An Overview Of Insurance Regulatory Adjustments and Health Care Updates in Tanzania

CEOrt

14th November 2017

Outline

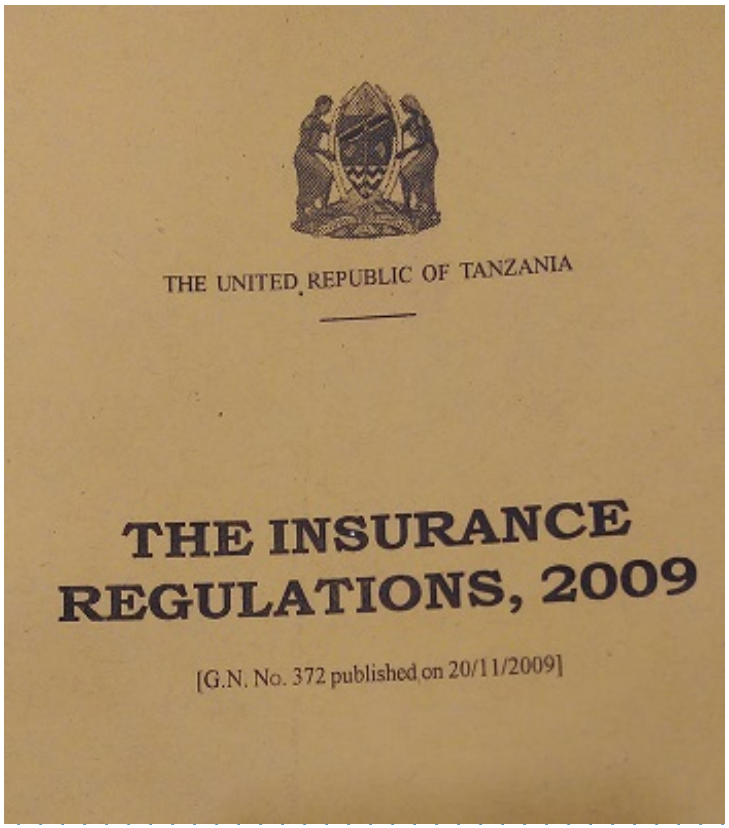
1. Insurance regulation in Tanzania
2. Regulatory adjustments in Tanzania
3. Tanzania – The path towards UHC
4. Pathways to UHC
5. Health statistics – Quick preview
6. The healthcare delivery system in Tanzania
7. Top 10 causes of death in Tanzania 2012 – 2014 - The increasing number of deaths from chronic conditions
8. The burden of Non communicable diseases worldwide.
9. Non communicable diseases in Tanzania
10. Non communicable diseases strategy in Tanzania
11. SITL lessons learnt so far on NCD's

Insurance regulation in Tanzania

- The Insurance Act No. 10 of 2009, created a regulatory body, the Tanzania Insurance Regulatory Authority (TIRA) replacing the Insurance Supervisory Department (ISD).

- Since 2014, TIRA has directed the industry towards a risk-based system (Prudential Regulation), migrating from the compliance- based system.

- Standards that require firms to control risks and hold adequate capital.
  - This is the trend across all EAC jurisdictions.



Regulatory Adjustments in Tanzania

- **VAT on premiums (except health)** introduced in 2014. This is the trend across all EAC jurisdictions
- **No Insurance before premium** (Cash and Carry), was signed into law beginning July 2017 making it illegal for any insurer to provide insurance services before premium is paid and also making it illegal and a criminal offence punishable in law for Brokers and Agents to receive premiums.
  - This is the trend across all EAC jurisdictions. Although Uganda was a bit challenged. Kenya introduced this years' back and successes are huge.
- **Broking firms will now have 2/3rds ownership** by locals with immediate effect. Any firm not complying should do so before 2018 license renewal or provide a road map to comply

Regulatory Adjustments in Tanzania

- Healthcare remains an integral part of the most of the EAC governments' development agenda.
  - This has been witnessed by several initiatives including the universal healthcare agenda in Tanzania.
  - The same has been witnessed in Kenya and Rwanda in the National Health Policy and the same is extending to Uganda.
  - How to achieve universal health coverage (UHC) can be a polarizing topic when public and private sector proponents square off. The topical issue is funding of this process
  - The Government is engaging all stakeholders and the timeframes are not clear but the political will is very strong.

