Session 1

PWP 1.1

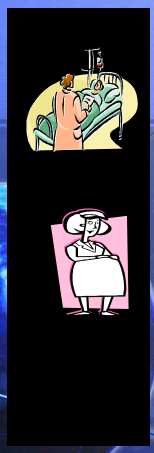
KNOWLEDGE CREATION

PROTECTION

- Medical Care
- Sickness Benefit
- Unemployment Benefit
- Old-age Benefit
- Employment Injury Benefit
- Family Benefit
- Maternity Benefit
- Invalidity Benefit
- Survivors Benefit

Thematic issues or wide geographical coverage	Studies
Analysis of a specific in-country experience	Case Studies
Broad overview or narrowing down on a specific aspect	Technical Papers
Contribution To overall capacity building effort	Tools

KNOWLEDGE DISSEMINATION



Publications	Documents published at headquarters level – Worldwide dissemination (ILO Website)
Working Papers	Documents published at country level - Worldwide dissemination (STEP website)
Discussion Papers	Documents shared in-country with a group of specialists and evolving over time
Information Papers	Documents shared in-country with all interested organizations

7 Major Challenges

1 Insurance Plan Distribution

Lost in Translation?

2 Enrolment Mechanisms

Safety in Numbers?

2007/ 2/ 26

3 Benefit Package

Satisfaction (Not) Guaranteed?

2007/ 2/ 26

4 Financing

Sharing the Burden?

2007/ 2/ 26

5 Service Delivery

Health is wealth…says who?

2007/ 2/ 26

6 Management & Monitoring

MIS = MIS?

2007/ 2/ 26

7 Quality of Health Care Service

Where is the Evidence?

2007/ 2/ 26

Session 1

PWP 1.2

Micro-insurance in West Africa

Towards extension of social security

Aly Cissé,

New Dehli, 2007

Content

- Micro-insurance: a mechanism for the extension of social security
- Evolution of the extension of social security in West Africa
- Positive contribution and current limits of micro-insurance to the extension of social security
- Possible leads: development of nationwide schemes and linkages
- Lessons learned and some recommendations

Micro-insurance: a mechanism for the extension of social security

- Definition:
  - A scheme that uses (among others) the mechanism of insurance
  - Its beneficiaries are people excluded from formal social protection schemes (in particular informal economy workers and their families)
  - Membership is not compulsory (but can be automatic)
  - Members pay, at least partially, the necessary contributions in order to cover the benefits (possibility of subsidies)
- Some micro-insurance schemes are not only risk management instruments, but have the potential to actively contribute to the extension of social security:
  - Risks covered: health, death, pensions, incapacity, loss of income … those listed in C102
  - Rules of operation: inclusive systems, principle of solidarity, participation in the design and the management …
    - Ex: MSS in Benin covers health / all kraftsmen & women !
    - Mutuelle des Volontaires of Senegal (50% of premium paid by government)

Micro-insurance: a mechanism for the extension of social security

- The role of micro-insurance in the extension was recognized during the 89th ILC (2001) and reaffirmed in Social Security: A New Consensus
- The 2001 ILC recommends that the potential of micro-insurance be explored and encourages the design and implementation of integrated national strategies for social security
- At the suggestion of the Conference, the ILO launched in 2003 the "Global Campaign on Social Security and Coverage for All"
  - In Senegal the campaign was launched in 2004

Reminder: Some data

GDP / capita: less than 700 US $

Life expectancy: 50 years

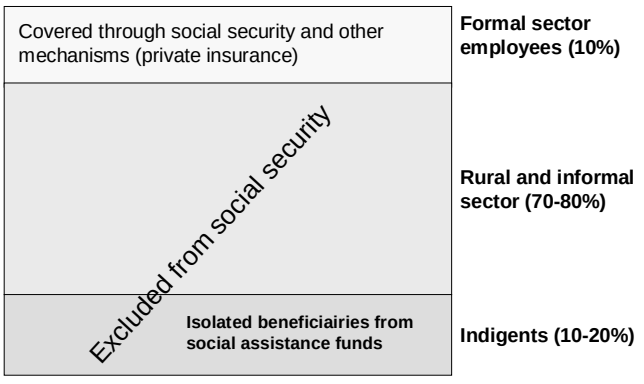
Child infant mortality: + 150 / 1000

Maternal mortality: + 510 / 100 000

On average, 48,5% of population is poor
Poverty in worse in rural areas (57,5%)

