

# Management of National Health Insurance Schemes



*- the Nigeria Example*

**Presented by**

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**National Health Insurance Scheme.....*easy access to healthcare for all***



# Order of Presentation

- Definitions
- NHIS Efforts to UHC (2005 to 2018)
- Why Health Insurance
- National Health Insurance Scheme (NHIS) – Nigeria and its evolution
- Principles of NHIS Nigeria
- Design Features



# Definitions

- HMOs – Health Maintenance Organizations
- HCFs – Healthcare facilities
- NHIS – National Health Insurance Scheme
- **Capitation** – predetermined premiums paid regularly in advance to HCFs by HMOs
- **Fee-for-service** – amount paid to the HCFs after healthcare services have been rendered.

# NHIS efforts to UHC (2005 to 2018)



- Coverage of Formal Sector population – less than 2%.
- Coverage of the Informal Sector population – less than 300,000 lives
- Piloted the Mobile Health Insurance Programme
- Now implementing the State Social Health Insurance Initiative.



# Why Health Insurance?

- Hedge against catastrophic illnesses
- Healthcare Cost containment
- Provides steady cash flow to the Healthcare systems
- **Ensure good quality healthcare delivery through monitoring**
- Guarantees access to healthcare services

# NHIS Nigeria

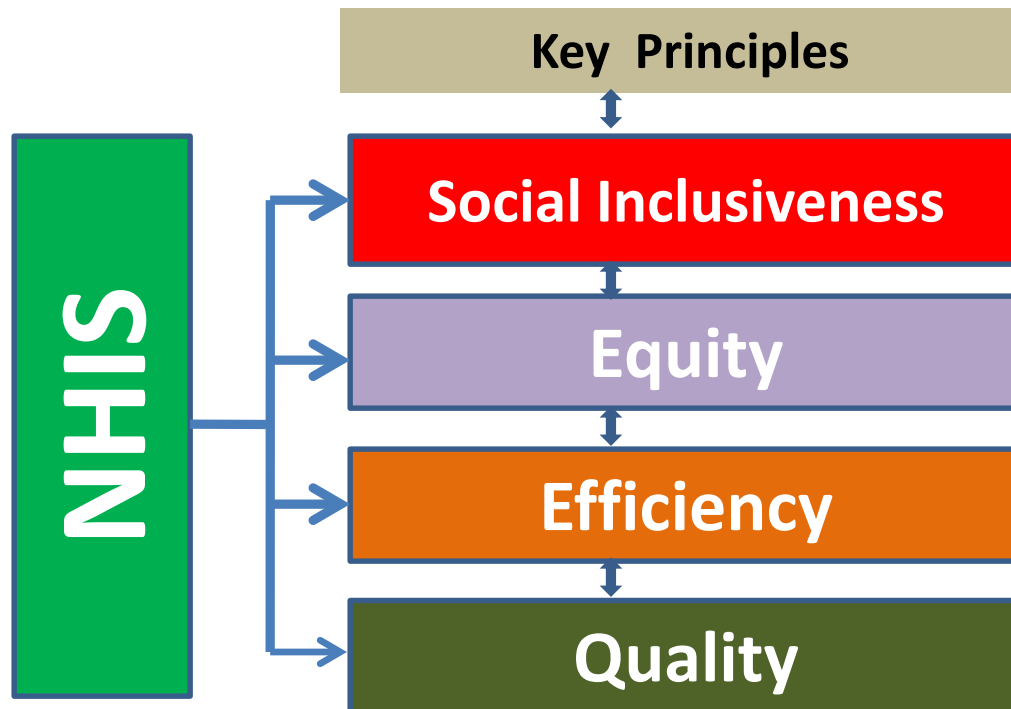


- Established by Legislative Act 35 of 1999
- Mandate is to achieve Universal Health Coverage
- Covered 95% of all Federal Government employees
- Developed programmes to cover the **informal Sector** and Vulnerable persons
- Reforming to decentralize implementation to States for coverage expansion

# Principles of NHIS



- Key mandate is to secure universal health coverage (UHC) for all Nigerians and Residents.



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# Principles of NHIS - 2

- A financing mechanism using social health insurance principles
- Social solidarity as a cardinal feature
- Established to provide financial protection to the people in the event of falling sick
- Health risks and financial contributions of people are pooled
- Contributions are based on ability to pay and access to services based on need.





# Design features -1

- Contributions are wage – related (formal sector)
- Operated on Public – Private Partnership basis.
- Contributions pooled into a single fund for Formal sector programmes.
- Financing separate from health service delivery.
- Regulated benefit package based on primary, secondary and Tertiary care.