Regulatory Adjustments in Tanzania

- Healthcare remains an integral part of the most of the EAC governments' development agenda.
  - This has been witnessed by several initiatives including the universal healthcare agenda in Tanzania.
  - The same has been witnessed in Kenya and Rwanda in the National Health Policy and the same is extending to Uganda.
  - How to achieve universal health coverage (UHC) can be a polarizing topic when public and private sector proponents square off. The topical issue is funding of this process
  - The Government is engaging all stakeholders and the timeframes are not clear but the political will is very strong.

Tanzania…. The Path Towards UHC

- WB, WHO: 2005 Assembly called for all health systems to move towards Universal coverage "access to adequate health care for all at an affordable price".
- On the other hand, there is growing commitment by the GOT to expand health insurance to be available to all in order to achieve universal coverage. In the HSSP III 2009 – 2015, the GOT made a commitment to universal healthcare via social health insurance.
- The main thrust of the GOT is the establishment of a Single National Health Insurance mechanism, covering both formal and informal sectors and with government subsidy for those unable to contribute themselves with a minimum benefit package available to all. (Annual Health Sector performance profile 2014/2015 – MoHCDGEC)
- Funding of the proposed universal coverage is still under debate.

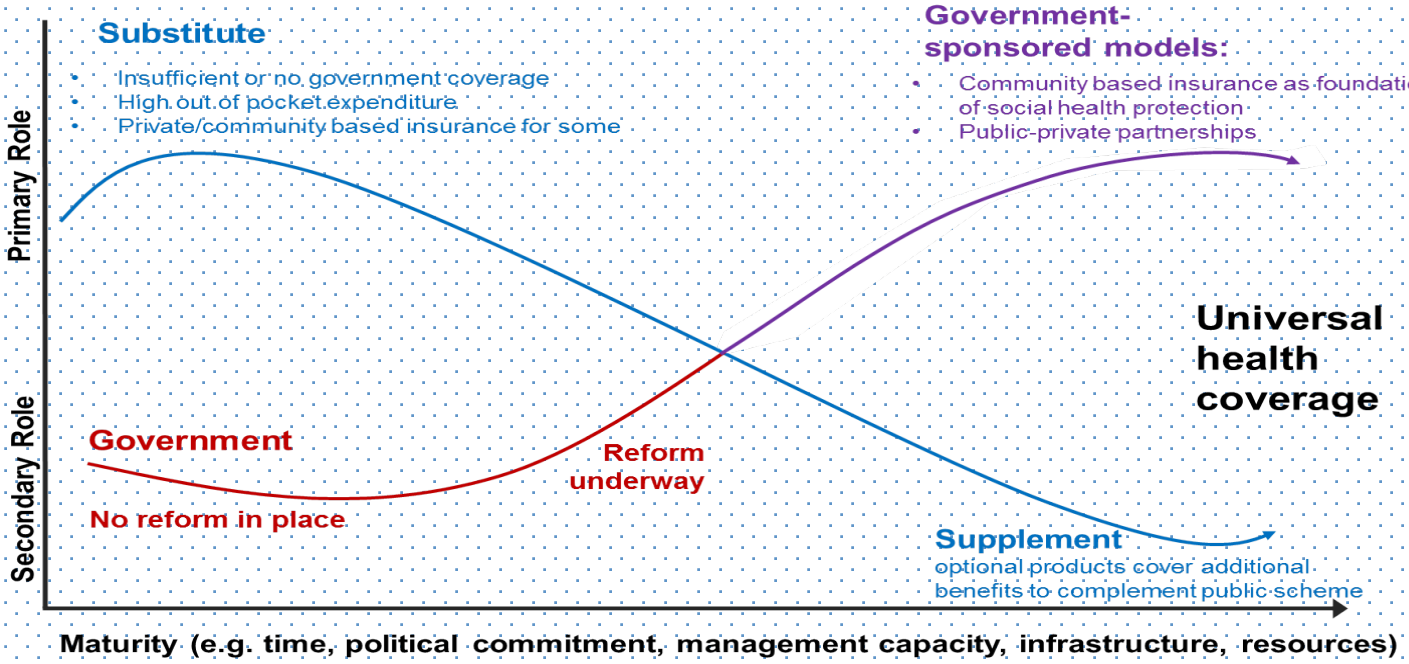
Tanzania…. the path towards UHC

- Generally, health insurance coverage in Tanzania is gradually increasing but still modest with approximately 26% of the population currently having at least one kind of health insurance cover (Health Policy Project 2016).

