



# **DHAN ICMIF 5-5-5 project 5-5-5 Mutual Insurance strategies**

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# Helping a Hungry Man...

*A hungry man near a river side..*

- Providing fish to him daily
- Enabling him to catch fish on his own

*But the Story didn't end here...*

- Facilitate market access to sell his fish
- Conserving the resources for sustainable fishing
- Livelihood security during disaster times...

**This is called Development!**



# Mission of DHAN

***“Building People and Sustainable Institutions with Value Driven, Ethics and Democratic  
process to  
enable the poor for Poverty Eradication,  
Water & nutrition secured;  
Inclusive and Ecologically Balanced Development”***

***Risk and vulnerability management is an integral part of the strategy***

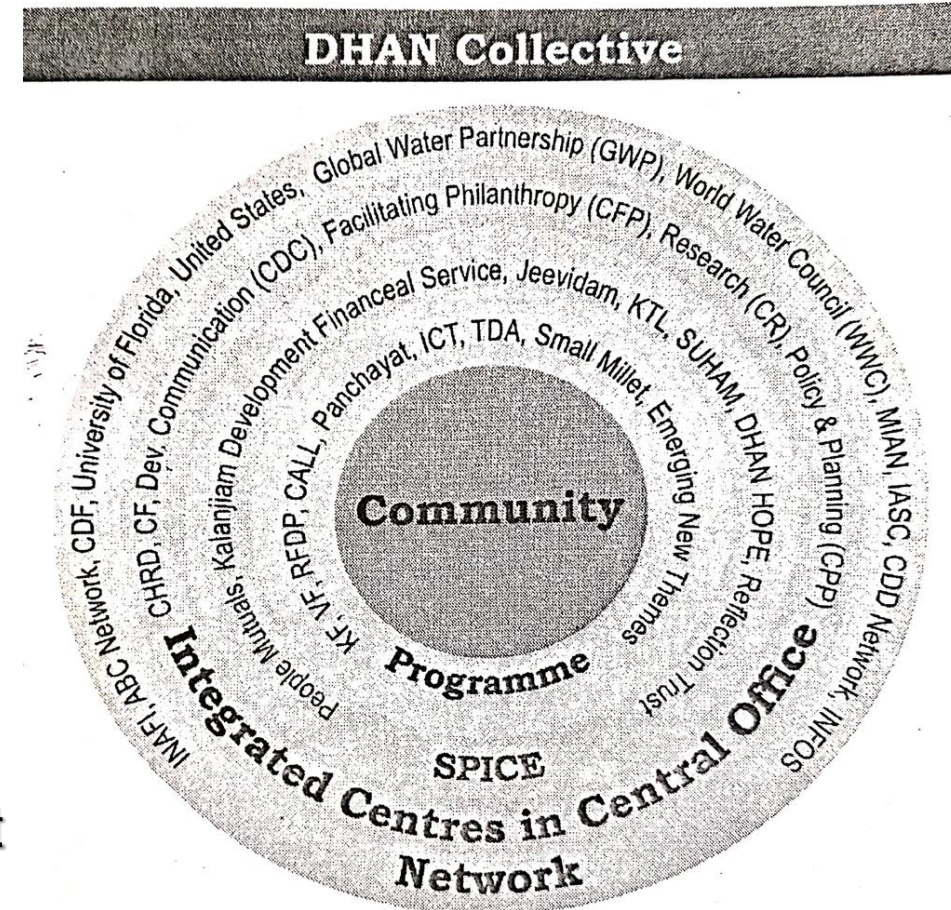


# DHAN Foundation at a glance (2019)

• Families Reached	-	17,50,000
• No of Primary groups	-	66,000
• No of People's Federations	-	409
• No. of States	-	14
• No. of Staff	-	800
• People functionaries	-	3000
• Total Portfolio		
• Programme Funds	-	Rs.16499 million.
• Programme management fund	-	Rs.518 million

