



In pursuit of universal health coverage: Ethiopia's community-based health insurance



ETHIOPIA

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Abt Associates Inc.
In collaboration with:

Broad Branch Associates | Development Alternatives Inc. (DAI) | Futures Institute | Johns Hopkins Bloomberg School of Public Health (JHSPH)
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Presentation outline

- ▶▶ Background
- ▶▶ Pilot
- ▶▶ Evaluation
- ▶▶ Lessons
- ▶▶ Progress update





Ethiopian context

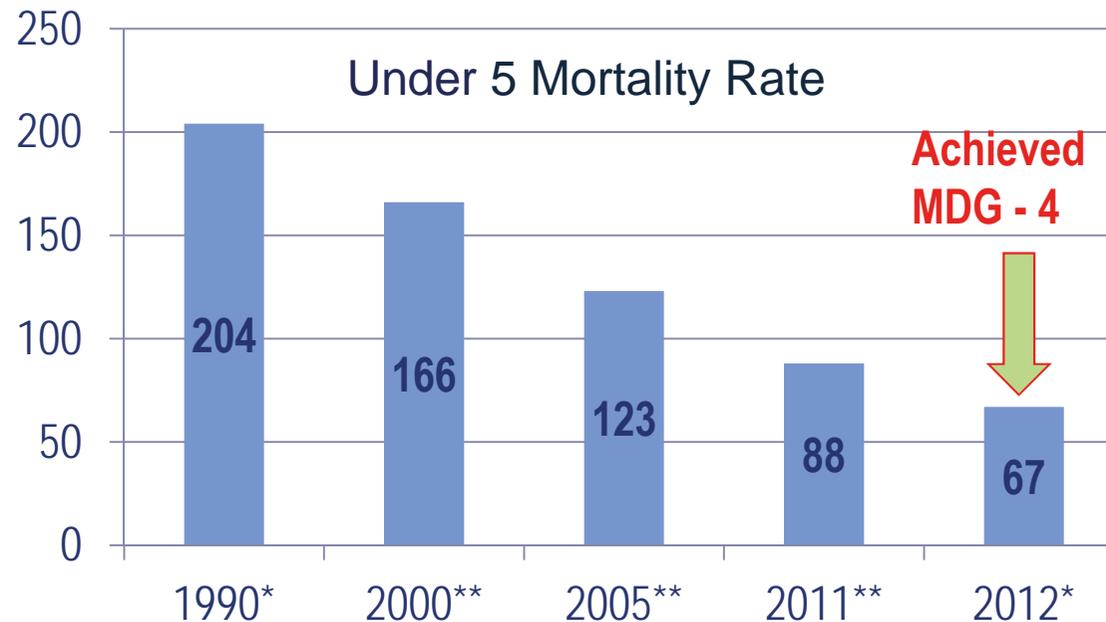
Country profile

- ▶▶ Population: 94.1 million (2013)
 - 85% in informal sector
- ▶▶ Life expectancy: 63 (2012)
- ▶▶ 29.6% in poverty (2011)
- ▶▶ Annual per capita income: \$470 (2013)
- ▶▶ Household OOP spending 34% of THE
- ▶▶ Very low health service utilization (0.3 visits per capita)



First generation reforms

- ▶ Since 1990s: Major investment to strengthen health system
- ▶ Maternal mortality rate halved from 1990-2008 to 470; achieved MDG for under-5 mortality:



