

# **Annexes**

## **Slides for Module 2a: Social Protection**

# Social Protection through Health Micro-Insurance Schemes

**Annie A. Asanza, MD**

National Project Coordinator, STEP Philippines  
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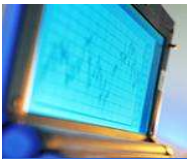
## Order of Presentation

**1. Decent Work**

**2. Social Protection**

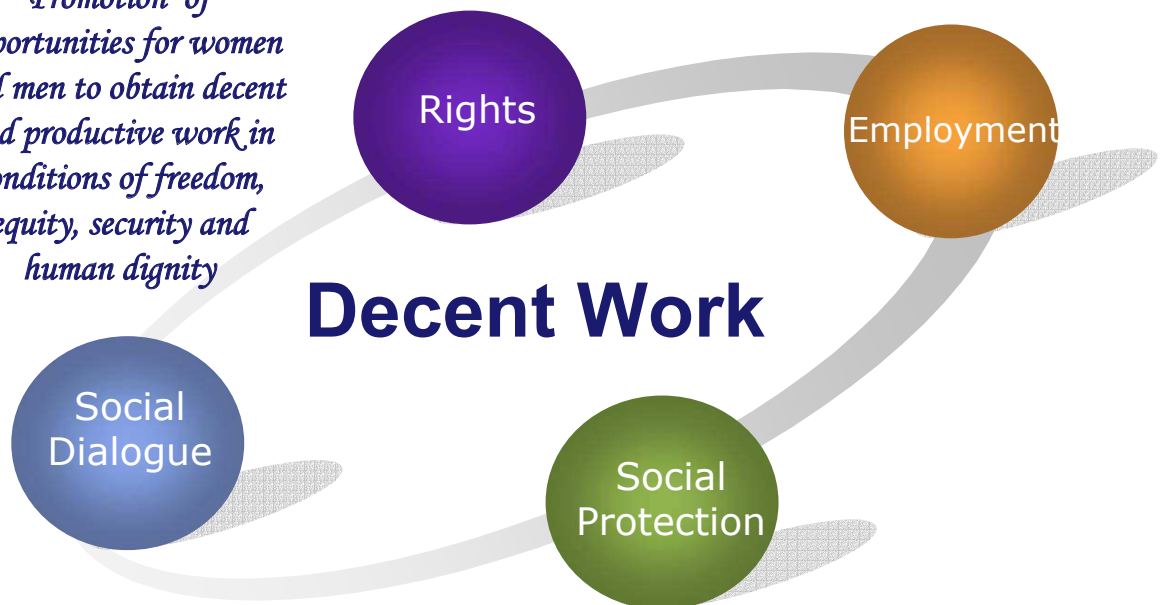
**3. Health Micro-Insurance Schemes**

**4. Health Sector Reforms**

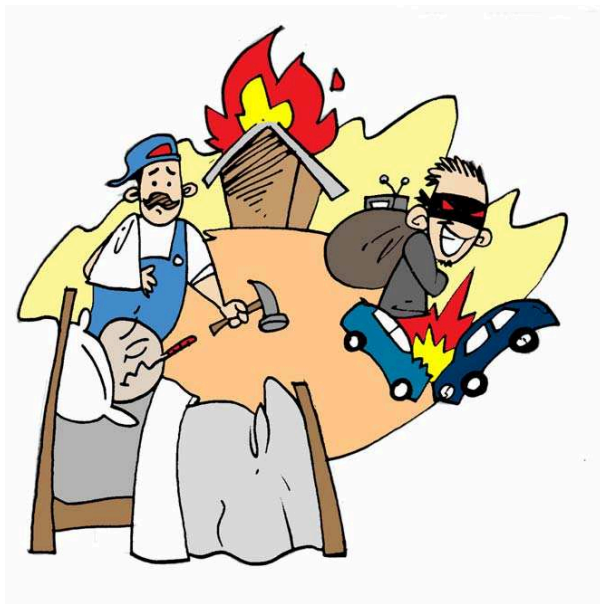


# International Labour Organization

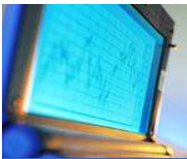
*Promotion of opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity*



# RISKS



- ❖ El Nino
- ❖ Crop pests
- ❖ Floods & Landslides
- ❖ Earthquakes
- ❖ Fire
- ❖ Illness
- ❖ Accidents
- ❖ Epidemics
- ❖ Old age
- ❖ Disability
- ❖ Death



## Social Protection

Set of public and private measures undertaken by societies in response to various risks in order to:

- offset the absence of or significant reduction of income from work;
- provide assistance for families with children; and
- provide people with healthcare and housing



## Objectives of Social Protection

- ❖ **Guarantee access to essential goods and services**
- ❖ **Promote active socio-economic security**
- ❖ **Advance individual and social potentials for poverty reduction and sustainable development**



## Principles of Social Protection

- ❖ **Equality of treatment**
- ❖ **Solidarity**
- ❖ **Inclusiveness**
- ❖ **General responsibility of the State**
- ❖ **Transparent and democratic management.**





