

4. Examples: strengthening health insurance schemes

Kenya: channelling international funding to extend social health insurance coverage

Context

In Kenya, there is a compulsory, income-related and potentially universal health insurance system in place: the Kenyan National Hospital Insurance Fund (NHIF). This scheme also aims to cover the health care of 2.2 million people living with HIV. However, the country's weak economy and high levels of poverty put narrow limits on the contribution-borne revenue of the insurance programme. As a result, covering ongoing therapy for tuberculosis, malaria and other infectious diseases plus antiretroviral treatment is likely to threaten the financial sustainability of the health system. Therefore, NHIF plans to bundle all international health funding for specific health problems so that it can avoid the cost of supporting parallel external structures and strengthen existing national health system structures. Under this arrangement, the Fund will become responsible for channelling international financial support into specific disease programmes and will ensure that money reaches the target group. This will also help to sustain a comprehensive benefit package including chronic diseases, promote transparency, reliability and efficiency in the management of resources and build trust with international donors.

Technical support

To achieve these ambitious results, managers of NHIF applied for support from the BACKUP Initiative at the end of 2004, and gained the assistance of a technical advisor, who has since then been working for them. This consultant is helping in the transition of the Fund and advises mainly on the expansion of the benefit package and the improvement of contracting service providers. He is also responsible for helping to extend the NHIF into the informal sector and in increasing the efficiency of the Fund.



Results

In January 2006, NHIF expanded the benefit package from partial payment of inpatient bills to full payment of admission costs in most hospitals in Kenya, especially rural hospitals. In June 2006, NHIF launched a national campaign to include the informal sector in the fund. At the same time, the Fund began to cover the treatment of people with cancer and HIV and those over the age of 60. Efforts are now being made to further strengthen the reform process of NHIF and the improvement of access to health care for all.

Rwanda: covering the cost of health insurance for the poorest

Context

Community-based health insurances, known as Mutuelles de Santé, were introduced in Rwanda in 1999. They have since spread rapidly and now cover 73% of the population. However, as 60% Rwandans are living in poverty, even a minimal contribution to insurance schemes constitutes a major barrier for most people to access health care services. Extensive external subsidies are necessary, as a result, to guarantee the financial sustainability of the insurance system. Over time, different development partners have supported the extension of insurance to the poorest part of the population by paying their fees. The communities themselves determine eligibility for support on a regular basis by identifying five different levels of poverty and assessing new members according to this scale. With limited government resources but substantial external financing flows for different vertical health programmes, it was deemed necessary to channel external funds into existing national programmes to improve the viability of the insurance system over the long term.



Technical Support

GTZ was among the first development partners in Rwanda to provide technical and financial support to insurance of the poorest members of society. Activities included preparing a proposal for Global Fund support, coordinating and aligning efforts of different stakeholders and consulting with the CCM, as well as partial payment of insurance membership fees. In addition, GTZ supported



Results

The success of the health insurance membership provision approach has enabled the CCM to submit a successful proposal for Health System Strengthening to the Global Fund in Round 5. The Global Fund now covers the cost of the annual health insurance for the poorest population strata in Rwanda for a five-year period ending in 2010. Funds are channelled through the CCM directly to the districts, which further disburse them. With this support it is now possible to provide a comprehensive benefit package to a wider population including the poorest. This increases equity of access and improves the overall quality of health care.

studies of the ability of Rwandans to pay health insurance fees and on the different financial flows within the health system and helped to call for reassurance mechanisms between the Mutuelles and further external financial support.