

# Social Entrepreneurship that Facilitates Societal Transformation a Study of Yeshasvini Cooperative Farmers Health Care Scheme

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## Abstract

Right to good health is also a fundamental human right. Healthcare and well being must be achieved equitably for all. But the achievement of such an equitable access to healthcare for all is prevented by unsolved and newly emerging problems like demographic shift to ageing population, poverty, environmental degradation, economic crisis in many developed countries, and emergence of new types of epidemic diseases and so on. To overcome these unsolved and newly emerging problems and thereby achieving the equitable access to health care for all, governments, public sector organizations and social entrepreneurs have worked together to integrate health and healthcare into their policies. Such an integrated healthcare policy is focused in the present paper i.e., Yeshasvini Cooperative Farmers Healthcare Scheme, a micro insurance health scheme, launched in 2002 for millions of farmers and their families in Karnataka, belonging to various State Cooperatives, by Government of Karnataka, pioneered by a reputed social entrepreneur Dr. Devi Prasad Shetty and his team at Narayana Hrudayalaya, Bangalore.

**Index terms**— social entrepreneurs, health and healthcare, yashashwini cooperative farmers healthcare scheme.

## 1 Introduction

The concept of entrepreneurship which is applied to the context of social problem solving is called social entrepreneurship.

Solutions to social problems such as sustainable alleviation of health, education, economic, political and cultural problems associated with long-term poverty and illiteracy, often demand fundamental transformation in all societal systems that underpin current stable status.

One of such social problems is lack of healthcare accessibility to poor people. Right to good health is also a fundamental human right. It must be achieved equitably for all. But the achievement of such an equitable access to healthcare for all is prevented by unsolved and newly emerging problems like demographic shift to ageing population, poverty, environmental degradation, economic crisis in many developed countries, and emergence of new types of epidemic diseases and so on.

To overcome these unsolved and newly emerging problems and thereby achieving the equitable access to health care for all, governments, public sector organizations and private social entrepreneurs have worked together to integrate health and healthcare into their policies. Such an integrated healthcare policy is focused in the present paper i.e., Yeshasvini Cooperative Farmers Healthcare Scheme, a micro insurance health scheme, launched in 2002 for millions of farmers and their families in Karnataka, belonging to various State Cooperatives, by Government of Karnataka, pioneered by a reputed social entrepreneur Dr. Devi Prasad Shetty and his team at Narayana Hrudayalaya, Bangalore. Under this scheme even poor can avail of top-class health care at a minimal cost.

Social entrepreneurs are the change agents, who facilitate for the societal transformation in order to provide benefits to the poor and marginalized populations. The various social entrepreneurs in the private health care

## 4 IV. HYPOTHESES

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sector like Narayana Hrudayalaya Hospital of Cardiac Care, Arvind Eye Hospital, Shantha Biotech Lab and Water Health International play an important role in providing healthcare to the poor people.

The credit for coining the term "social entrepreneurship" goes to Bill Drayton, founder of Ashoka, the world's first organization to promote social entrepreneurship.

## 2 II. Objectives

1. To study the concept of social entrepreneurship as a powerful tool to solve social problems. 2. To analyze and interpret the functioning and growth of Yeshasvini Cooperative Farmers Healthcare Scheme.

## 3 III. Research Methodology

Research is descriptive and explorative in nature to meet the research objectives. Primary and secondary data is used for the study. Surveys and interactions with office bearers of Yeshasvini Trust, Cooperative Department, Government of Karnataka, and select Network Hospitals of Yeshasvini Scheme at Bangalore, are made to collect the necessary primary data. The secondary data is collected from website of Yeshasvini Trust, Government of Karnataka, and other published reports, journals and websites. Data collected is logically analyzed and presented by tables and graphs.

