

# **NATIONAL HEALTH INSURANCE SCHEME**

## **WHAT IS THE MAJOR GOVERNMENT POLICY ON HEALTH FINANCING IN GHANA?**

The Government is to replace the existing 'Cash and Carry' health financing system with a National Health Insurance Scheme.

## **WHY?**

Because the current 'Cash and Carry' System, which makes it compulsory for everybody to pay money immediately before and after treatment in our hospitals/clinics etc., is not within the means of most Ghanaians and many are not going to our hospitals and clinics resulting in needless deaths.

## **SO WHAT WILL THE HEALTH INSURANCE DO?**

The health insurance will allow everybody to make contributions into a fund so that in the event of illness contributors could be supported by the fund to receive affordable healthcare in our health facilities.

## **HOW WILL THIS BE DONE?**

The Government has already developed a policy framework to provide the general guidelines for the establishment of the National Health Insurance Scheme.

A law has been passed to provide the legal framework necessary to facilitate the establishment of the National Health Insurance Scheme.

The law makes it compulsory for all Ghanaians to join a health insurance scheme in Ghana.

## **THERE ARE THREE TYPES OF SCHEMES AVAILABLE UNDER THE LAW:**

- The District-Wide Mutual Health Insurance Scheme.
- The Private Mutual Health Insurance Scheme.
- The Private Commercial Health Insurance Scheme.

The Government does not want to take chances and has therefore decided to support the District Mutual Health Insurance Scheme concept to ensure that:

- Opportunity is provided for all Ghanaians to have equal access to the functional structures of Health Insurance.
- Ghanaians do not move from an unaffordable 'Cash and carry' regime to another unaffordable Health Insurance one.
- A sustainable Health Insurance option is made available to all Ghanaians.

- The quality of healthcare provision is not compromised under Health Insurance.

## **SO HOW WILL THE DISTRICT-WIDE SCHEMES LOOK LIKE?**

Each district will be divided into Health Insurance Communities so that Health Insurance could be brought to the door step of all Ghanaians.

## **WHAT IS A HEALTH INSURANCE COMMUNITY?**

It is any group of adults who live in the same geographical areas and coverage to register and vote at specifically pre-determined polling station or stations in the area.

A Health Insurance Committee will be formed in each Health Insurance Community to oversee the collection of contributions and supervise its deposit in the District Health Insurance Fund.

*The Committee Members will comprise of the following:*

- The chairman
- Secretary
- The Collector
- Publicity Officer
- Member

The collector will be collecting contributions from residents in the Health Insurance Community under close supervision of the other members of the committee.

To ensure that the contributions of residents are safe and properly accounted for and facilitate access to quality health care by contributors, the Chairman or Secretaries of all Community Health Insurance Committees will come together to form a District Health Insurance Assembly.

## **WHAT WILL THE HEALTH INSURANCE ASSEMBLY DO?**

It is the highest decision making body on health insurance in the district and will prepare a constitution to provide general guidelines for the operation of Health Insurance in the district.

The Health Insurance assembly will also support a board of trustees which will in turn appoint a management team to handle the day-to-day management and control of the scheme. The management team will comprise:

- The Scheme Manager
- Accountant
- Management Information system Manager
- Claims Manager
- Publicity and Marketing Manager

- Data Entry Operator(s)

The Health Insurance Assembly members, the board of trustees, the community health insurance collectors, and the management team of all Districts-Mutual Insurance Schemes and the health providers will be trained to ensure the efficient management of the schemes in the districts.

### **HOW MUCH WILL ONE PAY AS A CONTRIBUTION?**

Since the socio-economic condition of all residents in Ghana are not the same and the contributions must be affordable to all to ensure that nobody is forced to remain in 'cash and carry', there could be no standard contribution for all Ghanaians in the country. This also means that contributions payable could vary from one district to the other as even the disease burden is also not the same in all the districts.

It must be noted that, all Ghanaians, are going to pay 2.5% Health Insurance Levy on selected goods and services to put into a NATIONAL HEALTH INSURANCE FUND to subsidize fully paid contributions to the District Health Insurance Schemes.

### **SO HOW MANY DISEASES ARE GOING TO BE COVERED IN EACH DISTRICT?**

The Government has come out with a minimum benefit package of diseases which every district-wide scheme must cover. This package covers about 95% of diseases in Ghana. Diseases covered include among others Malaria, Diarrhoea, Upper Respiratory Tract Infection, Skin Diseases, Hypertension, Diabetics, Asthma, and a lot of other diseases ranging from our head to toe.

However, all district-wide schemes have the right under the law to organise their schemes to cover as many diseases and services as they desire, provided it is approved by the National Health Insurance Council.

### **EXCLUSIVE LIST**

Certain diseases are however excluded from the benefit package. This is mainly because it may be too expensive to treat those diseases and therefore other arrangements are being considered to enable people get these diseases treated. Diseases currently not covered are: Optical aids, Hearing aids, Orthopaedic aids, Dentures, Beautification Surgery, Supply of ADIS drugs, treatment of Chronic Renal Failure, Heart and Brain Surgery, etc. All these constitute only 5% of the total number of diseases that attack us.