- As per the 2012 census, NHIF was estimated to be covering 6.6% of the population. While other social insurance funds and private insurance schemes covered less than 1.4%. Affordable health insurance schemes are also gradually starting to take shape. For example CHF coverage increased from 7.4% in 2012 to 14.4% in 2015. (NHIF data on CHF membership)

- Increasing the availability of affordable insurance options and ensuring greater consistency in the benefits offered across schemes would help to improve the access to health insurance and health system equity.

Pathways to UHC



Adapted from: Kimball, M., Phily, C., Folsom, A., Lagomarsino, G., and Holtz, J. "Leveraging Health Microinsurance to Promote Universal Health Coverage", 2013. Microinsurance Innovation Facility paper #28. ILO, Geneva.

- The ideal would be for the governments to make insurance a cornerstone of their financing approach to pursue UHC.
- As government capacity to provide health insurance grows, the idea illustrated by the framework above is that private health insurance gradually assumes a more confined role as a supplement to government initiatives—but it does not go away. This is because no government can provide all health services to all people all the time; rationing is always present.

HEALTH STATISTICS- QUICK PREVIEW

Tanzania, Kenya and Uganda - Health Statistics at a glance

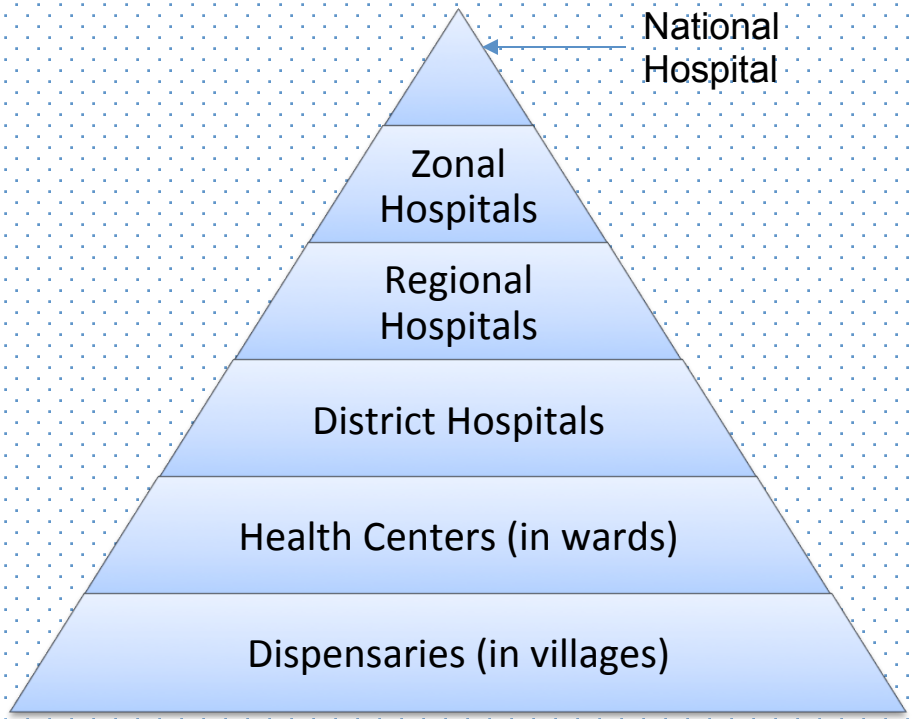
Indicators	Statistics			Year
	Tanzania	Kenya	Uganda	
Total Population	53.5 million	46.1 million	39 million	2015
Per capita income (US $)	900	1380	660	2016
Government Health Budget as a % of general budget	8.0%	4.0%	5.3%	2015
Life expectancy at birth (m/f) in years	60/64	61/66	60/64	2015
Doctor to patient ratio	1: 20000	1:16000	1:24000	2016
Under five mortality rate (per 1000 live births)	52	71	66	2013
Total fertility rate (per woman)	5.2	4.4	5.9	2013
Prevalence of HIV, total (In ages 15 - 49 years old)	4.7%	5.4%	6.5%	2016

Sources

WHO – Tanzania, Kenya, Uganda Country profiles
The World Bank – Tanzania, Kenya, Uganda Country Profiles & Statistics
Tanzania Demographic Health Survey 2015-2016
EAC countries Ministry of Health budget speeches 2015

The healthcare delivery system in Tanzania

- The healthcare delivery system in Tanzania follows the pattern of government structures of leadership in the form of hierarchy.
- The system is a pyramid type where at the top there are the referral and national hospitals and at the bottom there are dispensaries.
- Mostly Primary care is provided by dispensaries while specialized care is provided by the consultant hospitals at the top of the pyramid.