## 4 IV. Hypotheses

H1 : Building of local capacities and providing innovative packages to the marginalized populations is essential for the success of social entrepreneurship. H2 : Operation of social enterprises on large scale basis will help to solve social problems more effectively. Social entrepreneurs are people who realize where there is an opportunity to satisfy some unmet need that the state welfare system will not or cannot meet, and who gather together the necessary resources and use these "to make a difference" SOCIAL ENTERPRISE Dees (1994) These are private organizations dedicated to solving social problems, serving the disadvantaged and providing socially important goods that were not, in their judgment, adequately provided by public agencies or private markets. These organizations have pursued goals that could not be measured simply by profit generation, market penetration, or voter support.

Haugh & Tracey (2004) These are businesses that trade for a social purpose. They combine innovation, entrepreneurship and social purpose and seek to be financially sustainable by generating revenue from trading. Their social mission prioritizes social benefit above financial profit, and if and when a surplus is made, this is used to further the social aims of the beneficiary group or community, and not distributed to those with a controlling interest in the enterprise.

a) For-Profit Vs Not-For-Profit Social Enterprises :

Social enterprises may be for-profit or not-for-profit organizations.

? For-profit social enterprises are driven by social as well as financial goals. Not-for-profit social enterprises purely focuses on the social impact of their activities, not on wealth creation, they are society-oriented organizations.

? The primary source of funds for social ventures of for-profit social enterprises is their earnings. Notfor-profit social enterprises rely on donations and charitable contributions. ? Recruitment policy is to select people on the basis of their skill and performance but in not-for-profit social enterprises people participate voluntarily. ? The performance of for-profit social entrepreneurs is measured on the basis of social value delivered along with financial returns. They are run in an entrepreneurial setting. But the performance of notfor-profit is evaluated merely on the basis of social value they have delivered.

Entrepreneurship :

? The concept of entrepreneurship is applied to the context of business and economic ventures in case of business entrepreneurship but in case of social entrepreneurship, the concept of entrepreneurship is applied to the context of social problem-solving. The Grameen Bank (GB) was established in 1976 by Muhammed Yunus, a Bangladeshi economic professor, and his colleagues. It provides group lending for poor people without collateral. The Grameen Bank forms small groups of five people to provide mutual, morally binding group guarantees in lieu of collateral. In addition to group lending, it created other businesses like fisheries, handloom factories, renewable energy plants to serve poor. It expanded poor women's roles in income generation through micro credit around the world.

The Self-Employed Women's Association (SEWA), founded in 1972 by Ela Bhatt, an Indian to organize groups of women to address economic, social, political, and health issues. SEWA is the first and largest trade union of informal sector workers. It provides improved working conditions, access to health care, credit, and savings for the more than 90% of India's selfemployed/unorganized, female laborers. It influenced the creation of self-employed labor division in the Indian government.

It influenced the International Labor Organization to pass standards for home worker including minimum wage and working conditions. SEWA has several "sister" institutions, including a bank that provides financial resources, an academy that provides teaching, training and research, and a housing trust that coordinates housing activities for its members.

Aravind Eye Hospital : Arvind Eye Hospital was founded in 1976, by Dr.G.Venkataswamy, in an eleven bed hospital manned by 4 medical officers, today it is one of the largest facilities in the world for eye care. Technology and affordable connectivity options have made Aravind's model economically justifiable, and hence sustainable. Its network of hospitals and vision centres treat more than 2.7 million patients and perform more than 300,000 eye operations every year -70% for fee.

The Narayana Hrudyalaya Private Limited (NHPL) :

Founded in 2001 by Dr.Devi Prasad Shetty at Bangalore, Karnataka. "The Wal-martization of Healthcare" strategy is adopted by Dr.Devi Shetty and his team to reduce cost of treatment without compromising with quality of treatment. Company is currently ranked fourth behind Fortis Healthcare, Apollo Hospitals and Manipal Group. By 2020, NHPL expects to take the company to 30,000 beds from the present 5,700 beds. Its existing hospitals are at Bangalore, Kolar, Dharwad, Mumbai, Hyderabad, Ahmedabad, Jaipur, Jamshedpur, Raipur, Kolkata, and hospitals opening soon are at Mysore, Bhubneshwar, Siliguri and New Delhi. Its presence at abroad will be Cayman Islands and Malaysia.

