



Community Based Health Insurance in Nepal

HIP Platform meeting

24 May 2012

Karunafoundation

Saving children from disability, one by one

Strategy

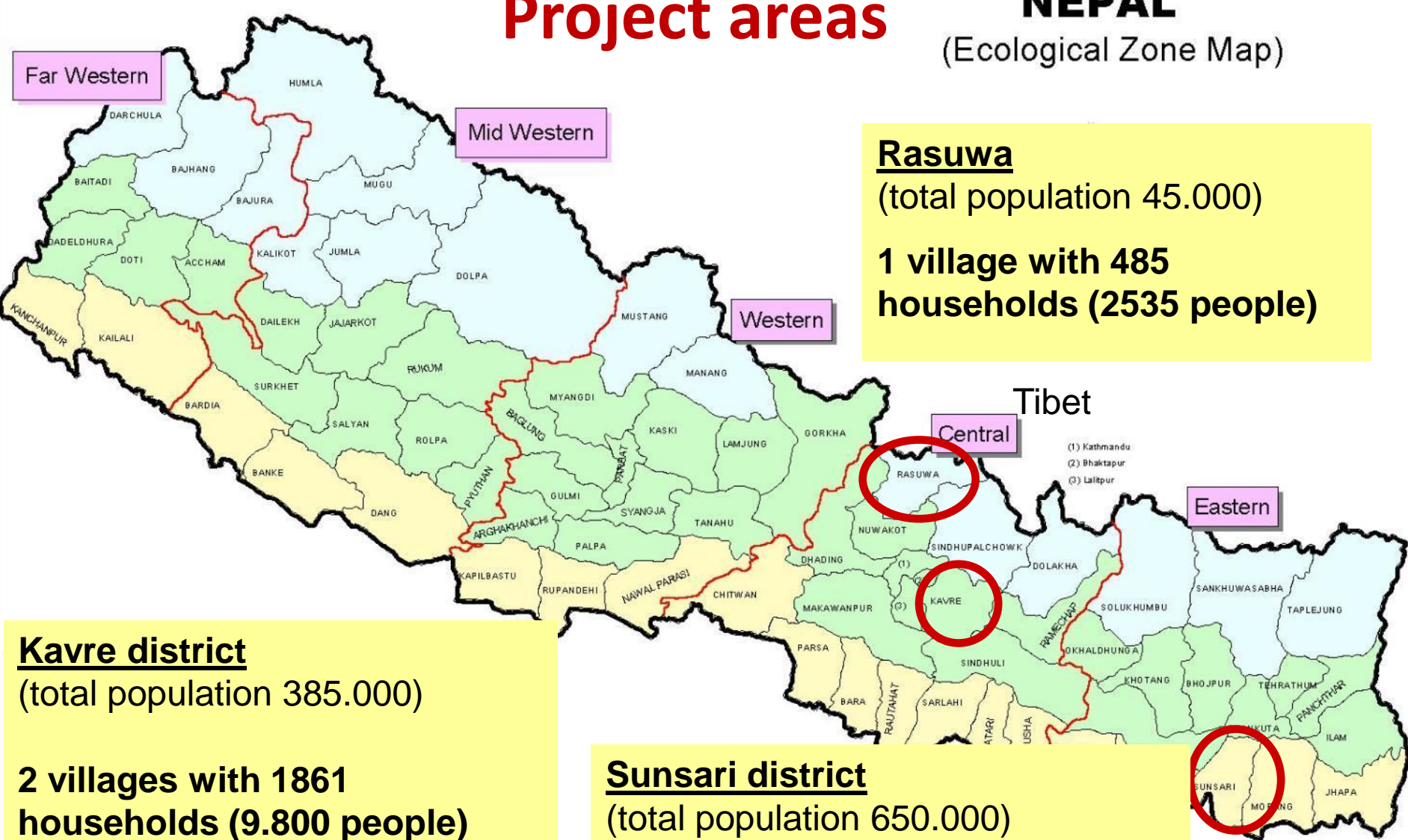
Development of a replicable and sustainable health care model with community-based health insurance, including

Prevention & Rehabilitation:

Share & Care

Project areas

NEPAL
(Ecological Zone Map)



Far Western

Mid Western

Western

Central

Eastern

Rasuwa
(total population 45.000)
1 village with 485 households (2535 people)

Kavre district
(total population 385.000)
2 villages with 1861 households (9.800 people)

Sunsari district
(total population 650.000)
4 villages with 7366 households (40.000 people)

Tibet

- (1) Kathmandu
- (2) Bhaktapur
- (3) Lalitpur

Sunsari

Process & Coverage so far

July 2007- preparation phase

(1) Develop vision& mission, (2) Start projects, learning by doing (3) Build up Karuna Nepal and Holland

Mid 2008 - 2 pilot villages - **On average 28% in a village is member**

• **1.340 households member (24% of total), 18.500 people access to improved health care**