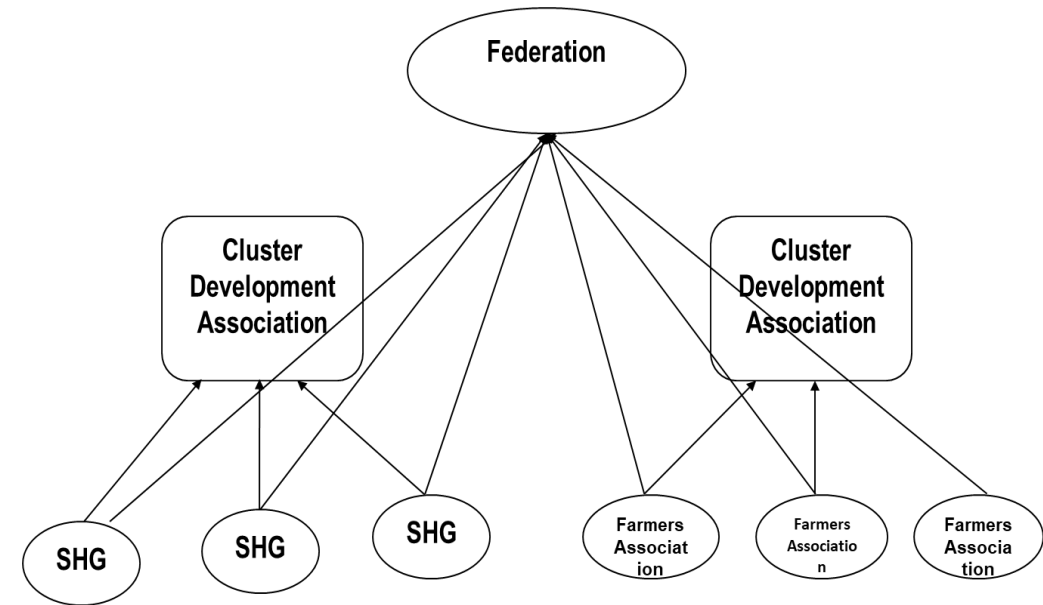


# Approach in Development Processes



# Community Institutions – The basic units of development

- Promoted by low income households, small/marginal farmers, farm labourers, fishers, small traders, and so on
- Members selected through a participatory process involving several tools like resource mapping, perception mapping, wealth ranking and household survey.
- The community institutions are owned and governed by the local communities
- Mutuality, self-help and self reliance are the principles of SHG
- Technical support and human resource provided by DHAN



# Functions of Community Institutions

- Providing platform for savings and affordable credit
- Safety net through insurance and pension
- Livelihoods promotion through skill training and market linkages
- Health initiatives including preventive and curative health care
- Natural resource management through renovation and maintenance of water bodies/ coastal resources
- Agriculture development
- Grassroots democracy by strengthening the PRIs
- Risk Management an integral component of all initiatives
- Later specialized subsidiaries are promoted for specific themes thus making federation collective



# Risks Faced by Members of Our People Institutions

- Life – Death, disability, longevity
- Health- primary, secondary, tertiary care
- Livestock – death, becoming unproductive
- Crop – crop loss, price risk

## Risk Management in DHAN

- Risk Management that focuses on reducing either the frequency of loss or magnitude of loss or both.
- Risk reduction, risk retention and risk transfer mechanisms simultaneously to complement each other
- Insurance for reducing the risk by way of compensating the loss arising due to an insured event



# DHAN's Strategy Towards Sustainable Insurance

Community insurance involving

- Need based solutions evolved through community organizations
- Affordable premium and simple processes
- Financial soundness by way of transferring part of the risk through back up insurance with insurance companies and reinsurance arrangements
- Residual surplus being used for risk prevention measures

## **Mutual Insurance Solutions for Scaling up**

- Life Mutual Program for all irrespective of upper age limit (ICMIF 5-5-5)
- Health Mutual program for secondary health care ICMIF (5-5-5)
- Livestock Mutual program for all cattle – indigenous/ exotic breed
- Crop Mutual risk sharing – Pilot program



