



HIGHLIGHTS OF THE DRAFT NATIONAL HEALTH INSURANCE SCHEME BILL, 2019

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Introduction

- The National Health Insurance Scheme is being developed to provide equity, accessibility, and affordability to health care for all Ugandans through a contributory scheme that protects all.
- This Bill will establish a legal framework for the NHIS in the Republic of Uganda.



Background

1. The process of developing a NHIS Bill was initiated in 2002 following a feasibility assessment for development of social health insurance in Uganda by Makerere University Public Health Institute (MakSPH) and Harvard University School of Public Health.
2. Several versions of the Bill have been developed;
 - The draft in 2012 focused on SHI targeting Civil Servants,
 - The draft in 2014 targeted formal public and private employees as well as indigents,
 - The current draft in 2019 aims to establish NHIS for all residents in Uganda.



How do we stand?



Country	OOP Exp. On health	Funding mechanisms	Health insurance coverage	Remarks
Uganda	41%	Health system funded largely from national treasury, donor funds, and out-of-pocket expenditures	<1.5%	<ul style="list-style-type: none"> Free services, high catastrophic expenditure = Less protection
Kenya	26%	National treasury and NHIF	35%	
Tanzania	23%	National treasury, NHIF and CBHIs	25%	
Rwanda	28%	National treasury, NHIS, and CBHIs	>98%	High risk protection
Burundi	21%	Both national treasury and NHIF and CBHIS	24%	

Rationale

- Even with **FREE** health services at public health facilities, households continue to experience very high out-of-pocket expenditures for health that lead to impoverishment.
- Annual per capita health expenditures is US\$ (54) **193,450/-** in Uganda,
 - 15% is from Government funding,
 - 42% from donors,
 - 41% from out-of-pocket expenditures and
 - only 2% from pre-payment mechanisms like health insurance, community payment mechanisms (*National Health Accounts Report, FY 2014/15*).
- This is far below the WHO recommended minimum of (US\$ 84) **306,600/-** per capita.





