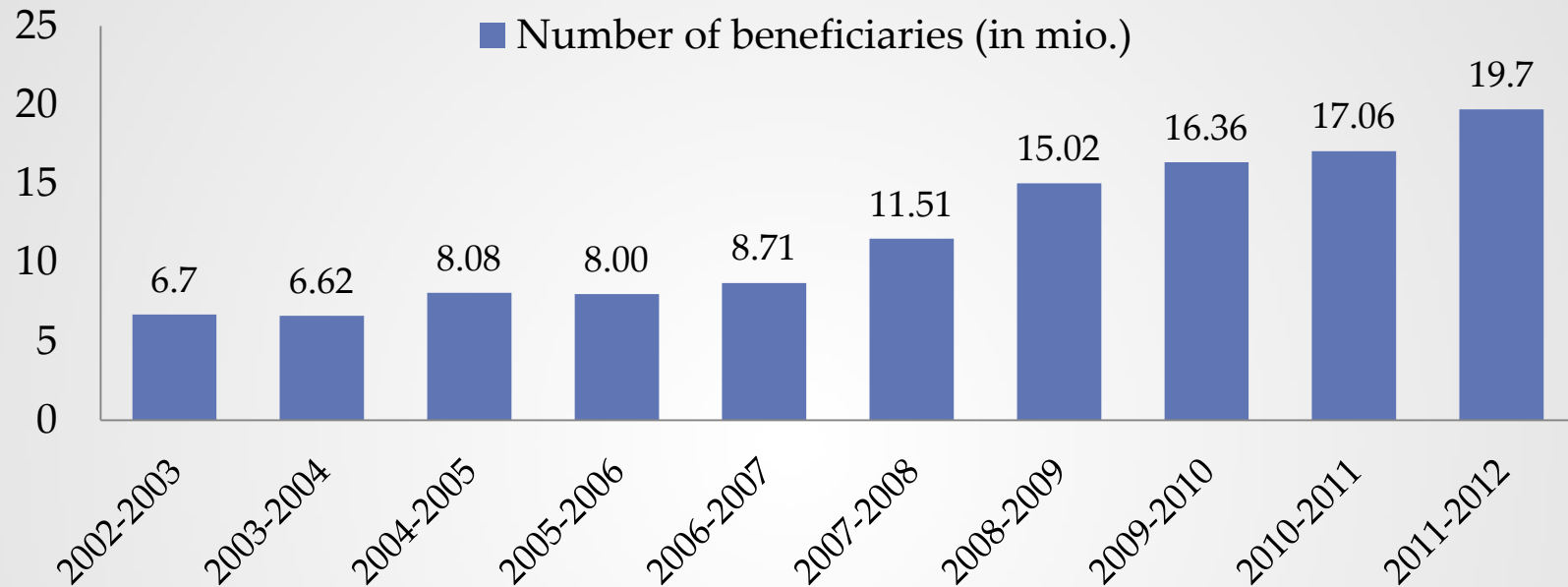
Source: Indiastat, 2012.

Can we observe the increase in coverage also in relative terms?

