SAVE FOR HEALTH UGANDA

New Vision
ADVERTISER SUPPLEMENT

Health insurance for communities

Community Health Insurance (CHI) is a shared means for providing financial protection against the cost of illness and improving access to quality health care services. A Community Health Insurance Scheme (CHIS) is the management arrangement through which CHI can be provided to members of a specific community by pooling health risks, financial risks and financial resources together. In an interview with Gilbert Kidimu, Frederick Makaire, the executive director Save for Health Uganda, talked about the innovative insurance scheme

A field officer conducting an education session on insurance in Kasaana, Sheema district. Photo by Gilbert Kidimu

Q What prompted you to come up with the community insurance scheme?

With the exception of a few people in formal employment who have some financial protection such as employer-provided medical insurance, many of those in the non-formal employment sector have limited or no financial protection, resulting from the extensive reliance on out-of-pocket payments each time they seek health care services. Making people to pay for health care services at the point of providing the service has not only discouraged people from using the services, but also led to postponement of seeking medical treatment. In some cases, people are forced to sell off family assets and other valuables in order to pay for medical treatment.

Most people in Uganda live below two dollars a day. What makes this model of health insurance feasible?

Community health insurance is feasible because it works for people in a defined community who share a lot in common, including exposure to health risks and who agree to pool their meagre resources together to help meet the cost of medical care for those who need it during a specified period. Secondly, community health insurance uses local health care service providers. Because this model focuses on a community, it benefit from large numbers.

How does CHI work?

CHI works through a community health insurance scheme that is formally established with a clear mandate from the members to provide health insurance to them.

Once formed, the scheme mobilises the members, educates them about health insurance, collects premiums from the members, contracts health care providers, issues identification ID cards to the paid up members to utilise services from the contracted providers, monitors the utilisation of services, and pays the service providers.

When the insurance cover period expires, the scheme collects new premiums from the members again to cover them for the next period. It is important to note that unlike with commercial health insurance, community health insurance does not involve total transfer of risks to an external insurer. It covers members' risks for as long as the pooled fund remains liquid.

What are the steps required for one to get insured?

The first step is live or work in a community that runs a community health insurance scheme. The interested family then pays a membership fee and becomes a member of the scheme.

When a member, the family pays an annual health insurance premium for each of the members in their family. The last step is for the family to receive identification cards to enable them be covered by the scheme should they need services from the health care facility or facilities that the scheme has contracted.

What do you want to see achieved through this initiative?

First, we want every Ugandan resident to have access to any health care facility and service regardless of their socio-economic status. Without requiring cash in order to utilize health care services at any health care facility, access becomes possible and equitable for all.

Secondly, we want to demonstrate to the policy makers that health insurance is a viable health care financing alternative to out-of-pocket payments not only for low income earners but for all Ugandans.

Makaire Fredrick, Executive Director

SAVE FOR HEALTH UGANDA

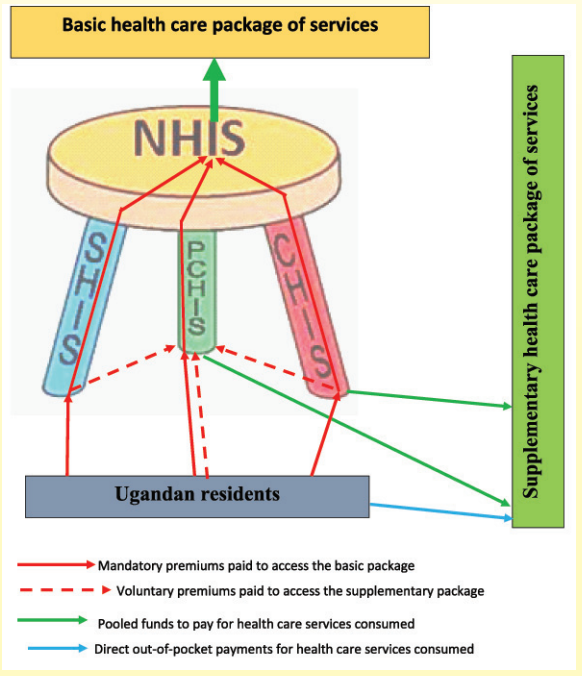
Community solidarity for quality health

Community Health Insurance in Uganda and its role in the country's efforts to reach Universal Health Insurance Coverage

Community Health Insurance (CHI) Schemes have been promoted and implemented in Uganda since 1996. They are health and financial risk management mechanisms for members of a defined community who agree to pool their health risks and financial resources together. The CHI schemes are characterized by: solidarity among members; voluntary enrolment; active participation of members in the management of the schemes; and not being for profit. Today, the CHI schemes are spread in the Districts of Luwero, Nakaseke, Nakasongola, Mubende, Masaka, Bushenyi, Sheema, Mitooma, Buhweju, Kanungu, Rukungiri, Kisoro, and Kabaale, and provide medical insurance to about 150,000 people.