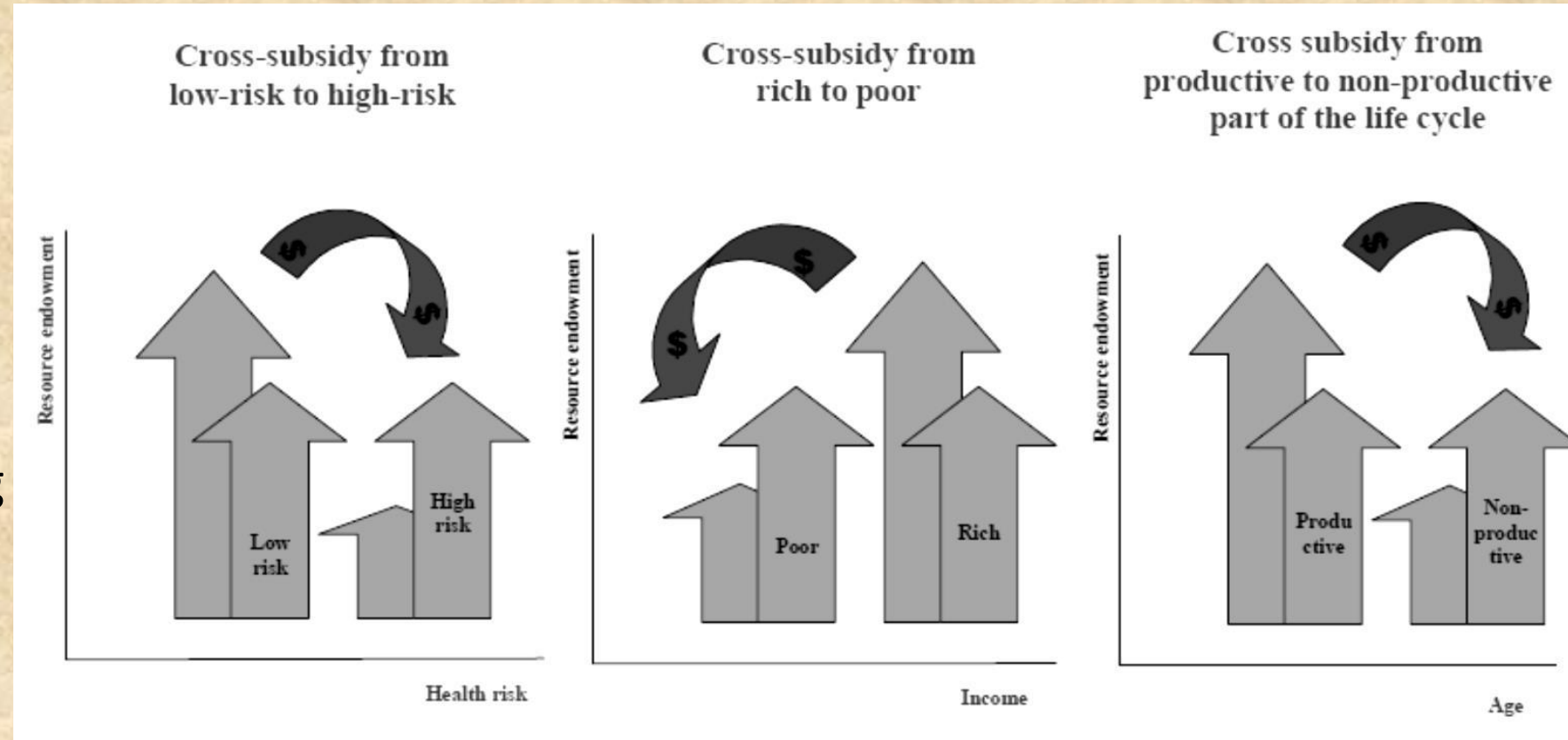
Rationale

- Health insurance has a demonstrated ability to avert financial risks that arise from high out-of-pocket expenditures thus contributing to the reduction of impoverishment.
- Where successful insurance schemes exist, the population is guaranteed social health protection, preventing the need for money when accessing essential health care.
- Existing Private Commercial Health Insurance Schemes cover only between one and two percent (1%-2%) of the Ugandan population, suggesting limited affordability by many Ugandans.



Rationale

- A critical principle of Health Insurance is solidarity through risk pooling with the
 - ✓ rich subsidizing the poor,
 - ✓ the healthy subsidizing the sick, and
 - ✓ the young subsidizing the elderly.





Rationale

- Health Insurance promotes organized access to quality medical care from both public and private health providers.
- Competition among providers promotes quality of services while reducing costs due to economies of scale.
- Competition will also improve and strengthen autonomy, technical, administrative and managerial efficiency within the health service delivery system leading to efficiency savings.





Rationale

- Implementation of the Scheme will lead to;
 - ✓ increased absorption of health workers
 - ✓ harmonization of health care in both public and private facilities.
- When households are protected from out of pocket expenditures on health, they will seek services earlier and achieve improved health indicators.
- As a result, the health sector shall contribute to healthy human capital that will facilitate social economic development in line with NDP II and Vision 2040 aspirations.





Objectives of the NHIS Bill

- a) To develop health insurance as a mechanism for financing health care in Uganda.
- b) To facilitate the provision of efficient, equitable, accessible, affordable and quality health care to all residents of Uganda; and
- c) To ensure appropriate utilisation of services and patient satisfaction in the provision of health care.



