

**Private Sector embracing Universal Health care:  
Key Lessons Learnt and Challenges Faced –  
The African Experience (Kenya)**

MR. GEOFFREY MWANGI, CEO  
NHIF, KENYA  
JULY, 2017

# PRESENTATION OUTLINE

- a. NHIF's vision
- b. Country health statistics
- c. Country challenges towards UHC : Health Financing Policy agenda
- d. Lessons learnt: role of private sector in health Financing
- e. From challenges to action



## Vision

A world class social health insurer

## Mission

To provide **accessible, affordable, sustainable, equitable** and **quality** social health insurance through optimal utilization of resources to the satisfaction of stakeholder

# NHIF's MANDATE

1. To effectively and efficiently register members, collect contributions and pay out benefits

2. To regulate the contributions payable to the Fund and the benefits and other payments to be made out of the Fund;

3. To enhance and ensure adherence and conformity to international standards in quality service delivery

4. To ensure prudent management of resources

5. To contract service providers and provide access to health services

6. To protect the interests of contributors to the Fund

7. To advise on the national policy with regard to national health insurance and implement all Government policies relating thereto

# Milestones

---

Membership growth in the last 3 years to 6.4M members (over 20M beneficiaries)- particularly informal sector

---

Sponsorship and registration of the elderly (42,000) and indigents (181,000) by Government

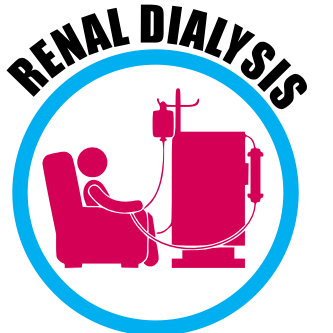
---

Continuous contracting of health care facilities across the country – 2,339 outpatient; 4239 free maternity

