

Health Financing in Tanzania

Where we have come from... and
Where we are now...

MINISTRY OF HEALTH AND SOCIAL
WELFARE

BLUE PEARL HOTEL, 6TH SEPTEMBER, 2010



Outline

- Background
- Financing Sources
- Recent Developments
- Challenges
- Unanswered Questions

Background

- Arusha Declaration in 1967 - free care for all
- 1977 -1991 No private-for-profit medical practice
- 1993 Cost sharing started in IV phases
 - Exemptions for vulnerable groups
- Waivers for the poor

Background.....

- Late 1990s, introduction of insurance to protect households from catastrophic financing
 - 1996 piloted the Community Health Fund (CHF) in Igunga district – national roll out from 2001
 - 1999 National Health Insurance Scheme (NHIF) initiated, starting in 2001
 - SHIB
 - VIBINDO, UMASITA
 - Private Insurance

Financing Sources

- Public taxation – 28%,
- Donor funding – 44%,
- Out-of-pocket payments(OOPs) – 25%,
- Private firms and employers - 3%.

Recent developments...

- NHIF take over the management of the CHF/TIKA
 - Avenues for growth of CHF/TIKA and future increase in cross-subsidisation and pooling

- National commitment to scaling up health insurance, to reach 45% by 2015

- This is important due to:
 - Population increases
 - Increase of diseases
 - Increase in the number of vulnerable groups (orphans, elders e.t.c)
 - Cost of paying for health care can be unaffordable

Challenges

- Fragmentation of insurance schemes
 - Different health insurance scheme operating independently, separate risk pools and little cross-subsidisation
- Weak regulation of insurance schemes
- About 10%+ of the population are covered through the insurance schemes.



Challenges...

- Effective exemption system
- Waivers covering the poor

Some unanswered questions...

- How to integrate existing insurance schemes and systems?
 - NHIF, CHF, SHIB and private insurance
- To what extent should health issues be part of or separate from broader systems of social security?

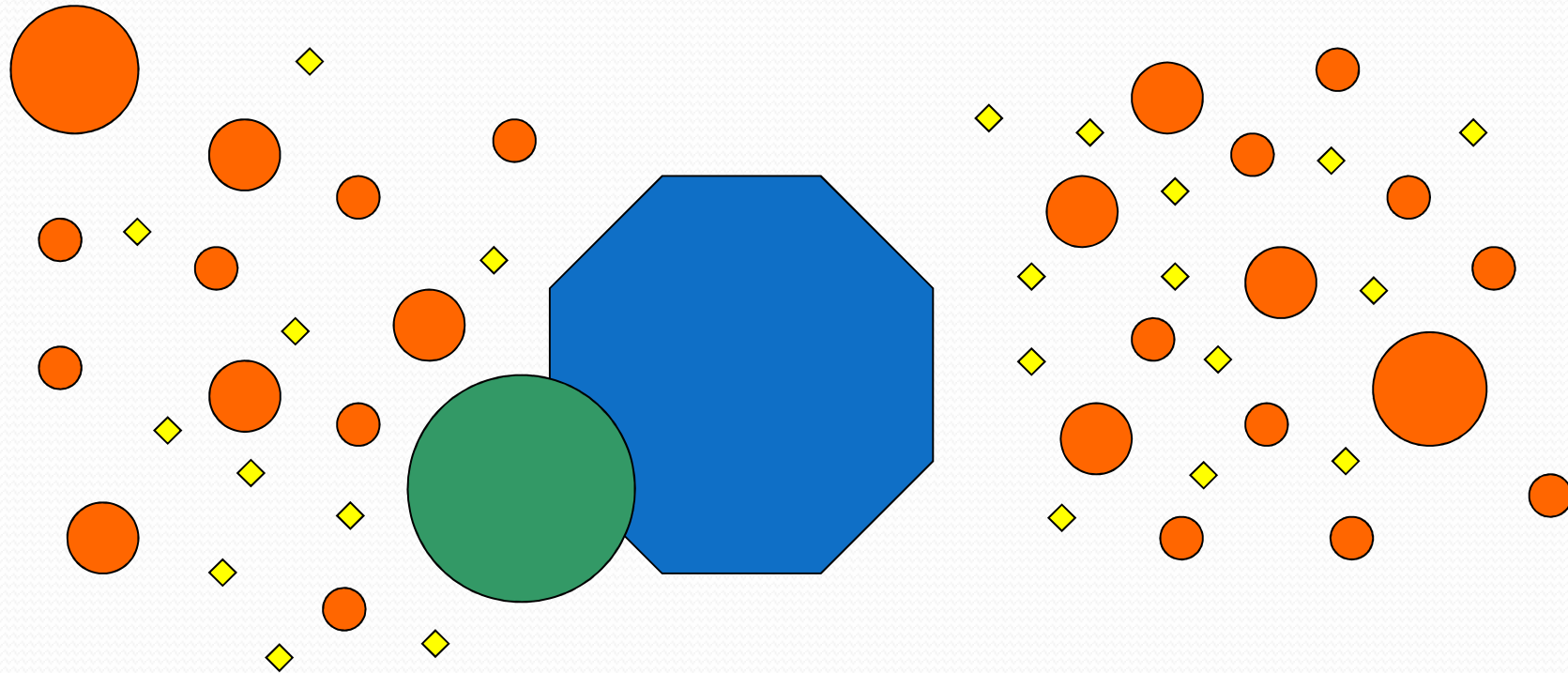


Some unanswered questions...

