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National Health Insurance Schemes In Africa

Overview and its opportunities for the development of the actuarial profession in the region

(with Benin as example)

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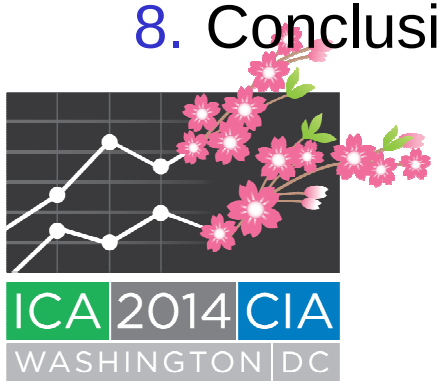
Agenda

1. State of Health Insurance Coverage and Challenges faced
2. Main reasons of the Implementation of National Health Insurance Schemes in the Region
3. Milestones
4. Milestones – Benin
5. Schemes Characteristics and Objectives (e.g. RAMU)
6. National Health Insurance Schemes in Ghana: Some figures
7. National Health Insurance Schemes as opportunity for the development of the actuarial profession in the region
8. Conclusion



State of Health Insurance Coverage and Challenges faced

- Households have to carry a heavy toll in order to finance health: e.g. 52% of national health expenditures by households in Benin. 76% of that amount spent on the purchase of pharmaceuticals and other health products
- A growing number of community mutual benefit institutions: more than 200 such institutions provide cover around two million people in Benin
- Financing constraints
- => Desastrous financial consequences arising from the disease risk
- All existing health insurance mechanisms today merely cover only 20% of the population

With numerous deficiencies in term of solidarity, equity, effectiveness and efficiency

State of Health Insurance Coverage and Challenges faced

Challenges faced

- Lack of health information system
- Lack of skilled healthcare workers
- Shortages of drugs, equipment and supplies
- Willingness To Pay (WTP) for health insurance per Household
- Financing constraints
- Inadequate public information about preventable diseases
- Weak infrastructure, e.g. electricity in rural areas

Main reasons of the Implementation of National Health Insurance Schemes in the Region

- Implementation of National Health Insurance Scheme in the contest of Constitutional right (e.g. Benin)
- Implementation of National Health Insurance Scheme as fulfilment of election promise (e.g. Ghana)
- Implementation of National Health Insurance Scheme as commitment of the president (e.g. Ivory Coast)
- Implementation of National Health Insurance Scheme based on recommendations of UN and ILO (e.g. Burkina Faso)

Milestones

- 1990 / 2008: Benin; Universal health insurance scheme (RAMU: Régime Assurance Maladie Universelle) through mutual and private health insurance schemes
- 2003 / 2005: Ghana; National Health Insurance Scheme (NHIS) through mutual and private health insurance schemes
- 2001 & 2006: Ivory Coast; Universal health insurance (AMU: Assurance Maladie Universelle) and then came the civil war
- 2013: Burkina Faso; Law project on universal health insurance and the development of Social Mutuals (AMU)