---

Purchase of maternity care for all eligible women through Government of Kenya

# BENEFIT PACKAGES





# Country Health Statistics

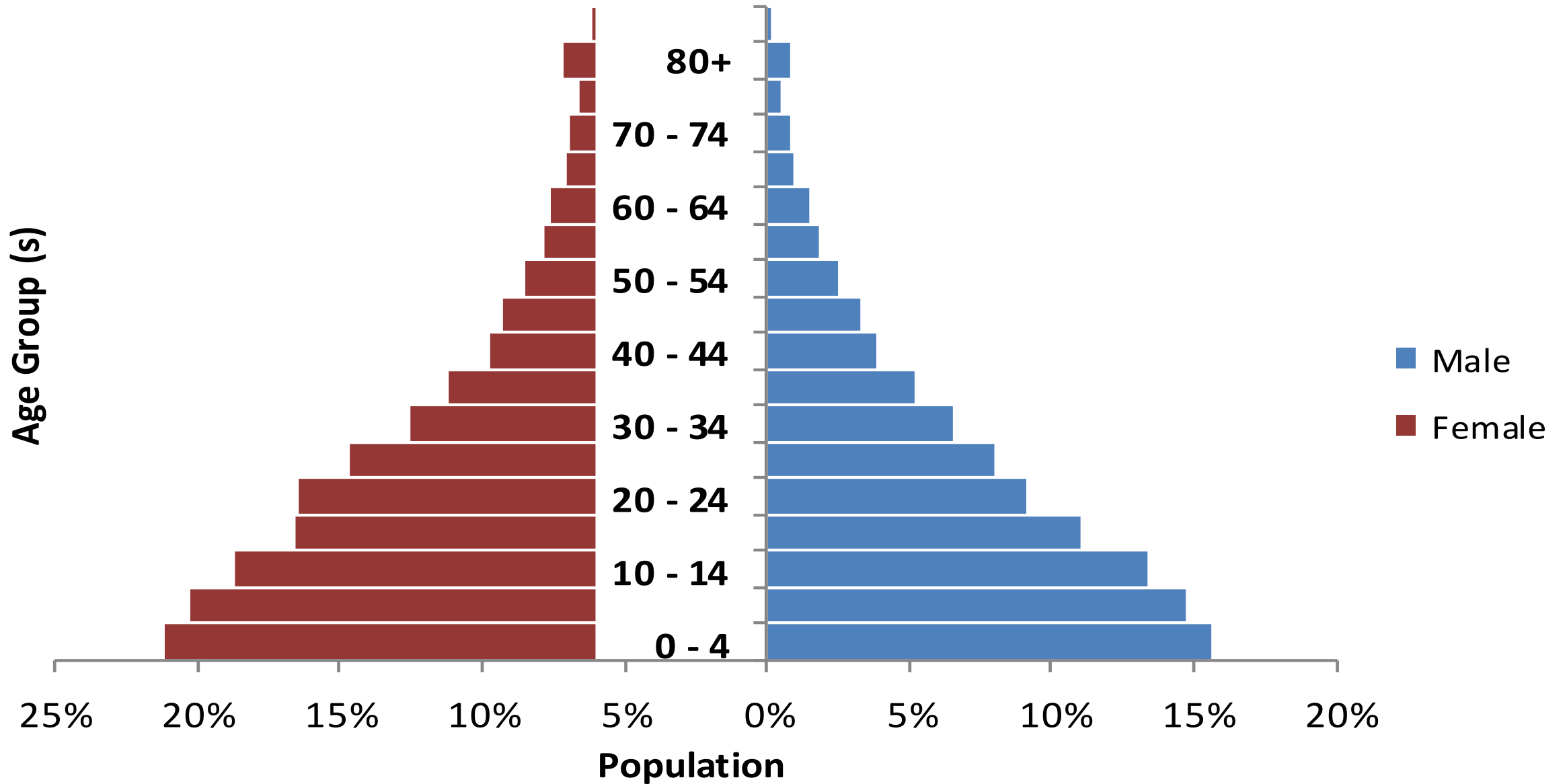


## Key Indicators

Estimated Population	Est. 46 M (2.9% growth rate)
Life expectancy	61.4 years
Total Fertility rate	3.9
Infant mortality rate	39 deaths per 1,000 live births
Under-five mortality rate	52 deaths per 1,000 live births
Maternal mortality rate	362 deaths per 100,000 live births