In 2009 – 6 villages - **On average 23% in a village is member**

• **1.326 households member (12% of total), 38.252 people access to improved health care**

In 2010 - 5 villages - **On average 26% in a village is member**

• **1517 households member (21% of total), 26.350 people access to improved health care**

In 2011 – 7 villages - **On average 28% in a village is member**

• **2.306 households member (24% of total), 34.675 people access to improved health care**



Components of the scheme

Basic
Health Care

Referral
to hospital

Prevention
of Disabilities

Rehabilitation
of children
with disability

Micro-credit
for the poor

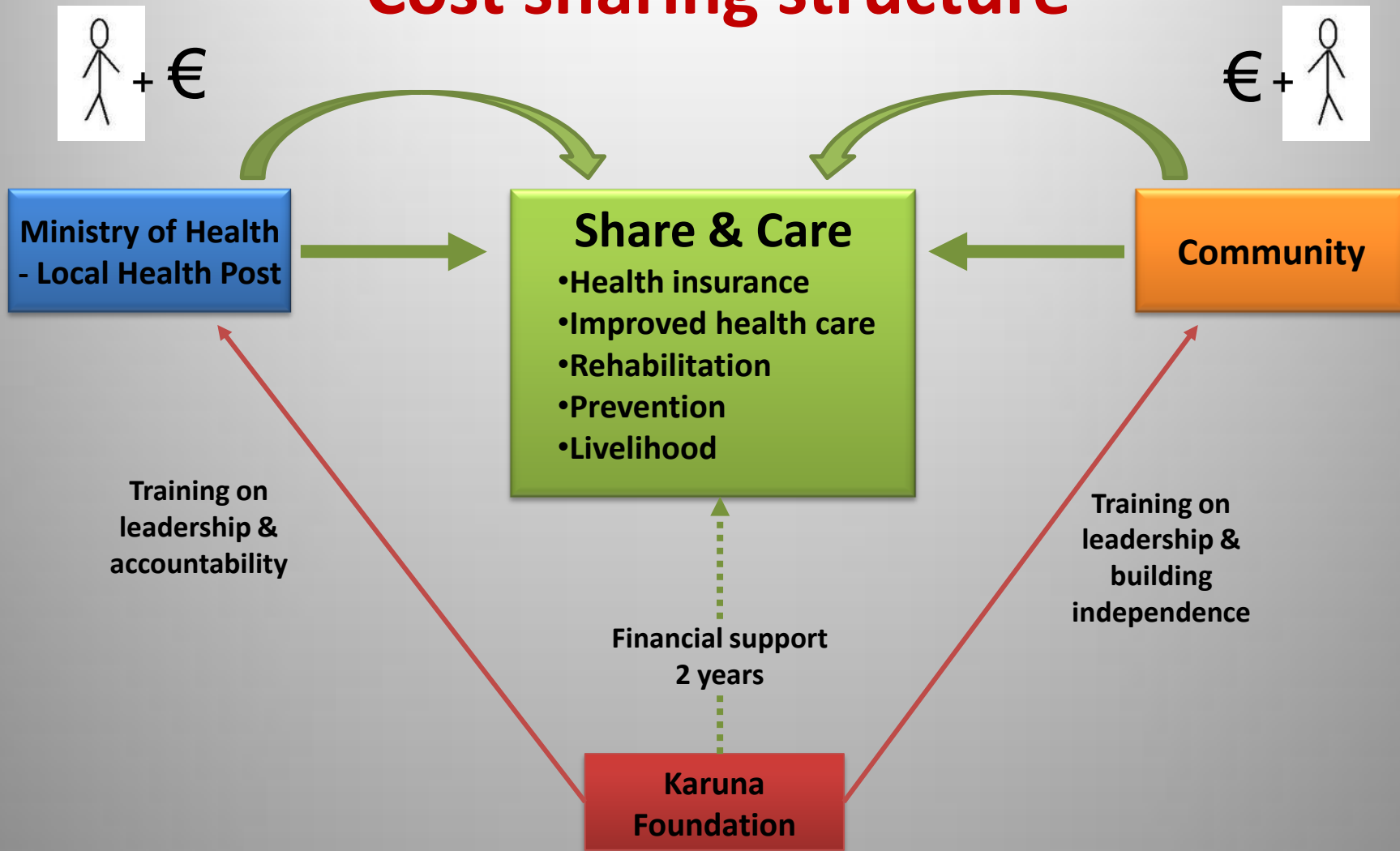


Share & Care

Working principles

- **Entrepreneurial and innovative approach (Blue Guideline)**
- **Local responsibility & ownership.** Decentralized approach with Local structures, Local resources , Local leaders
- **Working with government**
- **Karuna's cost participation**
 - Initial investment costs
 - Running costs
 - 50 % in the 1st year
 - 30 % in the 2nd year
 - Karuna financially supports for 2 years and technically 4 years.

