



SOCIAL SECURITY AND HEALTH INSURANCE

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CONCEPT OF SOCIAL SECURITY AND HEALTH INSURANCE

- The social Health Security Program(SHSP) is a Government program based on a comprehensive social contributory scheme with a subsidy to the poor and Universal Health Coverage.
- It is a social protection program of the Government of Nepal that aims to enable its citizens to access quality health care services(equity and equality) without placing a financial burden on them or reduce out-of-pocket payments.



- The households, communities and government are directly involved in this program.
- SHSP helps to prevent the people from falling into poverty due to health care costs (catastrophic expenditure) due to accidents or diseases by combining prepayment and risk pooling with mutual support.



Social Health Security(Health Insurance) is needed for;

- Increase accessibility to, and equity in, the provision of health care services by removing financial barriers to the use of health care services, focusing on the poor and marginalized;
- Promote pre-payment and risk pooling mechanisms to mobilize financial resources for health in an equitable manner;



- Encourage output-oriented expenditure in the health sector and improve the effectiveness, efficiency, accountability and quality of care in the delivery of health care services;
- Strengthen health systems in an integrated manner;
- Improve the health seeking behavior of the public through clear entitlement procedures, awareness-raising and behavior change communication.



POLICIES AND STRATEGIES FOR SOCIAL SECURITY/HEALTH INSURANCE

- The social security, under Social Health Security Section was established in 2075 B.S.
- It is responsible to provide free treatment and facilitate proper management for selected disease to impoverished Nepalese Citizens at Listed Hospitals.
- The division is also responsible for the development and revision of FCHVs and other health-related social mobilizer's policy, strategy, standard, protocol and guideline, ultimately, it facilitates impoverished Nepalese Citizens for free and subsidy treatment of selected diseases.



GOAL OF SOCIAL HEALTH SECURITY PROGRAM/HEALTH INSURANCE

- The long term goal of Health Insurance is to improve the overall health status of Nepalese Citizens.



MAIN OBJECTIVE OF SOCIAL HEALTH SECURITY PROGRAM/HEALTH INSURANCE

- To ensure Universal Health Coverage by increasing access to, and utilization of necessary quality health services.



SPECIFIC OBJECTIVES OF SOCIAL HEALTH SECURITY PROGRAM/HEALTH INSURANCE

- To increase the financial protection of the public by promoting pre-payment and risk pooling in the health sector.
- To mobilize financial resources in an equitable manner.
- Improve the effectiveness, efficiency, accountability and quality of care in the delivery of health care services.



STRATEGIES OF SOCIAL HEALTH SECURITY PROGRAM/HEALTH INSURANCE

- Increasing participation of communities towards health insurance program by providing special protection to the poor and marginalized and
- Extending coordination and cooperation with government and non-government service provider health institutions for the gradual expansion of health insurance program throughout the country.



KEY FEATURES OF SOCIAL SECURITY PROGRAM/HEALTH INSURANCE

a. On the Social Health Security Program Standard Operation Procedure(SOP) (Rule 2014):

- It is a voluntary program based on family contributions.
- Families of up to five members have to contribute NPR 2500 per year and NPR 425 per additional member.
- It provides subsidized rates for families whose members have a poverty identity card.
- Enrollment continues throughout the year in implemented districts.
- Insurers have to renew their membership through annual contributions.



- Benefits of up to NPR 50,000 per year are available for families of up to five members with an additional NPR 10,000 covered for each additional member.
- The maximum amount available per year is NPR 1,00,000.
- Insurers have to choose their first service point but can also access services from government PHCs and hospitals and listed private hospitals.
- Insurers can access specialized services elsewhere that are not available at the first service point on production of a referral slip from their first contact point.
- It is a cash-less system for members seeking health services.



- In emergencies, insurers can access services from any service point without a referral slip.
- Total of 928 types of medicines(70 free essential drugs + 25 ayurvedic drugs + 833 others) was included in the benefits package in FY 2073/74.
- Premium amounts are subsidized by the Governments at specified rates for the extremely poor, poor or vulnerable. A family identified as ultra poor, poor and marginalized get 100%, 75% and 50% respectively. FCHVs get NPR 250discount in their family contribution.



b. Health Insurance Acts, 2017

- A health insurance bill was approved by the parliament on 10th of October 2017(24th Ashwin 2074 B.S.)
- This act makes provisions for enrollment of government employees and families of foreign employees into the health insurance program.
- According to the act, the responsibility for enrolling children, elderly and differently abled persons are entrusted to their respective parents or caretakers.
- Families are considered as the unit for enrollment into a health insurance program.



c. National Health Policy, 2014

- To ensure delivery of accessible health service by making financial management sustainable, a nationwide insurance policy will be implemented by making law and implementation guidelines. Those who are unable and financially poor will be provided subsidies.
- As a fundamental right of citizens, provision for obtaining quality health care will be insured.
- To ensure the health services provisioned by the state is accessible to poor, marginalized and vulnerable communities; based on equality and social justice, programs will be designed and implemented accordingly.
- Resources obtained from internal and external agencies will be mobilized for effective implementation of this policy and the programs formulated under this policy.



d. National Health Insurance Policy, 2014

- National Health Insurance Policy 2014 was implemented after endorsement by the cabinet decision of 25th April 2014 of Government of Nepal.
- The main objective of this policy is to ensure universal health coverage by increasing access to, and utilization of, necessary quality health services.



e. **Ordinance for Formation of Social Health Security Development Committee, 2015**

- Social Health Security Development Committee(SHSDC) is established to provide health security coverage and ensure access, utilization of quality health services at an affordable cost for all citizens of Nepal.
- SHSDC is formed under Development Act, 2013 BS (1958 A.D.) and published in Nepal Gazette on 9th Feb 2015.