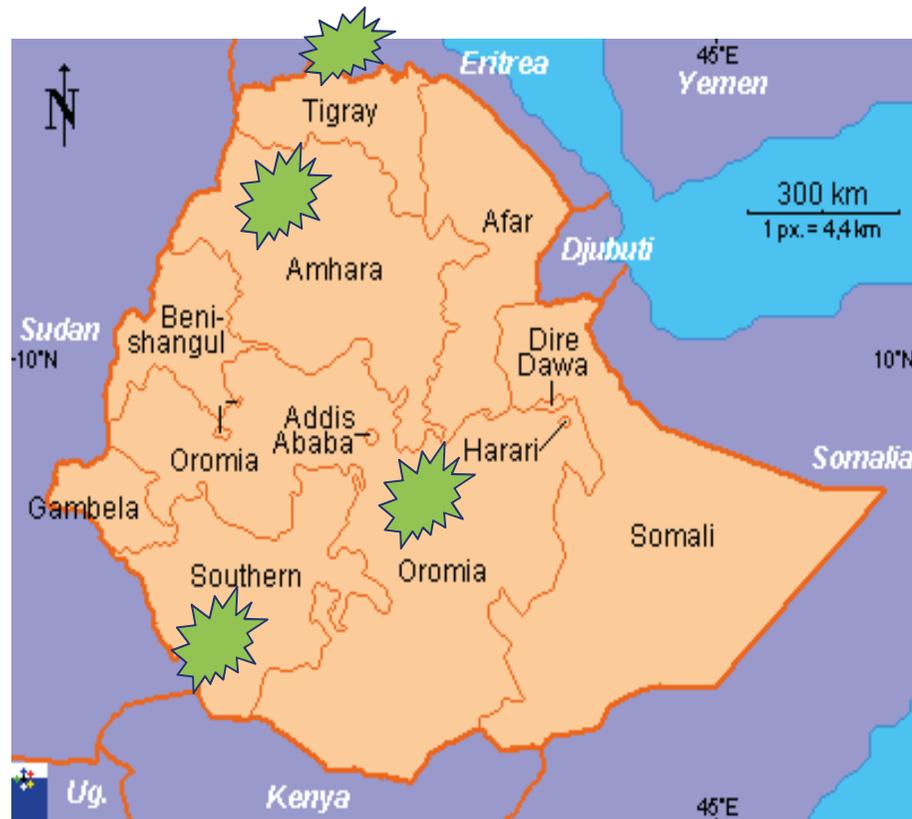
Sources: * UN Inter-Agency Group for Child Mortality Estimation: 2013
**Ethiopia DHS (2000, 2005 and 2011 Reports)



Health post, health centre



Second generation reforms (2008 to date)



- ▶▶ 2008: Decision to introduce social health insurance for formal sector, and CBHI for informal sector
- ▶▶ 2011: CBHI schemes launched in 13 districts in 4 regions; target 1.8 million population
- ▶▶ 2014: Pilot evaluation
- ▶▶ 2015: Begin scale up