### **SO HOW MANY DISTRICT-WIDE SCHEMES ARE IN PLACE IN THE COUNTRY?**

The government is currently supporting all District, Municipal and Sub-metro schemes in the country with funds from HIPC to the various districts to facilitate the set-up of the schemes.

**WHAT CONTRIBUTIONS ARE PAID BY SUBSCRIBERS WHO JOIN THE HEALTH INSURANCE SCHEME?**

As stated earlier, contributions are payable in line with one’s ability to pay. For the informal sector, community health insurance committees are to identify and categorise residents into social groups to enable individuals in each group pay in line with ability to pay.

By law, the core poor or indigent who are considered as adults and unemployed and receive no consistent financial support from identifiable sources will be exempted, from contributing to any District Mutual Health Insurance Scheme.

Children under 18 years, whose parent(s) or guardian(s) pay their own contributions, are exempted from paying any contribution.

An efficient social grouping validation will be in place in all Districts/Sub-metro, to ensure that the real core poor is listed for Government to pay their contributions from the National Health Insurance Fund. Other residents will pay in line with their social category as shown in the table below.

*The contributions payable by the social groupings in the informal sector are shown in the table-below:*

<b>NAME OF GROUP</b>		<b>WHO THEY ARE</b>	<b>MINIMUM CONTRIBUTIONS PAYABLE ANNUALLY</b>
Core Poor	A	Adults who are unemployed and do not receive any identifiable and constant support from elsewhere for survival.	Free
Very Poor	B	Adults who are unemployed but receive identifiable and consistent financial support from sources of low income	¢72,000
Poor	C	Adults who are	

		employed but receive low returns for their efforts and are unable to meet their basic needs	
Middle Income	D	Adults who are employed and able to meet their basic needs	¢180,000
Rich	E	Adults who are able to meet their basic needs and some of their wants.	¢480,000
Very Rich	F	Adults who are able to meet their needs and most of their wants.	

### **HOW ARE CONTRIBUTIONS COLLECTED FROM THE ADULT RESIDENTS?**

Each District/Sub-metro Scheme has an address and identification system which enables all residents to be identified and reached through a community, street, house, household and household status coding patter.

Address and identification slips indicating the I.D. No. of individual residents will be made available by the collectors to all adults residents in the Sub-Metro/District.

Each adult resident of the Sub-metro/District will also be assigned one receipt book with 12 leaflets bearing their names and I.D. Nos.

All adults are given the opportunity to pay their contributions in 12 maximum monthly installments if they so wish.

The collectors will go from house to house to receive contributions from residents. Residents can also pay their contributions directly to banks or designated pharmacy or chemical shops using their identification slips.

### **AFTER THE COLLECTION OF THE CONTRIBUTION WHAT NEXT?**

Residents who pay their contributions in full will have to wait for at most six months before their Health Insurance identification and Health facility attendance card are issued to them to

enable them attend any public health facility or any private accredited health facility in Ghana for both inpatient and outpatient care in line with the scheme's benefit package.

### **WHY SHOULD THERE BE A WAITING PERIOD?**

To avoid having only sick people contributing to the scheme and immediately after accessing health facilities for treatment to collapse the scheme at its inception.

Again to ensure that enough money has been accumulated to take care of any possible huge cost burden which may occur at the beginning of the implementation of the Health Insurance Scheme.

But it must be noted that the waiting period is only for the initial registration or contribution to the scheme. Only those who do not renew their registration by contributing fully within 13 months of the period of enjoyment of benefits will have to wait for the specified waiting period according to scheme's constitution. Those who renew their Health Insurance Cards within the 13 months will not have to wait but can continue to enjoy their healthcare benefits under the scheme.

### **SO HOW DO WORKERS IN THE FORMAL SECTOR JOIN THE SCHEME?**

The Government has come out with a painless way for workers to join the District-Wide Health Insurance Schemes through the enacted Law on Health Insurance.

The law makes it mandatory for 2.5% of workers social security contributions to be put into the National Health Insurance fund to be subsequently disbursed to the District Mutual Health Insurance Schemes as their contributions to the scheme. Children under 18 years of formal sector workers will also be exempted from paying any contributions provided workers spouses in the informal sector, if any, also pay their own contributions.

The idea to deduct workers contributions form their social security deduction instead of their salary earnings is to achieve the following:

- To provide free health insurance coverage for workers within the minimum benefit package.
- To minimize the healthcare component of workers household budget to enable them have more disposable income during their working days.
- To minimize the healthcare component of workers household budget when they go on pension to enable them receive free treatment within the minimum benefit package for the typical old age chronic diseases like diabetes and hypertension and also to have more disposable pension income to improve their general well being.
- To ensure that formal sector companies and organisations comply with payment of workers contributions to the SSNIT fund.