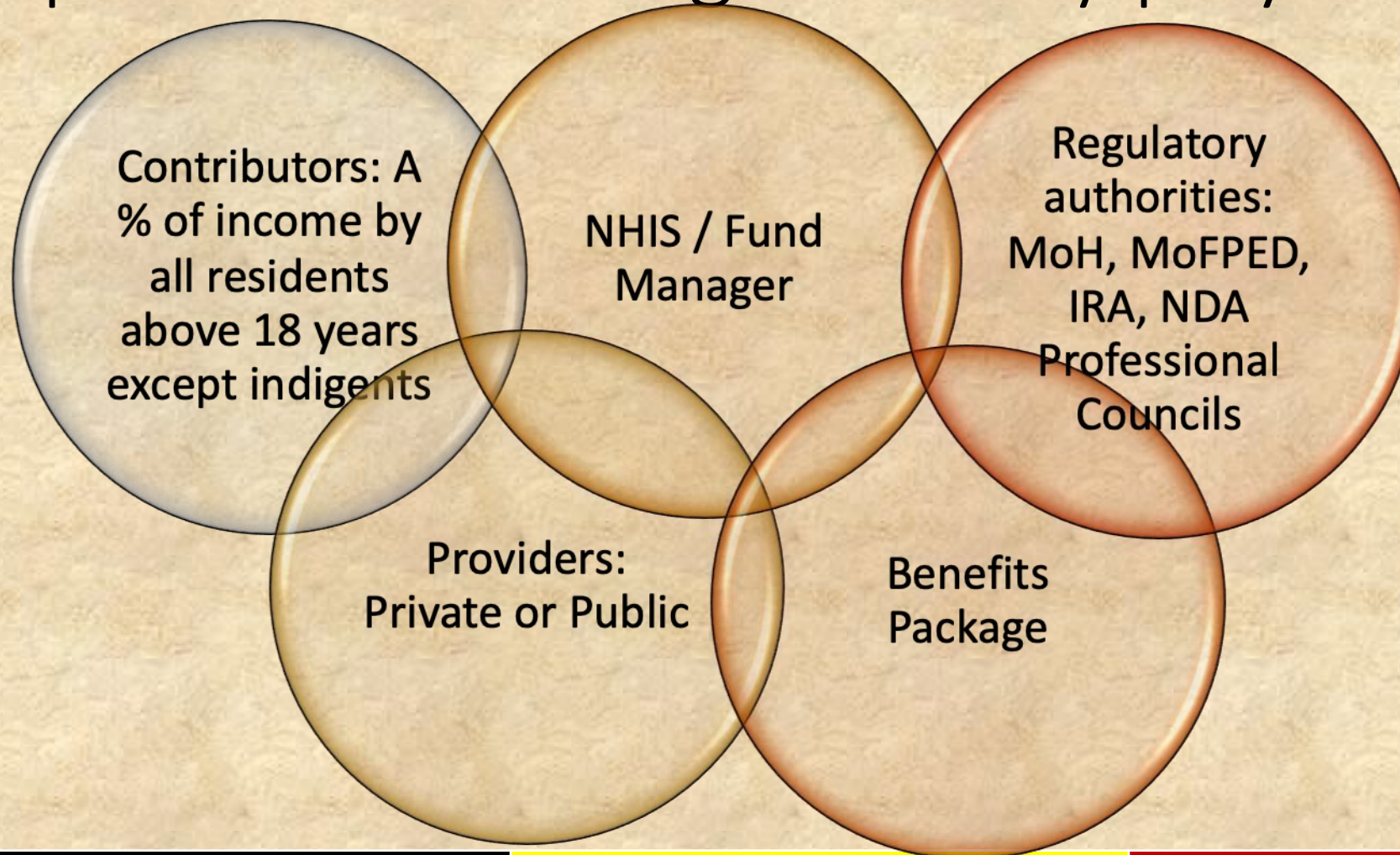
Functions of the NHIS

- a) Collect and administer contributions from members and disburse the funds received to support access to health services, in accordance with the Act;
- b) Accredite, contract, monitor, and regulate health care providers;
- c) Determine the payment mechanism used to pay health care providers;
- d) Carryout research and provide statistics on matters relating to health insurance and health care needs in Uganda; and
- e) Perform any other function necessary for the implementation of this Act.





Proposed NHIS Design and key players



Contributions to the Fund

Membership
is
mandatory.