Source: KNBS

# Kenya Population Pyramid



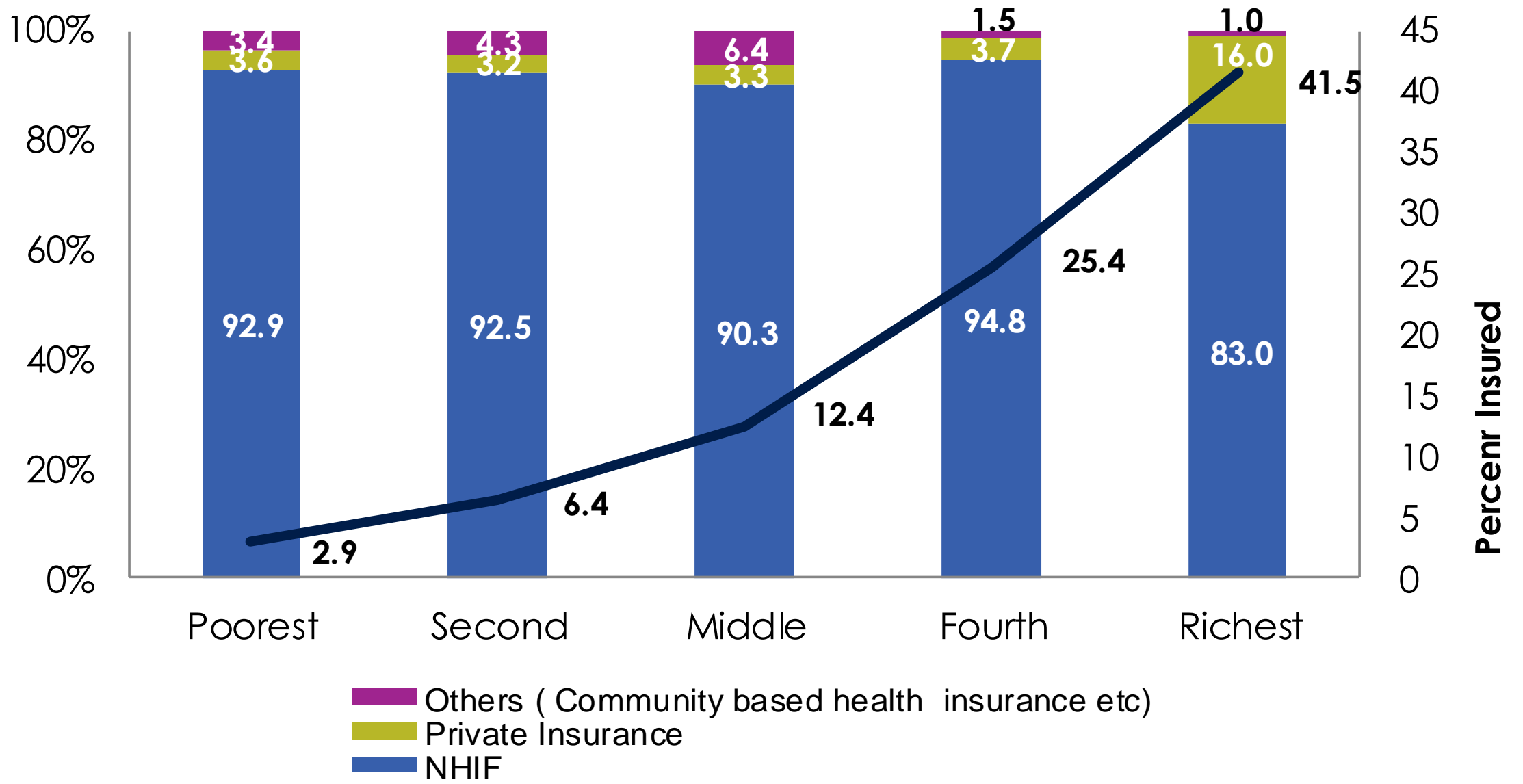


# Country Health Statistics

## Expenditures on Health

<b>Country GDP</b>	5.6%*
<b>Inflation</b>	6.3%*
<b>% GDP spent on Health</b>	2.7%*
<b>Total Health Expenditure</b>	Kes. 190,629 Million*
<b>Per capita health spending</b>	Kes. 7,700
<b>Out-of-Pocket Payment</b>	Kes. 91,754 Million





*Depth of health insurance in Kenya, 2013. KDHS*

# Towards UHC: Government Healthcare Financing Policy Agenda



Equitable access to quality care for all

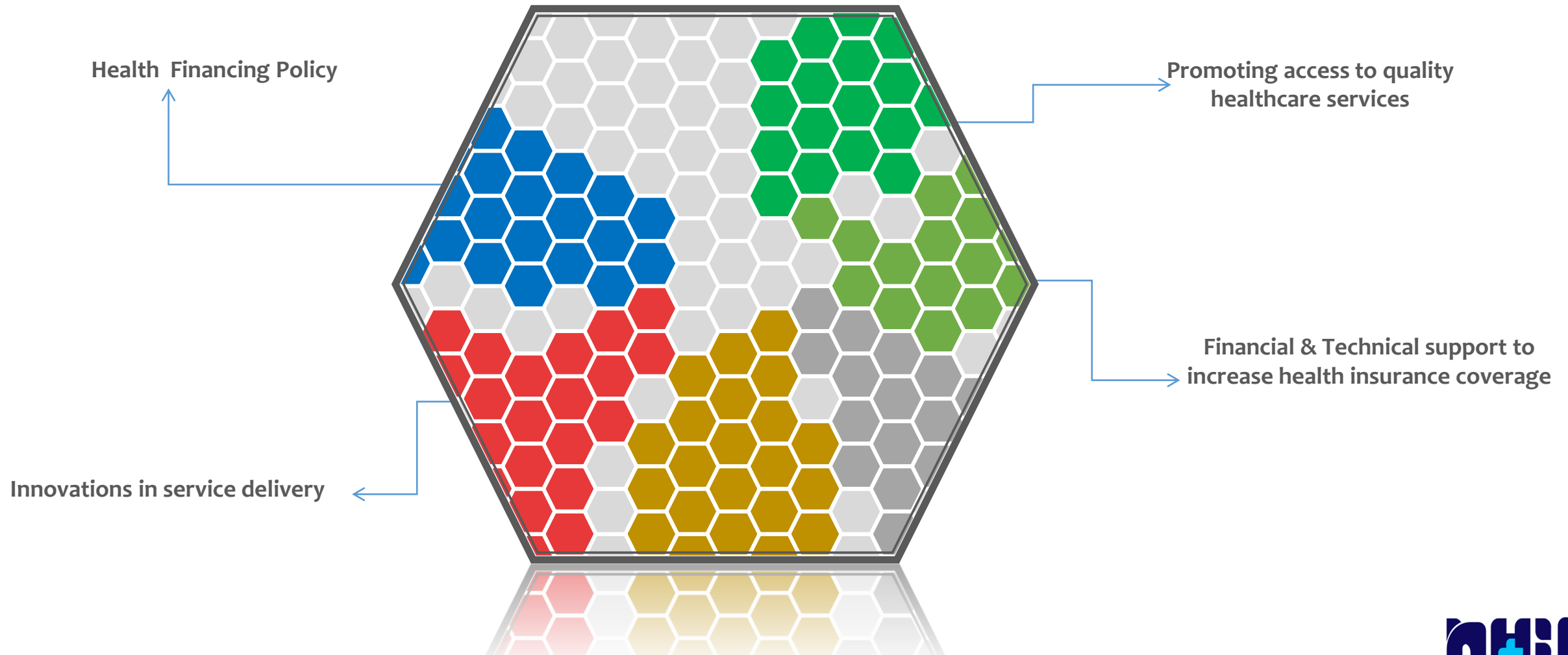
Improved and efficient revenue collection and risk pooling mechanism

