

## Social Security Schemes Initiated by Government of India

Scheme	Aam Aadmi Bima Yojana (AABY)	Rashtriya Swasthya Bima Yojana (RSBY)	National Pension Scheme - Swavalamban (NPS-S)
<b>Objective</b>	AABY is a life insurance product that covers the head or earning member of the family, with the condition that he is between the ages of 15 to 59. The scheme includes members from 47 different occupational groups (BPL and marginally APL).	RSBY provides BPL families with access, choice and financial-risk protection for in-patient health care services.	NPS-S offers retirement savings for the unorganised and economically disadvantaged sectors of society with limited potential for accumulated savings.
<b>Benefits</b>	AABY offers a cover of Rs. 30,000 on natural death, Rs. 75,000 on death or permanent disability due to accident, and Rs. 37,500 on partial disability due to accident.	RSBY offers inpatient care, restricted by package limits (700 procedures, 5 days post-hospitalisation drugs, and transportation costs of Rs.100) and subject to an annual ceiling of Rs.30,000 per family, covered on a cash-less basis.	Gol contributes Rs.1000 a year as co-contribution if Rs.1000 has been saved by the beneficiary. At the retirement age of 60 years, if the beneficiary has saved the minimum amount, he should have accumulated enough pension wealth to benefit from a minimum amount of Rs.1000/month.
<b>Implementation Architecture</b>	LIC was chosen as the implementing agency. LIC is responsible for both directly managing the insurance product, including issuing the master policy and disbursing claims, as well as marketing the product to Nodal Agencies on behalf of the Central Government.	RSBY adopts an institutional framework within which the Central Government, State Nodal Agencies (SNAs), hospitals, and insurance companies all share responsibilities.	NPS-S has a unique implementation architecture. While it is centrally managed through the PFRDA, the scheme makes use of both “Aggregators” under the NPS-Lite Model and “Points of Presence” (POPs) under the Unorganised Sector Model. Data is recorded by the Central Record-keeping Agency (CRA).
<b>Claims</b>	Required documents are collected and verified by the Nodal Agency. These are passed on to LIC for approval and disbursement of the benefit to the nominees’ account.	Smartcards have Rs.30,000/year credited to it for direct use at any empaneled hospital. Hospitals “block” the required amount on admission, and on completion of treatment send an electronic report to the insurer for reimbursement.	At the exit age of 60 years, the subscriber can apply for his monthly pension support. There is the option for early withdrawal though this is less attractive as it results in a lower remaining pension wealth post annuitisation. In case of death prior to 60 years, pension wealth can be withdrawn as a lump sum by the nominee.
<b>Funding</b>	The premium is Rs.200/year. This amount is split equally between the Central Government and the Nodal Agency. The Nodal Agency may ask the beneficiary to contribute towards its premium amount (except for rural landless households).	On average the premium is Rs.540/family per year. This is split 75:25 by the Central and State Government respectively. A contribution of Rs.30/family is taken from the beneficiary at enrolment and at every renewal.	The Central Government co-contributes Rs.1000 to all beneficiaries who have saved between Rs.1000 and Rs.12000 per annum. This co-contribution is currently in place for a 4 year period.