2005: 10 % of all Indian elderly 60 plus received social pension
2010: 18% of Indian elderly 60 plus received social pension
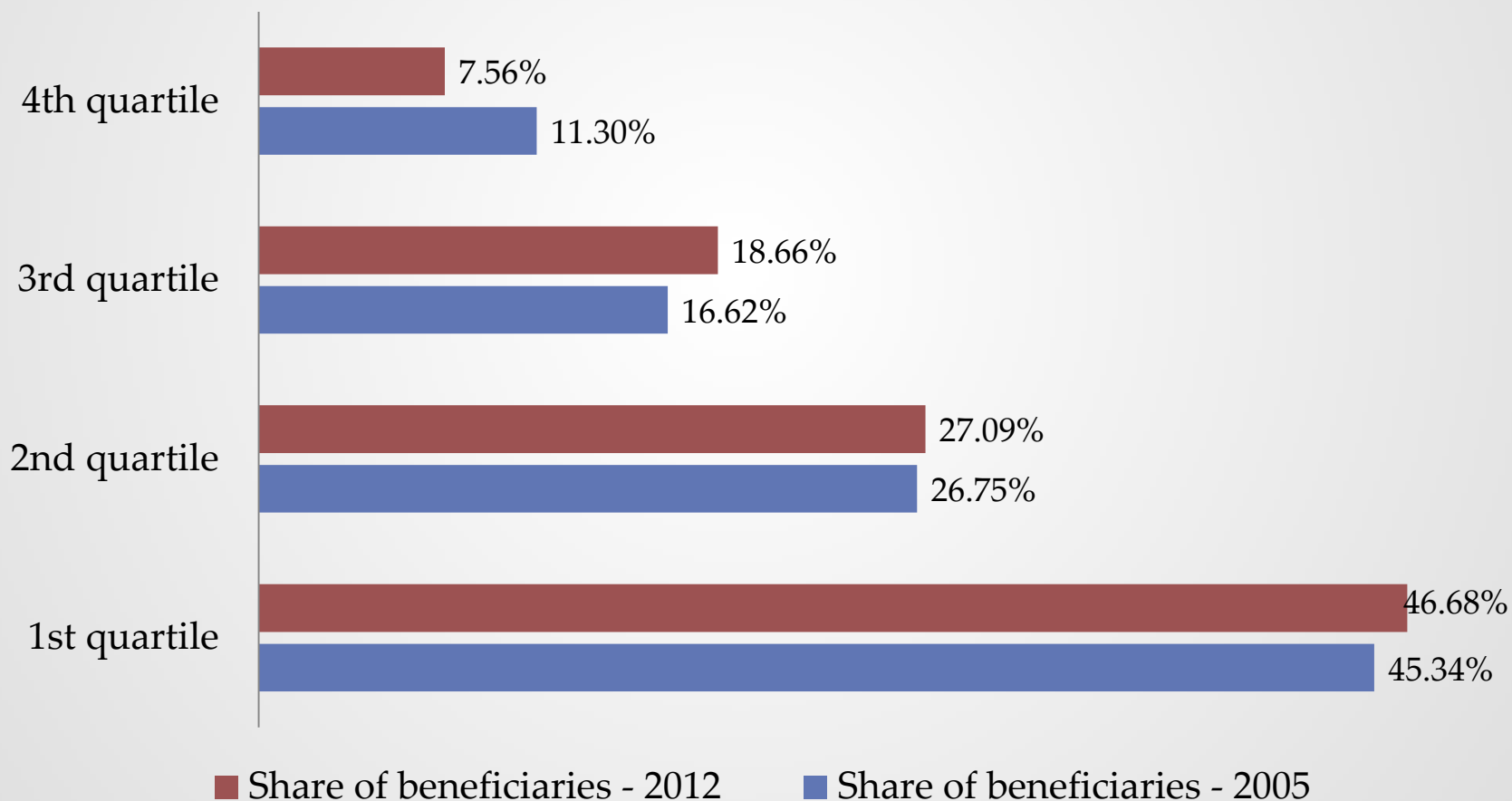
Are BPL households benefiting from social pensions?

- Since 2005 the share of social pension beneficiaries holding a BPL card has increased.
- In 2011 still 26% of the beneficiaries do not fulfill the criteria.