Dr.Devi Shetty, who has been in the medical profession for close to 25 years and worked at Guy's Hospital in London, the Birla Heart Research Foundation in Kolkata (formerly Calcutta) and the Manipal Heart Foundation in Bangalore before branching out on his own, was formerly personal physician to Mother Teresa, focuses on "Process Innovation and Wal-Mart Approach" to reduce the cost of treatment.

Cardiac surgeries in the United States can cost up to US\$50,000. In India, they typically cost around US\$5,000-US\$7,000. Depending on the complexities of the procedure and the length of the patient's stay at the hospital, the price tag increases. At Narayana Hrudyalaya, however, surgeries cost less than US\$3,000, irrespective of the complexity of the procedure or the length of hospitalization. About 45% of Shetty's patients pay even less. ??f VII. Analysis and Interpretation of "Yeshasvini" -A Self Funded Healthcare Scheme

Though India has made great strides in healthcare since independence, average life expectancy has nearly doubled to around 64 years, infant mortality rate and the maternal mortality ratio have fallen significantly, but the overall access and quality of healthcare for a vast majority of Indians remain sub-par. This is because of the low share of government (Table 2) in total healthcare expenditure and the lack of skilled human resources ( In many states infrastructure is largely present but the absence of doctors and nurses renders the whole facility meaningless.

In addition to low share of government spend on health care and acute shortage of skilled human resources, World Health Organization's (WHO) world health statistics states that around 74 per cent (as of 2008) of India's private healthcare expenditure takes place in the form of out-of-pocket expenditure (OOP) and OOP spending on medicines and health care services will push millions of Indians (about 3.2%) below the poverty line.

The size of the Indian healthcare delivery market was Rs.2.6 lakh crore in 2011-12 and it is expected to double to Rs.4.7 lakh crore in 2016-17. This is due to increase in population along with the rise in life expectancy, awareness on preventive and curative healthcare, and also rapid increase in lifestyle-related ailments such as cardiac diseases, oncology (cancer) and diabetes. In value terms, cardiac ailments account for around 22-25 per cent of the overall market in 2011-12 and it is expected to go up steadily in the next five years. Likewise, oncology, at present, accounts for around 4-5 per cent of the overall market and is likely to grow to 5-7 in the next five years. This rise in lifestyle-related ailments will demand for increase in healthcare services associated with these diseases.

"In India, around 2.5 million people require heart surgeries every year but all of [the country's doctors] put together perform only 80,000 to 90,000 surgeries a year.... We clearly need to relook and change the way things are being done." Dr.Devi Shetty.

Introduction of Karnataka provides matching contribution to the Trust for implementation of the scheme. Studies have shown that on average only 0.08 per cent of the people covered under the scheme would require operations, this means the cost of their treatment is borne through the contribution of the others who do not need medical help, hence Yeshasvini scheme works effectively as a self funded healthcare scheme.

## VIII. Salient Features

## X. Conclusion

India has some of the most advanced and innovative social entrepreneurs. India is a key country in developing innovative models which are exported around the world. Yeshasvini, one of such innovative models, pioneered by Dr.Devi Shetty for the cooperative farmers of Karnataka, is functioning successfully through the partnership with Cooperative Department, Government of Karnataka, Network Hospitals, Banks and TPA (PPP model).