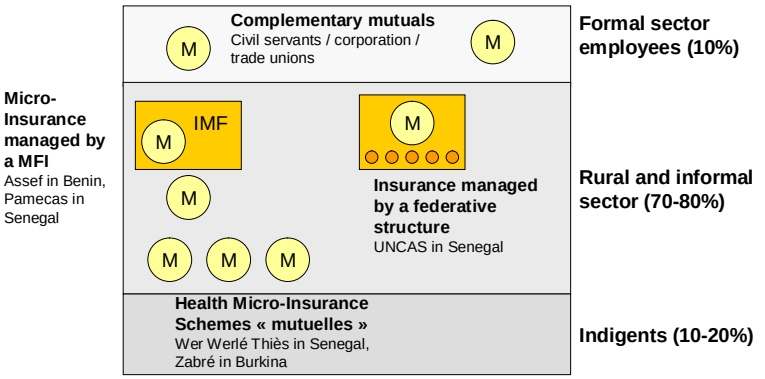
Evolution of the extension of social security in West Africa

10 years ago



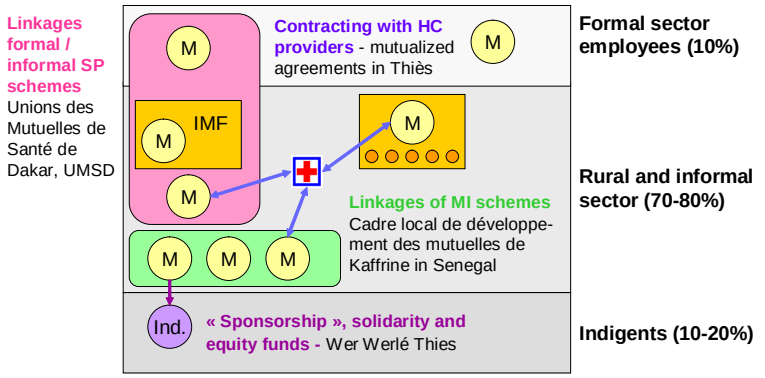
Evolution of the extension of social security in West Africa

Development of micro-insurance (bottom-up) : 1995-2003



Evolution of the extension of social security in West Africa

Development of linkages : since 2000



Global view: MIS in 11 countries

COUNTRIES	Number of functional MIS	% in total MIS in each country	Total number of MIS	% of each country
Bénin	43	79.6	54	8.7
Burkina Faso	36	39.1	92	14.8
Cameroun	22	57.9	38	6.1
Côte d'Ivoire	36	90.0	40	6.4
Guinée	55	49.5	111	17.8
Mali	56	70.0	80	12.9
Mauritanie	3	42.9	7	1.1
Niger	12	63.2	19	3.1
Sénégal	87	58.4	149	24.0
Tchad	7	100.0	7	1.1
Togo	9	36.0	25	4.0

Positive contribution of micro-insurance in a context of weak financial and institutional capacity of the State

- Participation of civil society in the design and management of the schemes, social control
- Empowerment of socio-occupationnal groups including women (PROFEMU in Senegal - Wer Werlé, ASSEF in Benin)
- Good capacity to reach groups excluded from statutory social insurance & reduced transaction costs
  - Low and affordable premiums
  - Proximity, decentralized civil society organizations
  - Benefit packages responding to the needs

Positive contribution of micro-insurance in a context of weak financial and institutional capacity of the State

