



SOCIAL SECURITY EXTENSION
AND MICROINSURANCE
NEWSLETTER



G-NEWS is produced by the STEP Programme (Strategies and Tools against Social Exclusion and Poverty) of the Social Security Department at the ILO (International Labour Office). Available in English, French and Spanish, G-NEWS is based mainly on contributions from users of the GIMI and GESS platforms. The fourth edition of the newsletter (No. 4 September 2008) includes news posted by users between April 2008 and August 2008. You may contribute to the newsletter by clicking on "Community News" on the GIMI (www.microinsurance.org) or GESS (www.socialsecurityextension.org) homepage. You may also send in your contributions to gimi@ilo.org or gess@ilo.org.

A "Social Security Floor" for all

On May 15, 2008, the Policy Integration Department held its XXVI Decent Work Forum, at the ILO HQ, Geneva. The speaker, Michael Cichon, director of the Social Security Department, presented the subject, "Is a Social Security Floor Affordable?" based on a study carried out in collaboration with specialists of the Department. See more on [page 4](#).

Second Round of Innovation Grants for Microinsurance Available!

The ILO's Microinsurance Innovation Facility is pleased to announce the availability of the second round of innovation grants. Don't miss the application deadline on the 17th September! Read more on [page 7](#).

What's new on GIMI and GESS?

A new "user's module" is available! Users can now communicate more easily with each other...and make themselves known to others (see the article on [page 21](#)). Update your profile now!



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WHAT'S NEW ?

ILO APPLAUDS INDIA'S EFFORTS TO INCREASE SOCIAL SECURITY COVERAGE

The ILO has praised India's efforts to extend social security coverage through the National Rural Employment Guarantee Act (NREGA) and the recent launching of various insurance schemes targeting the poorest segments of the population.

The occasion for this praise was the Asia-Pacific Regional High-Level Meeting on Socially-Inclusive Strategies to Extend Social Security Coverage organized by the ILO which took place on the 19th and 20th May in New Delhi.

MORE INFO

- [See page 12 on the Asia-Pacific Regional Meeting](#)
- [See the ILO Regional Meeting website](#)
- [Read an Indian Press Release on the Meeting](#)

In a video address, ILO's Director General Juan Somavia asserted that, "India is making a determined effort to extend basic social security coverage and a number of important measures have been initiated, especially in the informal economy".

For his part, the Indian Minister of State for Labour and Employment Oscar Fernandes insisted that the impact of growth must be

felt by all sections of society. He emphasized India's commitment to providing social protection through a series of ambitious strategies, for example the NREGA scheme which guarantees at least 100 days of employment per year to unemployed rural workers.

He further referred to the implementation of the health insurance scheme 'Rashtriya Swasthya Bima Yojana' (RSBY), which targets Below the Poverty Line workers of the informal sector and their families – a considerable challenge for insurance companies seeing that the aim is to cover around 300 million people in five years.

MORE INFO

- [See the Resources section, page 14](#)
- [See the Targeted Distribution Programme website](#)

Three other key government measures mentioned were the Targeted Public Distribution programme, which aims to ensure the availability of a minimum quantity of food grains to families living below the poverty line, the 'Aam

Aadmi Bima Yojana' scheme which provides life and disability cover to rural landless households and a flat monthly allowance provided to all Below the Poverty Line workers upon reaching the age of 65 years.

{Contribution from Marc Socquet, Consultant, New Delhi, India}

ADAMS PROGRAMME HEALTH SPONSORING

The idea behind the ADAMS programme's health sponsoring project is to enable the African Diaspora to play a more significant and effective role in improving their relatives' healthcare access.

The Diaspora is composed of an estimated total of one billion people if every person of African descent living off the continent is taken into account. Moreover, 60% of cash flows to the continent are healthcare related.

Paying their families' contributions in advance (a yearly 20 to 40€ per person) can avoid the stressful last minute calls and the excessively high transfer fees (Western Union...). What is more, the yearly fee is smaller than the total sums sent over per year and per person, seeing as once the family is protected they are better taken care of (prevention, illnesses are treated in the early stages, follow-ups).

The sponsor (a person of African descent living in Canada, Europe etc) will fill in forms with the names and surnames of the people they wish to sponsor and then pay the contributions online. The contributors' and the sponsors' private information will be managed using an electronic on line database while a bank will manage the financial flows.

MORE INFO

- [Visit the Ecolabs website](#)
- [See the ADAMS programme website](#)

The idea has received positive feedback from those members of the Diaspora who have already been contacted; via community networks,

international radios (Africa No1, RFI), restaurants, hair salons and <http://www.parrainagesante.org/> to name but a few. To date, 25 sponsors have joined the project.

The operation is set to begin during the summer with mutual insurance companies chosen by STEP and GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit) in Senegal, Burkina Faso, Comoros, Cameroon and Benin.

{Contribution from Charles Agueh, President of EcoLabs Programme Association, Paris, France}



WHAT'S NEW ?

THE MUNICIPAL COUNCIL OF KRIBI, CAMEROON, GETS INVOLVED IN THE PROMOTION OF MUTUAL HEALTH ORGANISATIONS

The seaside city of Kribi, Cameroon, is situated on the edge of the Atlantic Ocean and has 105 505 inhabitants.

The executive of the Municipal Council of Kribi, concerned by the welfare of the people and by the difficulties they experience in getting access to healthcare; and under the strong recommendation of the Deputy Mayor of Kribi 1 Massaka (Dr. Mbvoula Joël Aristide), decided to set up a mutual health organisation in order to facilitate access to healthcare for people of all different social backgrounds living in the community.

Aware that a degree of sensitivity would be required to carry out this social project, the municipal council entrusted the NGO ASSA with the task of carrying out feasibility studies and providing technical support to help set up the MHO.

After the feasibility study had been carried out, the members of the MHO committee received training and steps were taken to raise awareness of the MHO initiative among the people of Kribi. The General Constitutive Assembly of the mutual health organisation was held in the community area of the Kribi municipal hall on the 6th March 2008. During the proceedings of the General Constitutive Assembly, internal by-laws were adopted. The members of the management bodies of the MHO were elected and instated by the Sub-prefect of the borough of Kribi.

The feasibility study showed that the user rate of the health services in Kribi was very low (13%). The critical lack of equipment was driving the people of Kribi to seek treatment in the hospitals of neighbouring towns, like Edéa, Douala or Yaoundé. The level of self-treatment was very high. Health services were only being used as a second or third resort.

Thanks to the feasibility report, a group of Kribi expats took up the cause and offered a whole set of medical equipment for the Radiology Department of the Kribi district hospital.

The official opening ceremony of the Kribi community mutual health organisation took place on the 11th April 2008 under the patronage of the Prefect of the Océan Department of Cameroon and in the presence of every administrative, health, religious and traditional official of Kribi.

With regards to the treatment of members, the MHO has signed agreements with four health providers (two public, one faith-based and one private).

The mutual health initiative will help the people of Kribi to gain access to healthcare because it allows for third-party payment and will undoubtedly contribute to increasing user rates of health services.

{Contribution from Muhammad Ntock, NGO ASSA, Douala Cameroon}

COMMUNITY HEALTH FINANCING ASSOCIATION FOR EASTERN AFRICA

Community Health Financing Association for Eastern Africa (CHeFA-EA) is a regional NGO that aims to improve access to quality health care for low-income populations in Eastern Africa. CHeFA-EA promotes best practices by facilitating the exchange of knowledge, information and experiences in community health financing; encouraging the faster growth of initiatives in this field.

The association is a network of three national organizations that are based in Uganda, Kenya and Tanzania. With a strong emphasis on shared learning and development, CHeFA-EA is also open to collaboration with other networks and national organizations that have an active interest and involvement in community health financing; including those of Rwanda, Burundi and Southern Sudan.

CHeFA-EA promotes community health financing through publicity and advocating in collaboration with various actors and institutions. At the national level CHeFA-EA is engaged in dialogue with health ministries via the national community health financing programmes, with a view to soliciting adequate recognition and support for alternative health care financing initiatives.

Involved in research on community health financing at both the national and regional levels, CHeFA-EA is working on the development and application of a Participatory Monitoring and Evaluation System for continuous project assessment, review and improvement, and is active in the archiving and sharing of management tools.

CHeFA-EA runs a regional resource centre at its secretariat in Kampala, Uganda, maintains a website and publishes a semi-annual newsletter. At the local level, CHeFA-EA promotes resource mobilization to support the development of community health financing initiatives, while at the national and regional levels the association supports capacity-building activities and meetings for country networks as well as organising inter-country exchange visits and regional conferences.

{Contribution from Joseph Kiggundu, Rita Toutant and CHeFA-EA}

MORE INFO

[See the CHeFA-EA website](#)



WHAT'S NEW ?



FOCUS ON...

IS A SOCIAL SECURITY FLOOR AFFORDABLE? 15 May 2008, ILO, Geneva, Switzerland

In his presentation at the 26th Decent Work Forum, organized by the ILO's Policy Integration Department, Michael Cichon- Director of the ILO's Social Security Department- stressed that social security is not only a human right but also a social and economic necessity. Based on the study "Can low-income countries afford basic social security?", which involved a simulation exercise undertaken in 12 countries, he also asserted that basic social security for all is fiscally affordable in low-income countries.

Within this framework, the ILO proposes a set of guarantees as a 'social security floor':

- All residents have access to basic/essential health care benefits through pluralistic delivery mechanisms, with the State accepting general responsibility for ensuring the adequacy of the delivery system and its financing;
- All children enjoy a level of income security at least at the poverty level through various family/child benefits aimed at facilitating access to nutrition, education and care;
- Some targeted income support is provided to the poor and the unemployed in the active age group;
- All elderly residents and those with disabilities enjoy income security at least at the poverty level through pensions for old age, disability and survivors.

The implementation of this set of guarantees is conditional on the efforts of the low-income countries themselves in conjunction with international donor support. The strategy expounded in this study is based on the premise that if the countries in question increase the level of domestic expenditure allocated to social protection (rather than maintaining current levels of allocation), they will progressively be able to finance 100% of the package themselves in the long run.

Moreover, the experience of various countries demonstrates that a variety of financing strategies are used and that linkages between different actors can be a key element in this process.

It is important to mobilize populations' ability and willingness to pay, but on a broader scale, strategies at national and international levels can be implemented as well:

- governments can increase the amount of resources allocated to social protection;

- efforts can be made in favour of national solidarity; through cross subsidies from social taxes, supplementary taxes (for example on hydrocarbons, the national lottery, etc.);
- action can be taken to promote international solidarity; through global funds, innovative financing such as taxes on flight tickets, global social trust, migrants' transfers to their families, etc.

[microinsurance on the Knowledge resources for Financial & Private Sector Development site](#)

MORE INFO

- [See the study](#)
- [See Michael Cichon's presentation](#)
- [See the presentation on financing strategies](#)



WHAT'S NEW ?

THE GAYA MUTUAL HEALTH ORGANISATION (SENEGAL): AN EXAMPLE OF PARTNERSHIP

Situated in the Saint-Louis region of Senegal, the village of Gaya, with its 8,900 inhabitants harbours a health and maternity unit, built by the NGO Le Partenariat, a pharmaceutical depository, and a private infirmary. There is also a rural healthcare unit in Ndiarème; a hamlet 2 kilometres away. In these two localities, recurrence of illness among the inhabitants is linked to their proximity to the Senegal River and there is a predominance of malaria (cases of malaria account for 47% of consultations) bilharzia (urinary and intestinal) and diarrhoeal illnesses.

The creation of a mutual health organisation in December 2004 was part of a wider community health project; a section of which was devoted to the prevention of malaria, within the general strategy of the NGO Le Partenariat in supporting the health district. The Gaya mutual health organisation benefited from the support of promoters (Promosaf and Le Partenariat) during the creation and development process. The various partners (health district officials, Le Partenariat, Promosaf etc.) co-operated in view of responding to the high demand of the population for a means of facilitating access to health services. As well as the technical and financial support of the promoters (Promosaf and Le Partenariat), the partners set up a working capital fund designed to promote agricultural exploitation (tomato and potato crops). One third of the net income from this agricultural exploitation will be set aside for the reinforcement of the solvency margin.

MORE INFO

- [Visit the website of Le Partenariat, Senegal](#)
- [Visit the website of Promosaf](#)

{Contribution from Alioune Niasse, ASADEP, Saint-Louis, Sénégal}

THE WORLD BANK CREATES THE "INSURANCE FOR THE POOR" PROGRAM

The "Insurance for the Poor" (IfP) Program has been recently established within the Financial and Private Sector Development Vice Presidency of the World Bank.