Cost sharing structure



Structure of Share & Care

Providers of Health Services

Government

Ministry of Health

District Health Office

Sub Health Post

7 health post in 7 villages

Basic Health Care

Health management Committee

Community/
Households

Consumers of Health Service

Referral to hospital

3 hospitals in 3 districts

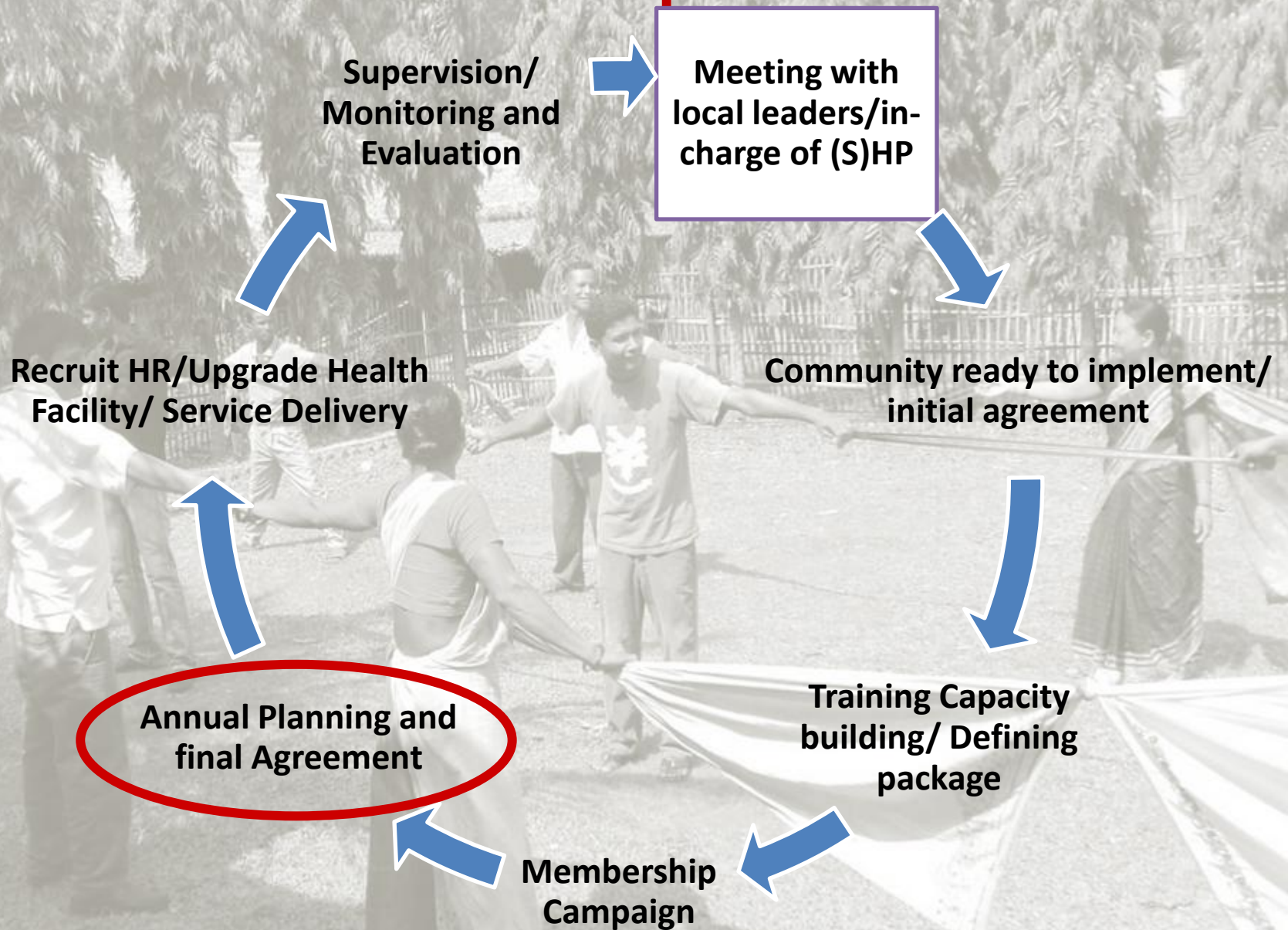
Prevention of Disabilities

Rehabilitation of children with disability

2 specialized care institutions

Micro-credit for the poor

PROCESS of implementation



Current membership fee and Benefit Packages

	Kavre district		Sunsari district				Rasuwa district
	Mechhe	Chapakhori	Bhokraha	Madhesha	Aurabani	Bhaluwa	Syafru
Membership contribution	€ 5	€ 5	€ 5	€ 12	€ 12	€ 12	€ 10
Total benefit /referral	Only from SHP	€ 50 /Person	€ 120 /family	€ 306 / family	€ 165 /family	€ 218 /family	€ 200 /family
In local health institution (Per Family)	Added service Free	Additional drugs € 20	Additional drugs € 3 Lab € 2	Additional drugs € 10 Lab € 10	Additional drugs € 8	Additional drugs € 8	Within total package
Life insurance	-	€ 100 /family	€ 25 /person	€ 50 / person	€ 25 /person	€ 50 /person	€ 100 / person