Milestones - Benin

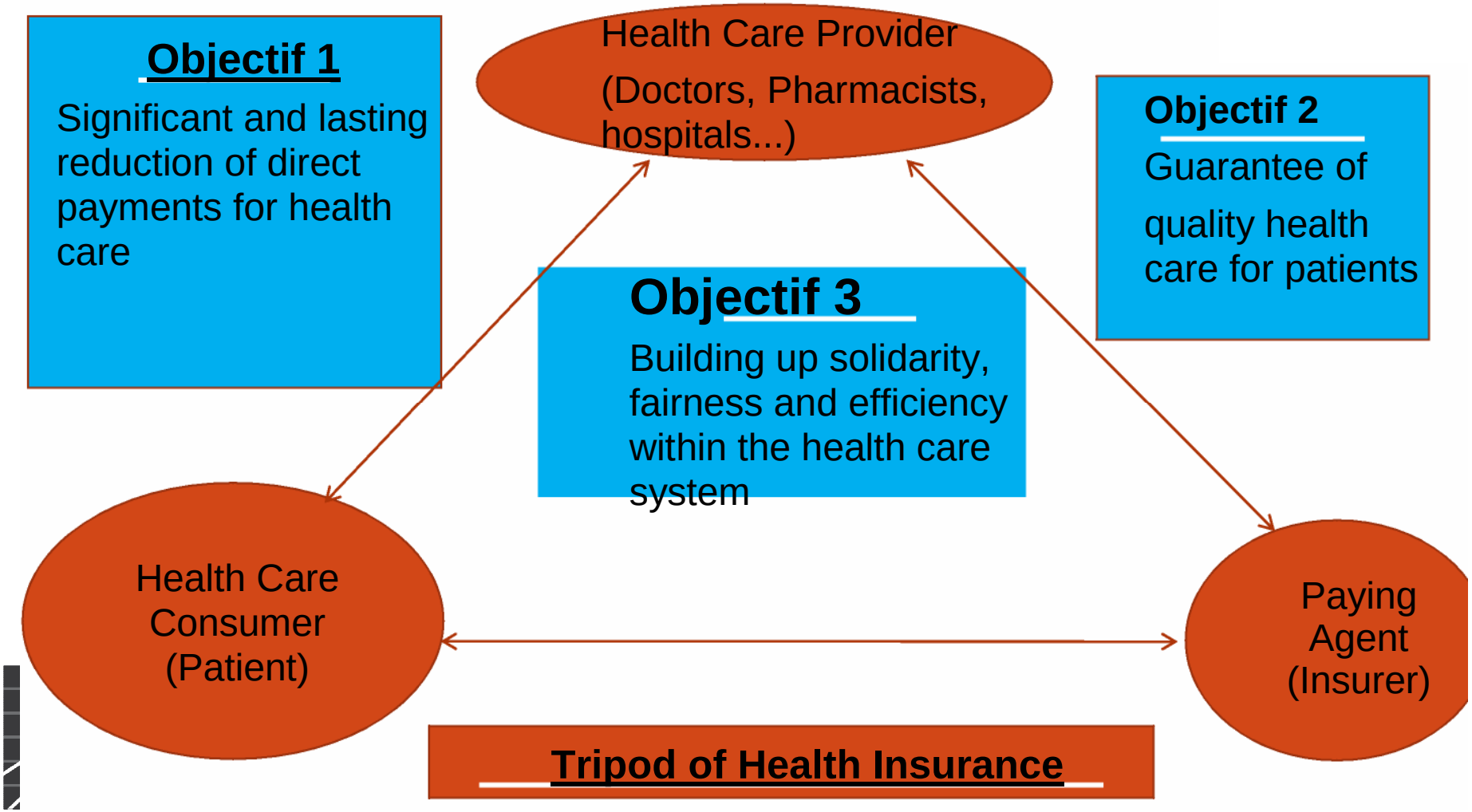
- 2008: Start of reflections on RAMU
- 2009: feasibility studies and workshops on RAMU
- 2011: Formal launch of RAMU and set up of the national health insurance agency (ANAM: Agence Nationale d'Assurance Maladie)
- 2012: Distribution of the first RAMU insurance cards
- 2013: Signature of agreement between ANAM and medical suppliers, registered health centres and risk insurers

Schemes Characteristics and Objectives (e.g. RAMU)