- Contribution:
 - Wage or salaried members contribute through monthly salary deductions and employer contribution
 - Self employed members make annual contributions
- The vulnerable and indigent have premiums paid by government subsidies
- Dependents under the age of 18 are covered for free.



Indigents

- The Scheme will determine and register persons who qualify as indigents.
- A person registered as an indigent shall have access to the full NHIS benefits package.
- “Indigents” are defined as orphans and other vulnerable children, poor older persons, persons with disabilities, destitute and refugees who are registered as such;





Identification

- Every contributor shall, upon payment of their contribution, be issued with an identification card to be used for identification verification when accessing health care benefits under the Scheme.
- The NHIS identification card will be valid for the prescribed period from the date of issue and shall only be renewed upon payment of the next prescribed contribution.
- A contributor shall not be able to access NHIS benefits without an identification card.



Benefits under the Scheme

- A benefits package will be defined based on the burden of disease, public health priorities, and affordability.
- It will be derived from the Uganda National Minimum Health Care Package





Health Care Providers and Portability of the Benefits Package

1. All Government hospitals and health centres will be health care providers under the NHIS.
2. Privately owned health facilities and non-governmental facilities may be a health care providers if accredited by NHIS.
3. Regional Health Offices to have a robust role in NHIS implementation in their respective regions.
4. Regional Health Insurance Appeals Tribunals to review decisions made by the scheme and handle complaints





Payment of Providers

- The scheme will determine the most appropriate payment mechanisms (with appropriate incentives) to be used to pay accredited health care providers that support provision of quality services.
- The scheme will be implemented in close collaboration with Professional Regulatory Councils, the Ministry of Health, the Insurance Regulatory Authority of Uganda and Private Sector actors among others.



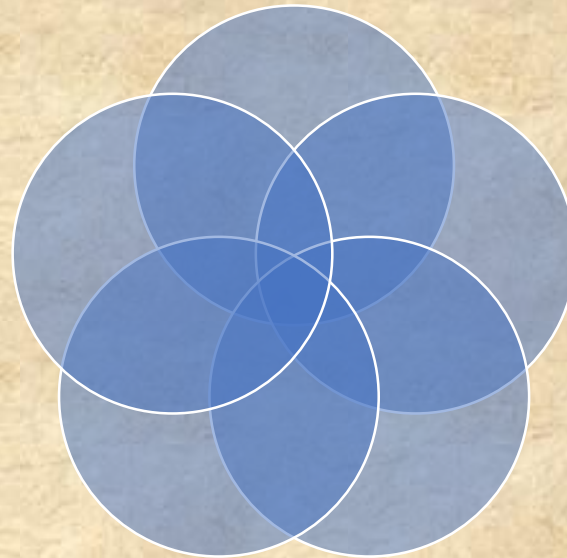


Financing Scenario approved by MoFPED in the CFI

The formal sector employees (public and private) will contribute 4% of their monthly salary and the Employers will contribute 1% of the employee's monthly salary.

Contributions will be at a rate based on the total income of the person making a contribution

The Indigents will be enrolled at a rate of 10% annually or based on the reserves generated or subsidies available.