Healthcare delivery structure

Dispensary in Rural Tanzania

Photo credit : US Army Africa

Mloganzila Teaching Hospital

Photo credit : Michuzi BlogSpot

Healthcare Delivery System in Tanzania

- To get healthcare services at the zonal and national hospitals, one is expected to follow the referral route from dispensaries all the way to the national hospital depending on the complexity of services required.
- The zonal and national referral hospitals are costly as they are specialized and oriented towards international standards.
- Their function as referral hospitals fails to be fulfilled most times because of poor infrastructure, poor roads and weak communication with the remote regions.
- There is a also a problem of unequal distribution of financial means.
- According to Morley and Diesfeld this problem applies also to the general situation of health services in the developing countries,
  - where 85% of health expenditure goes to the consultant hospitals. But these hospitals access only 10% of the population.
  - 15% of the financial means are meant for health care for the remaining of 90% of the population. Source : Medical Mission Support

  http://www.mmhmms.org.mmhmms.com/gesundheitsversorgung/gesundheitssystem-in-tanzania/index.php

Ranking of Top 10 causes of Death in Tanzania 2012 – 2014

Rank	Disease		
	2012	2013	2014
1	Malaria	HIV/AIDS	Malaria
2	HIV/AIDS	Malaria	HIV/AIDS
3	Anaemia	Anaemia	Hypertension
4	Osteomyelitis	Pneumonia	Pneumonia
5	Pneumonia	Tuberculosis	Cardiac failure
6	Cardiac failure	Hypertension	Diarrhoea
7	Tuberculosis	Cardiac failure	Diabetes mellitus
8	Ill defined/ Unknown	Fractures	Head injury
9	Hypertension	Diarrhoeal disease	Meningitis
10	Cancers	Diabetes Mellitus	Cancers

Source: Tanzania Annual Health Sector Performance report 2014/2015

The burden of NCD's worldwide

- About 36 million (63% of all 57 million) deaths in 2008 were due to NCDs
- About 80% of all NCD deaths in 2008 occurred in low and middle-income countries
- About a half of NCD deaths in low- and middle-income countries are under the age of 70
- From 1990 to 2010 the proportion of all deaths and disability (DALYs) due to NCDs increased from 47% to 54%.
- Without intervention, NCD deaths will increase by 15% from 36 to 44 million between 2010 and 2020

Sources : WHO 2008, The Global burden of Disease.

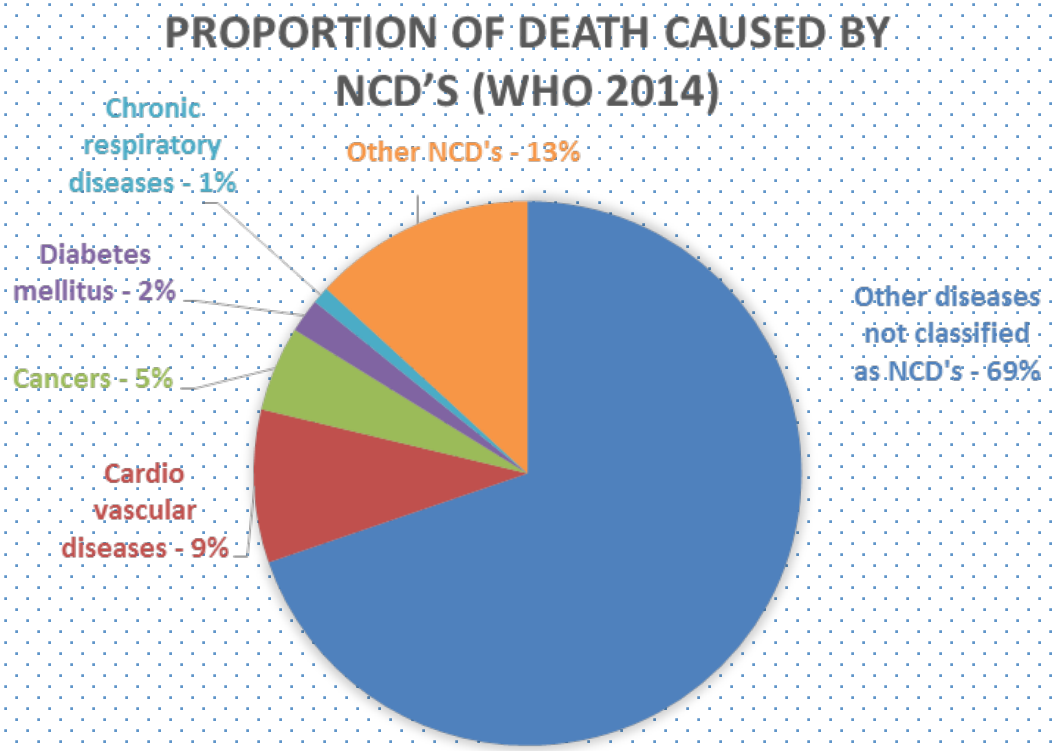
Alwan et al, 2010. Monitoring and surveillance of chronic non-communicable diseases: progress and capacity in high-burden countries.