The Program follows a market enhancement approach, recognizing that market failures can create sub-optimal wealth allocation and that private sector coordination is not always effective. Its main objective is to support insurance solutions that, among others:

- Can be included in a comprehensive financial strategy (savings, credit)
- Can be scaled up by means of synergies (such as public-private partnerships)
- Either directly benefit the poor or indirectly help the poor by working with intermediaries, such as insurance companies or governments (for example, disaster insurance).

MORE INFO

- [See the IfP brochure in GIMI](#)
- [Contact IfP for more information](#)
- [Read more on microinsurance on the 'Knowledge resources for Financial & Private Sector Development' site](#)

The World Bank already supports a wide range of insurance initiatives that directly benefit the target group (the poor), for example, expanding life insurance provision in rural India, piloting health savings accounts with catastrophic health insurance in Uganda, etc. Other such initiatives operate at the country level and indirectly help the poor; such as promoting sovereign catastrophe insurance in the Caribbean and supporting legislation to extend insurance coverage to the poor in Cambodia.

{Contribution from Vijayasekar Kalavakonda, The World Bank Group}

MICRO INSURANCE ACADEMY (MIA) & COOPERATIVE DEVELOPMENT FOUNDATION (CDF) JOIN HANDS TO PROMOTE COOPERATIVE-BASED MICRO HEALTH INSURANCE

In May of this year, the Cooperative Development Foundation (CDF) and the Micro Insurance Academy (MIA) conducted a Promoter Training exercise as part of an exciting new project to bring micro health insurance to poor communities in and around Warangal City, Andhra Pradesh, India. This event took place as the result of an earlier MIA-facilitated Initiation Workshop in which CDF and a number of self-help groups/cooperatives which it supports, agreed to add health insurance to their existing mutual life insurance offerings available since 2000.

With training and promotional materials provided by the MIA, CDF is now equipped to roll out its customized Swakrushi Cooperative Based Health Insurance Scheme (SCOBHIS), which in turn will extend micro health insurance to over 500,000 poor persons across 300 villages in the districts of Warangal, Karimnagar, and Medak. CDF and the MIA anticipate that this collaboration will continue over the next few years as the number of individuals insured under the SCOBHIS scheme increases.

MORE INFO

- [Visit the CDF website](#)
- [Visit the MIA website](#)

{Contribution from Iddo Dror, Director of Operations, Micro Insurance Academy, India}



WHAT'S NEW ?

ILO RELEASES THE SOCIAL PROTECTION EXPENDITURE AND PERFORMANCE REVIEW (SPER) FOR ZAMBIA: 4th July 2008, Lusaka, Zambia

The Social Protection Expenditure and Performance Review (SPER) and Social Budget (SB) Report and Executive Summary are products of the first year of work of the ILO/DFID-funded project in Zambia: "ILO Global Campaign for Social Protection and Coverage for All as a Means to Reducing Poverty in Africa and Asia". The "SPER" is one of the key tools of the ILO's Social Security Department for assessing social protection systems and for providing an overview of these systems for the country in question.

The main finding is that neither existing contributory (social insurance) nor non-contributory (social assistance) social security provisions are adequate in terms of the numbers of the population covered, the scope of coverage and the adequacy of benefits/payments received. This in a context in which half of the population is extremely poor, living below the poverty line, and almost two-thirds are living below the basic needs poverty line and thus moderately poor or worse. Preliminary analysis shows that Zambia could afford a basic package of social protection; universal old age pensions, targeted cash transfers and child benefits. In the longer run this package would cost no more than 1.5% of GDP and would build the foundations of a modern social protection system.

The SPER and Social Budget Report also includes key information on the labour market in Zambia, existing contributory and non-contributory social security schemes, the current state of health care as well as important findings and analysis on the current and future social budget of Zambia.

MORE INFO

- [See the Executive Summary](#)
- [See the full report](#)
- [See the SPER & SB presentation](#)

{Contribution from Krzysztof Hagemejer, ILO Social Security Department, Geneva, Switzerland}

SENEGAL: SOCIAL PROTECTION EXPENDITURE AND PERFORMANCE REVIEW NOW AVAILABLE

Senegal. Social Protection Expenditure and Performance Review (SPER), a report prepared by Pascal Annycke, ILO, 2008

MORE INFO

[See the report](#)

New resource now available in the GIMI and GESS libraries. This eight-chapter report based on national and international sources as well as the ILO Social Security Inquiry for 2003 and 2004, analyses Senegal's current social security systems. The report, which is organised according to the different branches of social security, examines the different schemes' expenditures and the level of benefits paid, evaluates the rate of coverage for each type of risk

covered and analyses projects designed to extend social security coverage.

{Contribution from Pascal Annycke, ILO, Geneva, Switzerland}

BOLIVIAN AND ECUADORIAN SOCIAL SECURITY CASE STUDIES

República de Bolivia: Diagnóstico del sistema de seguridad social (preliminary version for discussion), G. Picado Chacón, F. Durán Valverde, ILO BRS-Lima, 2007

Diagnóstico del sistema de seguridad social del Ecuador, F. Durán Valverde, ILO BRS-Lima, 2008

These case studies present detailed diagnosis of respectively the Bolivian and the Ecuadorian social security systems. While analysing the current state of these countries' social security systems, the

MORE INFO

- [See the Bolivian case study](#)
- [See the Ecuadorian case study](#)

studies also suggest measures that would contribute to extending social insurance coverage and in the long run, lead to full coverage of the population.

{Contribution from Fabio Duran, Social Security Specialist, ILO SRO-Lima, Peru}

NEW RESOURCE AVAILABLE IN THE LIBRARY: AMIN INFOSHEETS ABOUT MICROINSURANCE PROGRAMMES IN ASIA

A whole collection of two page long infosheets about different micro-insurance programmes in Asia has been added to the GIMI library. The briefs on the left of the infosheets describe the schemes - eligibility conditions,

MORE INFO

[Access the collection of Infosheets via GIMI](#)

benefits, premiums and other key features - as well as their main achievements and the challenges ahead. The fact sheets on the right provide an overview of each scheme (starting date, ownership profile, target group, outreach etc...), operational mechanisms, scope and level of health benefits and activity indicators (number of insured, women's participation, number of surgeries performed etc.) as well as development plans.

{Contribution from Ashita Abraham, AMIN, New Dehli, India}



WHAT'S NEW ?

MIF SECOND ROUND OF INNOVATION GRANTS AVAILABLE

The ILO's Microinsurance Innovation Facility – launched in 2008 with support from the Bill & Melinda Gates Foundation – is pleased to announce the availability of the **second round of innovation grants** to stimulate new ideas and test innovative approaches to providing better insurance products to un- and under-served markets. Organizations eligible for grants include:

- **Risk carriers** such as insurance companies, semi-formal microinsurers, or federations of microinsurance schemes
- **Delivery channels** including NGOs, cooperatives, banks and microfinance institutions, labour unions and employers' associations, insurance brokers and agents, and other distribution channels
- **Insurance industry actors** such as third-party administrators or claims processing centres, providers of software and database management services (in consortium with microinsurance providers), training centres or industry associations

It is possible—even encouraged—for two or more eligible organizations to apply for a grant together. The Facility wants to work with strong organizations that have the capacity to undertake innovative initiatives.

The Microinsurance Innovation Facility's primary objective is to learn: to learn how to provide better insurance coverage to more low-income people; to learn how to develop an insurance culture among the poor; and to understand the extent to which the working poor can benefit from insurance as a risk management tool. To achieve this learning objective, the Facility will support activities that challenge conventional wisdom. The innovation grants are therefore seen as action research.

Over the next five years, the Facility will issue 40 to 50 innovation grants for a total of US\$18 million. This is a very competitive process. In Round 1, ten grantees were selected from 127 applications. Approximately the same number will be selected in Round 2.

MORE INFO

[Application forms and guidelines available here](#)

The Facility is looking for a diverse portfolio of grantees with a focus on Africa, Asia and the Pacific, Latin America and

the Caribbean, and the Middle East. Although these grants could support insurance for any type of risk, priority will be given to voluntary products for which there is a significant demand yet insufficient supply, such as health, agriculture, property, and accumulating value life insurance.

Applications must be submitted using the new on-line application template and the deadline for submission is **17 September 2008**. The third round of grant applications will be announced in January for submissions in early March.

{Contribution from Craig Churchill, ILO, Geneva, Switzerland}



TRAINING

CNAM PARIS: CERTIFICATE OF SPECIALISATION IN PUBLIC HEALTH AND DEVELOPMENT

The National Conservatory of Arts and Trades (CNAM) in Paris is offering a 120-hour high-level specialised course on Public Health and Development, chaired by the French Minister of Foreign and European Affairs Bernard Kouchner. Designed for those already practising in the field (i.e. doctors, economists, statisticians, public health administrators, specialists in

MORE INFO

[Access the course brochure & inscription info via GIMI](#)

third world development etc.) this cross-disciplinary course comprises a series of 30 lectures given by specialists; all experts in their field, offering both theoretical and practical insight on issues of health, access to healthcare, public health, health insurance and sustainable economic development. The deadline for applications is the 26th September 2008.

MGEN, IE AND AIM LAUNCH AN EDUCATION AND SOLIDARITY NETWORK

Three organisations concerned with the development, coordination and strengthening of solidarity-based social protection systems; IE (Education International), AIM (International Association of Mutual Benefit Societies) and MGEN (Mutual of National Education, France), are preparing the launch of an Education and Solidarity Network.

MORE INFO

[See the ESN website](#)

The rationale of the Network lies in the recognition of educational professionals as key agents in the promotion of solidarity-based social protection systems worldwide; whether operating among teaching professionals or extended to the population at large.

Focusing on social protection models that are based on the essential values of solidarity, non-profit motives and democratic management, the activities of the Education and Solidarity Network will include the development and sharing of tools, expertise and best practices, as well as the launching of targeted training programmes.

The partner organisations bring together their collective strength in their respective fields: acting as a worldwide federation of trade unions, Education International represents 30 million workers in the teaching profession in 171 countries, while AIM brings together 41 national federations of mutual associations and in turn MGEN is a forerunning mutual health organisation in France, covering 3.3 million educational professionals and their dependents. The three partners behind the Network will provide financial and technical aid to projects and the ILO-STEP Programme will bring its vast technical knowledge and experience to the Network in a supporting role.

The Education and Solidarity Network website is available in English, French and Spanish. A series of awareness-raising meetings will be held worldwide

thanks to AIM, IE and ILO-STEP in order to identify and inform prospective members. The Network launch will take place at an International Conference on the 14th and 15th May 2009 in Paris.

{Contribution from Sylvie Grasso, Education and Solidarity Network}

IPPR CERTIFICATE: INTERNATIONAL PERSPECTIVES IN PARTICIPATORY RESEARCH

Joint programme offered by PRIA Continuing Education in India and the Faculty of Continuing Studies, University of Victoria, Canada.

Offering theoretical and practical insight from both the development sector and the academic world, the course emphasis is on participatory research, community action and community transformation. Examples are drawn from international case studies. Completion of this programme will enable learners to design and conduct participatory research in their own communities.

MORE INFO

- [See the PRIA website](#)
- [Other courses offered by PRIA](#)

The course is designed for those already working in the profession including development or NGO professionals responsible for research, monitoring and evaluation as well as staff from universities or colleges teaching participatory research. University students and researchers are also encouraged to apply. This is a four-month course taught in English. It is offered in distance mode, making learning accessible through part time study, outside working hours.

{Contribution from Dr.Shabeen Ara, PRIA Continuing Education}



TRAINING

TRAINING PROGRAMME ON SOCIAL PROTECTION FOR THE AMERICAS

The ILO's new training programme on quantitative methods applied to social protection – QUATRRAIN AMERICAS– presents in its newsletter No. 2 (June) its agenda of activities for 2008 that will be undertaken in close collaboration with the International Training Centre of the ILO, in Turin. Courses, seminars and workshops are taught via distance learning or through direct participation.

MORE INFO

- [See page 20 on the Virtual Campus](#)
- [See the QUATRRAIN newsletter](#)

{Contribution from Vinicius Pinheiro, Social Security Department, ILO, Geneva, Switzerland}

SECOND REINSURANCE SCHOOL– REINSURANCE FOR MICRO INSURANCE SCHEMES: 15–17 October 2008, New Delhi, India

The Micro Insurance Academy will hold the “2nd Reinsurance School for Microinsurance Schemes” this October. The Reinsurance School is designed for managers of community based micro insurance schemes, micro insurance promoters and managers of NGOs & MFIs contemplating launching their own micro insurance scheme.