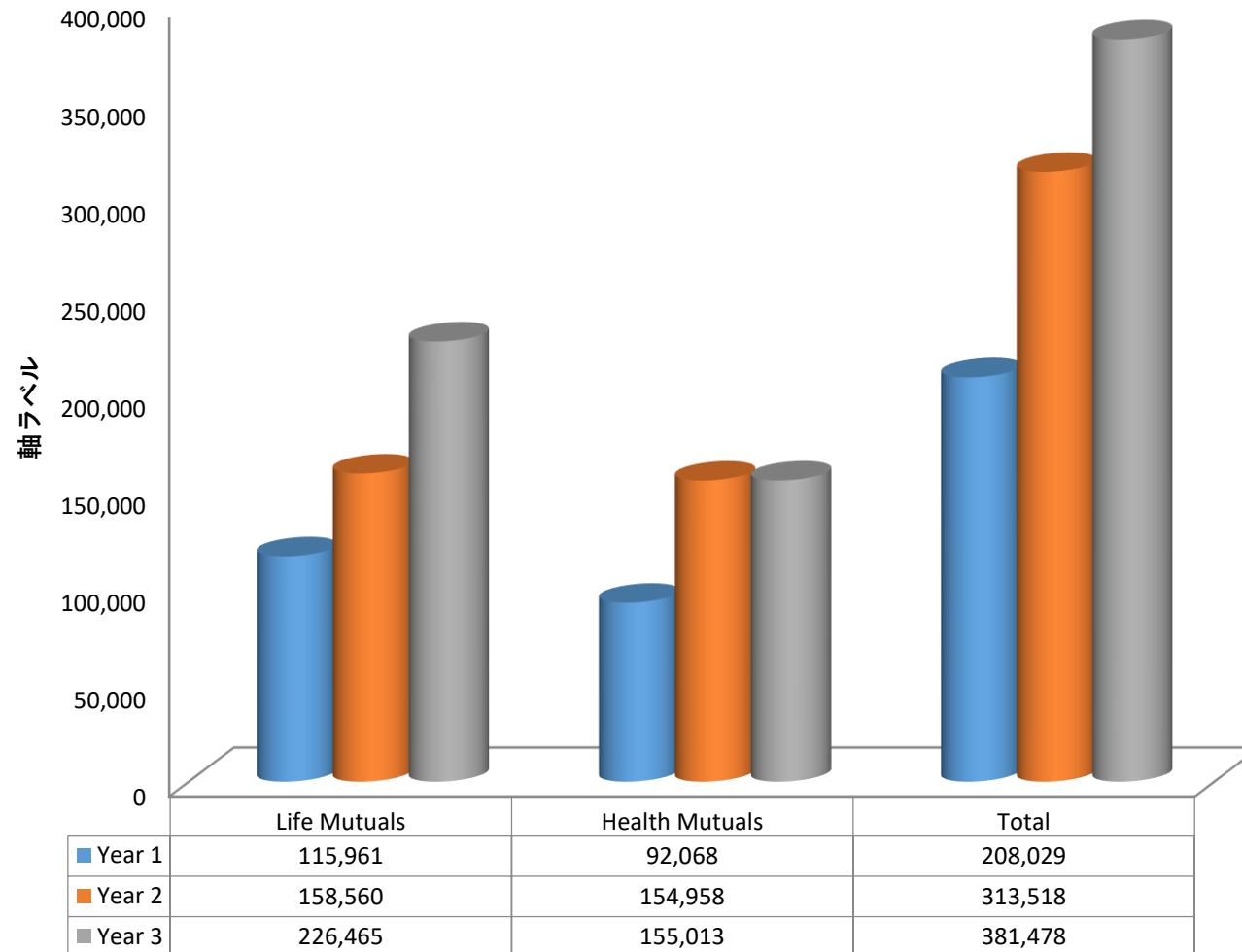
# Risk Management through Comprehensive Insurance

Nature of Risk	social Insurance	Partnership with commercial insurer	Mutual solutions	
			Mutual Insurance	Other risk reduction services
Life	Aam Adhmi Bima Yojana	Prime Ministers Jeevan Jyothi Yojana & PM Suraksha Bima Yojana	Mutual life Programme	Alcohol de-addiction camps and counseling;  Community health awareness programme for safe water, sanitation & hygiene, anaemia control programme, nutrition security programmes, health camps for diagnosis and treatment
	Protection for those aged between 18 to 59 years	Protection for those aged 18-50; Later is upto 70 but only for death due to accident	Protection for all aged above 18 years	
Health	State sponsored health insurance schemes for poor	Universal Health Insurance Scheme	Mutual Health programme	
	Covers for tertiary care treatments; normal in patient care procedures are excluded	Covers all secondary/inpatient care treatments; primary care is excluded	Primary health care given in community owned hospitals	Health care advisory for taking up secondary and tertiary care treatments in identified hospitals;