Improved governance and transparency in the health financing system

More efficient and effective use of funds from development partners

Sustainability of the healthcare financing system

# Towards UHC : Lesson Learnt In Health Financing (Role of Private Sector)



## Health Financing Policy Dialogue

- role of private sector
- collaborations with the government



## Innovative solutions to promote efficient service delivery

- Mobile money technologies for financial inclusion to increase coverage
- Customer relationship management systems



## Promoting access to quality health care

- Infrastructure investments especially in underserved communities
- Promoting development of quality standards in healthcare



## Support to increase coverage

- Financial & technical support to the Health Insurance Subsidy Programme targeting the poor
- Technical support : programme design & implementation



# Challenges

## ❖ Informal sector embracing the insurance concept

- Unpredictable aspect and inconsistency

## ❖ Inadequate legislative framework in support of UHC/insurance

## ❖ Health care providers

- Fraud/ Abuse
- Network coverage of facilities still inadequate
- Public – Quality of care is compromised
- Private - Pricing of services is unaffordable
  - Increase in prices over and above what NHIF can afford
  - Responding to new products with high costs
  - Quality of care also easily compromised

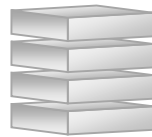
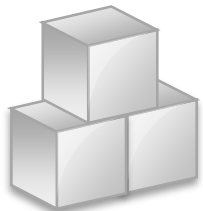
## ❖ Rise in medical costs above inflation



# FROM CHALLENGES TO ACTION

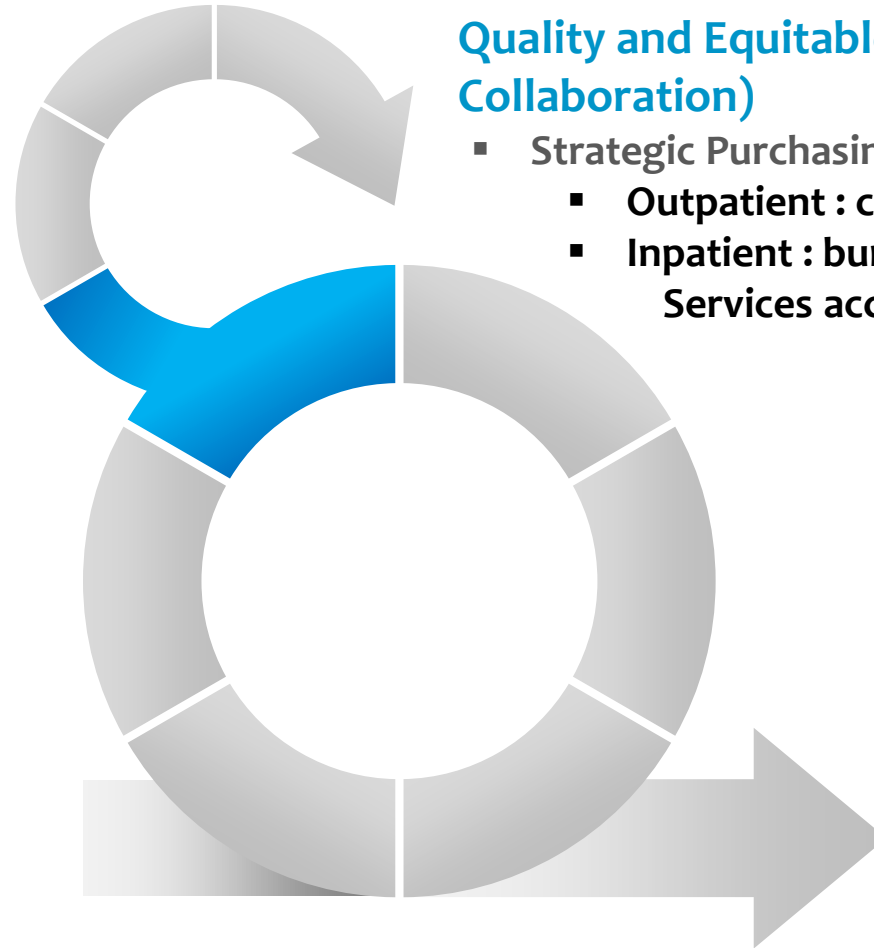
## Access for all

- Introduced health insurance subsidies :
  - Vulnerable and poor
  - Older Persons
  - Pensioners\*



## Financing

- Gov't spending on health insurance subsidies
- Review of insurance premiums



## Quality and Equitable Services (Gov't.-Private Sector Collaboration)

- Strategic Purchasing based KEPHS
    - Outpatient : capitation & fee-for-service
    - Inpatient : bundled payments & rebate
- Services accessible irrespective of the premiums\*



## Increased financial protection

- Less OOP



Thank you!