The Reinsurance School aims to demystify reinsurance for people engaged in, or supportive of, sustaining micro insurance units. The focus of the event is on presenting reinsurance as a powerful risk management tool for micro insurance units. Participants will be exposed to various lectures, interactive sessions and case-studies that would illuminate the scope of reinsurance in a micro insurance framework, and provide an understanding of the structure of reinsurance contracts.

{Contribution from Iddo Dror, Director of Operations, Microinsurance Academy, India}

MORE INFO

- [Contact MIA](#)
- [Visit the MIA website](#)

2nd CAM–UNSE ONLINE COURSE: “Internal Management of Mutual Associations”

In view of the great success of the 1st Online Course held in July, the Argentine Confederation of Mutuality (CAM) along with the National University of Santiago del Estero (UNSE) is holding a 2nd Online Course entitled “Internal Management of Mutual Associations”.

This course lasts four weeks and is officially certified by the UNSE upon completion. During the course, self-learning modules are provided with theoretical and practical spaces, as well as videos to allow collaboration in the theorizing of content. Thematic axes include: strategic management at non-profit organizations; the design of a business plan for non-profit organizations based on service concepts; marketing at non-profit organizations; and services marketing.

{Contribution from Brenda Rial, ACYM, Montevideo, Uruguay}

MORE INFO

[See the CAM website](#)



GIMI IN FIGURES

You are now **725 users** registered on the GIMI platform, coming from 92 different countries.

Thank you for your participation in the life of the platform!

How many users will you be in 3 months? To find out, don't miss G-News No. 5.

We're getting things moving, on GIMI...

- **56 CVs** in the expert database. The database covers experts in various fields related to micro-insurance and the extension of social security
- **780 resources** published in the library, of which
- **128 are links** to websites of interest
- **442 resources downloaded** on average each month
- **275 terms** with definitions in the glossary
- **1559** readers of the G NEWS
- **21 websites** provide a link to the GIMI platform.



CONFERENCES

HIGH-LEVEL INTERNATIONAL CONFERENCE, "SOCIAL HEALTH PROTECTION IN DEVELOPING COUNTRIES- WHO WILL PAY?": 7 May 2008, Paris, France

Instigated by the French Foreign Minister Bernard Kouchner, the Paris Conference brought together over forty health and finance ministers from developing countries, representatives of the 27 EU Member States along with those of major international organisations; (including ILO, WHO, the World Bank, the Global Fund to fight AIDS, TB and Malaria, the GAVI Alliance, IMF and OECD), civil society; (including numerous high-profile NGOs) and the private sector.

Reminded by Bernard Kouchner that, "Each year, more than 100 million people fall below the poverty line because of illness and invalidity", the Conference sought to reinforce consensus on the importance of investing in health; with the ultimate goal of providing universal access to quality healthcare, and on promoting shared growth and development in the International community.

MORE INFO

- [See the GIP SPSI summary of the conference](#)
- [Agence France de Presse report](#)
- [French Ministry of Foreign and European Affairs site](#)

The Conference notably addressed the question of diversifying methods of financing healthcare coverage; in particular the potential for using health insurance mechanisms to strengthen health systems in low-income countries through case studies of Rwanda, Morocco and Thailand.

Over the course of the Conference it was stressed that there is not a single

solution to the question of financing health care coverage, and that each country needs to find the system most fitting to its national context.

The question of incorporating health insurance mechanisms in the health systems of low-income countries nevertheless incited controversy, with NGOs such as Oxfam and Médecins du Monde arguing that free access to healthcare is the only possible means of achieving universal healthcare coverage. Oxfam notably expressed concern that funding agencies would start to view health insurance schemes as a substitute for providing development aid.

While Bernard Kouchner raised the possibility of gradually involving the populations of low-income countries themselves in the extension of access to healthcare, using their initiative and participation; and when possible, their financial participation, in his closing speech the French Foreign Minister insisted on the importance of maintaining high levels of public development aid and the need for better coordination among the International community with regard to health protection strategies.

Expressing his regret that very little headway has been made so far in terms of achieving the Millennium Development Goals that the International community

has set for 2015, Bernard Kouchner confirmed the desire of France to put the question of health at the top of the agenda during France's Presidency of the EU.

{Contribution from Tess Abbott, ILO/STEP, Geneva, Switzerland}

GENERAL ASSEMBLY OF THE UAM: 25-26 June 2008, Rabat, Morocco

The African Union of Mutual associations held an Extraordinary General Assembly in June. This event brought together representatives of governments, institutions and partner organisations as well as delegates of mutual associations from various African countries.

The agenda of the meeting focused on the adoption of internal regulations and key strategies for action; which notably included the carrying out of inventories of mutual associations, the development of a favourable juridical framework for mutual associations, measures to provide technical, financial and educational support, the elaboration of an advocacy and communicatory strategy favouring the development of mutual associations, as well as various other actions targeted at improving the accessibility and quality of healthcare. For more information, read the minutes of the assembly. The UAM will shortly be posting the communications of those who gave presentations and other documents relating to the assembly on their website.

MORE INFO

- [Visit the UAM website](#)
- [Access the minutes of the meeting via GIMI](#)
- [Contact Nadia Semlali](#)

{Contribution from Nadia Semlali, Coopération Internationale, MGPAP, Rabat, Morocco}

2nd NATIONAL MEETING OF HEALTH COOPERATIVES: 29-30 August 2008, Rosario, Argentina

The Second Meeting of Health Cooperatives – "Day of Consensus between Cooperatives and Mutual associations for the Development of a Solidarity-based

MORE INFO

- [See the FAESS website](#)
- [See the event agenda](#)

Health Sector" was organized by the Argentine Federation of Solidarity-based Health Entities (FAESS) and the Argentine Federation of Mutual Health Organizations (FAMSA). This meeting took place at the Faculty of Social Sciences (National University of Rosario) which lent its support to the Meeting, as did the National Institute of Associationism and Social Economy (INAES). Discussions focused on the situation and experience of the health cooperative and mutual sector.

{Contribution from Brenda Rial, ACYM, Montevideo, Uruguay}



CONFERENCES

CONFERENCE-DEBATE, "THE FUTURE OF SOCIAL PROTECTION IN MOROCCO", 9-10 June 2008, Casablanca

This conference brought together more than 200 participants and was organised around four sessions:

- 1) New trends in the field of social protection
- 2) The extension of social protection
- 3) The financing of social protection
- 4) Social protection in view of demographic pressure

The conference also provided the occasion for the signature of two draft agreements: one on the creation of a National School of Social Security (in partnership with the French EN3S); the other making obligatory the extension of the AMO (Obligatory Health Insurance) to people exercising liberal professions (signed by the National Union of Liberal Professions).

MORE INFO

[See the Moroccan Caisse Nationale de Sécurité Sociale website \(in French\)](#)

This conference provided a platform for the sharing of ideas and proposals of areas for action on the questions of extending health insurance coverage and reforming the pension scheme in Morocco.

In terms of the extension of health insurance coverage, two measures have been planned for Morocco: a contributory scheme (AMO) for all employees, professionals and workers of the informal economy who earn more than 500 dirhams per month (around 50 euros); and a medical assistance scheme (RAMED; Medical Assistance for the Economically Destitute) for poor people.

The AMO for the workers of the private sector (managed by the CNSS) covers hospitalisation, maternity, ambulatory care for children up to the age of 12 years and a list of long-term illnesses including those that are particularly long and costly (in which case consultations, examinations and medication are covered). Ambulatory care for adults and children over 12 years is not covered (except in the case of long term illness and very severe and costly illness). The AMO for workers of the public sector (managed by the CNOPS) covers both ambulatory and hospital care for all illnesses.

The AMO was introduced two years ago (at the beginning of 2006). Today the AMO covers 8.5 million people- a little less than 30% of the Moroccan population (which stands at 32 million). The following groups are currently excluded from the AMO: liberal professions; students (300 000 people); agricultural employers and workers (agricultural workers should however, be covered by the CNSS, which has drawn up an action plan with their enrolment in mind); employees and independent workers earning less than 500 dirhams per month but classified as poor enough to benefit from the RAMED scheme (i.e. primarily workers of the informal economy).

For the very poor (a group estimated at around 6 million people) a medical assistance scheme is planned; the RAMED, which aims to give them the right to access public hospitals. The National Agency of Health Insurance (ANAM) has been commissioned to set up the RAMED, but the implementation process has not yet really started (so far only a pilot exercise in a rural area has been mentioned.)

MORE INFO

- [See the Moroccan National Agency of Health Insurance website \(in French\)](#)
- [See the CLEISS Social Security Profile for Morocco \(in French\)](#)

The reform of pension schemes in Morocco is a key priority given the managerial and practical problems faced by the current schemes; notably linked to the aging of the populations covered, the calculation methods of the scheme and their lack of equity (for example people who contribute less than 3240 days don't have the right to a pension; on the other hand people who have made sufficient contributions may, according to one of the schemes, take their retirement with more than 100% of their last salary). Furthermore the modesty of the current level of coverage of the retirement guarantee (less than 25% of the active population) highlights the crucial need for extension in this area in addition to the need for reform of current schemes.

An overall reform process taking into account the two imperatives mentioned above (the reform of existing schemes and extension of coverage) has been taken on by a national technical commission responsible for its piloting. This commission brings together Ministers, various pension funds as well as representatives of employers and workers. A cabinet (ACTURIA International) has been chosen to assist the commission by acting as a research and development department. Three consecutive stages are planned. The first is to carry out an actuarial audit providing a global prospective in view of the current state of the sector (global diagnosis). The second stage encompasses the development of a "target retirement system" defined in technical and institutional terms as well as the identification of possible reform strategies (identified in terms of their proximity to the target system). The third stage consists in the evaluation of different configurations in terms of their proximity (parametric and structural) to the target system. At the present moment the make up of the target system has yet to be defined.

MORE INFO

[See the ILO discussion page on pension scheme reform in Morocco \(in French\)](#)

{Contribution from Valérie Schmitt-Diabaté, ILO/STEP Geneva, Switzerland}



CONFERENCES



FOCUS ON...

ILO ASIA-PACIFIC REGIONAL HIGH LEVEL MEETING ON SOCIALLY-INCLUSIVE STRATEGIES TO EXTEND SOCIAL SECURITY COVERAGE: 19-20 May 2008, New Delhi, India

This High Level Regional Meeting brought together representatives of Governments, Workers and Employers with the aim of reviewing the range of strategies pursued by the 21 participant countries in view of achieving the ILO 'Asian Decent Work Decade' objectives launched in 2006. The meeting provided a platform for delegates to share experiences regarding ways of extending social security coverage and dealing with emerging challenges; helping them to identify good practices and foster consensus on ways to proceed. Given the strong emphasis on practical experiences, a large number of technical papers presenting country-specific case studies were produced and disseminated in conjunction with the Regional Meeting; the list of documents can be accessed via the ILO website and the papers can be downloaded via the GIMI and GESS Resources sections.

MORE INFO

- [Visit the Asia-Pacific Regional Meeting website](#)
- [Read the ILO conclusions on the meeting](#)
- [See pg. 4 on the "Social Security Floor"](#)

Over the course of the meeting it was stressed that the State must play a central role in ensuring that economic growth is accompanied by measures to promote equity, and in involving employers and workers in the dialogue on social security. In particular the question of reaching out to the informal sector was addressed and due attention was given to the specific social security needs of women. The ILO notably introduced the concept of a "Social Floor", encompassing a set of four basic social security benefits.

{Contribution from Marc Socquet, Consultant, New Delhi, India}

97TH INTERNATIONAL LABOUR CONFERENCE: 28 May-13 June 2008, ILO, Geneva, Switzerland

The 97th session of the International Labour Conference (ILC) attracted this year more than 4000 delegates, including Employment Ministers and directors of workers' and employers' organisations from the 182 ILO Member States.

The reduction of rural poverty, enhancing skills development and adherence to international labour standards were among the subjects discussed during the various Commissions. In a landmark move, the 'Declaration on Social Justice for a Fair Globalisation' along with an accompanying resolution were adopted to the acclaim of Member states and representatives of employers and workers.

The 'Declaration on Social Justice for a Fair Globalisation' marks the most important reform of the Organisation since the adoption of the Philadelphia Declaration in 1944. While acknowledging the positive aspects of globalisation, this new declaration presents the case for the implementation of Decent Work policies which will ensure better and fairer results for all. Thanks to the Declaration, ILO will be able to support the efforts of its constituents in the promotion of progress and social justice through the four strategic objectives of the Decent Work Agenda: employment, social protection, social dialogue and three-way governance and principles and fundamental rights at work.

The 97th ILC also provided the occasion for a discussion on the world food crisis and for the celebration, on the 12th June, of the World Day Against Child Labour.