- Improved conditions of access to health care and reduced insecurity
- Increased transparency in billing / fee setting and management of healthcare thanks to the contracting process with HC providers

This is possible with:

- Government comittment (regulations, follow up, etc.)
- Presence of organizations involved in the development of MIS, such as STEP, CIDR, World Solidarity, PHR

Positive contribution of micro-insurance in a context of weak financial and institutional capacity of the State

This is possible:

- Democratization process in many african countries
- Government comittment (regulations, follow up, etc.)
- Presence of organizations involved in the development of MIS, such as STEP, CIDR, World Solidarity, PHR

Current limits of the contribution of MI to the extension of social security

Weaknesses of the schemes

- Size of membership limited → reduced pools
  - 64% of the schemes have less than 1 000 persons covered in 2003
- Some reasons:
  - Voluntary membership
    - When membership is automatic, the size is increased; Ex: Mutuelle des volontaires de l'éducation (Senegal), 95 000 persons covered
  - Inadequacy of health care → the system is less attractive
  - Limited financial capacity of the members + no subsidies → limited benefits packages

Current limits of the contribution of MI to the extension of social security

Weaknesses of the schemes

- Poor management skills and information systems
  - Voluntary management staff; Little number of schemes with computerized MIS (Progressive installation of MAS gestion in Senegal, Benin and Burkina Faso)
- Premium collection mechanisms
  - Per month & direct payment → low collection rates
- Weak capacity to negotiate with healthcare providers

Current limits of the contribution of MI to the extension of social security

Limitations at a higher level

- Lack of coherence at the national level
  - Poor redistribution
    - Between +/ - rich members (flat rate premiums)
    - With other segments of the population (formal sector)
    - Towards the poorest of the poor (excluded from contributive schemes)
  - No functional linkages with statutory SS schemes
- Weakness of the environment for the development of these schemes
  - Poorly adapted legal framework

Possible leads: development of nation wide schemes and linkages

- The design of national strategies for extending social security with big government comittment
  - Senegal: SNPS / GR in 2006
  - Benin: SNPS being drafted
- The development of nation wide schemes
  - Based on « communities » (socio-occupational groups)
  - Outsourcing of technical management and use of computerized MIS (multi-client & servor applications)
  - New financing mechanisms and diversity of financing sources; redistribution
  - Coherent framework for the contracting process with healthcare sector
  - Adapted legal framework

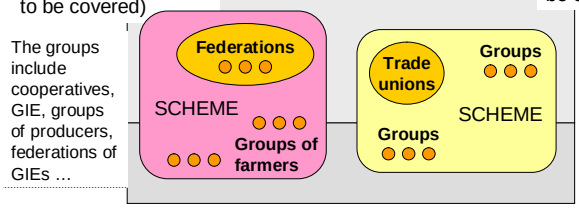
Nationwide micro-insurance schemes based on socio-occupational groups

Agricultural workers
(5 million persons to be covered)

The groups include cooperatives, GIE, groups of producers, federations of GIEs …

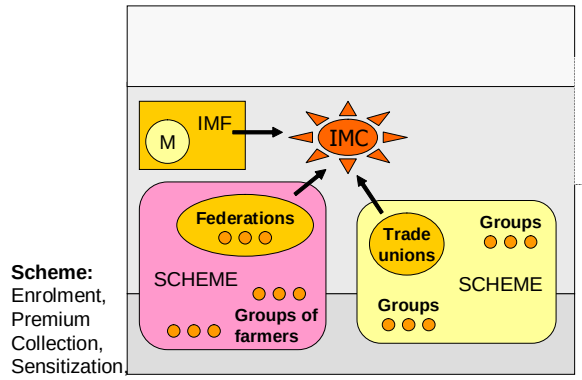
Transport operators
(400 000 persons to be covered)