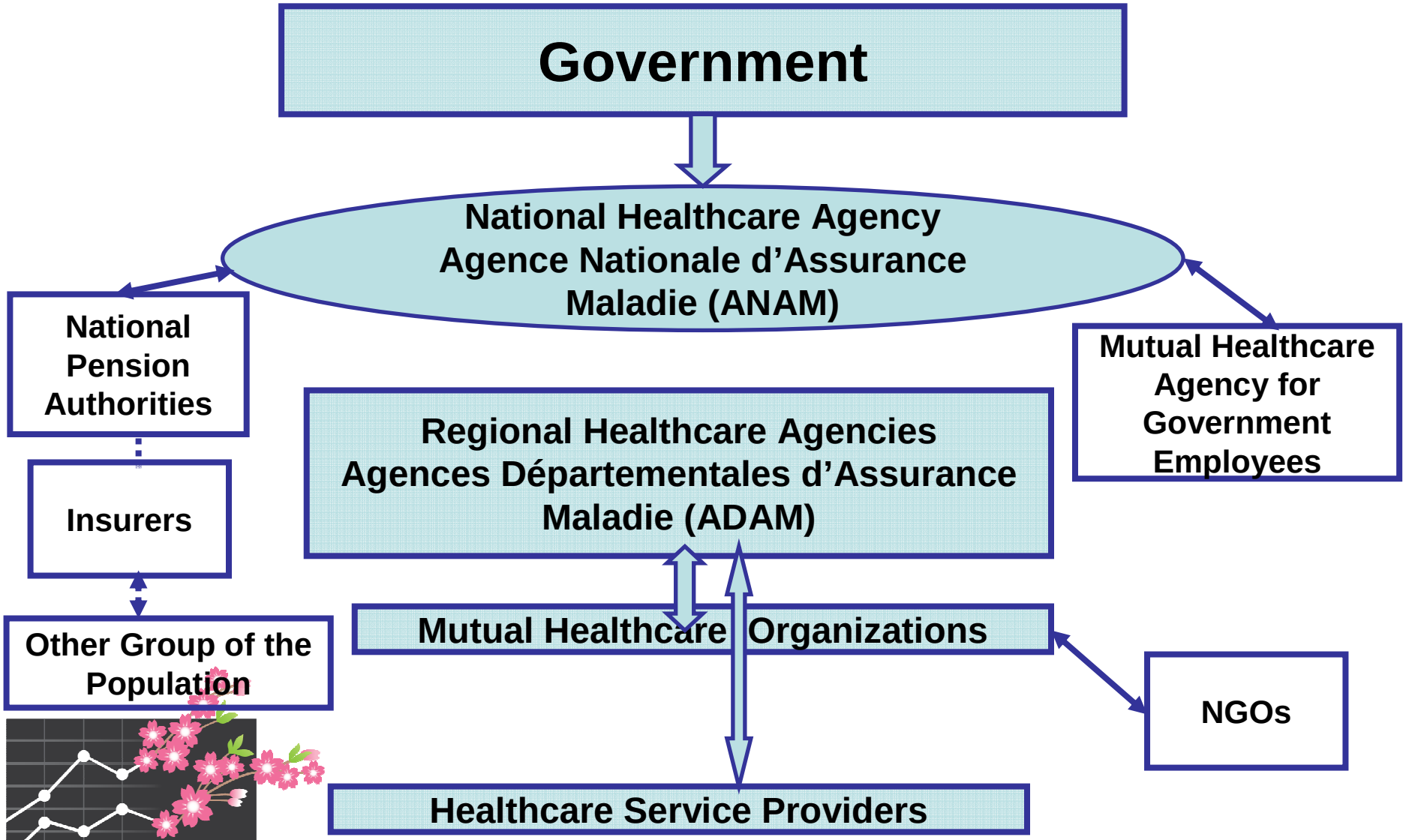
- Protect the population against the financial risk arising from illness
- Encourage the pooling of risks together with a prepayment approach in order to move towards universal health coverage
- Gradually and sustainably reducing the “fee-for-service” phenomenon and move towards more quality, fairness and efficiency of the health care system
- Improving the life expectancy at least up to 60 years and reduce the number of orphans, since over 40% of the population is younger than 16 years

Schemes Characteristics and Objectives (e.g. RAMU)

Ambitions and Targets



Schemes Characteristics and Objectives (e.g. RAMU)
Global Architecture of RAMU



Schemes Characteristics and Objectives (e.g. RAMU)

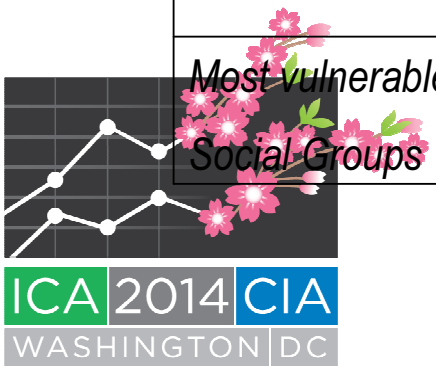
Health care services Out-of-Scope of the basic care basket

- Costs of services provided by service providers which do not have a contract with RAMU
- Comfort care: Cosmetic surgeries and aesthetic treatments
- Detoxication measures resulting from alcohol or drug abuse
- Care in connection with attempted suicides
- Traditional or alternative medicine
- Optical aids, dentures
- All drugs that are not listed on the RAMU Medicine list

Schemes Characteristics and Objectives (e.g. RAMU)
(Main) Funding Sources: Premium Range

1 $ Dollar ~ 508 CFA

Segment of the population	***Monthly Income before Tax (RMNI) en CFA***	***Monthly Premium Maximum (CFA)***	
Social Layer 1	***RMNI*** *SIWIG*	*1.750*	
Social Layer 2	*SMIG <* ***RMNI*** *100.000*	*5.000*	
Social Layer 3	*100.000 <* ***RMNI*** *200.000*	*10.000*	
Social Layer 4	*200.000 <* ***RMNI*** *300.000*	*15.000*	
Social Layer 5	***RMNI >*** *300.000*	*>15.000*	
Informal Workers	*Depending on the industry*	*Between 1.750 & 15.000 CFA*	
Most vulnerable Social Groups	***None***	*None*	*None*



Schemes Characteristics and Objectives (e.g. RAMU)

(Additional) Funding Sources to fill the financing gape

- General State Budget and Local Community Budgets
- Social Security Contributions (employees, employers, other affiliates)
- Contributions from Technical and Financial Partners and Organisations
- Specific Taxes on:
  - Mobile Telephony
  - Money Transfers
  - Increase of VAT
  - Certain types of fuel, like kerosene
  - Alcoholic beverages, tobbaco
  - Boarding charge (at the airport)
  - Berthing charge (at the port)

