

'Affordable Access to Quality Healthcare'



Health Micro-Insurance in Uganda

Why we are here:



Developing new products that better meet clients needs

Identifying the need:

In Uganda the commonest reason for people sliding into extreme poverty is illness. Sickness causes them to:

- Spend all their savings
- Borrow quickly on unfavorable (even extortionate) terms
- Liquidate productive assets for less than market value
- Commonest cause of MFI clients defaulting loan repayment

Not widely available. Why ?

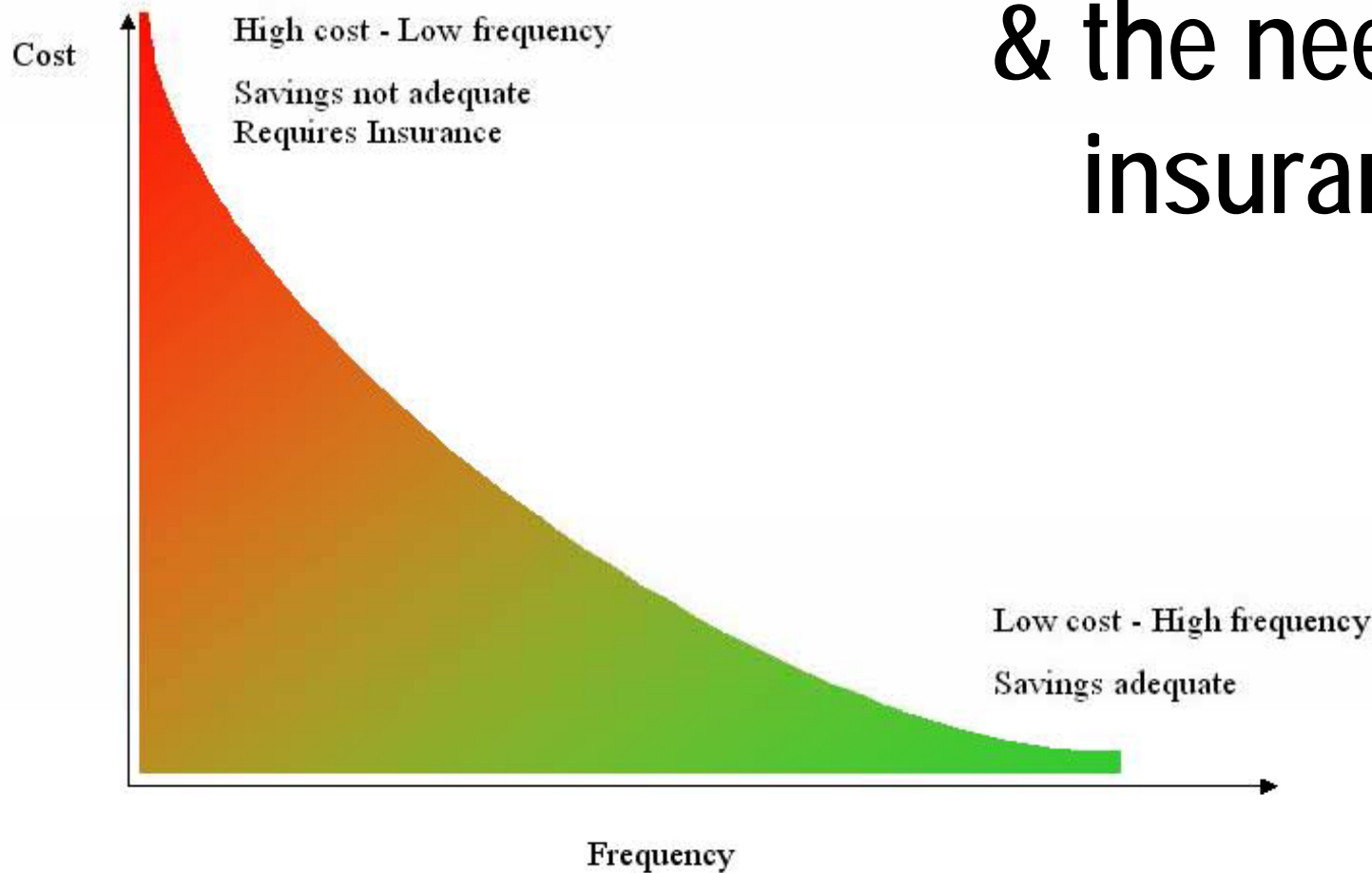


Because health financing is difficult to do!