Membership progress

Program villages	Total HH	Member households			
		1st year	2nd year	3rd year	4th year
Chapakhori	555	230	155	191	-
Mechchhe	1306	468	295	220	115
Madhesha	1375	527	419	600*	-
Bhokraha	3361	164	451	507	-
Bhaluwa	904	414	425*	-	-
Aurabani	1726	394	500*	-	-
Syafru	485	188	164	225*	-

* Currently ongoing membership enrollment

- **Current Coverage:** on average 28% of households in a village is member
- **Drop out :** on average 35% (different years combined)

Results of Share&Care

Basic Health Care

Services have improved.

Patient flow has increased.

35.000 people have access to better health care services

12.500 people are member of the health insurance.

Referral to hospital

750 patients have been referred to hospital for treatment, costs were covered.

Prevention of Disabilities

Maternal child health indicators have improved with 5%

150 babies have been born without a birth defect

Rehabilitation of children with disability

300 children with a disability are supported in physical, social, financial, educational rehabilitation

Micro-credit for the poor

230 poor families participated in skill and entrepreneurial training and have received microcredit.

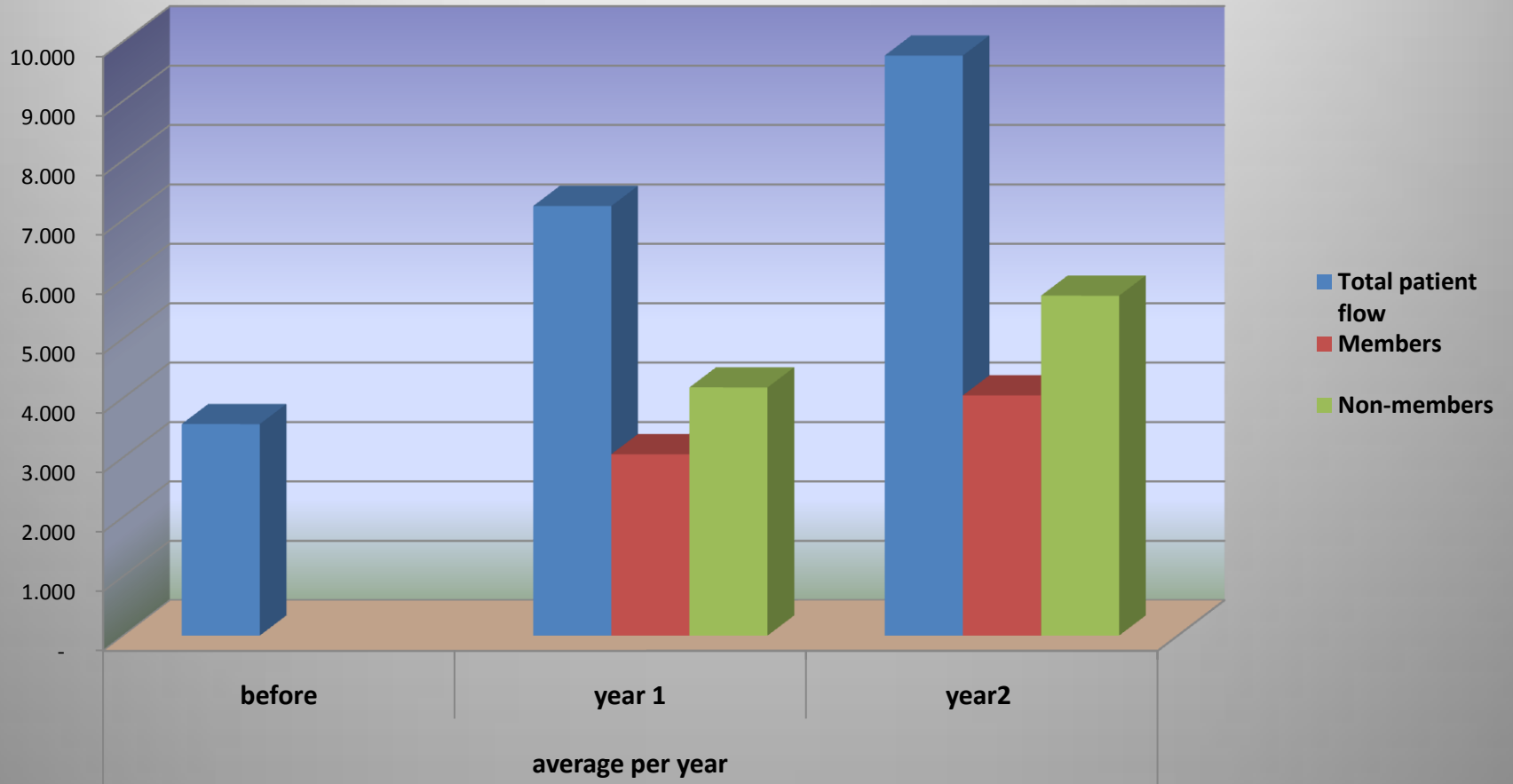
All of them became member of S&C

Improvement in Health Care

General Situation BEFORE	With Share&Care AFTER
<ul style="list-style-type: none">• Three rooms	<ul style="list-style-type: none">• Extra staff (Health Worker, CBR facilitator, Admin staff)
