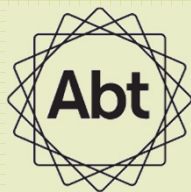




Lessons Learned and Opportunities

Supporting Partnerships for Greater Access to Health Care Coverage In the Formal Sector

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Abt Associates leads the project in collaboration with
Banyan Global
Jhpiego
Marie Stopes International
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Health Insurance is a Necessity for Universal Coverage

- Health insurance is a model to:
 - Mobilize resources to reduce high OOP expenditures
 - Efficiently deliver services
 - Create sustainable methods of coverage and delivery
 - Sustaining health outcomes in view of declining donor funding
 - Why comprehensive health insurance is important:
 - Single disease insurance is not sustainable
 - Ill or absent employees have far reaching cost implications (decreased productivity, delayed revenue)
 - Employer premium contribution yields a high return
 - Promotes an increase in the use of private health facilities; reduces the burden on public health facilities
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How to Create Low-Cost Health Insurance

- Insurers
 - Communicate with employers and employees to understand their unique needs
 - Use actuarial evidence to guide development of products
 - Respond to needs with innovation and flexibility:
 - Offer installmental premium payments
 - Offer no-claim benefits
 - Design products that promote wellness, prevention, and promotive services
 - Partner with healthcare providers and agree on benefits and costs
 - Invest in education and target group studies
 - Monitor use and distribution of services (to prevent fraud)

How to Create Low-Cost Health Insurance

- **Employers**
 - Evaluate various models of providing health coverage for various cadres of staff
 - Seek TA if needed
 - Promote awareness among and educate staff on wellness and preventative care
 - Partner with insurers, administrators, and regulators to develop specific health funding models for staff
 - Conduct an economic evaluation of business and financial impact of various HCF models

How to Create Low-Cost Health Insurance

- Healthcare Providers

- Develop standardized and quality healthcare services
- Use comprehensive costing data to price services
- Partner with employers and insurers to develop sustainable health plans through provision of cost effective services
- Accept more sustainable payment modalities: fixed reimbursement, DRG, capitation

- Employees

- Become actively involved in the design of their health coverage
 - Participate in willingness to pay surveys or focus groups
- Prudent utilization of benefits and adoption of healthy lifestyles
- Give feedback on products and services and how they can be improved

How to Create Low-Cost Health Insurance

- Government/Regulators
 - Clear policies and strategies
 - Conclude HCF and define regulatory structure and different types of health plans
 - Promote PPPs in HCF
 - Make health plans mandatory and work out how each socioeconomic group will be covered
 - Hold all parties (insurers, employers, and providers) accountable for results
 - Public education and awareness creation on HCF
 - Collect and collate industry innovation and share data/benchmarking

How to Create Low-Cost Health Insurance

- Development Partners
 - Knowledge from global best practices
 - Willingness to pay studies
 - Actuarial/costing studies
 - Product development in different markets
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Challenges

- Cost containment
 - Low income workers comprise a large portion of the formal sector and are frequent users of healthcare
 - Increasing costs of premiums and claims (for insurers and employers)
 - Alternatives to insurance (in-house clinics) may be more affordable
 - Restrictive products result in further cost gaps that the employer or employee must fill OOP
 - Multiple dependents (4+)
- Fraud
- Lack of trust between stakeholders
 - Low acceptability and utilization by employees

Challenges

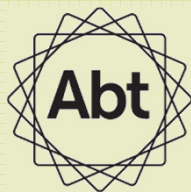
- Lack of communication, knowledge or information sharing on the benefits of health insurance (marketing)
 - Technical language is difficult to understand
- Biases
 - Provider bias against insurance
 - Spiritual or religious beliefs
 - Unions advocating other models (i.e., retainership)
- Identifying/creating an appropriate insurance product (only 60% of the needs of low-income workers are being met)
 - Primary services vs. priority services
 - Mandatory vs. voluntary
 - Uniform plans

Opportunities

- Communication and information sharing among all actors
 - Raise awareness of available products (health fairs) in a clear language
 - Promote transparency
 - Leverage partnerships
 - Create provider networks and build partnerships with low-cost hospitals to develop sustainable, comprehensive care
 - Develop products to accurately address the needs of low income workers
 - Create incentives to increase utilization
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