Making a decision to utilizing quality health care services is much harder for the rural informal sector families whom the CHI schemes mainly target. It is not an easy decision to make because it depends largely on the availability and sufficiency of cash in the house to cover all the costs associated with accessing health care services including: transport, treatment costs, meals, etc. So, because of this cash requirement, a significant number of families are deterred from using services since they have to pay for them on the spot, or if they utilize the services and pay, some suffer financial hardships. Trying to minimize the challenges above is the reason CHI schemes have been promoted and continue to exist in Uganda today.

According to the EAC social protection report of August 2014, Uganda despite implementing a free health care policy in all Government health facilities presents a population with highest private spending on health at 49% compared to Burundi's 40%, Kenya's, 37%, Rwanda's 11%, Tanzania's 31% among the East African Countries. Since 2006, Uganda through the MoH has been designing a National Health Insurance Scheme (NHIS) for all residents as one of the health financing reforms to ensure adequate funds for health are raised so that residents can use the needed health care services and remain protected from financial catastrophe or impoverishment associated with having to pay for these services. According to the latest NHIS draft bill of 2014, it will be mandatory for every resident to belong to the NHIS. Enrollment into the NHIS shall be through one of the three sub schemes that have been defined to be: 1) The social health insurance scheme (SHIS) for the formal sector workers, pensioners and the indigents; 2) the community health insurance scheme (CHIS) for the self-employed and others in the informal sector; and 3) the private commercial health insurance scheme (PCHIS) for both formal and informal sector workers and families. If some clauses in the current NHIS draft bill of 2014 are amended so that the bill provides for NHIS as illustrated in the figure, then the law will target all Ugandan residents and, Universal Health Insurance Coverage will be reached. The CHI fraternity and several other stakeholders find the NHIS as illustrated appropriate for a Ugandan model, especially because in Kenya and Tanzania where the NHIS started by focusing on civil servants and other formal sector workers, it is still not possible for these countries to bring the informal sector and the poor onboard despite running the national schemes for over 40 years now. Rwanda which targeted the entire population from the start has reached over 95% health insurance coverage in just 10 years.



The CHI sub scheme of the NHIS as per our illustration will enroll self-employed and other informal sector families to join the NHIS through which every Ugandan resident will access the basic health care benefit package. CHI schemes will also manage other funds to cover services or costs not covered by the NHIS and other health care related expenses that limit access to services such as transport and meals during admissions.

Will the CHI sub scheme handle its roles in the NHIS efficiently? The example of the Save for Health Uganda (SHU) CHI schemes in Luwero, Nakaske and Nakasongola Districts show what roles the CHI schemes currently perform and how they perform them. In this example, it is important to note that a CHI scheme operates at an administrative unit of a parish. The current 50 CHI schemes formed a network based in Luwero town.

Share/ separation of roles			
CHI Scheme members	**CHI Scheme-level (parish) managers**	**District/ regional CHI Schemes-level (network) managers**	**External SHU technical support**
1. To promote the scheme and enroll members	1. To collect premiums from members who wish to be covered under medical insurance 2. To transfer collected premiums and bio data of paid families to the network 3. To manage beneficiaries' concerns	1. To provide health insurance education to the target population 2. To pool the premiums and manage all scheme funds 3. To process and issue access ID cards to medical insurance beneficiaries 4. To evaluate performance and contract health care service providers 5. To monitor the implementation of the service contracts 6. To purchase health care services from contracted health care providers 7. To report progress to key stakeholders 8. To comply with the legal and regulatory requirements of the scheme	1. To provide health education to the target population 2. To research and assist developing appropriate health insurance products 3. To determine premium payment capacities and mobilize for subsidies 4. To accredit health care service providers 5. To set standards and develop management tools for the scheme 6. Train scheme managers

Most of the roles that CHI schemes perform are similar to those anticipated to be roles that the NHIS will play. The CHI schemes will find it easy to perform most grass-root level roles for the NHIS especially funds collection, bio data collection, and management of members' concerns. The CHI Schemes promoters like the Uganda Community Based Health Financing Association (UCBHFA), Save for Health Uganda (SHU) and others could partner with the NHIS to conduct health insurance education, form new CHI schemes, coordinate the individual CHI schemes, help link the individual CHI schemes to the NHIS at the district or region, and support the schemes to provide voluntary health insurance for the supplementary package of benefits.

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