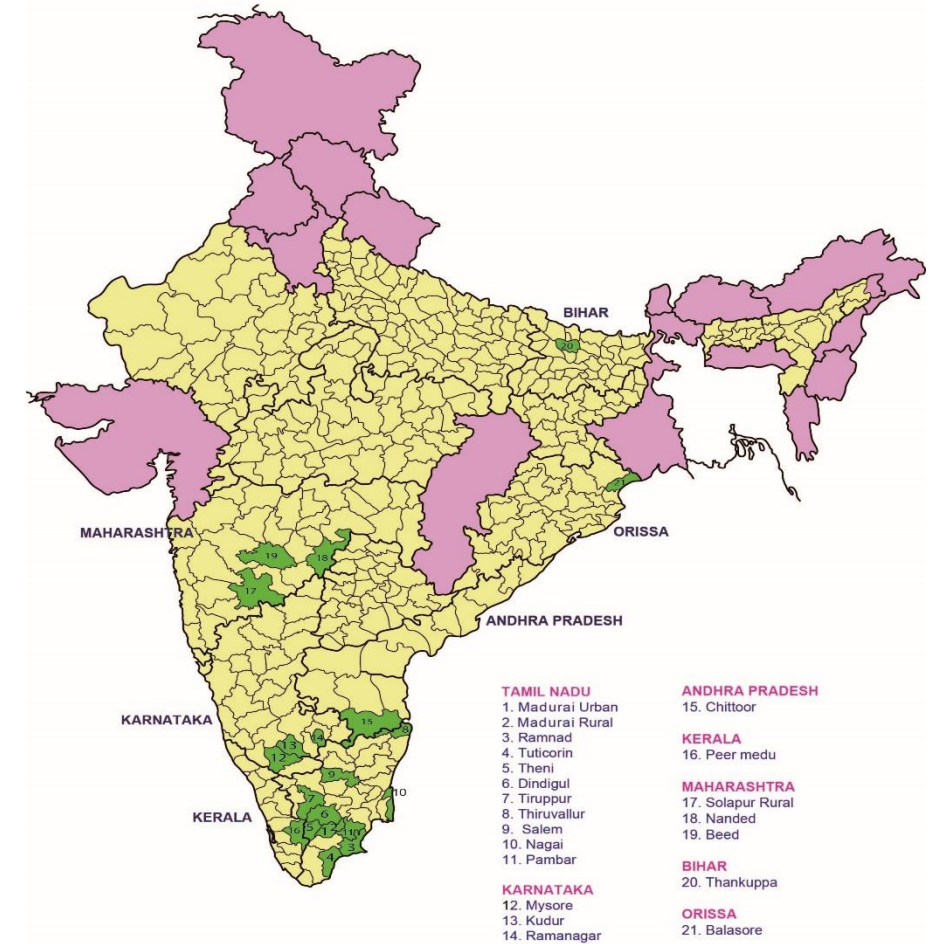


# ICMIF reach in DHAN

## ICMIF Reach



## Mutual Federations as on March 2019



# Key Benefits of Peoples Organizations

- Promotes participative and vibrant grass-root democracy
- Non monetized mutuality practices like participation in funeral function, early diagnosis of diseases through health camps, and visit to hospital by mutual leaders.
- Enhances sustainability and effectiveness in poverty reduction through comprehensive risk management practices.
- Promotes gender equity
- Strengthens demand system of poor at grass roots
- Transforming 'SHG's into Civil Societies'
- Creates multi faceted partnership through nested structures
- Enables poor to shape their own destinies
- Ensures co-learning among member organisations
- Provides scale advantage



# Impact

## 0.6 Million people declared that MOP

*Moved  
Out of Poverty*



- Kalanjiam creates the platform for aspirations, self confidence and empowerment are a powerful force for moving out of poverty in addition to individual and family
- Contextualizing the poverty for evolving appropriate strategies for risk management and poverty reduction.
- Democratic values and ethical practices for working with poor through movement activities

*“Being in the kalanjiam, I have had the chance to go around, see other women, understand their problems, and how they come up with ways to solve it. All this has given me courage.” –DHAN Foundation participant*



# Way forward

- Extending service to low privileged communities to Increase access to social protection and Mutual Micro insurance
- Comprehensive and Integrated approach for context based risk management services.
- Support Awareness and capacity building program to all stake holders and actors
- Development of more complex products – Disaster and climate risk reduction products
- Development of Gender sensitive products and services
- Grant Support for Pilots and research – Digitization, Mobile technology, Product designing and member literacy



# Big Thanks to ICMIF and all Donors