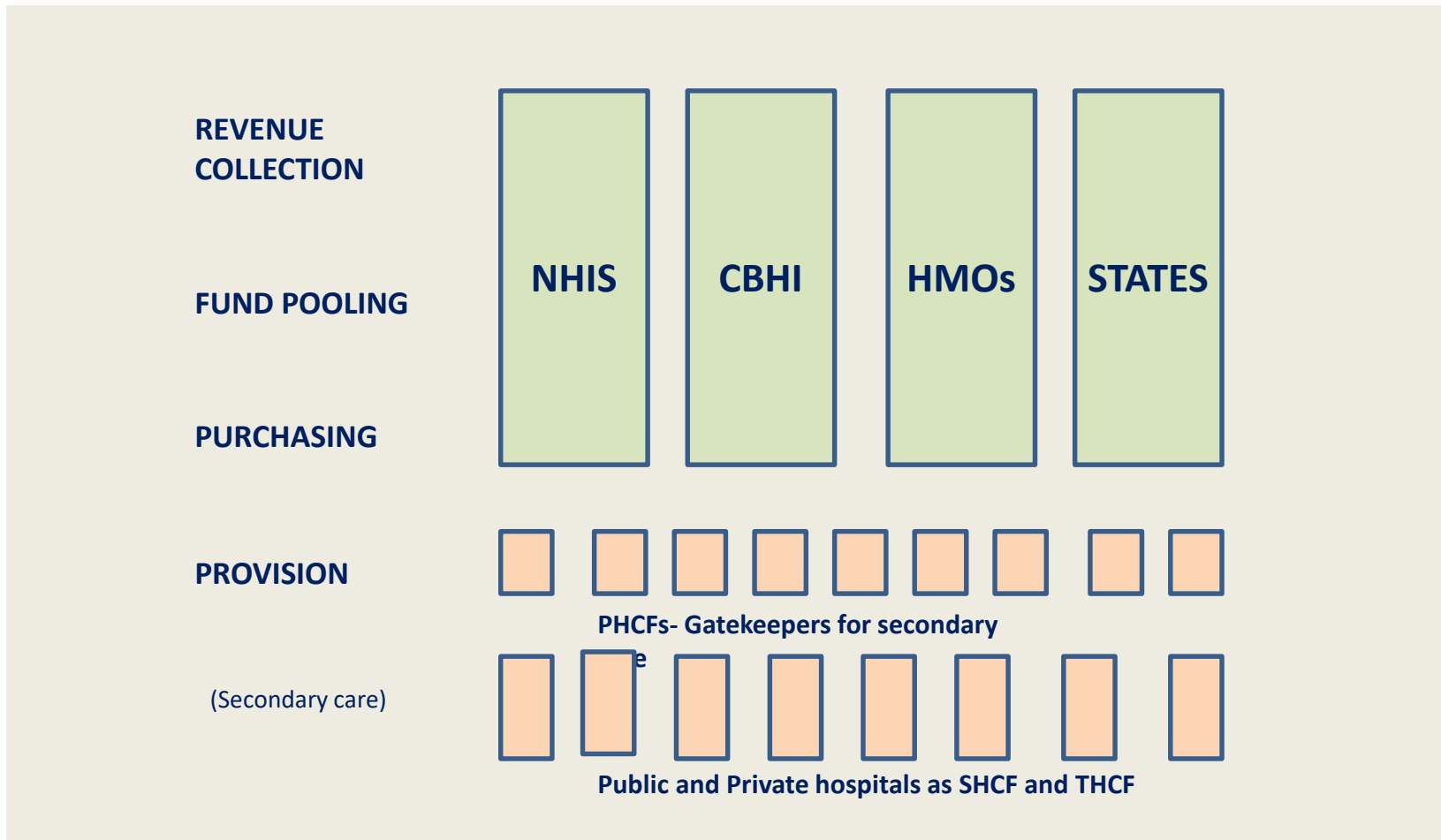


## Design features - 2

- Capitation of N750 or \$2 per life per month is paid to the healthcare facilities on primary care services.
- There is fee-for-service reserve (**10% of contributed funds**) with the HMOs to be paid to the healthcare facilities for secondary and tertiary referrals.