<ul style="list-style-type: none">• Three Health workers (AHW, MCHW, VHW)	<ul style="list-style-type: none">• Additional medicines (as per the essential drug list)
<ul style="list-style-type: none">• Female community health volunteers	<ul style="list-style-type: none">• Referral service to secondary health care
<ul style="list-style-type: none">• 25 free medicines	<ul style="list-style-type: none">• Basic laboratory establishment
	<ul style="list-style-type: none">• Strengthening of Outreach Clinic
	<ul style="list-style-type: none">• Support in equipments and furniture
	<ul style="list-style-type: none">• Repair existing building and expansion
	<ul style="list-style-type: none">• Establishment of Birthing Center
	<ul style="list-style-type: none">• Ambulance (Bhokraha)
	<ul style="list-style-type: none">• Water and Sanitation
	<ul style="list-style-type: none">• Computer/ Television /solar /telephone
	<ul style="list-style-type: none">• General Health and UP camps

Service utilization

Average patient flow before and during Share & Care (per year)



Case study: Bhokraha

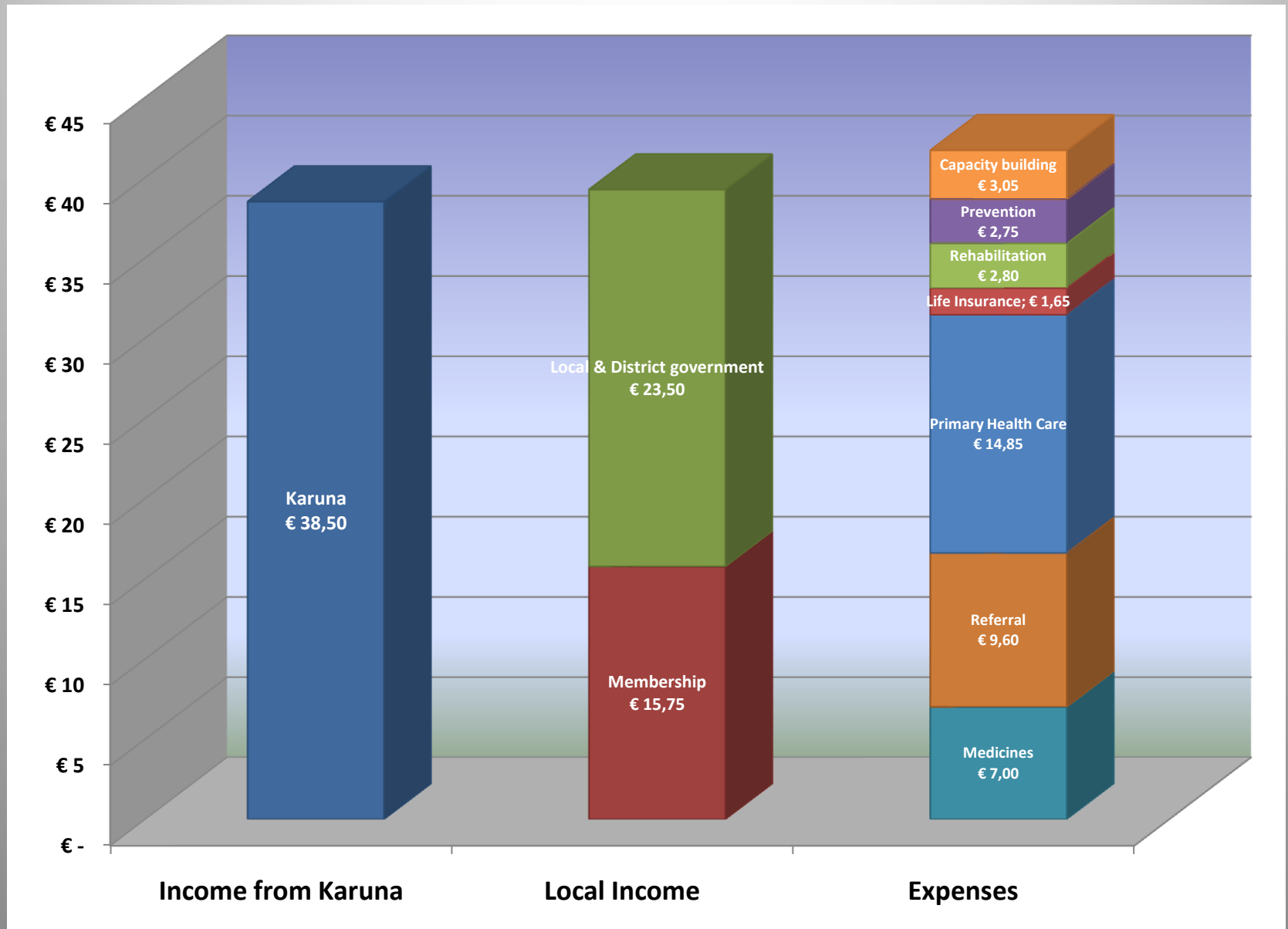
	Year 1		Year 2		Year 3		Year 4	
Income for direct costs								
Community	€ 7.585	42%	€ 17.975	50%	€ 19.460	80%	€ 20.000	100%
Karuna Running	€ 7.025	39%	€ 5.300	15%	€ 0		€ 0	
Karuna investment	€ 3.270	18%	€ 12.400	35%	€ 0		€ 0	
Emergency seed capital after successful 3rd year	€ 0		€ 0		€ 5.000	20%	€ 0	
TOTAL to run S&C in village	€ 17.880	100%	€ 35.675	100%	€ 24.460		€ 20.000	
Indirect Costs for coaching, training, lobby, overhead, monitoring etc by Karuna	€ 7.500		€ 6.000		€ 4.000		€ 2.500	