2005

2011

Non-BPL 47%

BPL 53%

Non-BPL 26%

BPL 74%
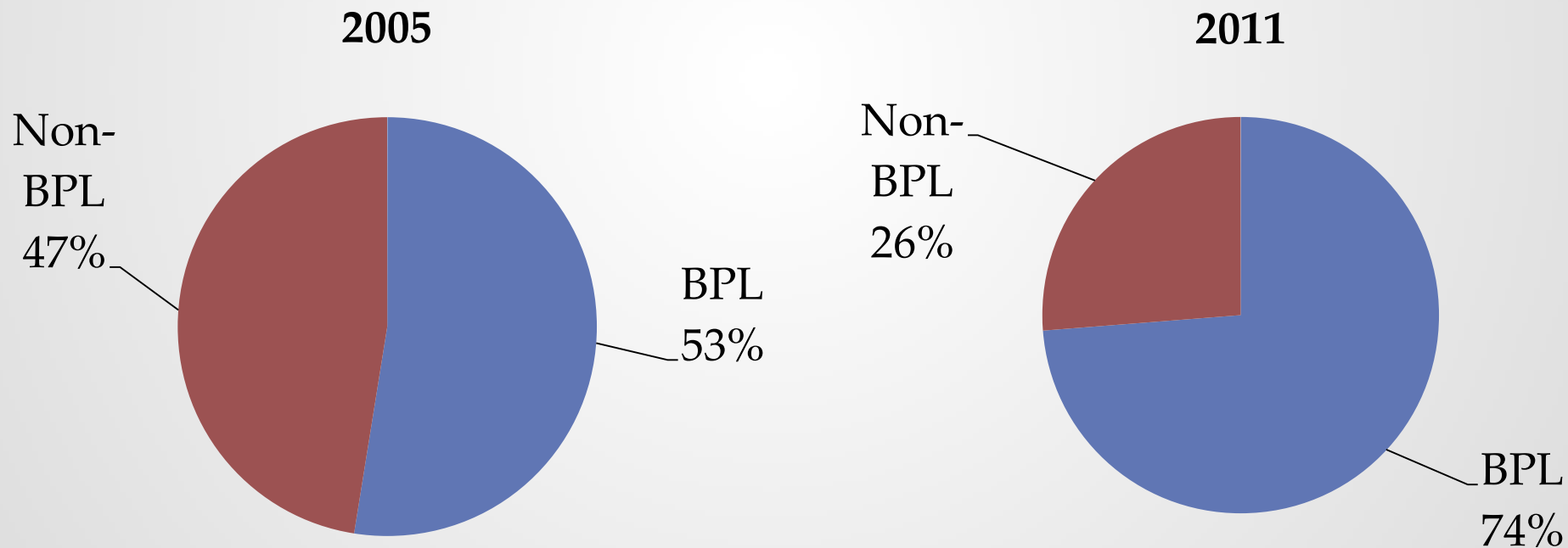
Source: IHDS 2005 and 2011.

Are they really poor? – Household assets

Asset-wise distribution of beneficiaries

4th quartile	7.56% / 11.30%
3rd quartile	18.66% / 16.62%
2nd quartile	27.09% / 26.75%
1st quartile	46.68% / 45.34%