MORE INFO

- [See the ILO press release on the ILC](#)
- [See the ILO press release on the Declaration](#)
- [See the ILO Director General's announcement](#)



CONFERENCES

PREVENTION OF ADDICTION AND THE USE OF PSYCHO-ACTIVE DRUGS IN THE WORKPLACE- POSSIBILITIES FOR CO-OPERATION BETWEEN FRANCE AND RUSSIA: 9-10 April 2008, Moscow

This high-level conference; jointly organised by the French Embassy in Moscow, the French consultancy group KADRIS and the Russian Ministry of Health and Social Development, focused on the potential for international co-operation in view of the escalation of the problems of drug and alcohol addiction and the use of psychoactive drugs in the workplace.

International experts, (including those from WHO, ILO, the European Commission), French and Russian institutions (Ministries, trade unions, associations) and private companies from the two countries shared knowledge and experiences in order to identify concrete areas for action to inhibit substance abuse, both at the level of the workplace and through governmental health policy and legislation.

From the point of view of employers, substance abuse has a major impact on attendance, performance, quality of work, productivity and safety; with alcohol consumption responsible for 15-30% of accidents at work. At the national level there is a strong financial incentive for targeting these issues; a report by American experts in the field has indicated that each dollar invested in the fight against alcoholism produces a seven dollar return.

Christian Jacquier, Coordinator of the STEP Programme representing the ILO at the conference, emphasised the importance of establishing a clear, non-discriminatory approach in the workplace through dialogue between employers and workers; an approach combining educational prevention and reduction campaigns as well as the discreet handling of existing cases. He highlighted the widespread nature of this largely taboo issue, which does not just cover extreme cases of alcoholism and drug addiction but also what is referred to as "social consumption". Irina Sinelina, Project Coordinator at ILO Moscow, for her part drew attention to the work of the SOLVE programme, which aims to introduce a psychosocial module in workplace policy, covering HIV-AIDS, stress and violence as well as alcohol and drug abuse.

In terms of international action Mr. Jacquier stressed the need to forge consensus; indicating the potential role of international norms for example the ILO Convention no. 187 on Occupational Safety and Health, as well as the continued importance of research and exchanges of knowledge and experience (pilot schemes etc.) between specialists and employers at the international level, for example through online databases and the development of collaborative tools.

{Contribution from Franck Droin, Director of Kadris Consultants, Paris, France}

THE SOCIAL ECONOMY: DRIVING ECONOMIC GROWTH AND SOCIAL COHESION: 15 May 2008, Brussels, Belgium

This conference, organized by the Socialist group in the European Parliament, was part of the event; "Four days of Social Economy" hosted by Social Economy Europe which was held at the European Parliament in Brussels from the 13th-18th May 2008. The Conference aimed to give an overview of the field of Social Economy as well as providing in-depth analysis on certain key questions. The programme included four round tables on the following themes: the current state of the Social Economy, the specific contributions of the Social Economy to the objectives and achievement of the Lisbon Strategy, the Internal Market Review as an opportunity for the Social Economy and the Social Economy tomorrow.

MORE INFO

- [Visit the SEE website](#)
- [Visit the REVES website](#)

Within the framework of the same event, another conference was held on the 16th May 2008 entitled, "A key factor of success

in promoting social cohesion: the contribution of partnerships between local authorities and organizations of general interest".

Organized by REVES; the European Network of Cities and Regions for the Social Economy, this conference looked at 'Models of local partnership for the improvement of social cohesion', presenting case studies of experiences in France, Sweden and Italy.

{Contribution from Alain Coheur, National Union of Mutual Benefit Societies, Belgium and President of Social Economy Europe}

11th PROVINCIAL MUTUALITY CONGRESS: 14-15 August 2008, Córdoba, Argentina

The Provincial Federation of Mutual Organizations of Córdoba (FEMUCOR) organised the 11th Provincial Mutuality Congress, supported by CAM (the Argentinian

MORE INFO

[See the FEMUCOR website](#)

Confederation of Mutual associations) and the

Undersecretary of Cooperatives and Mutual Organizations of Córdoba. Speakers representing different organizations and institutions shared their

knowledge on the proposed thematic within the framework of congress objectives.

{Contribution from Brenda Rial, ACYM, Montevideo, Uruguay}



RESOURCES

All the resources presented below are available in the GIMI library, which regroups around 780 resources (guides, manuals, reports, databases, software, etc.)

HEALTH INSURANCE IN LOW-INCOME COUNTRIES: WHERE IS THE EVIDENCE THAT IT WORKS?

Joint NGO Briefing Paper: Oxfam International, Action for Global Health, Médecins du Monde, Save the Children UK, Plan, Global Health Advocates, Act Up Paris, 2008

This joint NGO briefing paper provides a critical analysis of different forms of health insurance as mechanisms for the financing and provision of healthcare coverage to people living in poverty.

MORE INFO

[Access the NGO paper via GIMI](#)

In view of the current debates on the role of health insurance as a key means of financing healthcare in low-income countries, this paper urges

for caution on the part of donors and governments; arguing that if a government fails to implement the necessary accompanying measures and to mobilise adequate resources, health insurance mechanisms may even have an adverse effect on the equity and efficiency of healthcare schemes.

This paper suggests that the current practice of assessing insurance schemes in terms of the advantages they bring to their particular membership fails to account for their impact on entire populations, and in particular on people living in poverty who cannot afford prepayments. A revision of evaluation criteria is needed, with greater attention being paid to 'vertical equity' i.e. differential access according to people's different needs in recognition of the existence of vulnerable groups. Insurance schemes should be measured in terms of their contribution to the ultimate end of providing universal access to quality healthcare.

The forms of health insurance discussed in this paper are: Private Health Insurance (PHI), Private for-profit Micro Health insurance, Community Based Health Insurance (CBHI) and Social Health Insurance (SHI). Examining each form of health insurance against the revised criteria in turn, this paper seeks to present what are considered to be the practical challenges confronting each mechanism, giving evidence drawn from case studies of low-income countries (and to a lesser extent those of higher-income countries) in each instance. The third part of this paper discusses the importance of national commitment to public spending on health and the crucial need for global solidarity.

{Contribution from Harrie Oostingh, OXFAM Novib, The Netherlands}

EXTENSION OF SOCIAL SECURITY TO BPL WORKERS. RASHTRYA SWASTHYA BIMA YOJANA PLANNING SITUATION

Extension of Social Security - Discussion Paper Series, 2006-2015 Asian Decent Work Decade, ILO Sub-regional Office for South Asia, 2008

Within the framework of the new Minimal Social Security Programme targeting unorganized workers, the Government of India released the guidelines to the implementation of a new health insurance scheme called Rashtriya Swasthya Bima Yojana (RSBY), encouraging various State Governments to implement

MORE INFO

- [Access the paper via GIMI](#)
- [Visit the RSBY website](#)

it. The scheme targets in its first phase workers living below the poverty line and their families - about 300 million people. Responding

positively, almost all State Governments in India are now committed to be part of this Central Government sponsored initiative, and 11 States have started preparing for the implementation process. This discussion paper, prepared under the Communities-Led Association for Social Security (CLASS) initiative, provides an overview of the main features of the health insurance scheme and its operational mechanisms, assesses its development potential in the various States and reviews the main opportunities and challenges faced by the scheme; especially in relation to efficient partnership arrangements, which may be seen as a key element for the successful implementation of any health insurance scheme targeting the poor.

{Contribution from Marc Socquet, Consultant, New Delhi, India}

THE NUMBER OF THE ISSUE



By April 2008, at the time of publication, some interesting figures were available:

- 11 States had launched preliminary operations;
- the operations involved 52 districts;
- which would give insurance cover to around 20,236,375 people for year 1 of the implementation process.



RESOURCES

PERFORMANCE INDICATORS FOR MICRO-INSURANCE

John Wipf and Denis Garand, 2008

This handbook provides some principles and key indicators for the evaluation of microinsurance performance irrespective of the approach of the scheme (e.g. social-protection or market-based).

- Chapter 1 contains definitions, formulas, descriptions and interpretations of the indicators;
- Chapter 2 focuses on some of the specific considerations to be taken into account when evaluating performance for certain products and for the partner-agent model;
- Chapter 3 introduces the subject of benchmarking;
- Chapter 4 explores the topic of social performance.

The handbook, together with a factsheet in the form of an Excel workbook consisting of financial statements adapted for microinsurance practitioners, makes up the toolkit, "Performance Indicators for Microinsurance". Both tools complement each other and are designed to be used together. The handbook complements the factsheet by assisting the reader with the interpretation of the obtained results.

Spanish and French versions of the handbook will be available soon.

MORE INFO

- [Access the document via GIMI](#)
- [See the factsheet on the BRS-VZW website](#)
- [Send feedback on the handbook here](#)

INTELLECAP'S MICROFINANCE INSIGHTS MAGAZINE VOLUME 5 : FOCUS ON MICROINSURANCE

Focus on Microinsurance. Mitigating risks for the poor, Microfinance Insights, Vol. 5, December 2007, Intellecap

"Microfinance Insights" devotes this volume to Microinsurance. The magazine contains articles by worldwide experts, gathered at the Third Annual Microinsurance Conference held in Mumbai, India (see G-News N° 3).

Recognizing the role of insurance as a tool in improving the protection of low-income persons against contingencies and as a field of innovation, this volume highlights strategies that would make microinsurance more efficient for beneficiaries and commercially viable for insurers.

In this vein, Michael J. McCord states in an interview that there are three major challenges for the microinsurance sector – to develop products that really respond to the needs of clients, to enhance delivery channels and to demystify microinsurance through the education of the population. He also suggests that the partner-agent model is the most promising option for scaling up microinsurance activities.

The question of distribution is also widely discussed in this volume.

In the field of innovations and best practices, the role of intermediaries between insurers and clients, MFIs, community-based organizations, mutual benefit societies and private insurers are analysed in different articles. Regulation and capacity building of intermediary institutions are mentioned as being two major factors of progress to address the vulnerability of the poor to risks.

Finally, "Microfinance Insights" dedicates an article to the handbook entitled "Microinsurance Performance Indicators", in which authors develop several indicators to measure the financial performance of programmes aimed at delivering insurance to the poor (see our article opposite).

{Contribution from Lindsay Clinton, Managing Editor, Microfinance Insights}

MORE INFO

- [See Volume 5 on microinsurance](#)
- [Visit the Microfinance Insights website](#)

SETTING SOCIAL SECURITY STANDARDS IN A GLOBAL SOCIETY: An analysis of the present state and practice and of future options for global social security standard setting at the International Labour Organisation

Social Security Department, ILO, 2008

In its new series Social Security Policy Briefings, the Social Security Department has just issued a technical paper that outlines and analyses the present situation regarding the ILO Social Security Conventions and the current Campaign on Social Security and Coverage for

All, as well as identifying different options for improving the present situation.

The paper delineates the possible contribution of the ILO Conventions and Recommendations to the Campaign.

This document is the result of a consultative process and reflects inputs and comments from the academic world and from ILO constituents.

{Contribution from Ursula Kulke, Social Security Department, ILO, Geneva, Switzerland}

MORE INFO

- [Access the paper via GESS](#)



RESOURCES

THE AMIN BROCHURE IS NOW AVAILABLE

The Asian Micro-Insurance Network has recently issued a brochure. The brochure briefly presents the network's background, describes its vision, mission, objectives, activities and what has been achieved so far relating to micro-insurance in the Asia region with the participation of AMIN. An invitation is offered to those interested in becoming a member of this active network.

MORE INFO

- [See the AMIN brochure](#)
- [See the AMIN website](#)
- [Contact the AMIN secretariat](#)

{Contribution from Ashita Abraham, AMIN, New Dehli, India}

COST OF ILLNESS: EVIDENCE FROM A STUDY IN FIVE RESOURCE-POOR LOCATIONS IN INDIA.

David M. Dror , Olga van Putten-Rademaker and Ruth Koren. Indian Journal of Medical Research, April 2008

Background & Objectives: In India, health services are funded largely through out-of-pocket spending (OOPS). The objective of this article is to provide data on the cost of an illness episode and parameters affecting cost. **Methods:** The data was obtained through a household survey carried out in 2005 in five locations among resource-poor persons in rural or slum India. The analysis is based on self-reported illness episodes and their costs. The study is based on 3,531 households (representing 17,323 persons) and 4,316 illness episodes.

