### Scheme Design

Public Health Concern Trust (phect-NEPAL), established in 1991 as a not-for-profit NGO, aims to create a sustainable health care system model based on principles of equity, social justice, people's participation and self reliance. It's vision is "Empowerment of people through health action".

phect-NEPAL offers services to people in three sectors viz. clinical, public /community health and academic through its different programs such as hospitals (125 bed Kathmandu Model Hospital in the city and two 15 bed hospitals in rural areas); Community Health Development Program; and trainings through Medical college, Nursing and other non academic trainings school.

Micro Health Insurance Program in operation since 1993 is a major activity of the Community Health Program. The program was initiated to promote the concept of saving for health through phect-NEPAL's own community based clinics. Since 2000, the program is being promoted through health cooperatives, which are autonomous legal institutions. The health service provider for the scheme is Kathmandu Model Hospital, a general hospital with various specialized services located in Kathmandu and the members of the scheme are members of the local health cooperatives and their families.

### Eligibility Conditions

The scheme is open to members of local health cooperatives. The enrolment is a compulsory family enrolment for all members of the family irrespective of age and sex. The insurance unit is a health cooperative, and one unit must have at least 25 families.

### Exclusions

The services are limited to what the Kathmandu Model Hospital can provide.

### Plan Benefits

- Secondary and tertiary health care - with 50-70 % discount in total service cost - includes doctors’ consultation, bed charge, diagnostic investigation, medical and surgical procedures and maternity care, but not cost of medicine
- Primary care is provided at the cooperative’s own clinic or an identified local clinic and referral from primary care centre is required except for emergencies & maternity cases

### Premium

Premium varies and is defined by the individual health cooperative institution in negotiation with phect-NEPAL.
- Annual premium NRS 290.00 per member - 70% discount
- Annual premium NRS 200.00 per member - 50% discount

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Insurance Plan Key Features

The insurance plan has the following main features:

- Community participation in fixing premium & benefits
- Wide range of service coverage
- Emphasis on primary health care including preventive and promotional care through local health cooperatives
- Mechanism for minimization of moral hazards e.g. Individual Insurance card, Referral system for non-emergency cases, Co-payment at the time of service use, Specified time period for renewal

Insurance Plan Main Achievements

- Community organizes itself for their own health needs
- Strengthening of local health cooperative institutions
- Increased awareness on importance of saving for health
- All members in a family valued equally in terms of health
- Changing health seeking behaviour of people
- Four health cooperatives showing a gradual increase in number of the members – 2,350 members for the year 2007/2008
- Demand for Insurance Service from other types of institutions

Remaining Challenges

- No special provision to enrol persons from communities where local health cooperative are not established
- Extension to remote places / out of the Kathmandu Valley
- Establish networks of service providers in other cities besides Kathmandu Model Hospital
- Smooth operation of local cooperatives and their clinics (lack of resources, small capital amount in the cooperatives, limited health services at local clinic, dispersed settlements)
- Sustainability – Limited number of the members and low premium charge against wide range of service coverage

Development Plans

- Advocacy – raise peoples awareness about value of ‘saving for health’ and health insurance
- Expand the membership coverage (plan to incorporate other types of cooperatives, micro saving and credit groups of women, trade unions etc.)
- Increase capacity of healthcare centres; preventive & promotional activities
- Trap other resource, Increase paying capacity of the community through income generating activities
- Decentralize service through other community based hospitals of phect-NEPAL