# OTHER INSURANCE SCHEMES

*Health Financing for Equity – A National Forum*
*06th September 2010*

# Social Health Insurance Benefits

- Formal private sector non pensionable employees from public sector
- Members of the NSSF, one of 7 benefits stipulated in the NSSF Act, of 1997.
- Formed in 2005 as independent body within NSSF
- Contribution is part of the 20% statutory NSSF contribution
- Covers up to 5 dependents(One spouse, 4 Children)
- All NSSF members contribute(500,000 members- 2010)
- Registration required to enjoy the benefit
- 50,000 members (2009)

# SHIB

- Members can seek care in selected facility
- 242 facilities accredited (20 in DSM)
- The SHIB Monitoring and Evaluation Committee (SMEC) assess the quality of services provided by the accredited medical providers
- Capitation method used to pay providers in most cases
- 3 month waiting period before benefits can be accessed

# SHIB

- Challenges
  - Membership base very small, people concerned to sign up(low awareness/parallel coverage/misconceptions)
  - Resistance from some tertiary providers in DSM to capitation payment
- Plans
  - 2010/2011: enroll 50% of all NSSF members into SHIB, dramatically increasing coverage, reaching 100% of all members in 2011/12.
  - Attract informal sector members (already experienced with Dundiliza, Tsh 12,000 per month)

# PRIVATE HEALTH INSURANCE

# Private Health Insurance

- Only 2 companies dealing only in health insurance
- Many insurance companies with health as a misc. item
- Since early 2000s
- National coverage estimated no more than 125,000
- Mainly formal sector coverage, often through employers

# Private Health Insurance

- Challenges
  - Distribution channels not well developed, limited awareness
  - Fraud (card exchange) can be as high as 25% – some schemes planning biometric system
  - Price inflation – little control of prices from private providers; threatens sustainability
  - Patients not respecting referral system
  - Supplier induced demand

# Private Health Insurance

- Recognised need for greater regulation
  - Health funders board
- Cost control mechanisms
  - Limits on reimbursement levels
  - Pre-authorisation for referral
  - Waiting period (12 months for maternity)
  - Wellness programme (Strategies)
  - Co-payments (AAR, discontinued)
  - Introduction of health savings accounts (AAR)
- Financing post retirement needs (AAR)

# Private Health Insurance

- Working with the informal sector
  - Pharm Access and Strategies
    - In Dar es Salaam: enroll Pride members (2,500 enrolled out of target population of 40,000)
    - In Moshi Coffee Farmers (KMC) starting (target 8-10,000 farmers, initially)
    - Package includes outpatient and inpatient care in private facilities
    - Package cost $100 per year in DSM: 10% funded by beneficiary; 90% subsidised during year 1.

# MICRO INSURANCE SCHEMES

# Micro schemes

- Many small micro schemes (e.g.)
  - Chawana Health Insurance
  - *USHIRIKA – MIHIFU – Migahawa Health Insurance Fund*
  - *Mfuko wa Afya wa Aitman*
  - ELCT/NWD-CBHF Kagera Region
  - Network of 15 Self Managed Health Insurance Schemes in Mbeya, supported by Centre International de Développement et de Recherche (CIDA)

# Micro schemes

- Some operate through group enrolment (e.g. Chawana)
- Tsh 25-50 per person per day
- Simple benefit package
- Challenges
  - Financial sustainability and cost control
  - Small risk pools operating independently
  - No cross-subsidisation
  - No government support