National Health Insurance Schemes in Ghana: Some figures

Table 1: Membership trends

Year	2005	2006	2007	2008	2009	2010	2011
Registered Members (Cumulative)	1,348,160	3,867,862	8,184,294	12,518,560	14,511,777	18,031,366	21,392,402
Active membership (Old Methodology)	**1,348,160**	**2,521,372**	**6,643,371**	**9,914,256**	**10,638,119**	14,157,708	17,518,744
Active membership (New Methodology)	n/a	n/a	n/a	n/a	n/a	**8,163,714**	**8,227,823***

**Figure is provisional*

Table2: Registration trend per category (aggregated from 2005-2009)

NO.	CATEGORIES	2005		2006		2007		2008		2009	
		NUMBER	(%)	NUMBER	(%)	NUMBER	(%)	NUMBER	(%)	NUMBER	(%)
1.	INFORMAL ADULT	309,880	22.99	1,099,516	28.43	2.482,827	30.34	3,725965	29.76	4,266,051	29.40
2.	SSNIT CONTRIBUTORS	135,417	10.04	332,010	8.58	618,175	7.55	798,573	6.38	884,666	6.10
3.	SSNIT PENSIONERS	13,838	0.01	29,560	0.76	48,926	0.60	65,653	0.52	76,974	0.53
4.	CHILDREN AGED BELOW 18 YEARS	739,292	54.84	1,989,565	51.44	4,222,786	51.60	6,324,487	50.52	7,175,085	49.44
5.	ADULTS AGED 70 YEARS AND ABOVE	126,495	9.38	345,050	8.92	651,280	7.96	881,725	7.04	967,401	6.67
6.	INDIGENTS	23,238	1.72	72,161	1.87	160,300	1.96	300,923	2.40	337,150	2.32
7.	PREGNANT WOMEN	-	-	-	-	-	-	421,234	3.36	804,450	5.54
	TOTAL(NATIONAL)	1,348,160	6.31	3,867,862	17.68	8,184,294	36.56	12,518,560	54.66	14,511,777	61.97

National Health Insurance Schemes as opportunity for the development of the actuarial profession in the region

The actuarial association “Ecole Supérieure d’Actuariat” (ESA) and its collaboration with ANAM

- ESA is the body which serves as the group organisation for the actuarial education programme of the initiative “Actuarial Science for Africa” and for actuaries
- “Actuarial Science for Africa”: A collective initiative of the Ludwig-Maximilian-University (LMU) Munich Germany, of the State-owned University of Benin (UAC), the private Business School ISM-Adonaï in Benin and the development association “Aktuarwissen für Afrika e.V.”
- 2012: ESA decision to contact ANAM regarding topics for mutual interest
- Several meetings between representatives of ESA and ANAM Leadership in 2012 in 2013

The actuarial association (ESA: Ecole Supérieure d'Actuariat) and its collaboration with ANAM

Outreach and the way forward

- 20013: review of term of reference for ANAM's Call for Expression of Interest
- Identification of specific areas of future collaboration achievement; e.g.:
  - Evaluation of the implementation measures and formulate recommendations
  - Organisation of workshops develop and validate different tools
  - Assist and advice on data collection, analysis and monitoring of claims experience
  - Assist and advice in the use of Information and Communication Technology (ICT) as game changer in health coverage
  - assist and advice in study visit by other countries and in the development of fast-track options for multi-country collaborations

The actuarial association (ESA: Ecole Supérieure d'Actuariat) and its collaboration with ANAM

Outreach and the way forward

- Meeting with different donors institutions to identify the degree of awareness of the necessity of actuarial knowledge for the success of RAMU and to amplify collaboration between them
- Assist and advice in the development of self-sustaining funding solutions
- 2013: Initiate two Bachelor theses on RAMU and its impact on complementary private health care
- Encourage ANAM to install and develop actuarial department

The actuarial association (ESA: Ecole Supérieure d'Actuariat) and its collaboration with ANAM

Challenges

- Decision making process and time
- Lack of understanding and hence appreciation by the authority of actuarial works
- Unreliable telephone, internet connections and electricity supply in Benin

Conclusion

- The details outlined above provide an overview of the different National Health Insurance Schemes in West Africa.
- A universal coverage implies the inclusion of all social groups in the country (100% of the population), so some countries (e.g. Benin) implement compulsory health insurance schemes with a standardized tariffs for a basic basket of health cover.
- Because of the large number of low-income earners and income less in those countries, governments introduce a tax based financing as additional funding sources.
- The Actuarial Community should see this as opportunity for the development of the actuarial profession in the region, and possibly elsewhere with similar conditions.

Reactions / Questions / Comments?

Thank you for your attention!

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