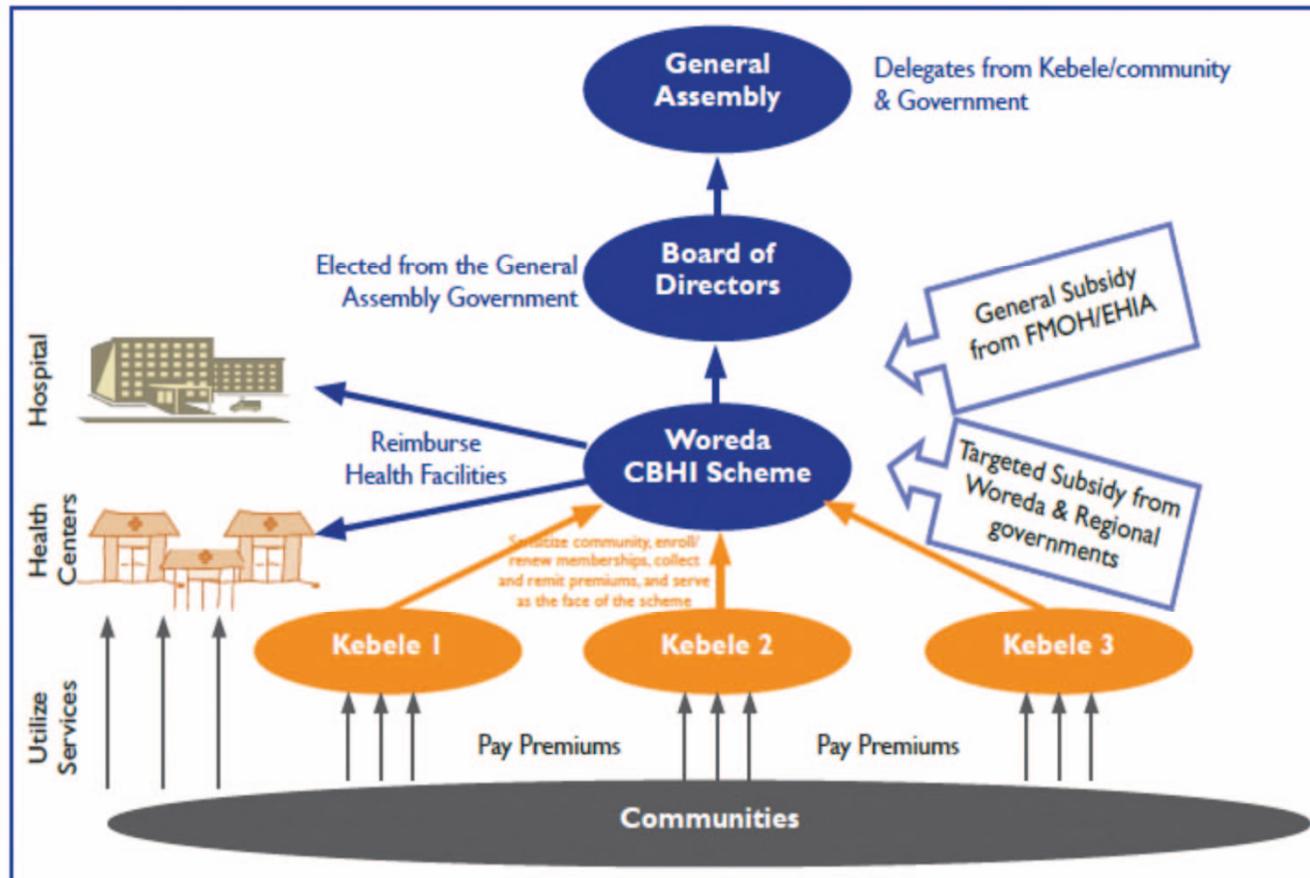


CBHI design

- ▶▶ Covers services at health centre, secondary hospital
- ▶▶ Contributions US \$0.50-.80 per HH per month
- ▶▶ No copayment or user fee
- ▶▶ 1 month waiting period
- ▶▶ 50% penalty to access hospital without referral
- ▶▶ Enrollment at HH level
- ▶▶ One risk pool per district
- ▶▶ Health facilities receive user fees from scheme



CBHI structure



Note: EHIA: Ethiopia Health Insurance Agency



Community meeting



Community members discussing decision to enroll in scheme at Durebete with the RHB deputy head and Kebele chairman.



CBHI funding

- ▶▶ Contributions from members → **52%** of total revenue
- ▶▶ Government subsidy (two types) → **48%** of total revenue
 - ❖ Targeted (for the poor): commitment to subsidize 10% of population
 - ❖ General (for everybody): 25% of contribution
- ▶▶ Government funds 3 CBHI staff per district and covered operational costs



District CBHI office





Results of pilot

- ▶▶ **Enrollment: 52%** (157K households; > 700,000 beneficiaries)
 - ❖ Variable by district (25 to nearly 100%)
 - ❖ Indigents average 15% of members (variation across districts)
- ▶▶ **Improved utilization:** (0.7% for insured vs 0.3% national avg)
 - ❖ CBHI members 26% more likely to visit health facility when sick
 - ❖ High utilization in the urban district
 - ❖ Availability of medicine an issue
- ▶▶ **Poverty reduction effect:** 7% for insured vs 19% for non-insured (OOP expenditure >15% non-food expenditure)

Challenges

- ▶▶ Membership retention
- ▶▶ Financial sustainability
- ▶▶ Lack of incentives for local officials, health providers
- ▶▶ Maintaining quality care
- ▶▶ Inadequate redress mechanisms





Post Pilot: 2014 forward

- ▶▶ Scale-up to **185 additional districts**
 - ❖ About 1.3 million households (**23% of eligible HHs**) covered (25% are poor)
- ▶▶ 5.3 million new beneficiaries (**6 million total**)
- ▶▶ Nearly **\$10 million collected** from contributions last year
- ▶▶ National CBHI scale-up strategy drafted and under review for endorsement
- ▶▶ Goal to cover 80% of districts and 80% of households target set in 5-year health sector plan

Lessons

- ▶▶ Access to quality care is critical for enrollment and renewal
- ▶▶ CBHI requires strong government commitment (significant budgetary and organizational implication)
- ▶▶ Sustained technical assistance is required



Govt-sponsored CBHI is promising, but...