# Social Protection

## ❖ Social Security

- Pension
- Health Insurance
- Disability Benefits
- Death Benefits

## ❖ Labour Protection

- Occupational Safety and Health
- Conditions of Work
- Prevention of HIV/AIDS
- Protection of Migrant Workers



## Social Security

- ❖ Basic human right
- ❖ Creates social cohesion
- ❖ Prevention and alleviation of poverty
- ❖ Enhances productivity
  - Provides health care, income security, social services



## Limited social security coverage

- ❖ One out of five individuals in the world are covered
- ❖ Extend coverage to those who are not part of any social security systems
  - Employees in small work place, self-employed, migrant workers, informal economy workers – many of whom are women



## Strategies for Extension of Social Protection

- ❖ Extend statutory social security schemes
- ❖ New schemes may have to be developed – decentralized schemes
- ❖ Sustainable linkages between schemes that serve different parts of the populations.



## Gender Equality

- ❖ Extending coverage to all workers, or at least to all employees, including the particular categories in which women are heavily represented
- ❖ Helping men and women to combine paid employment and caring work
- ❖ Recognizing unpaid caring work either through the award of credits under contributory schemes or through the provision of universal benefits
- ❖ Granting dependent spouses entitlements in their own right, thereby safeguarding their position in case of separation or divorce



## ILLNESS RISK



- ❖ Unplanned
- ❖ Costly
- ❖ Reduces family income significantly
- ❖ In the Philippines, almost 80% of healthcare cost are out of pocket expense

## Coping Mechanisms for Illness Risks



# Health Micro-Insurance

Target members: those not covered by formal health insurance systems



Individuals or households protect themselves against illness risk by combining to pool resources with a larger number of similarly exposed individuals



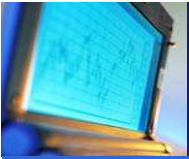
Health Micro-insurance Scheme is not ....





## Forms of HMIS

- ❖ Insurance supplied by care providers
- ❖ Micro-finance institutions
- ❖ Mutual pharmacies
- ❖ Others
  - Transportation needs



## Advantages of HMIS

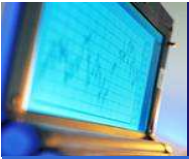
- ❖ Greater security in the event of sickness for members and their dependents
- ❖ Better continuity of treatment
- ❖ Reduction of delay in seeking care
- ❖ Reduction of financial limitations
- ❖ Reduction of parallel practices

## Characteristics of HMI

### **“Insurance” function**

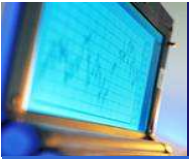
- ❖ Financial participation
- ❖ Non-compulsory membership
- ❖ Exclusion from social security
- ❖ Involvement of beneficiaries in management
- ❖ Complement to traditional social security systems





## Principles of HMIS

- ❖ Solidarity
- ❖ Democratic and participative operation
- ❖ Autonomy and freedom
- ❖ Personal fulfillment
- ❖ Service-oriented

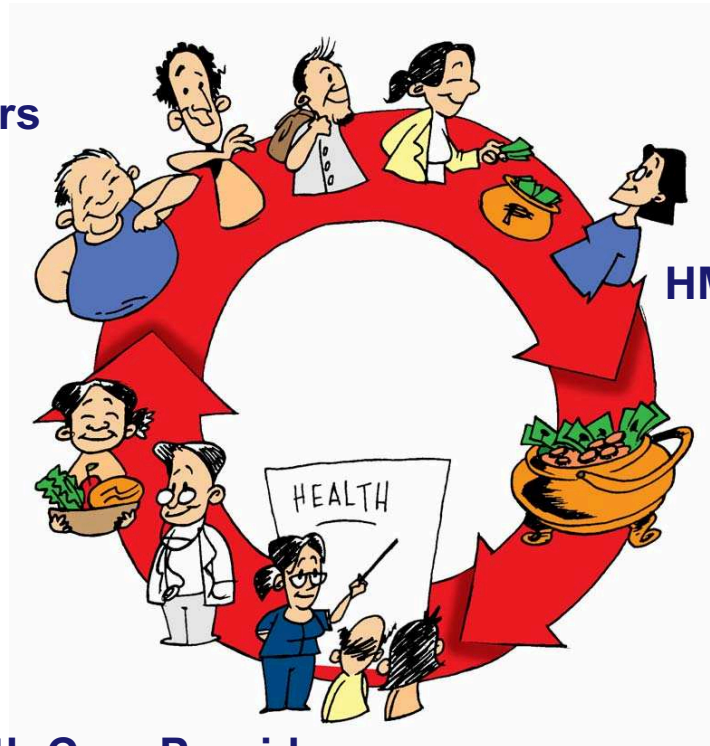


## Principles of HMIS

- ❖ Responsibility
- ❖ Dynamics of a social movement
- ❖ Quality preventive & curative health services
- ❖ Sustainable operations
- ❖ Rights-based approach
- ❖ Gender sensitivity