The groups are GIE with approx. 40 workers



Outsourcing of technical management and use of computerized MIS

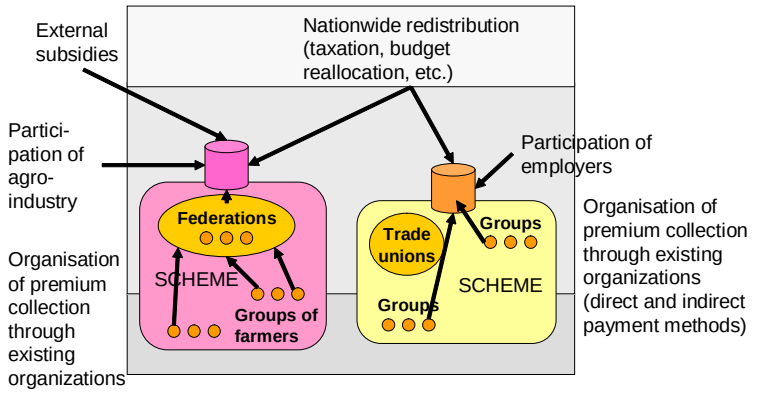
Design and implementation of an Insurance Management Center



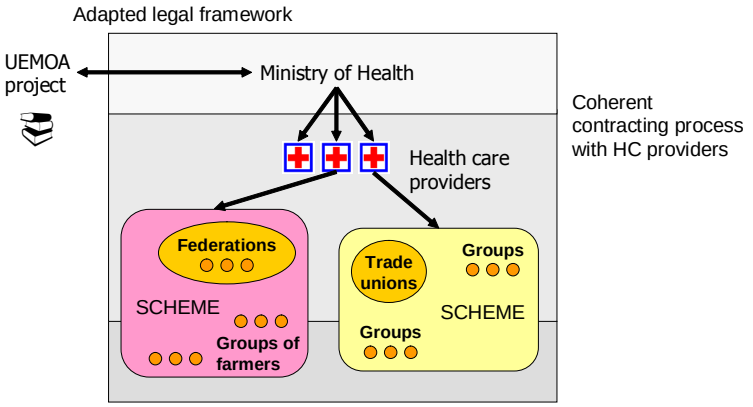
IMC:
Claims,
Contracting with HC providers,
Monitoring & reporting

Scheme:
Enrolment,
Premium Collection,
Sensitization,
Fight against frauds, Moral hazard …

New financing mechanisms and diversity of financing sources; redistribution



Coherent contracting process with HC sector Adapted legal framework



Lessons learned: the extension of social security through isolated MIS will take ages !

➔Design & implement schemes

- That keep the positive aspects of mutuals (participation, proximity)
- And learn from their limitations:
  - Voluntary membership → +/- automatic
  - Poor HC quality / Problems of transparency → contracting process at a national level
  - Little ability to pay → subsidies
  - Problem of direct payment of premiums → indirect payment mechanisms
  - Poor management skills → outsourcing
  - Legislative framework inadequate → conducive

To conduct such projects …

- Following ingredients are necessary:
  - A strong political will
  - The involvement of social partners
  - Technical inputs from various actors, that are willing to work together
  - Inspiration coming from similar experiences conducted in other countries
- The GIMI technical platform and the networks (La Concertation, l'Alliance Internationale) can help …

Thank you for your attention

Session 1

PWP 1.3

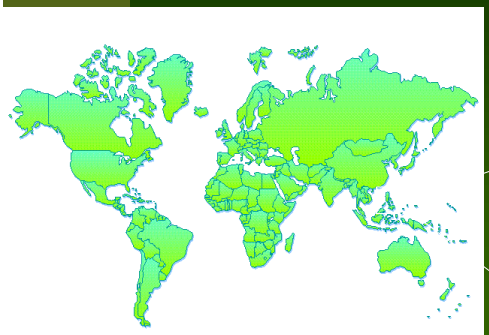
Health Micro-insurance Schemes in the Philippines

Annie A. Asanza, MD

Outline

- Background
- Community-based Health Care Financing
- Health Micro-insurance Schemes
- STEP in the Philippines