# Current Health Insurance Model in Nigeria



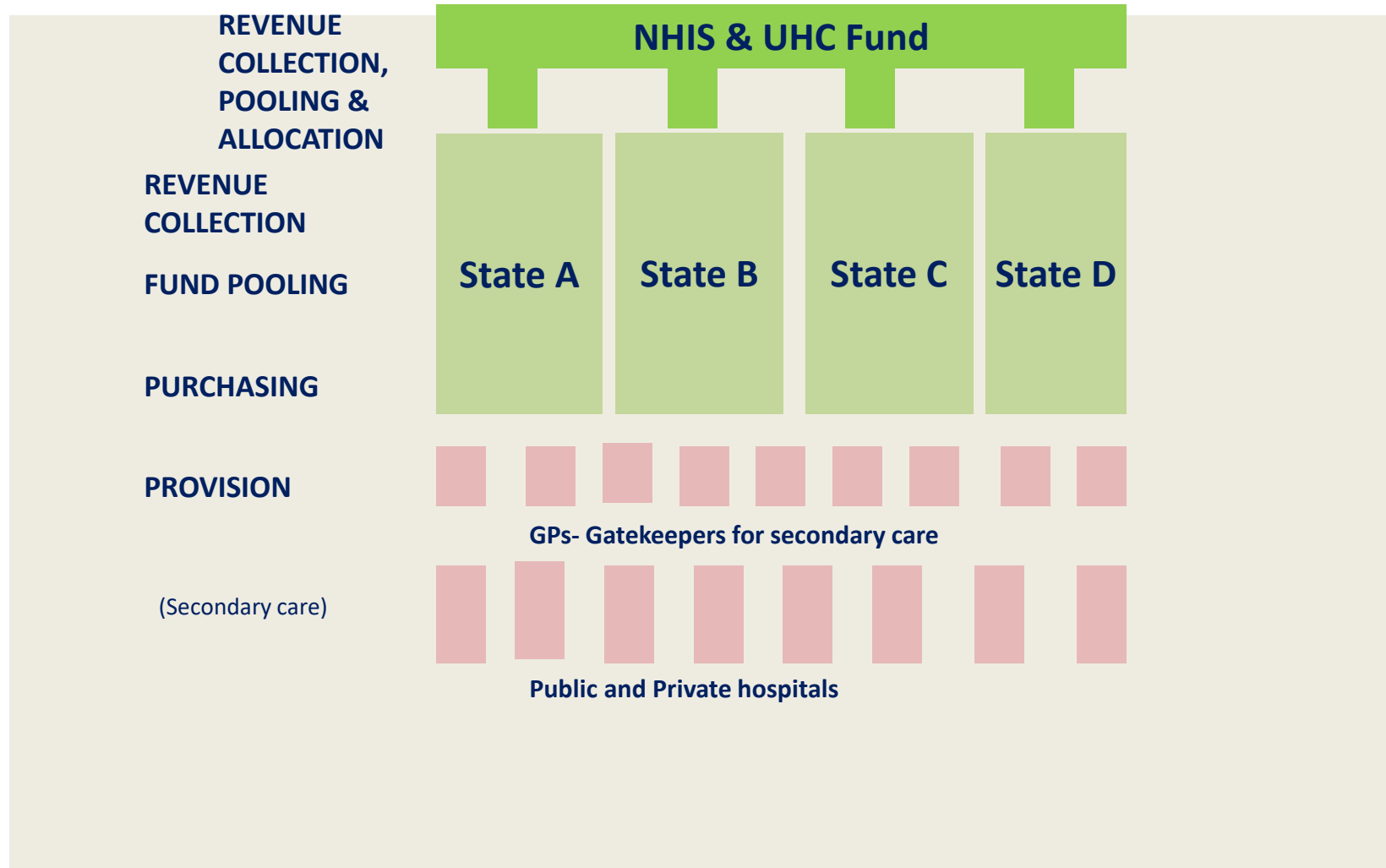
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# Key Challenges with present structure

- Lack of an effective National ID system leading to duplication of effort and fraudulent access to healthcare services
- Multiple fragmented system hampering cross subsidies
- Inefficiency due to weak purchasing structures
- Non mandatory nature of the NHIS thereby affecting resource mobilization capacity

# Reform Model with Implementation at Sub regional levels



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# ROLE OF TECHNOLOGY



- Deployment of Health Insurance Management Information System (HIMIS): web based end-to-end health insurance business process automation – includes enrolment, premium collection, accreditation, claim processing, payment, encounter data management etc.



# Take Home messages

- NHISs mechanism remains the most cost effective way of funding an equitable, affordable, accessible and qualitative health care, the world over.
- An efficient ID system and deployment of relevant ICT are key to a well managed NHIS
- There should be legal and legislative backing to the formation of health insurance schemes
- Participation in health insurance schemes should be made mandatory within the population.



**Thank you !**

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