MORE INFO

[Download the paper from Microinsurance Academy](#)

Results: The median cost of one illness episode was INR 340. When costs were calculated as % of monthly income per person, the median value was 73% of that monthly income, and could reach as much as 780% among the 10% most exposed households. The estimated median per-capita cost of illness was 6% of annual per-capita income. The ratio of direct costs to indirect costs was 67:30. The cost of illness was lower among females in all age groups, due to lower indirect costs. 61% of total illnesses, costing 37.4% of total OOPS, were due to acute illnesses; chronic diseases represented 17.7% of illnesses but 32% of costs. Our study shows that hospitalizations were the single most costly component on average, yet they accounted for only 11% of the total on an aggregated basis, compared to drugs that accounted for 49% of total aggregated costs. Locations differ from each other in terms of the absolute cost of care, in terms of the distribution of items composing the total cost of care, and in supply.

Interpretation & Conclusion: Interventions to reduce the cost of illness should be context-specific, as there is no one-size-fits-all model to establish the cost of healthcare for the entire sub-continent. Aggregated expenses, rather than only hospitalizations, can cause catastrophic consequences of illness.

{Contribution from Iddo Dror, Director of Operations, Microinsurance Academy, India}

HEALTH CARE FINANCING IN THE CONTEXT OF SOCIAL SECURITY

European Parliament, Policy Department, Economic and Social Policy, 2008

In view of increasing cost pressures, this paper aims to provide guidance to national EU policy-makers faced with the challenge of reconciling financial sustainability of health systems with the safeguarding of the key underlying values of these health systems; namely universal coverage, solidarity in financing, equity, efficiency and quality of care.

MORE INFO

[Access the paper via GIMI](#)

The paper provides an overview of the current state of health care financing in the European Union,

identifying broad trends and evolutions that have occurred since the 1990s. An annex to the paper offers descriptive summaries of healthcare financing in each of the EU member states.

The first part of this paper seeks to clarify the nature of the sustainability problem, laying emphasis on the distinction between economic and fiscal sustainability. The second and third parts provide analysis of a variety of current financing arrangements in terms of both their ability to fulfil health financing functions and in terms of their commitment to the "policy goals" or key values considered vital to uphold health systems as developed by the WHO. Identifying the different stages of the healthcare financing process; from the initial collection of funds to pooling to the purchasing of health services and finally coverage of the population, this paper highlights the variables affecting key values at each stage. On the basis of this analysis, it is argued in this paper that public financing of healthcare is superior to private financing on three accounts: in terms of sustainability, contribution to the value of equity and in terms of efficiency. The fourth and final part of the paper provides general policy recommendations drawn from the conclusions of the analysis.

{Contribution from Alain Coheur, National Union of Mutual Benefit Societies, Belgium and President of Social Economy Europe}



RESOURCES

HEALING FIELDS FOUNDATION

Denis Garand, Donna Swiderek, 2008

Healing Fields Foundation is a non profit society based in Hyderabad, India. Healing Fields has developed an innovative linked scheme involving several players: a private insurance company, 19 NGOs, a network of 39 hospitals and a service integrator (namely Healing fields).

The objective is to provide social protection coverage including a health component and a personal accident component to the informal economy and rural workers.

The project started in 2005 and was supported by USAID. In 2007 the scheme was covering 22 415 people.

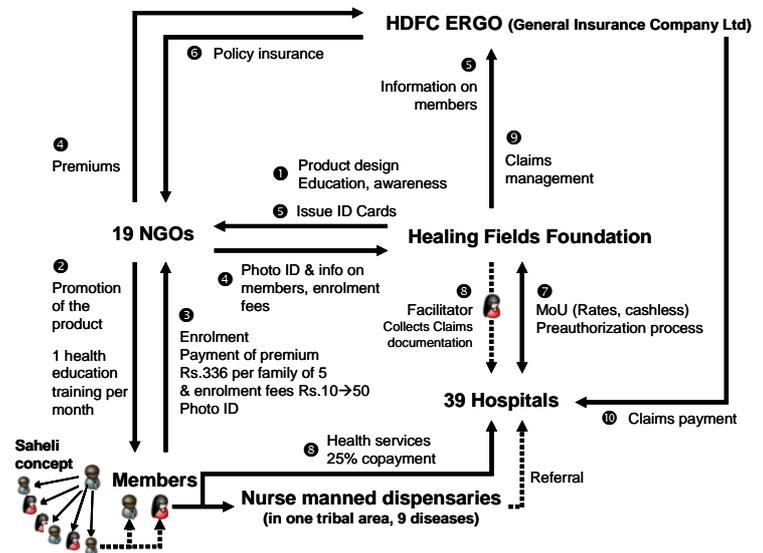
The **health insurance product** covers primary and secondary health care for listed illnesses only, the coverage rate is 75% up to an annual ceiling of Rs. 20,000 per family. The DRG Diagnosis Related Group list includes deliveries, pregnancy and coverage for hysterectomies. In the second year enhancements were made to the policy: wage compensation was increased from Rs50 to Rs100 per day; a transportation benefit of Rs 300 for tribal populations was added; hysterectomy, post hospitalization drug cover and pre hospitalization examinations leading to admission were included.

The **personal accident coverage** covers the member and his or her spouse ; the capital sum on partial disability is Rs.12,500 and on total disability is Rs.25,000; in case of accidental death the capital sum is Rs.25,000, and Rs.5,000 per surviving child for up to 3 children- either to pay for their education (option a) or to pay for their marriage (in case of girls) (option b).

Healing Fields plays several roles:

- 1) HF designs the benefit package
- 2) HF develops the network of hospitals and negotiates with them a discounted rate for the treatment of selected illnesses using Diagnostic Related Groups (DRGs) (75% deduction) and a cash less payment system (when a patient arrives at the hospital he/she only disburses 25% of the treatment cost as co-payment). HF facilitates the hospitalization and claims process with facilitators that provide assistance to the patients at the hospital level.
- 3) HF has developed a network of NGO partners that promote the product, facilitate communication and raise awareness among the communities, enrol members, collect the premiums and membership forms. 4) HF invests a tremendous amount of time in providing the NGOs and members with health care and prevention education. HF has also reduced some public health risks through claims analysis (e.g. Typhoid cases).
- 5) HF contracted with a private insurance company and endorses several functions (marketing and sales, management of enrolment and renewals, maintenance of health profiles for each member, claims management).

The following diagram helps to summarize the various linkages:



Within this innovative linked scheme, **interesting and replicable ideas** have been introduced such as:

1) Nurse manned dispensaries

In one of the tribal areas where the nearest network hospital is about 60Km away from the hamlets, the partner NGO runs the dispensary with nurses. A list of 9 diseases can be treated at this level and the nurses refer the patients to the partner hospital for complicated cases. The creation of this dispensary has increased accessibility of care to the community and helped in reducing the cost of care.

2) Saheli concept

Members from the community are given intensive training on the product, policy and health education. They then communicate on the product across their hamlets and receive a fee of Rs.10 for every enrolment. The Saheli concept helps with accessibility and overcoming communication barriers in these remote tribal areas.

3) Prevention of epidemics through claims management

Monitoring of claims helped to identify 4 typhoid cases from the same geographical area. Healing fields' medical management team immediately notified the local public health officials who closed down the water source. This prevented further infections.

4) A strong "Client servicing"

In each network hospital a facilitator accompanies patients in consultation with a doctor, handles the pre authorization process and sends all relevant information and documents to facilitate the claims processing.



RESOURCES

MORE INFO

[Access the paper via GIMI](#)

Member feedback is also captured through post hospitalization visits (on the 3rd day and on the 10th day after the patient is discharged from the hospital) and through two types of surveys (a patient satisfaction survey and a post insurance survey).

However Healing Fields faces **several challenges** that need to be overcome in the coming years:

- 1) Cost of administration is very high and it will be necessary to find ways of reducing the cost of delivering the programme.
- 2) Renewal rates (15%) are very low with great differences between NGOs (rates vary from 0% to 71%).

{Contribution from Mukti Bosco, Healing Fields Foundation, and Denis Garand, Consultant}

USAID MICROINSURANCE NOTE 8: FACILITATING AN APPROPRIATE REGULATORY AND SUPERVISORY ENVIRONMENT FOR MICROINSURANCE

2008, USAID, Micheal J. McCord, Martina Wiedmaier-Pfister, Arup Chatterjee.

This Microinsurance Note addresses the changing nature of insurance regulation and supervision in low-income countries; which the authors consider to be no longer solely focused on consumer protection (questions of insurer solvency, management capacity, suitability of practices in view of target population, transparent and fair marketing practices).

Recognising that insurance regulation and supervision has in some cases (some examples: South Africa, Brazil, the Philippines, India) taken on a secondary role; that of stimulating the development of the insurance market (particularly its expansion in the low-income sector), this paper seeks to provide guidance on the challenge of achieving a balance between the two goals of providing regulation to protect low-income families from insurance pitfalls and creating an enabling environment for the expansion of the insurance market.

The paper details various examples of regulatory adaptations used to improve the access of low-income populations to specialized insurance products, while the advantages and disadvantages of regulatory practice in the specific case of India (quotas to ensure that insurance products are sold to certain social and rural groups, enforced by fines) are more closely analysed.

Note from ILO/ STEP: Health mutuals play a key role in the extension of social protection for low-income populations. It is therefore important that regulators are aware of the importance of :

- not applying to mutual health organisations the same regulation that applies to commercial insurance: health mutuals are performing a role that the State should do. They are an instrument for the extension of social protection and therefore have to be considered as belonging to the *social insurance legal area* rather than to the *commercial insurance one*;

- finding a balance between prudential rules to protect members and an enabling environment for the expansion of the health mutuals.

These considerations were at the basis of the drafting of the UEMOA legislation on health mutuals and of the accounting plan.

MORE INFO

- [Access the paper via GIMI](#)
- [Read more about UEMOA legislation on mutual health organisations](#)



FOCUS ON...



Expert of the Month:

Anna Lucila A. Asanza

Ms. Anna Lucila A. Asanza is a physician with more than 10 years of experience in the field of social protection in the Philippines. Her areas of expertise include: the development of health systems, health care financing, social protection and in particular health insurance (micro health insurance and social health insurance systems), occupational safety and health and the protection of children in the worst forms of child labour. She has extensive experience in project planning and management, research and training. She has undertaken consultancy work and research projects for several international organizations such as the International Social Security Association (ISSA), the International Association of Mutual benefit societies (AIM), the International Labour Organization, the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), USAID,...

The GIMI resource centre gives you access to a database of experts and training specialists in various subject areas linked to microinsurance and the extension of social security.

{Contribution from Griet Cattaert, ILO/STEP, Geneva, Switzerland}

MORE INFO

- [Visit the GIMI expert database](#)
- [See Anna's CV on the GIMI homepage](#)



E-EVENTS

E-DISCUSSION: REDUCING MATERNAL MORTALITY THROUGH INCREASED ACCESS TO SAFE ABORTIONS IN INDIA

In February 2008 participants in the Solution Exchange Maternal and Child Health Community discussion group shared their reflections and experiences on the question of reducing maternal mortality through the improvement of access to safe abortions.

Nozer Sheriar of the Federation of Obstetrics and Gynecology Societies of India (F.O.G.S.I), Mumbai, expressed her opinion that in spite of having legalized medical termination of pregnancy over 35 years ago, India still grapples with a general lack of awareness of the availability of safe abortion and limited registered facilities distributed unevenly over the subcontinent. For Nozer Sheriar it is this combination that continues to contribute to a high incidence of illegal abortion and an

estimated 15,000 abortion-related deaths annually.

Alongside the more concrete issues of service delivery and improving access to contraception, respondents delved into

complex socio-cultural and religious subject matter, with numerous respondents insisting on the critical need to dissociate the practice of pre-natal testing from sex selective abortion. Various strategies for awareness-raising were put forward, as many members of the discussion group laid emphasis on the existence of widespread confusion among the population regarding the details of the Medical Termination of Pregnancy (MTP) Act as well as modern abortion procedures.

E-DISCUSSION ON SAFE MOTHERHOOD IN INDIA

As part of the 'Safe Motherhood Month' activities in April, Solution Exchange also launched a discussion on the issue of involving elected representatives in the fight to improve maternal health and reduce the Maternal Mortality Rate in India, which stands at around 301 per 100,000 live births (SRS 2006).

This discussion topic was put forward by Medha Gandhi of CEDPA India. While acknowledging that some efforts have been initiated by the government and civil society to reduce the MMR in India, he raised the question, "What can be done to involve our political leaders at the national, state and Panchayat levels to take a lead in working for maternal health?"