	Year 1	Year 2	Year 3	Year 4	TOTAL
Total costs for Karuna	€ 17.795	€ 23.700	€ 9.000	€ 2.500	€ 52.995

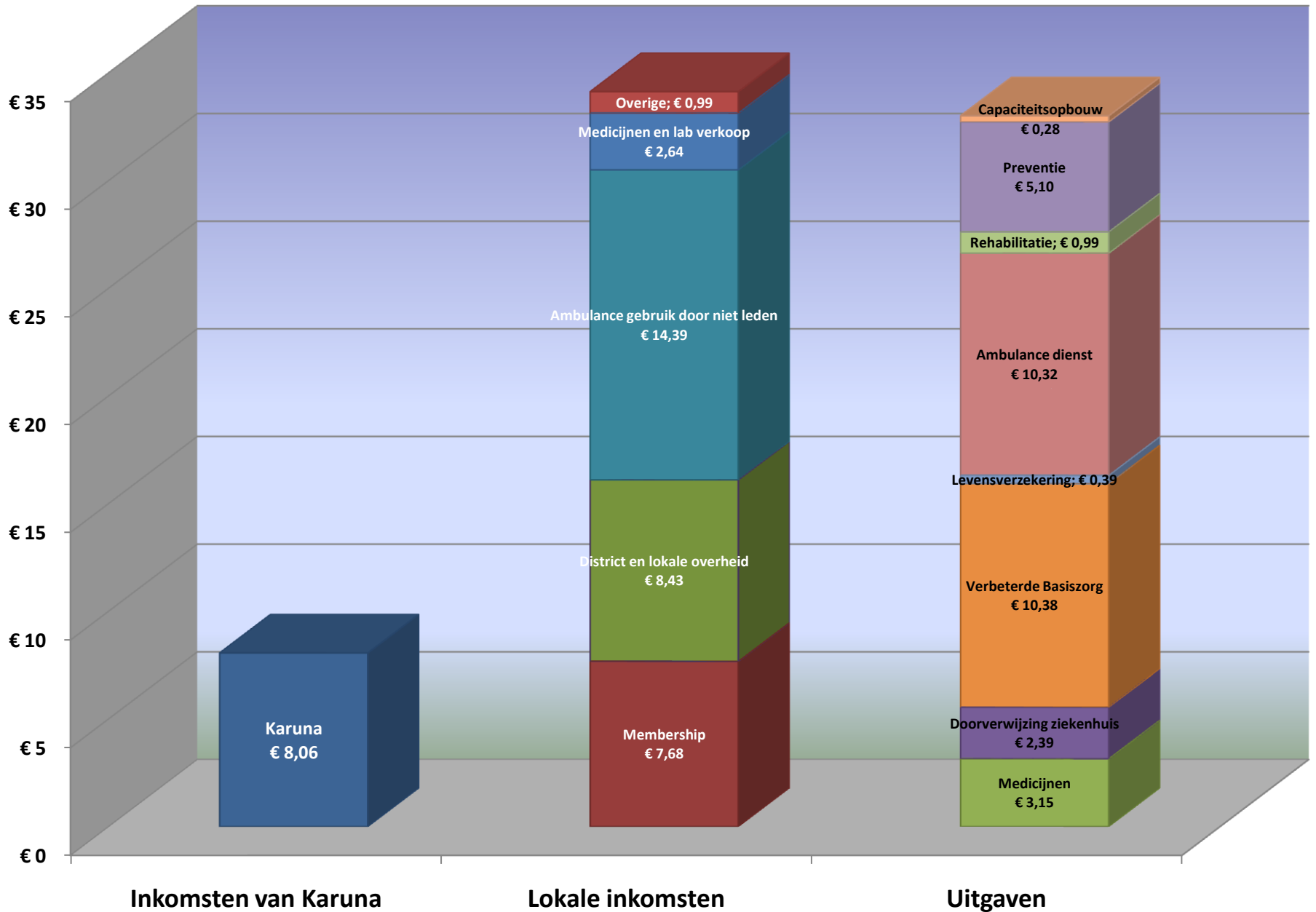
Average Expenditure

- Upgrading Health facilities : 38%
- Referral : 41%
- Rehabilitation : 5%
- Prevention : 3%
- Admin costs : 13%