**Members**



**HMIS**

- General Assembly
- Board of Directors
- Executive Body
- Auditing Body

**Health Care Providers**



## Risks related to HMIS

### ❖ Risk of adverse selection

- People with a high risk connected to their state of health join in large numbers
- People with good health tend to refrain from joining
- Minimum unit of enrollment should be the family
- Enroll members of a particular group simultaneously
- Waiting period





## Risks related to HMIS

- ❖ Moral hazard of over consumption
  - Abuse of services
  - Patient's contribution – cost sharing scheme between HMIS and member
  - Establish an obligatory reference system
  - Establish an observation or probationary period



## Risks Related to HMIS

### ❖ Moral Hazard of Over- Prescription

- Health care providers prescribe unnecessarily
- Lump sum or flat rate payment per person
- Standardization of treatment schemes
- Obliging health care providers to prescribe generic essential medicines or limiting reimbursements of medicines
- Establish a benefit ceiling
- Establish non-reimbursable days or flat-rate co-payment
- Require members to adhere to available preventive measures



## Risks related to HMIS

### ❖ Fraud and abuse

- Check-up before treatment
- Check-up after treatment
- Affix photo of member and their dependents on membership card

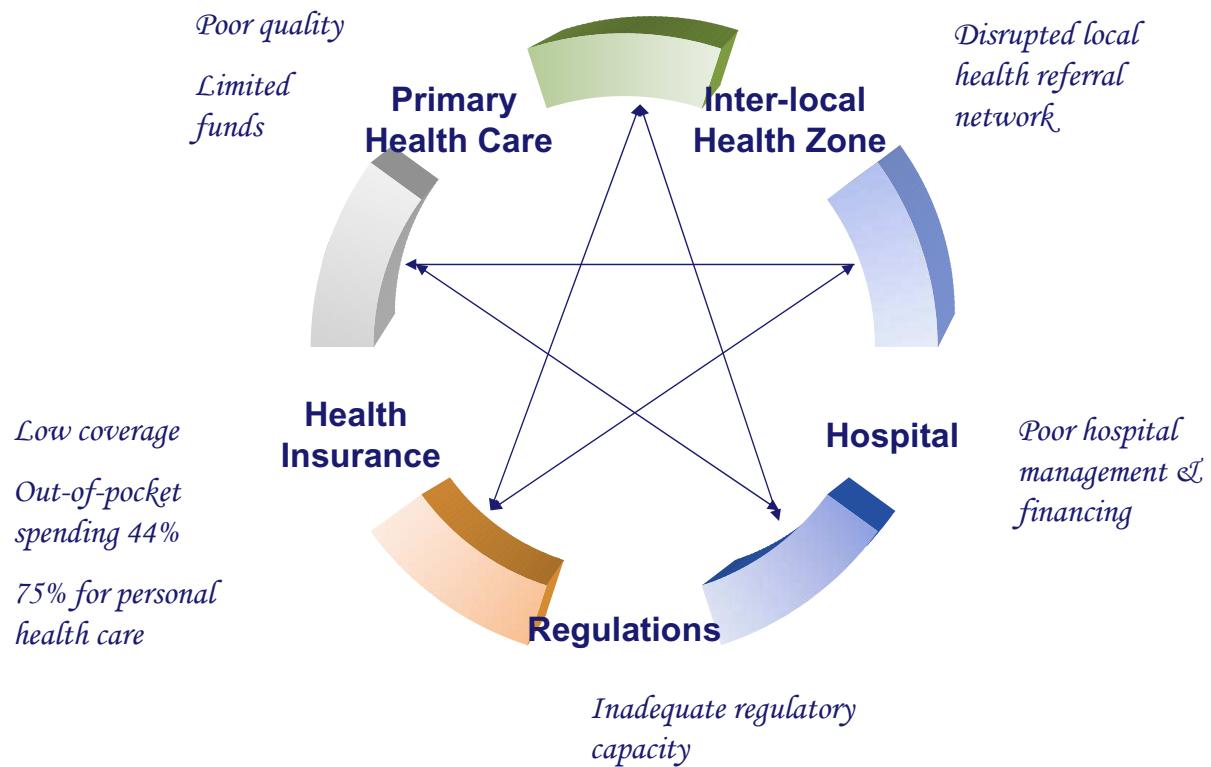


## Risks related to HMIS

### ❖ Occurrence of catastrophies

- Establish substantial financial reserves
- Access to a guarantee fund or the possibility of reinsurance

# Health Sector Reform Agenda





## Role of HMIS in HSRA

- ❖ Expansion of health insurance coverage
  - Coverage of those who are not included in the formal system of health insurance
  - Linkage of the statutory health insurance scheme and the health micro-insurance schemes
    - Mangloy Health Fund
  - Greater awareness on the benefits of health insurance



## Role of HMIS in HSRA

### ❖ Gatekeepers of care

- Ensuring a proper referral system
  - Bicao, Carmen Bohol
- Monitoring of quality of care

### ❖ Promotion of healthy practices

- Partnership with LGUs
  - NAKAMPPAS
  - Angono Health Micro-insurance Scheme



## Role of HMIS in HSRA

### ❖ Driving force for change

- Greater participation and involvement of communities propel and compel local governments and national government agencies to improve