Philippines



Philippines

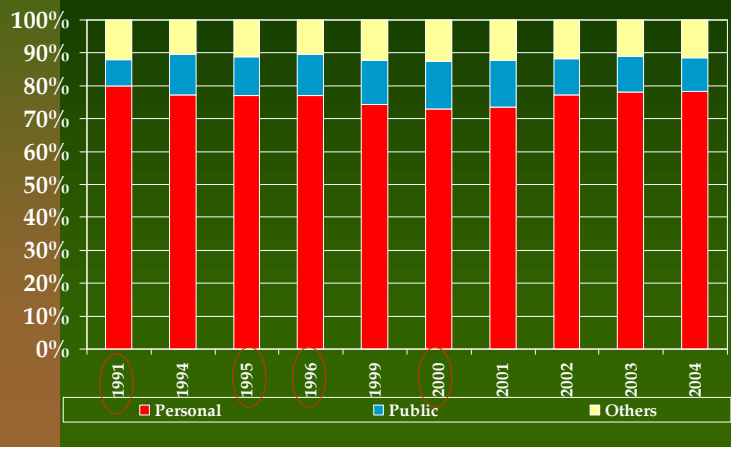
- GDP per capita PPP$ 4,321 (2003)
- 37% below poverty line
  - 46.4% , $2/day
  - 14.6%, $1/day
- Highly unequal income distribution

Health Indicators

Indicator (2005)	Value
Life expectancy	70 years
Infant mortality rate	11 / 1,00
Under 5 mortality rate	36 / 1,000
Total fertility rate	3.1
Two leading causes of mortality	1. Diseases of the heart 2. Diseases of the vascular system

- IMR 2-3 x higher in poorest quintile vs richest quintile
- Shorter life expectancy for the poor

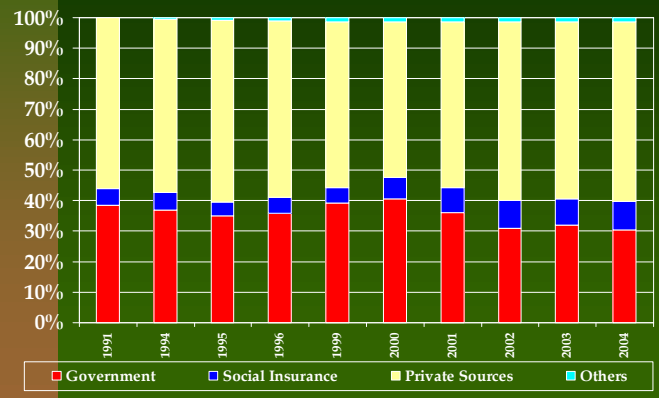
Health Expenditures



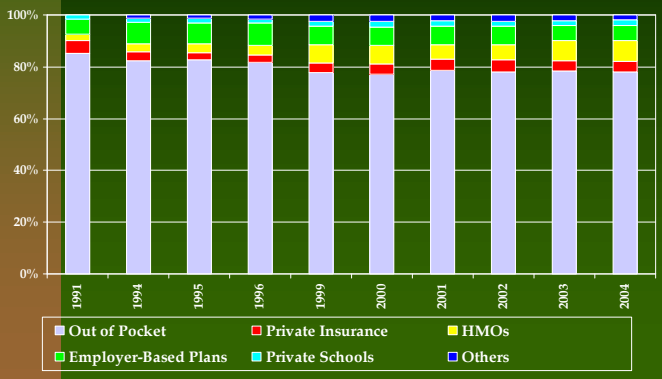
Employment Indicators

- 1.5 million new entrants yearly to the labor market
- Unemployment rate: 8.1%
- Underemployment rate: 21.3%
- Informal sector has grown from 1999 to 2003 by 1.94 million - Formal sector lost 307,228 jobs
- 24 million informal sector workers in 2003 or 71 % of total employed in Philippines