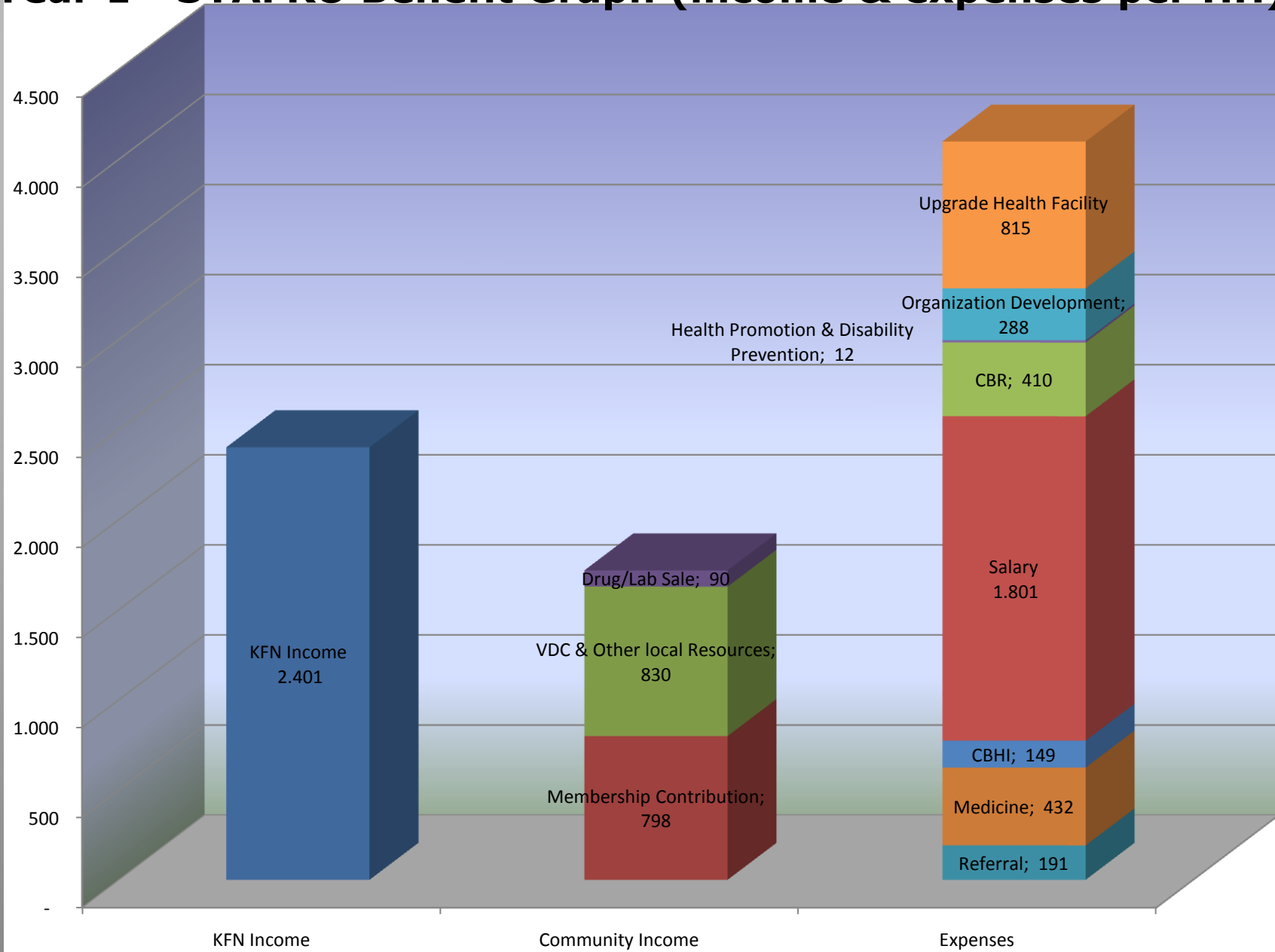
Year 1 - BHOKRAHA Benefit Graph - (Income & expenses per HH)