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<sup>3</sup><http://www.aravind.com> <http://www.ashoka.org> <http://www.grameen-info.org>  
<http://www.heidelbergmedical.com> <http://www.yeshasvini.kar.nic.in> <http://www.brac.net>  
<http://www.narayanahrudayala.com> <http://www.microfinance.com> KPMG & ASSOCHAM, 17 Feb. 2011, "Emerging

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?	Recognizing and relentlessly pursuing new opportunities to serve that mission
?	Engaging in a process of continuous innovation, adaptation, and learning
?	Acting boldly without being limited by resources currently in hand, and
?	Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created

Thompson,  
Alvy & Lees  
(2000)

Author/s & Definition  
Year

#### ENTREPRENEURSHIP

Drucker (1960)

Stephen A process by which people pursue opportunities, fulfilling needs and wants through  
Robbins & innovation, without regard to the resources they currently control.

Mary Coulter  
(1999)

Schumpeter(1951);A major theme of entrepreneurship has been the creation of value through innovation

Drucker (1985)

#### SOCIAL ENTREPRENEURSHIP

Alvord, Brown  
& Letts  
(2004)

Creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources, and social arrangements required for sustainable social transformations

Mort,  
Weerawardena  
&

Carnegie (2002)

A multidimensional construct involving the expression of entrepreneurially virtuous behavior to achieve the social mission, a coherent unity of purpose and action in the face of moral complexity, the ability to recognize social value-creating opportunities and key decision-making characteristics of innovativeness, pro-activeness and risk-taking

#### SOCIAL ENTREPRENEURS

Dees (1998)

Social entrepreneurs play the role of change agents in the social sector, by:  
? Adopting a mission to create and sustain social value



"Yeshasvini Cooperative Farmers Health Care Scheme" ( of health insurance coverage under Private-Public Partnership (PPP) Model will help to provide healthcare accessibility to all. Such an effort of health insurance coverage was pioneered by Dr.Devi Shetty, launched by Government of Karnataka in 2002, named "Yeshasvini Cooperative Farmers Healthcare Scheme", which is India's largest Micro Health Insurance program and the world's self-funded health insurance scheme for farmers at a monthly premium of 5 rupees (now Rs.10).

Figure 4:

Chart : 1

Source : [www.yeshasvini.kar.nic.in](http://www.yeshasvini.kar.nic.in)

Source : [www.yeshasvini.kar.nic.in](http://www.yeshasvini.kar.nic.in)

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? Each beneficiary is required to pay prescribed rate of annual contribution every year. Presently [2012-13] member contribution is Rs.210/-.  
? The period of each enrollment commences from January/February and closes by June every year.  
? The scheme is open to all rural co-operative society members; members of self help group/Stree Shakti Group having financial transaction with the Cooperative Society/Banks, members of Weavers,

Figure 5: ?

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Year	Members Enrolled ('in lakhs)	Members Contribution ( 'in crores)	Government Contribution ( 'in crores)	No. of free OPD availed	No. of surgeries availed	Surgery amount reimbursed to
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Figure 6: Table 4 :