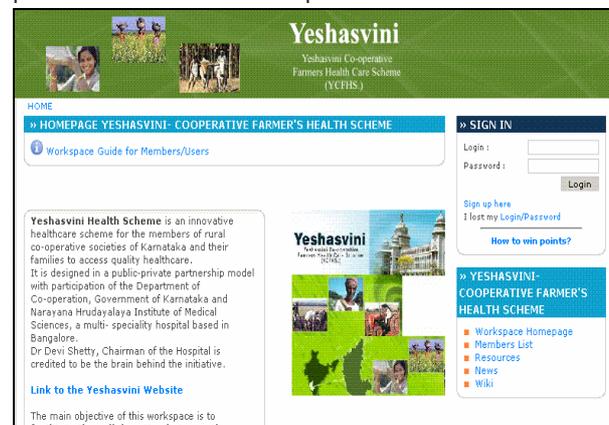
Participants discussed a variety of strategies and shared successful experiences on ways of making elected representatives better informed and more

accountable on this issue, as well as more involved in dialogue with service providers and community leaders. Many examples were given of successful NGO, community and women's group initiatives and awareness campaigns. One respondent for example

highlighted the success of the Social audit method in the Nainital District, which involved joint exercises by PRI members, women's group leaders and NGO staff in checking the quality of services and facilities. Numerous responses highlighted the importance of social recognition as an incentive for improving MMR performance, for example it was suggested that competition should be introduced at the village level with the symbolic target of "No maternal deaths in the village."

THE YESHASVINI WORKSPACE

Yeshasvini Health Scheme is an innovative healthcare scheme enabling members of the rural co-operative societies of Karnataka and their families to access quality healthcare. It is designed on a public-private partnership model with participation of the Department of Co-operation, Government of Karnataka and the Narayana Hrudayalaya Institute of Medical Sciences; a multi- speciality hospital based in Bangalore. Dr Devi Shetty, Chairman of the Hospital is credited to be the brain behind the initiative. The main objective of the Yeshasvini workspace is to **facilitate collaboration between the Yeshasvini scheme, the ILO / STEP programme, donors, TA providers, researchers, etc.** Through the present workspace stakeholders can share resources, news, ideas, etc. and inform the general public on the Yeshasvini experience.



MORE INFO

[See the Yeshasvini Workspace](#)

{Contribution from Valérie Schmitt-Diabaté, ILO/STEP Geneva, Switzerland}



E-EVENTS

INVENTORY OF MICROINSURANCE SCHEMES IN ASIA

The Asia Micro Insurance Network launched the online inventory for Asian community based health insurance schemes. AMIN is a membership based network and is open to all organizations and individuals involved in the development of micro-insurance activities in Asia.

The permanent online questionnaire will make it possible to follow up the schemes and to capture their principal evolutions. This inventory will be realized by the microinsurance schemes themselves or by the organizations managing the schemes. Each year they will be invited to register and/ or update some information regarding their experience through an online questionnaire.

A similar attempt has already been realised in the African context on the Concertation website and was a great success! At the end of each inventory period, statistics on the number of schemes, the population covered, the benefits, the methods of coverage, etc., can be viewed online. For the African schemes there are already some statistical [results available](#) for 2007.

MORE INFO

- [Go to the AMIN online inventory](#)
- If you are in charge of a microinsurance scheme in Asia, please complete this survey on the AMIN website

{Contribution from Griet Cattaert, ILO-STEP, Geneva, Switzerland}

NEW CLASS MEMBERSHIP FORM- SIGN UP!

The Community Led Association for Social Security (India) has launched a new membership form. CLASS membership is open to all community-based organisations, institutions and individuals who are committed to the CLASS mission of establishing community-led social security systems in India with the aim of providing the unorganised sector and other disadvantaged communities with valuable, transparent and inclusive social security risk management solutions.

MORE INFO

[See the CLASS homepage](#)

Membership is divided into three different categories to reflect different types of engagement: Core membership, Individual Associate membership and Institutional membership. Each core member organisation has voting rights and can send two representatives to the Board of CLASS at the national level.

{Contribution from Kumar Shailabh, Uplift Health, India}

SOCIAL PROTECTION VIRTUAL CAMPUS LAUNCHED AT THE ILC: 9 June 2008, ILO, Geneva, Switzerland

Based on advanced technology in the field of distance learning, the Virtual Campus was launched on the 9th June during the 97th Session of the International Labour Conference. This electronic platform represents a portal giving access to training offered by the International Training Centre in Turin and QUATRRAIN AMERICAS. The Virtual Campus is multilingual and is integrated with the other specialised platforms of the Social Security Department.

MORE INFO

- [See the Virtual Campus website](#)
- [See the QUATRRAIN newsletter](#)

The Social Protection Virtual Campus is a portal for the creation and dissemination of interdisciplinary knowledge. Its objective is to develop both institutional capacities and the competence of individuals in order to improve the effectiveness and the extent of coverage of social protection systems. This is achieved by means of distance learning, technical co-operation, exchange of information and experience and the formation of networks of contacts and knowledge.

Professionals from social protection institutions, representatives of employers and workers, academics, researchers, students, NGO professionals and other interested parties are invited to share this ongoing learning and communication workspace

{Contribution from Vinicius Pinheiro, Social Security Department, ILO, Geneva, Switzerland}

NEW GESTARSALUD WEBSITE

In June 2008, the Association of Health Insurance Management Companies, "GESTARSALUD" from

Colombia announced the launch of its new online website. The website features many interesting resources, as well as links to *G-News* and *Logos*; the ACYM Network newsletter.

MORE INFO

[Visit the GESTARSALUD website](#)

{Contribution from Brenda Rial, ACYM, Montevideo, Uruguay}



E-EVENTS

PLATFORM FOR HEALTH INSURANCE FOR THE POOR (HIP)

Platform for Health Insurance for the Poor (HIP) aims to bring together expertise in health care and health insurance in developing countries, both through the platform itself and through regular meetings.

The idea of launching a Dutch health insurance platform arose during a workshop on health insurance in developing countries organised by Cordaid, ICCO, Plan Netherlands and the Dutch governmental Directorate General for International Cooperation (DGIS) in June 2006. Those present noted that health insurance is emerging in middle-income countries as an instrument to improve access to quality health services for those who traditionally have no access to such services. Besides which, the Netherlands has a large network of experts and organisations that wish to explore the field of health insurance.

The platform was set up in order to collect and promote knowledge, innovations and experience on a voluntary basis and to organise both formal and informal gatherings and seminars on the subject. The Platform encourages its members to actively contribute to developing and spreading knowledge in the field of health insurance by sharing findings from research and

practices.

{Contribution from Marie Elie Aboul-Nasr, ILO/STEP, Geneva, Switzerland}

MORE INFO

- [Visit the HIP website](#)
- [See all of GIMI's partner sites](#)

Would you like your site to be linked with GIMI? Send us the link!

WHAT'S NEW ON GIMI AND GESS?

A "user's module" has been created on the GIMI and GESS platforms. It aims to make it easier for users to communicate with each other ... and make themselves known to others.

When users log in to their **Personal Space**, a mini personalised home page comes up.

By clicking on **Show/Edit my profile**, users can add personal information (pictures, a few sentences describing themselves so that other users can look up profiles) and edit their profiles when and as they wish.

Users now have access to the **List of users**, as well as each other's profiles and can know who is connected at any given time. A **search option** allows users to look up other users according to specific criteria.

Come and update your profile now!



MORE INFO

- [See the GIMI homepage](#)
- [See the GESS homepage](#)



UPCOMING EVENTS

JOINT HARVARD AND WORLD BANK COURSE ON HEALTH SECTOR REFORM AND SUSTAINABLE FINANCING: 20 October– 7 November 2008, Washington D.C., USA

Harvard School of Public Health and the World Bank are hosting a 'Flagship Course on Health Sector Reform and Sustainable Financing'. Recognising the challenge currently faced by countries worldwide of reconciling equitable coverage of health services with tight budgetary constraints, the Flagship Course aims to introduce a practical and comprehensive framework for understanding health systems and their performance as well as a structured approach to developing health system reform policies to improve that performance. Directed by Thomas Bossert of the Harvard School of Public Health and R. Paul Shaw of the World Bank Institute, the course will be offered to around 60 participants.

MORE INFO

[See the Harvard School of Public Health website](#)

Recognising the challenge currently faced by countries worldwide of reconciling equitable coverage of health services with tight budgetary constraints, the

Here's what a participant from last year, Luis Frota, has to say about the course: "I attended the 10th World Bank Flagship Course on Health Reform and Financing, held in Washington DC in November 2007. The course provided intensive training on policy options for health sector development, linking finance to other reform "control knobs" including payments, service organization, quality and equity. The course was taught mostly by Harvard professors with a long number of years teaching and consulting in many countries. The case studies draw on this vast amount of experience and critically on contributions from students. There is lot of room for participation through group work and presentations. Students were either confirmed professionals in the field looking for a fresh take on the subject or mid-career students coming from all over the world and at all stages of development. In terms of my own professional development, the knowledge I gained from the course proved highly useful during my recent transfer to the Sahel region of West Africa where many countries are implementing reforms that aim towards universal access to healthcare along with programmes designed to reform modes of organising and financing healthcare coverage."

{Contribution from Luis Frota, Social Security expert, ILO, Dakar, Senegal }



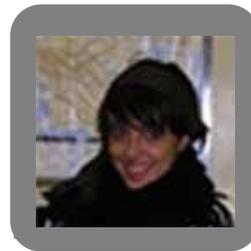
EPRI COURSES ON SOCIAL TRANSFER PROGRAMMES: 26 October– 9 November 2008, Chiang Mai, Thailand (also took place from 20 July–2 August 2008 in Cape Town, South Africa)

The Economic Policy Research Institute (EPRI) is offering a capacity-building course on Designing and Implementing Social Transfer Programmes. EPRI is an NGO based in Cape Town, South Africa, which aims to advance high calibre economic research and professional development for the public sector.

MORE INFO

[See the EPRI website](#)

The two-week course, offered in collaboration with Maastricht University and the University of Cape Town (UCT) will take place in Chiang Mai. (The course was also held in Cape Town in July/ August 2008). Taught using formal lectures, practical case studies and hands-on exercises, the course aims to provide both practical and theoretical insight into the successful design and implementation of Social Transfer Programmes, in recognition of their value in reducing extreme poverty. This course is designed to build the capacity of government policymakers and officials, representatives from bilateral and multilateral agencies, programme practitioners and staff members from NGOs in low and middle-income countries. The certificated course will be jointly accredited by Maastricht University and the University of Cape Town.



Here's what Céline Felix, who participated last year, has to say about the EPRI course:

"Overall, participating in the course gave me the opportunity to sharpen my knowledge in the area of social transfers via lectures, case studies, hands-on exercises; to confront theory with more practical issues, and to meet people involved in the design and implementation of cash transfers who have different views on the topic. What I took from the course is not that cash transfers are effective and efficient instruments in reducing poverty and vulnerability, but that "it depends". More than simply constructing my knowledge, the course helped me to deconstruct what I thought was initially true. For this reason, I would repeat the experience without any hesitation!"

{Contribution from Céline Felix, ILO-STEP, Dakar, Senegal}



UPCOMING EVENTS

MICROFINANCE INSIGHTS: MICROINSURANCE

EVENT: 19 September 2008, Mumbai, India

Microfinance Insights India will be hosting an Indian Microinsurance Event in partnership with IFMR Trust and CIRM at the Oberoi Hotel in Mumbai. The event will feature numerous leaders from micro-finance, micro-insurance and technology firms, regulators and community organizations. The event will also include three panel discussions and a networking lunch.

MORE INFO

- [See the MFI website](#)
- [Contact MFI](#)

- Panel 1 – The Growing Role of Technology in Microinsurance: Enabling Efficiency and Outreach
- Panel 2 – The Need to Lead: The Role of Policy Makers in Creating an Enabling and Facilitating Environment
- Panel 3 – Current Trends and Products – India's Microinsurance Movers & Shakers

{Contribution from Lindsay Clinton, Managing Editor, Microfinance Insights}

COURSE ON THE EXTENSION OF SOCIAL SECURITY TO SELF-EMPLOYED, DOMESTIC AND MIGRANT WORKERS: Lima, Peru, 20th–31st October 2008

This course, which will be given in Spanish, aims at strengthening the ability of participants to make diagnoses and to analyse and implement programmes and policies aimed at extending social security coverage to independent, domestic and migrant workers.

MORE INFO

- [Visit the Virtual Campus](#)
- [See a list of other courses available](#)

By the end of the course participants should be able to analyse the main statistical indicators relative to qualitative and quantitative

coverage of targeted populations, identify strengths and weaknesses in social security systems in order to improve coverage, define programmes and policies for the extension of social security coverage through traditional programmes or more innovative ones (micro-insurance, community based, etc...) and develop networks for the sharing of information and experiences.