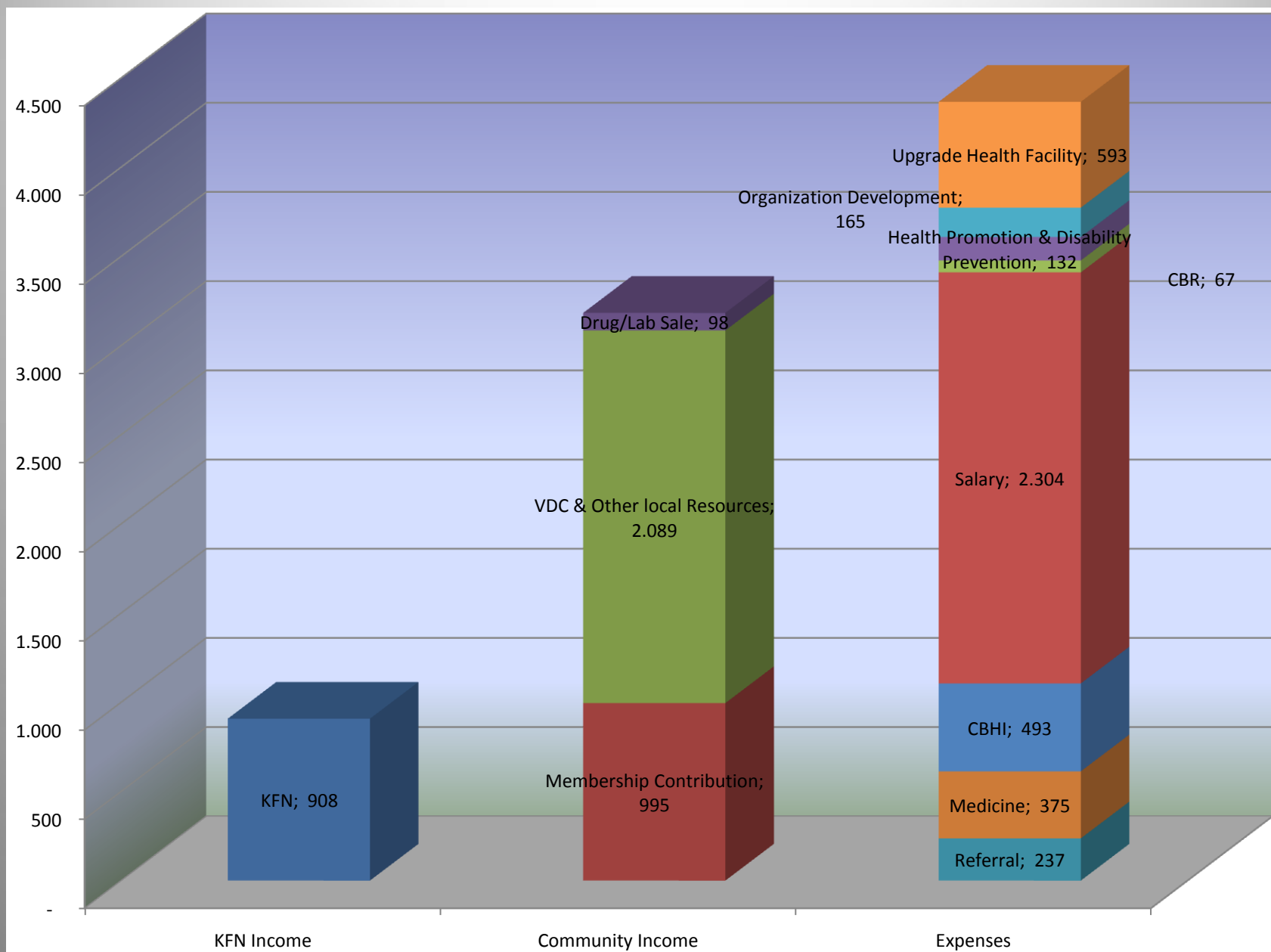
Year 2 - BHOKRAHA Benefit Graph (income & expenses per HH)



Year 1 - SYAFRU Benefit Graph (income & expenses per HH)



Year 2 - SYAFRU Benefit Graph (income & expenses per HH)



Strengths of Share&Care

In Health services

- Increase in **Accessibility** and **quality** of services
- Including **Disability Prevention and Rehabilitation**

In Community

- **Community participation** financially and technically
- **Pro poor**, Inclusion of families of disabled, disadvantaged and marginalized
 - Discount in membership, Livelihood program for marginalized people (5 % coverage).

In Sustainability

- **Income generation at local level from different sources**
- **Strong partnerships** at local and district level



Lessons

- High dependency on technical support from Karuna
- Lack of control on the performance of the health staffs (by health management committee)
- Motivation of voluntary Health Management Committee members
- Lack of responsibility and accountability from local leaders and health staffs

→ Adjust leadership & structure by introducing Consumer Committees in 2012

Replication

- Karuna's **1st pilot phase** nearly done (end 2012)
- **Next phase** (2013-2016)
 - Expansion to one or two districts in Nepal (50 villages) with adjusted model based on lessons from 1st phase.
 - Optionally in a new region/country (in partnership with others INGOs)
 - How, with whom, what role to be decided
- **National pilot** Health Insurance (2013-2016)
 - Ministry of Health, Worldbank, WHO, GIZ, Karuna, KOICA.



Karuna*foundation*

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