Murray et al, 2012. Disability-adjusted life years (DALYs) for 291 diseases and injuries in 21 regions, a systematic analysis for the Global Burden of Disease Study 2010.

Non communicable diseases (NCD's) in Tanzania

- Tanzania has seen an increase of non communicable diseases as some of the leading causes of death.

- As per the WHO – NCD country profiles - 2014, NCD's were estimated to account for 31% of the total deaths in the country in 2014.



- The 4 main NCD's in Tanzania are cardiovascular diseases, diabetes, cancers and chronic respiratory diseases.

The burden of NCD's in Tanzania

- The major non-communicable diseases are chronic in nature and are all linked up by a group of common modifiable risk factors.
- Health risk behaviors are unhealthy behaviors that can be changed.
- Four of these health risk behaviors—lack of exercise or physical activity, obesity, tobacco use, and drinking too much alcohol—cause much of the illness, suffering, and early death related to chronic diseases and conditions.
- WHO Tanzania Steps survey 2012
  - overweight and obese (35%)
  - raised cholesterol (26%) and raised triglycerides (34%)
  - current tobacco users (16%) and current alcohol drinkers (29%)
  - Prevalence of diabetes (9%)
  - Prevalence of hypertension (26%)

NCD Strategy in Tanzania

- In response to the rising burden of non-communicable diseases, emphasis is now shifting from treatment or curative services to preventive services.

- The National NCDs Strategic Plan II (2016-2020) for the Prevention and Control of NCDs was prepared in response to the growing problem of NCDs in Tanzania and in line with 2016-2020 Global Action Plan for the Prevention and Control of NCDs and in response to the Steps survey.

- TANCDA (Tanzania NCD Alliance) was established in 2012 with the primary purpose of acting as a stronger advocate for the prevention and control of non-communicable diseases (NCDs).

- Efforts targeting eliminating shared risk factors like tobacco use, unhealthy diet, physical inactivity and the harmful use of alcohol indicate that the NCDs burden of heart disease, stroke, and type2 diabetes and over a third of cancers can be prevented by 80% (WHO, 2005)).

SITL Lessons learnt so far on NCD's

- From January to June 2017, SITL spent 10% of total claims cost on 4 chronic conditions namely hypertension, diabetes mellitus, renal failure and cancer.
- The average cost per claim is 30% higher than a claim for a non chronic condition.
- Hypertension that was previously the 6th on the top 10 diseases in terms of costs paid per disease, is now the 3rd.
- The number of patients with chronic renal failure has tripled in the last three years.

Our recommendations

- Ask your insurer/healthcare provider to share statistics on top diseases affecting your employees and keep an eye on chronic conditions and create a health index which can be tracked on an annual basis
- Senior management to interrogate reports from their service provider or insurer on top diagnoses so as to understand the implications and put in place interventions to reduce the incidences thus reducing costs. (Experience has indicated that reports shared with clients are analyzed by junior staff)
- Utilize the free screening programs offered by hospitals
- Have a wellness program in place.

P.O Box7893

Dar es Salaam

2nd Floor Masaki Ikon, Bains Avenue, Masaki

Strategis Insurance

Keep Living

Contact

Kain Mbaya

Chief Executive Officer

kain@strategis.co.tz

+255787602480

"We distinguish ourselves as the leader in ensuring access to superior healthcare services for our members"