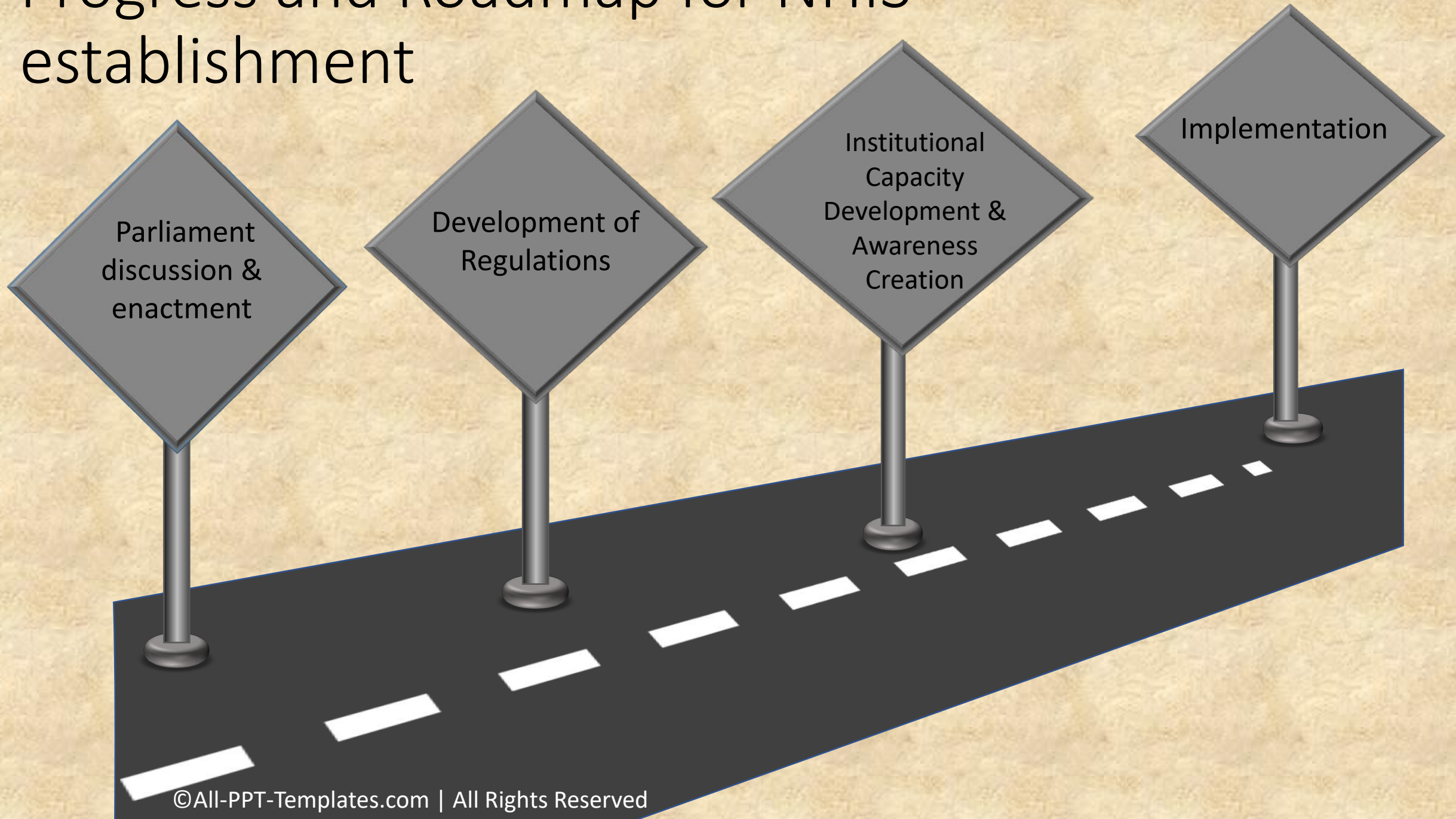


Pensioners will contribute 1% of their monthly pension payment.

The informal sector will contribute on AVERAGE Ug. Shs. 100,000/- per annum to cater for the individual and their dependents and enrolled at a rate of 20% annually



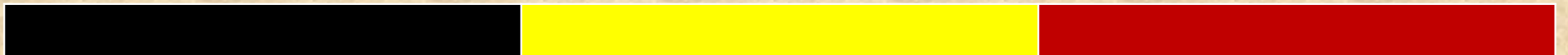
Progress and Roadmap for NHIS establishment



Expected outcomes and results of the NHIS

1. Increased access to quality health care by all citizens.
2. Growth of the both public and private health care sectors
3. Reduced impoverishment of households

A healthy population that contributes to Country's Economic Development.





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THANK YOU