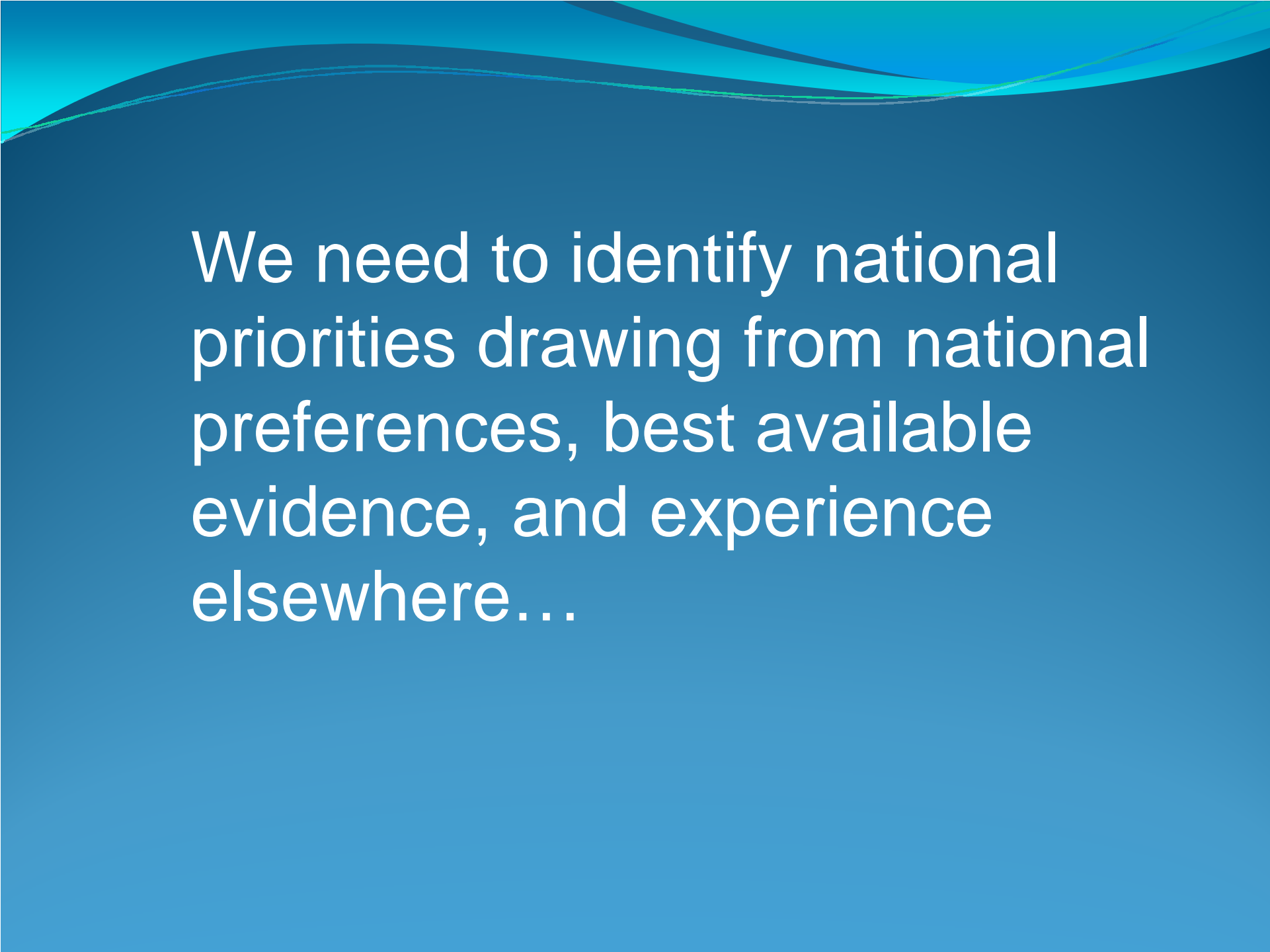
- How to handle the informal sector and those who can't afford to pay?
- How to enroll them and to finance their care?

Pieces of the puzzle

Who pays, how much?



Who benefits, to what extent? Who doesn't benefit, why not?



We need to identify national priorities drawing from national preferences, best available evidence, and experience elsewhere...

Overview of the Day

- Session 1 Setting the scene
 - ▣ Overview of current situation and FI and BIA
 - ▣ Detailed overview of the main insurance schemes
- Session 2 Health insurance as a means of achieving universal coverage
 - ▣ Impact of insurance on access and financial protection
 - ▣ Scaling up voluntary insurance
- Session 3 Scaling up universal coverage
 - ▣ Regulatory framework
 - ▣ Lessons from elsewhere
 - ▣ Modelling costs and benefits

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- THANK YOU FOR LISTENING