{Contribution from Ivon Garcia, ILO/ STEP, Geneva, Switzerland}

2nd MEETING OF THE ACYM NETWORK: 31 October 2008, Lima, Peru

The 2nd Meeting of the Network of Cooperative and Mutual Associations of the Americas (ACYM) will provide the occasion for the review of the Programme of Activities that was approved in November 2007 in Montevideo, as well as the

MORE INFO

[Visit the ACYM website](#)

analysis of progress made and the identification of the steps to follow. All information regarding the meeting will be available on the ACYM website.

{Contribution from Brenda Rial, ACYM, Montevideo, Uruguay}

MICROINSURANCE CONFERENCE : 5–7 November 2008 Cartagena, Colombia

This event is the fourth international Microinsurance Conference jointly hosted by the CGAP [Consultative Group to Assist the Poor] Working Group on Microinsurance and the Munich Re Foundation, supported by Fasesolda, FIDES and the Superintendencia Financiera de Colombia. Around 300 experts from around the world will exchange experiences and discuss the challenges of microinsurance. They include representatives from international organisations, NGOs, development-aid agencies, commercial insurance companies and policymakers.

The conference will include plenary panel discussions on key topics addressing an interdisciplinary audience. About twenty parallel working group sessions will deal in depth with different subtopics. Interactive sessions of approximately 90 minutes will make up the key part of the conference, encouraging the discussion of work in progress and facilitating dialogue in small groups on emerging issues.

Field trips will be organized by local organisations to provide an opportunity to learn and understand the practice of microinsurance in a Colombian context.

MORE INFO

- [See the Microinsurance Conference website](#)
- [Email your queries](#)
- [See the Conference agenda](#)

{Contribution from Craig Churchill, ILO, Geneva, Switzerland}

XVI AAC/MIS ANNUAL CONFERENCE: 12–15 November 2008, Orlando, Florida, USA

The Americas Association of Cooperative/ Mutual Insurance Societies (AAC/MIS) and its host, *Cooperativa de Seguros Múltiples de Puerto Rico*, announce that the XVI AAC/MIS Annual Conference will take place from November 12-15, 2008 in Orlando,

MORE INFO

[Visit the AAC/MIS website](#)

Florida, USA. This Conference offers world-class speakers, an overview of best practices, practical information, networking opportunities and unsurpassed local hospitality, culture and entertainment! Simultaneous interpretation will be available in both English and Spanish for all sessions.

{Contribution from Brenda Rial, ACYM, Montevideo, Uruguay}



UPCOMING EVENTS

PARTICIPATIVE MANAGEMENT OF MICRO INSURANCE: 17–29 November 2008

The French International Development and Research Centre (CIDR), in collaboration with CERMES (a research group of the Centre National de la Recherche Scientifique) and the French National Federation of Mutuality (FNMF) present a training course on **'Participative Management of Micro Insurance: Models, Advantages and Limits'**.

This training course is part of a cycle of seminars about the role of the social economy in distributing and financing health care in Africa. **It is made up of three modules:**

- Module 1: The role of participative micro health insurance (MASP) in financing health and welfare: **17-19th, November 2008**; 20 participants, maximum.
- Module 2: Managing and running participative micro health insurance (MASP): **20-22nd, November 2008**; 15 participants, maximum.
- Module 3: Viability of participative micro health insurance programmes: tools and methods: **24-29th, November 2008**; 15 participants, maximum.

It is designed for actors from both the developing world and the developed world:

- Professionals from health ministries or other ministries working on social protection (in the health field);
- Healthcare providers;
- Stakeholders and promoters of micro health insurance systems;
- Consultants and experts;
- Officials from cooperation organisations.

The deadline for applications is the 15th October 2008. The registration form and the course agenda can be accessed via the CIDR website or by contacting the course secretary Cyrille Pfister, by e-mail or telephone (0033 3 44 42 71 40).

MORE INFO

- [See the CIDR website](#)
- [Contact Cyrille Pfister by e-mail](#)

{Contribution from Bruno Galland, CIDR, France}

COURSES ON THE EXTENSION OF SOCIAL PROTECTION: Dakar, Senegal and Turin, Italy, November 2008

Two courses on the extension of social security coverage to excluded populations will be held in **Turin, Italy from the 3rd-14th of November 2008 (in English)** and **Dakar, Senegal from the 17th-28th November 2008 (in French)**.

The courses will focus on the latest strategies developed across the world for the extension of coverage of statutory social protection systems and the development of innovative schemes. The basic social

security floor advocated by the ILO, which aims to provide at least a minimum level of coverage to every citizen of a country will be presented. Another key theme that will be addressed is how to forge linkages between decentralised community schemes and other forms of social protection.

MORE INFO

[Contact Ms Miriam Boudraa](#)

The courses objective is to strengthen the capacities of actors working on the extension of social

protection coverage to informal economy workers and their families and other groups excluded from formal systems. The courses are targeted at political decision-makers working in ministries concerned with social protection, leaders and managers of organisations involved in the promotion and organisation of social protection, representatives of employers and workers as well as those of international organisations.

The courses have been organised by the ILO International Training Centre in Turin, Italy, in close collaboration with the ILO Social Security Department in Geneva; in particular its STEP Programme, as well as the sub-regional offices of the ILO in Yaoundé and Dakar.

For the course to be held in **Turin**: the participation fee, due in advance and excluding international travel, is 3155 Euros.

For the course to be held in **Dakar**: the participation fee, due in advance and excluding international travel, is 3100 Euros.

{Contribution from Miriam Boudraa, ILO International Training Centre, Turin, Italy}



THE ARTICLE: "DIAGONAL FINANCING"

INVESTING IN HEALTH: THE "DIAGONAL FINANCING APPROACH"

Between the "vertical financing" and "horizontal financing" of health services in developing countries, there exists a third way, labelled "diagonal financing".

MORE INFO
[Access the paper via GIMI](#)

This diagonal approach seems to be an essential concept for the positive evolution of the global structure

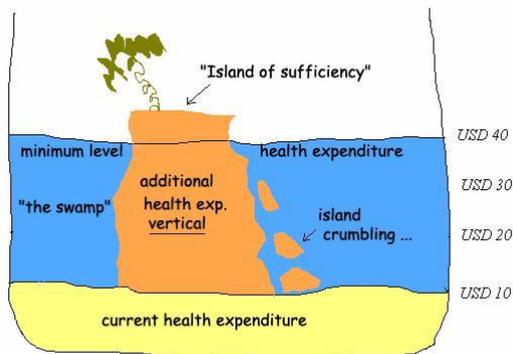
of health assistance, as explained in Gorik Ooms et al. : *The 'diagonal' approach to Global Fund financing: a cure for the broader malaise of health systems?*, March 2008.

What is the diagonal approach?

The pictures below, conceived by Gorik Ooms and Marc Bestgen, help to illustrate their vision of each financing mechanism.

The pictures are based on the estimate of the Commission on Macroeconomics and Health that an adequate package of healthcare interventions, including AIDS treatment, would cost US\$ 40 per person per year. In 37 of the world's 54 low-income countries, as defined by the World Bank, public health expenditure was less than US\$ 10 per person per year in 2004.

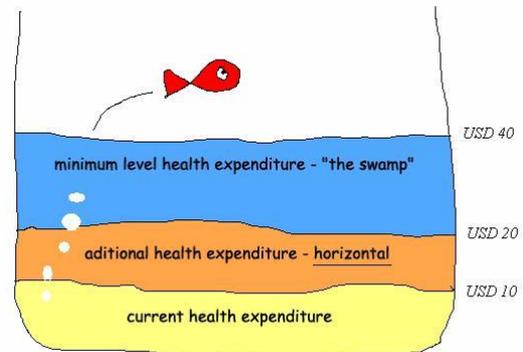
The "vertical approach"



The "vertical approach": extra resources are channelled into disease-specific programmes, meaning that the treatment of certain diseases is adequately provided for (the 'island of sufficiency'). However, in general health systems remain vastly inadequate and understaffed (the swamp), and in the long run these fragile 'islands of sufficiency' come up against major difficulties because of dysfunctional health systems and the problem of staff shortages.

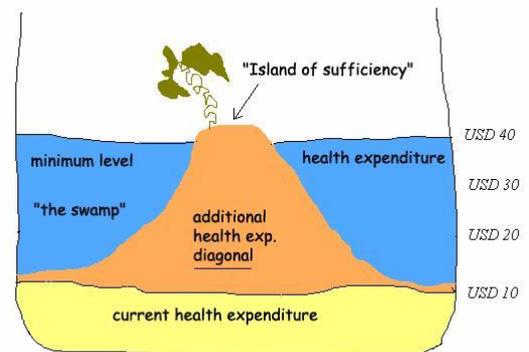
The "horizontal approach": an additional layer is supplied to the vastly insufficient current health expenditure targeting the improvement of health systems in general. Yet total health expenditure

The "horizontal approach"



remains well below the minimum of US\$ 40 and across the board health systems remain largely inadequate.

The "diagonal approach"



The "diagonal approach" is based on the idea that programmes targeting specific diseases (e.g. AIDS) must be accompanied by a broader range of activities for the reinforcement of shared health systems (e.g. training and expansion of the health workforce, integration and coordination with other disease programmes, strengthening laboratories, health management, health insurance schemes) if they are to be successful in the long term. Thus the diagonal approach would allow the building of 'islands' with a broad and solid base, which could gradually be connected, thus helping to fill in the swamp.

The diagonal approach and the development of national health insurance schemes

A first example concerns Rwanda.

It was in this vein that the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria began a five year project to strengthen health systems in Rwanda in January 2006. Faced with the knowledge that the three diseases were collectively contributing to the highest disease burden in the country, and in view of the very low utilisation rates of healthcare services in Rwanda,



THE ARTICLE: "DIAGONAL FINANCING"

the Global Fund set out to improve access to quality care.

Since evidence indicated that those people within the low-income population who were members of mutual health organisations had a higher level of contact with health services than those who were not members, the Global Fund centred its project on strengthening the development of mutual health organisations in line with the Government policy.

MORE INFO

[Access the GFATM report via GIMI](#)

The objective of improving access was facilitated by the decision of the Rwandan government to introduce obligatory family health insurance in 2006.

The national obligatory health insurance contribution rate for a basic universal healthcare package was set at FRW 1000 per person per year as from January 2007, with a 10% co-payment due upon treatment at a health centre or hospital. As this seemingly minimal contribution was still out of reach for the poorest Rwandans, the Global Fund set the objective of financing health insurance premiums for the poor, orphans and people living with HIV/AIDS. In 2007 the Global Fund paid premiums for around 800,000 of the poorest Rwandans.

The report, "Mid-term evaluation of the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (GFATM) 5th Round Project on Health Systems Strengthening" (2007) describes the progress made and identifies future challenges relating to the implementation of this project in Rwanda.

A second example concerns Burkina Faso.

In Burkina Faso, the utilisation rate of health services is very low, reflecting poor access to healthcare (geographic, financial barriers) and poor quality of service provision. The existing social health protection schemes notably cover civil servants and workers of the formal private sector, leaving the major part of the population (informal economy workers) with almost no protection.

Burkina Faso has embarked on the process of designing a national social health insurance scheme which will grant universal access to a basic package of social health protection. The benefit package will be distributed through existing statutory social security schemes, mutual health organizations and other community based organizations; the scheme includes however a centralized risk pooling mechanism and a strong redistribution component (subsidies of the premiums of the poorest).

In a recent study, "HIV Financing and Social Health Protection Mechanisms in Burkina Faso", UNAIDS indicates that 92% of financing to cover requirements relative to the HIV/AIDS epidemic in Burkina Faso is made through the intermediation of international funds; whether bilateral partners, multilateral partners or international NGOs. The report explains that the funds allocated to the fight against AIDS could have a significant impact in terms of driving and structuring

developments in the domain of social protection for both workers of the formal economy and those of the informal economy, by catalysing the emergence of new social protection modes (mutual health organisations, micro insurance, social security, health insurance).

The report proposes the introduction of a Third Party Administrator (TPA) that would favour the integration of vertical financing (i.e. AIDS funds) with horizontal systems providing broader healthcare coverage. The TPA would fulfil the role of mediator between financiers, healthcare providers and patients by promoting

MORE INFO

[Access the UNAIDS report via GIMI](#)

contractual arrangements (negotiation of prices, agreements on quality of care, right of the patient to confidentiality etc.) and by taking on the role of recording and reporting

needs in terms of AIDS treatment. In this way the TPA could pave the way for greater access to healthcare; increasing financial access for disadvantaged groups and extending geographical access over the whole territory.

What we can learn from these two examples?