How to:

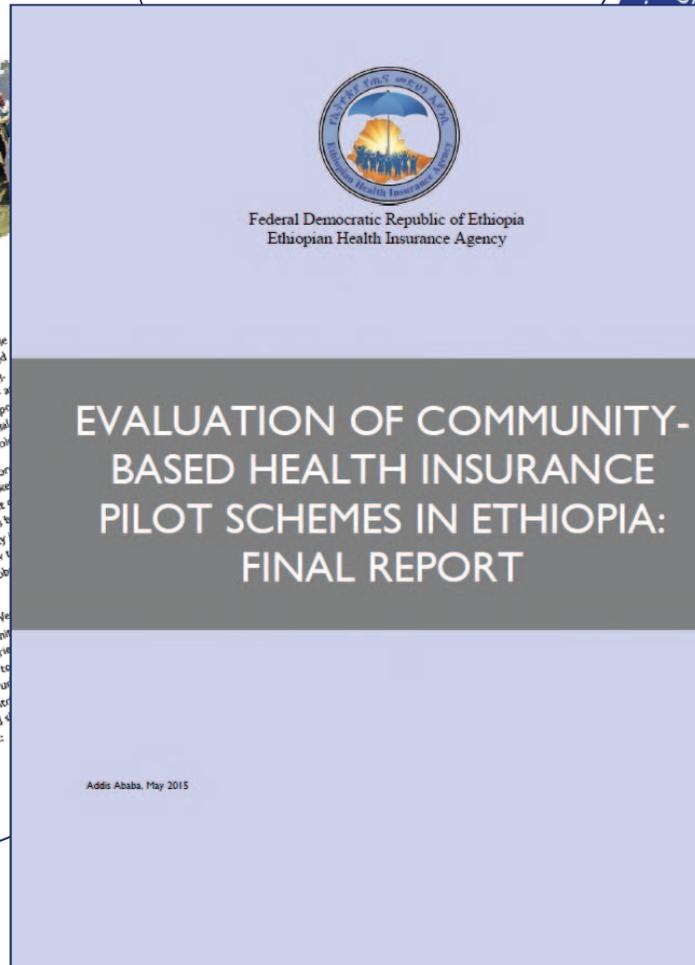
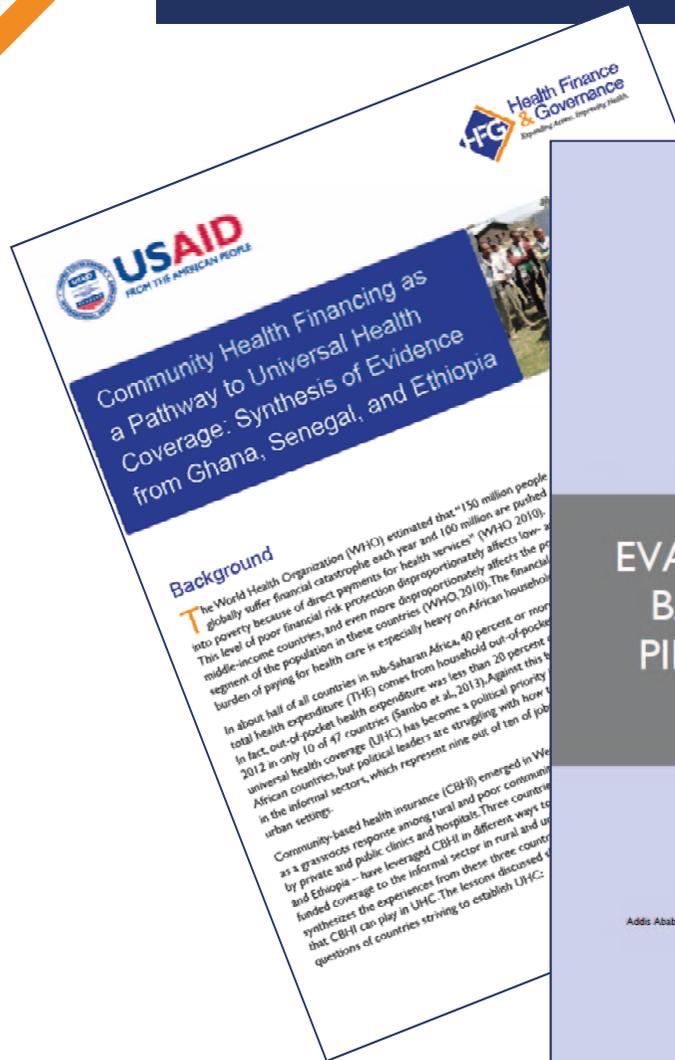
- ▶▶ introduce SHI for formal sector HH
- ▶▶ achieve greater risk pooling
- ▶▶ promote membership growth and retention
- ▶▶ cover the poor, reach pastoralists
- ▶▶ leverage private health care providers



While continuing to:

- ▶▶ Improve efficiency and quality of care, and mobilize additional resources?

Resources



Source: Health Finance and Governance Project. <https://www.hfgproject.org/where-we-work/africa/ethiopia/>



Thank you!