f. Social Health Security Program Operating Rule, 2015

- As per the ordinance for formation of Social Health Security Program, to operationalize the Social Health Security Program, the cabinet endorsed Standard Operating Procedure (SOP) on 18th Sept. 2015.
- It provides a basis for the operation of the Social Health Security Program.



g. Nepal Health Sector Strategy (NHSS 2015-2020)

- Nepal Health Sector Strategy (2015-2020) states that “
In order to move towards UHC, NHSS lays out the necessary service delivery arrangements. It calls for basic health services, which is delivered, free of charge to the citizens, and defines the Basic Health Package. Services that are beyond the scope of basic health package are delivered through different social health protection arrangements, including health insurance.”



h. Sustainable Developmental Goals

- Sustainable Developmental Goals aims to achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all by 2030.
- It also aims to implement nationally appropriate social protection systems and measures for all, by 2030 achieve substantial coverage of the poor and the vulnerable.



IMPLEMENTATION OF HEALTH INSURANCE IN NEPAL

○ Historical Background of Social Security and Health Insurance in Nepal:

- An early initiative to Health Insurance in Nepal began from 1976 through the United Mission to Nepal (UMN) as Lalitpur Medical Insurance Scheme in Ashrang, which was later expanded to other facilities.
- The government –funded based health insurance program was initiated in 2003 in two districts and expanded to additional four districts in 2005/06.



- National Health Insurance Policy was passed by the Government of Nepal in 2014. In Feb 9th 2015 the law for formation of Social Health Security Development Committee was passed by Government of Nepal and published in the Nepal Gazette.
- In FY 2071/72(2015/16), the Government of Nepal had announced to roll out Social Health Security Programme (SHSP) to 3 districts (Kailali, Baglung and Illam) but the enrollment process at Kailali was started only from Chaitra 2072 (7th April 2016) and at Baglung and Illam from 15th Ashar 2073 (29th June 2016),



CURRENT STATUS OF SOCIAL SECURITY AND HEALTH INSURANCE (IMPLEMENTATION) IN NEPAL

- Social Health Security program hopes to provide an important contribution for helping Nepal shift from the list of Least Developed Countries to Middle-Income Developing Countries by the end of 2022.
- The social Health Security Development Committee aims to expand this program to all districts by 2020.



SPECIFIC FUNCTIONS OF SOCIAL HEALTH SECURITY SECTIONS

- To develop the policies, strategies, standard, protocol and guideline regarding easy access and provision of hospital-based services to the target population (poor, overwhelming, disabled, nonresidential, marginalized, unauthorized).
- To find out the barriers of utilization of services and effectiveness of the programmes.
- Overall management of “Bipanna Nagarik Aausadhi Programme”, treatment of serious health conditions of citizens.



- To develop, revise and update the policy, standard, protocol, procedural mechanism and system development of the social security programme.
- To coordinate with different service provider institution to ensure equity and access of poor and disadvantage group.



GOAL OF SOCIAL HEALTH SECURITY SECTIONS

- Managed the provision of free treatment to impoverished citizens.



OBJECTIVES OF SOCIAL HEALTH SECURITY SECTIONS

- Notified the different types of hospitals for free medication and treatment.
- Develop, revise and update the policy, standard guideline and protocol for “Bipanna Nagarik Aausadhi Programme.”



MAJOR ONGOING ACTIVITIES

- **The impoverished(needy/marginalized) Citizens Service Unit of Social Health Security Section provides the following funding for impoverished Nepalese citizens to treat serious health conditions:**
 - Up to NPR 1,00,000 per patient via notified hospitals for free medication and treatment of severe diseases including cancer, Heart diseases, Head, and Spinal Injuries, and Alzheimer's, Parkinson's and Sickle Cell Anemia Diseases.
 - Medication costs up to NPR 1,00,000 for Post-Renal Transplant Cases.
 - Free Dialysis Services as per doctor's certified.
 - Renal Transplantation costs up to NPR 400,000 per patient.



ENROLLMENT IN SOCIAL SECURITY/HEALTH INSURANCE

- In each ward, people from all ages, Family as a Unit or Voluntary can enroll in health Security/insurance by enrollment assistant (EA).
- The subsidy can be given to Ultra poor (100%), Poor(75%) and marginalized group(50%) by the Government based on Poverty Card.



SELECTION COMMITTEE AT WARD LEVEL

- Coordinator: Ward Chairperson
- Member: Ward Secretary
- Member Secretary: Health Institution Incharge

PREMIUM

- NPR 2500/member/year
- NPR 425/added family member/year



CURRENT INSURANCE SCHEME

- NPR 3500 per year for a family up to 5 members.
- NPR 700 for additional family member.
- Under the current health insurance policy, a family of 5 members must pay 3500 Nepalese Rupees per year to cover all types of health service with maximum limit of 100000 rupees. If there are more than 5 members in family, they need to pay 700 Rupees per person.
- 2% payroll contribution for formal sector.
- 100% subsidy for families of ultra poor, HIV, TB, Leprosy, severe disability patients etc.
- 100% subsidy for elderly population above 70years.



BENEFIT PACKAGE OF HEALTH INSURANCE

- Promotive, Preventive and curative services and outpatient, inpatient and emergency care.
- Public and private health facilities and benefit ceiling NPR 100,000 per year per family of upto 5 members.
- With an extra NPR 20,000 for each additional member.(up to a total of NPR 200,000.
- Additional NPR 100,000 for each elderly population.
- Additional NPR 100,000 for patient with 8 chronic diseases.



HEALTH INSURANCE ACT 2017

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