■ Share of beneficiaries - 2012   ■ Share of beneficiaries - 2005
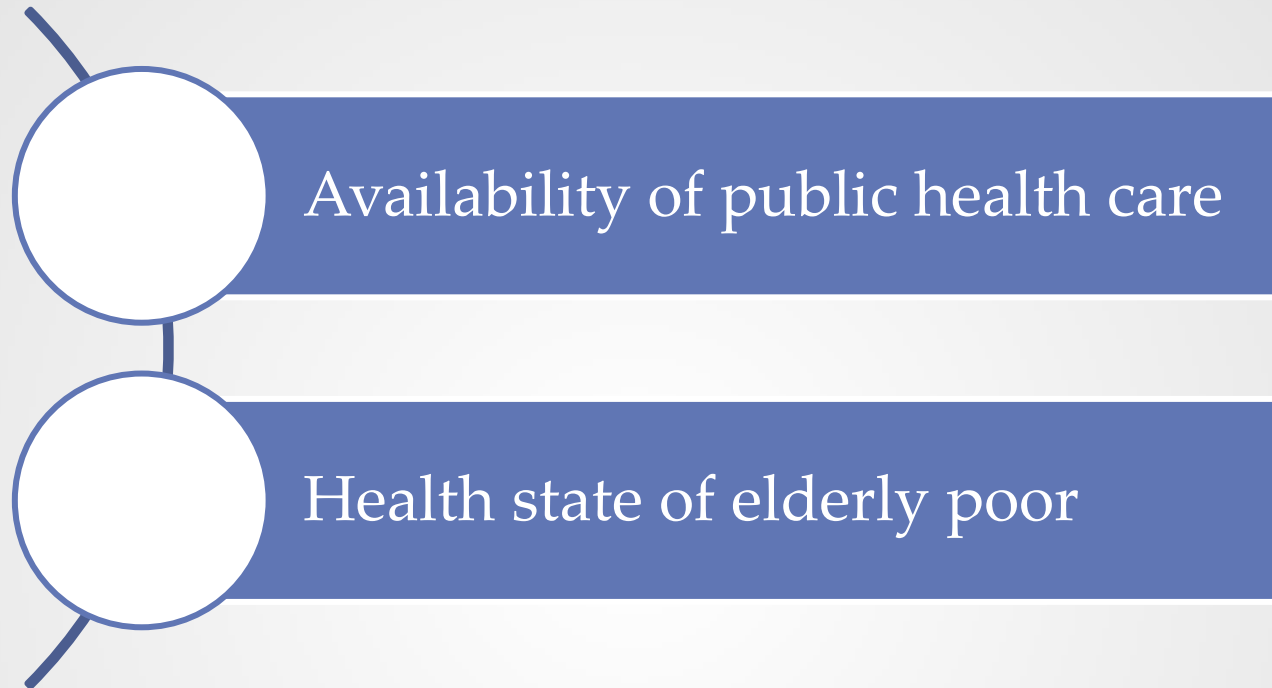
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Are they really poor? – Consumption expenditures

Per capita consumption expenditure distribution of beneficiaries

Bar chart showing per capita consumption expenditure distribution of beneficiaries by quartile:

- **4th quartile:** Share of beneficiaries - 2005: 15.84%; Share of beneficiaries - 2012: 15.96%
- **3rd quartile:** Share of beneficiaries - 2005: 22.39%; Share of beneficiaries - 2012: 24.14%
- **2nd quartile:** Share of beneficiaries - 2005: 31.06%; Share of beneficiaries - 2012: 27.27%
- **1st quartile:** Share of beneficiaries - 2005: 30.72%; Share of beneficiaries - 2012: 32.62%

■ Share of beneficiaries - 2005   ■ Share of beneficiaries - 2012

Empirical approach: Public health care

Availability of public health care

Health state of elderly poor

1) Creating indicators for availability of health care facilities and coding whether health care services for elderly are available

2) Panel data regression analysis

3) Potential identification approach: Quasi-experimental method such as difference-in-differences or instrumental variable estimation

Empirical approach: RSBY coverage

Characteristics of household and of elderly individual	Health insurance coverage	Health outcomes of elderly individuals

1. Analyze RSBY coverage using binary dependent variable model
2. Obtain propensity score for households/individuals to be covered by RSBY
3. Conditional on the same propensity of being covered by RSBY, we analyze their impact on the health state of elderly

Milestones

Autumn 2015	Data preparation, data analysis and literature review for first paper
Winter 2015 - 16	Draft writing for first paper
Spring 2016	Finalizing paper on social pensions
Summer 2016	Presenting the first paper on conferences, preparation of submission to a journal
Autumn 2016	Workshop in Zurich
Autumn 2016	Data preparation, data analysis and literature review for second paper
Winter 2016 - 17	Draft writing for second paper on access to public health care
Spring 2017	Presenting the second paper on conferences
Summer 2017	Preparing the second paper for journal submission Final workshop in Delhi

Thank you!