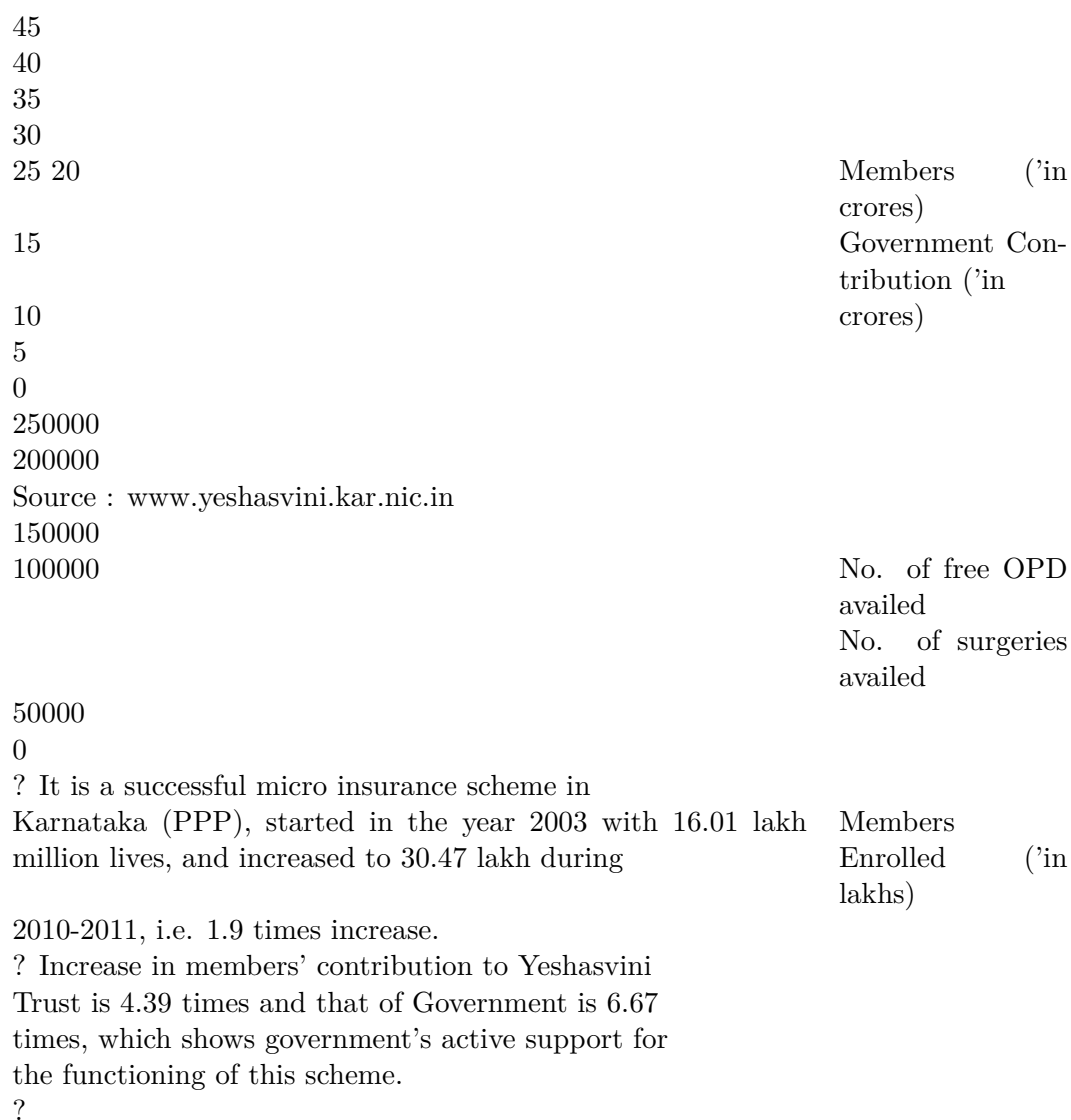


Figure 7: Members Enrolled ('in lakhs)





? The higher age limit fixed is 75 years for availing benefit under the scheme. IX. Implementation Procedure required hospital admits the patients and sends preauthorization request to the TPA online along with proof of documents. ? Doctors/Specialists of the TPA examine the preauthorization request received from Network Hospitals and approval is given to preauthorization within 24 hours, if all the conditions are satisfied. ? Network Hospitals extend cashless treatment and surgery to the beneficiary subject to the limits prescribed under the scheme. ? Network Hospitals after discharge forwards the original bill, discharge summary with signature of the patient and other relevant documents to TPA for processing and settlement of their claims. ? Trust arranges payment to Network Hospitals through TPA within forty five days of the receipt of the bills from the Network Hospital. ? Yeshasvini beneficiary is required to produce Enrollment Card and other documents at the time of admissions, so that the Network Hospitals can send preauthorization for approval. If the beneficiary does admission he is not entitled to avail the benefits under the scheme.

? In case of emergency, the coordinating officer of the Network Hospital will take undertaking letter from the beneficiary or his/her ward that in case he/she is not covered under the scheme the cost of the surgery will be paid by the beneficiary only.

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