Mutual health organizations, community based schemes, social health insurance systems, linked schemes, etc. can play an active part in reinforcing health systems since they create a solvent demand for health care services and contribute positively to increasing the quality and availability of health care. Strategies targeted at reinforcing health systems (in the vein of the diagonal approach) could channel the resources of various global vertical funds (Global Fund, GAVI, UNITAID, etc.) into support for the development of health insurance mechanisms:

- By funding the preliminary studies necessary for the design and setting up of these schemes; as well as the funding of their implementation.
- By financing at least part of the premiums of the poorest so that they can join the health insurance schemes in place or under construction. As in the case of Rwanda where the Global Fund project financed the premiums of the poor, orphans and people living with HIV / AIDS.
- Through concrete support to the development of a conducive environment for the development of such schemes, e.g. the development of transparent and efficient management information systems able to manage and monitor flows of information, relationships with health care providers and the allocation of external funds. While the proposed TPA in Burkina Faso could contribute to improving the medical follow up and treatment of people living with HIV / AIDS,



THE ARTICLE: "DIAGONAL FINANCING"

it could at the same time be used to improve the management capacities of the health insurance schemes in the country. This is what is proposed in the recently produced UNAIDS case study report, "HIV Financing and Social Health Protection Mechanisms in Burkina Faso".

Today there are very few attempts to channel global vertical funds into the development of health insurance schemes targeting informal economy workers and their families, poor and vulnerable populations, orphans, people suffering from chronic diseases. However a growing number of governments include this possibility in their national strategies to extend social health protection.

{Compilation prepared by Tess Abbott and Valérie Schmitt-Diabaté, ILO/STEP, Geneva, Switzerland}



THE INTERVIEW: FRANCK DROIN

DIRECTOR OF KADRIS CONSULTANTS

“THE EXTENSION OF SOCIAL HEALTH PROTECTION CALLS OUT FOR PLUMBERS WITH A VISION!”

Interview with Franck DROIN, Director of Kadris Consultants; independent consultancy agency specialised in strategy and management in the health sector, social protection and risk management in France and at the international level.

ILO Geneva, 16-17th June 2008

Good afternoon Franck, could you briefly explain to us the mission and the activities of KADRIS?

Franck: Let's start with some key figures to help situate KADRIS. The society was founded in February 2001; and today employs around 45 people who are for the most part located in France, with the exception of one representative in Belgium and one in Morocco.

Kadris' mission consists in providing intellectual services for public and private organisations wishing to improve their operational mode, expand their range of activities, their services, improve their management conditions or increase their profitability.

Our speciality is that we only work for actors involved in the health sector and social protection. With Kadris we took the following observation as our cornerstone: in order to provide advisory services it's essential to build up a relationship of trust with our clients.

Trust, first of all this means faith in our technical competence. It's important to know what you're talking about; and this requires specialisation because the sector in which we work (health and social protection) is very specific and is constantly evolving.

Trust is built up because we are sincere in our recommendations, which reflect a genuine commitment on our part towards the people with whom we are working. This kind of trust is built up over time, and is revealed little by little; it's not something that can be taken for granted.

Today it's no longer possible to work solely for the financing of healthcare without knowing what's going on with health providers, whether in terms of prevention, medical treatment, or the auxiliary care of patients. It's in this vein that the French National Health Insurance Fund, over and above its role as a payer, has set up disease-specific management programmes (“disease management”) for Type 2 Diabetes.

In France it seems that we are just getting to know this side of things while in the US they've been operating like this for a long time: the insurer fully incorporates the health dimension. The insurer takes on the role of checking that the offer of healthcare services is consistent with the package of healthcare given, as well as carrying out the piloting of the healthcare services offered (as in the case of American Health Maintenance Organisations, for example).

The mission and the activities of Kadris follow in the same vein: it's not possible to be a good advisor in the

field of health and social protection without taking on board the health and financial dimensions.

Today it's clear that the health and social protection sector in France is heavily partitioned; there are the public insurers, the other mutual health organisations, then the health providers and finally the pharmaceutical companies. These different groups neither know nor understand each other, which means that the management systems don't operate in a unified way. Since Kadris has an overview of the whole sector, the role of Kadris also lies in the building of bridges between these different actors.

So, if I had to sum up Kadris in three words I would say that we are a specialised actor, because it seems to me that today we cannot concretely understand our subject unless we are specialised; that we seek to incorporate the two dimensions in our work; that of the payer and that of the healthcare provider, and finally that we seek to establish connections between actors, because everyone has something to gain from it. Our competitive edge does not only lie in our precise knowledge of each profession but also (and above all) in our capacity to forge links between the business of our clients and that of other professions.

So does Kadris mainly operate in France...?

Franck: Yes, today we are principally based in France; our activities in France account for 85% of our turnover while our international activities account for just 15%. Among our French clients 70% are mutual associations, providence societies, insurers or insurance departments within banks (for example the French “caisse des dépôts”; the Deposit and Consignment office) which are interested in health, risk management, long-term care. And 30% are actors operating in the medical-social sector.

It seems to me that you work at the conception stage rather than at the implementation stage?

Franck: Yes, indeed we are not at all involved in the implementation process.

At the beginning when we first created Kadris the idea was to provide intellectual services and nothing else; under no circumstances were we to become an operator. Hence the fact that we don't sell any IT solutions, neither do we get involved in the overhaul of back office management...



THE INTERVIEW: FRANCK DROIN

DIRECTOR OF KADRIS CONSULTANTS

You can't be everywhere at the same time; it's not possible to be an advisor and have an interest in how the advice given gets put into practice. This is what allows us to give really sincere advice... and in turn allows us to build up trust and a loyal clientele.

Do you find that for those younger members of the team who are just starting out on the job this very concrete dimension, that of "getting your hands dirty" is missing?

Franck: Some employees do feel the need to branch out into other vocations that are more operational or to follow up on the projects that they have initiated. But in general the members of my team have such a wide diversity of subjects to cover that they don't feel at all frustrated; in one year they learn what they might learn in two or three years elsewhere.

What kind of activities does Kadriss undertake in the medical-social sector?

Franck: We work for example on the evaluation of health networks (for example, cancer or diabetes). There are different types of networks in France... There are networks that target a particular group, for example pregnant women whose pregnancies are considered to be at risk (perinatal networks), elderly people (gerontology), people living with HIV/ AIDS, people who are dependent on drugs or alcohol, etc. There are also illness-specific networks, (cancer, diabetes). They are generally set up by hospitals or GPs and nurses working in the hospital environment. It's very difficult to precisely gauge the efficiency of these networks given the multidimensional nature of their impact

Oh yes, Groupama has also set up a network in the Pyrenees...

Franck: Yes, Groupama set up a network of GPs whose goal was- through the exchange of practices- to break their isolation and to improve their medical practice. Through dialogue and exchange, the GPs who are members of the network realised that giving out prescriptions wasn't the only way of responding to patients' demands... And they reduced the number of medical prescriptions by 15%!

How did Kadriss become an international consultancy?

Franck: There are reasons related to the structure of the company and to the market and there are personal reasons.

Today we are the No.1 Team in our sector in France. There are of course big consultancy agencies out there, but within those agencies the departments responsible for social protection are all smaller than Kadriss. There are also medium-sized consultancy agencies, but in general they have either diversified their activities

towards other branches of insurance or they have started providing insurance-related IT services.

The following question comes up: in what way can we expand? What are the main levers that will allow us to expand effectively?

The French market is quite stable with a turnover of 23 million Euros... There are of course other challenges, new leading themes such as that of "health in the workplace". There is growing recognition of the need to take better care of physical and mental health in the workplace, to fight against stress and the use of psychotropic drugs in the workplace. Companies are aware that they have every interest in investing in the health of their employees in terms of the prevention of epidemics (one vaccination campaign costs a lot less than tens of working days lost in the case of an epidemic). A study has shown that for every Euro invested in the prevention of addictions (drugs, alcohol) in the workplace there is a 7 euro return. That's the kind of message that gets through to businesses!

With the development of Corporate Social Responsibility, businesses are becoming players in the health sector in their own right; concerned with the health of their personnel and even that of people indirectly related to their activities (for example people living near production sites). Thus an oil rig based in Africa or Asia has every interest that the health and social situation around the exploitation sites is acceptable in order to protect its own personnel from health risks, social risks and any eventual security risks.

Today we are aware that questions related to health have become major issues and that rich countries can no longer ignore what is happening in developing countries for various reasons; for a start because of health risks and risks brought on by the spreading of epidemics. The exaggerated nature of discrepancies between healthcare systems of countries that are in the same geographic proximity (for example Guyana-French enclave in Latin America) creates inequalities and tension.

The models of risk management such as those of France and Belgium have begun to emerge as reference models. Kadriss with its knowledge of the French social protection system has thus been given a significant competitive advantage.

At the international level, what kinds of missions has Kadriss taken on?

Franck: For 6 years Kadriss has been working as an evaluator of projects financed by the European Union on the use of technology in the field of health. We have evaluated projects in Romania, in Germany etc. Progressively our contacts in these countries have asked us to design social protection systems and that's when we realised that there's a real place for Kadriss at the international level; because we have the strategic capacities and because we also know how social protection systems work from the inside. With the health and social protection sector it's all about being a plumber with a strategy. You need to have both a



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strategic and political vision as well as to be able to understand and know how to build the whole of the works and the plumbing.

At the same time the plumbing is something strategic; it takes three years to come up with the design and to set up an information and management system for health insurance; on the other hand it takes thirty years to remove it.

You've done work in Morocco, I think... and in which other countries?

Franck: Yes, we're currently working in Morocco on modernising the management system "CNOPS" within the framework of the implementation of the AMO (Obligatory Health Insurance programme).

At the European level we've worked on a project called DIAFRE bringing together several countries (Denmark, Spain, France, Israel) that consists of improving preparedness for large scale pandemics.

I'm currently managing a project that aims for the exchange of skills and know-how between Russian and French hospital doctors in the field of the fight against addictions. In the Eastern countries and in particular in Russia, one of the biggest problems is that of medical demographics and the need to find concrete solutions that compensate for the reduced number of doctors and specialists. See for example the TANA initiative on the subject of telemedicine and mobile health units.

MORE INFO

[See the TANA website](#)

We've also been carrying out a study in Burkina Faso for UNAIDS with the objective of seeing how efforts on the part of

funding agencies can be better coordinated in the fight against and management of HIV/ AIDS so as to improve the healthcare access of those persons affected by the virus. As part of this study we proposed the setting up of a delegate responsible for management (Third Party Administrator) whose job is to improve the management of funds and their use for the better treatment of people living with HIV/ AIDS. This type of work gives a good indication of our ability to reuse in a different context the skills we acquired in the French market, in which we participated in the formation and setting up of several TPAs.

How can your experience in Europe be useful when you work in developing countries? What kinds of knowledge or skills are the most useful for the projects you are associated with in developing countries?

Franck: I think that our best asset in the countries of Sub-Saharan Africa will be the ability to come up with operational management plans allowing the development of health insurance systems that are currently being set up in a certain number of countries and that cover the whole or part of the population.

However, there are many risks involved. We're missing the operational intermediaries... thus the risk is to carry out studies and then more studies that just end up in the filing cabinet. Another potential trap is that of responding to demands that have already been dealt with. We're living in the information and communication era; it's important to share our respective databases, the studies that we carry out, the on-site investigations etc. in order to avoid re-doing what's already been done. Another potential pitfall that we've identified is that of negotiated contracts; we prefer to associate ourselves with projects with whom the ILO and other organisations are associated.

What are the principal barriers to the extension of social protection in developing countries in your opinion?

Franck: In Africa the main barriers are related to the implementation stage and the functioning of health insurance systems, with the necessary design and implementation of information and management plans that are transparent and that are efficient in dealing with the potential challenges brought on by the increased solvency of demand.

In Eastern Europe the barriers are more historical; for the moment they don't want to know anything about collective risk sharing; which explains their fascination with liberal models. The logic of the all-powerful market runs the risk of inducing a rupture between those who have access to private insurance and to quality care, and those who are excluded... and therefore creating the need to restore the balance.

Do French mutual associations and more broadly social protection bodies in France have a role to play in the extension of social protection coverage in Africa and in Asia?

Franck: French mutual associations are going through an identity crisis; they are struggling to say in what way they are solidarity-based and what makes them specific from other players in the market, like insurers. Their involvement in projects for the extension of social protection in developing countries would allow them to give renewed significance to their activities and perhaps in doing so to prove that they are still operating on a solidarity principle.

Thank you Franck.

MORE INFO

- [See the website of Kadris consultants](#)
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{Transcription by Ivon Garcia and Tess Abbott, ILO-STEP, Geneva, Switzerland}



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