Health Expenditures

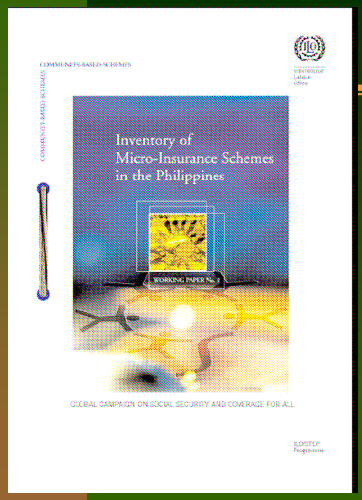


Health Expenditures



Community-Based Health Financing

- Term covers a variety of health financing arrangements
- Collective action, benefits those with no financial protection, voluntary nature – self help
- Types: Health insurance, Modified health insurance, Income-generating projects, Integrated primary health care projects, Other economic activities
- Other roles: administrator of health programs, health provider



- Done in 2004
- 41 HMIS
- Members -**935,612**
- Total beneficiaries-**1,252,520**

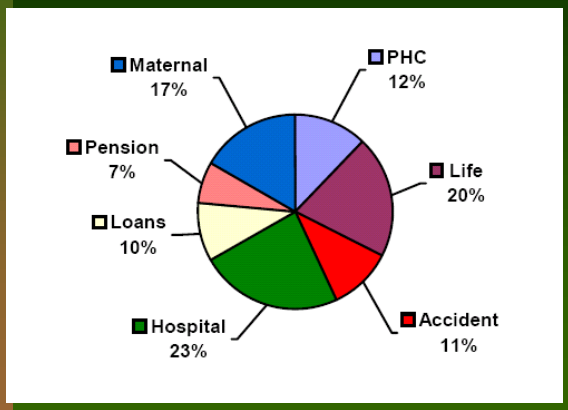
Findings of the Inventory

- community-based organization is the foundation of most of the documented schemes – cooperatives and mutual benefit associations
- nearly half (41%) have been operating for more than 10 years, and 56% operating for more than seven years
- Almost half (47%) of the schemes cover more than 5,000 members

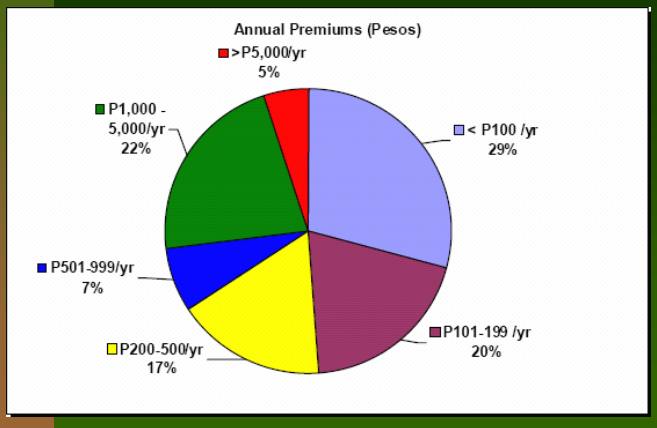
Findings of the Inventory

- 48% of members are in farming and fishing, 35% are retailers, market vendors, providers of services
- 88% are women

Findings of the Inventory



Findings of the Inventory



STEP in the Philippines

- Knowledge development
- Project implemented from 2003-2005
  - Home-based workers, market vendors, Farmers – beneficiaries of agrarian reform

Achievements

- *Contribution to the refinement of HMIS' management*
- *Financial protection*
- *Greater understanding of health systems by HMIS*
  - *Referral mechanisms*
  - *Promotion of public and preventive health care*
  - *Linkage with local government units and PhilHealth*
- *Showed national agencies the potentials of community-based groups as partners in extending social security coverage*

Lessons Learned

- Poor will participate in health insurance program given the right information
- Community organizations are avenues to reach workers in the informal economy
- National agencies should have mechanisms for members of informal economy to access services
- Explore different partners to reach the informal economy workers
- LGUs are potential growth centers both economically and socially


Thank you