- Not the usual MFI savings and credit products
- Risks difficult to assess - lack actuarial data
- MFI's are 'Banks', risk management is 'Insurance'
- Partnership with insurer is needed
- No 'cut and paste' models out there to copy
- No 'one size fits all' magic solution!

Insurance Mechanisms

Coping mechanisms & the need for insurance



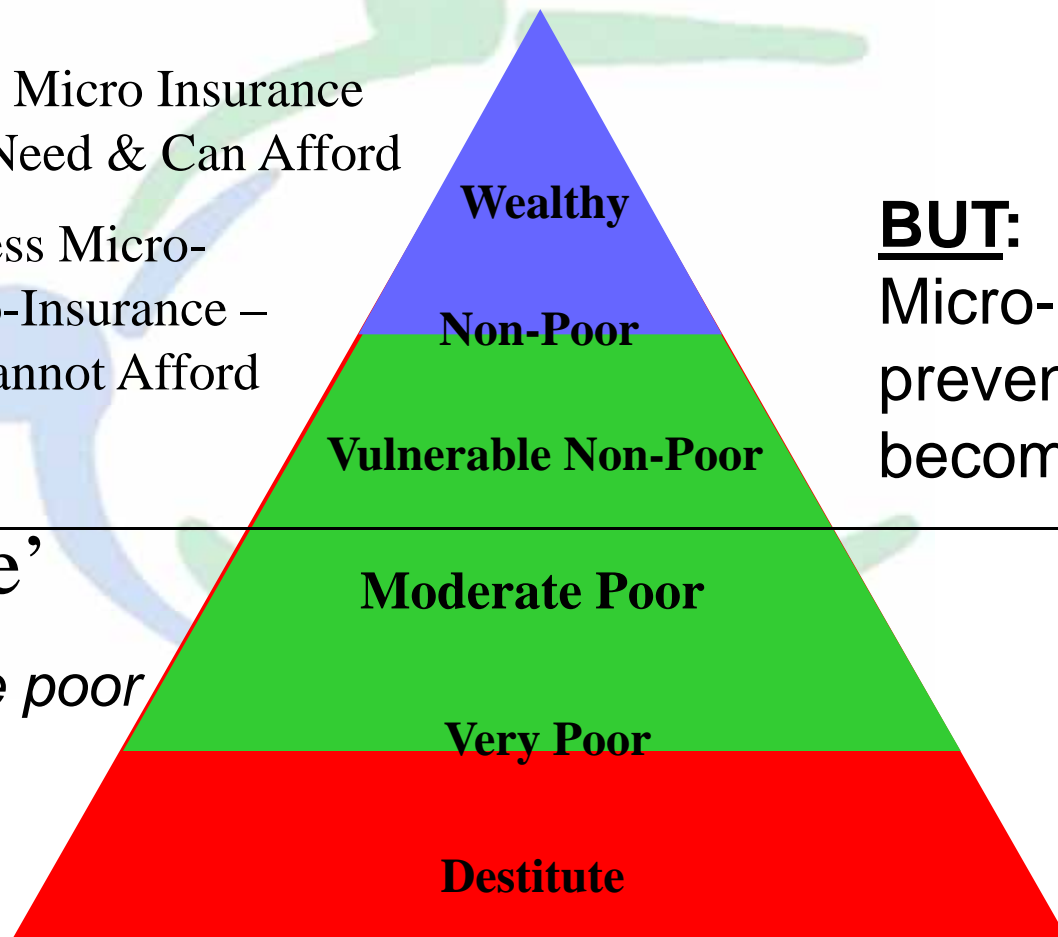
Savings Mechanisms

Target population - Wealth Levels:

■ Access Higher Level Financial Services – Traditional Insurance Clients – No Need

■ Micro-Finance & Micro Insurance
Target Clients – Need & Can Afford

■ Too Poor to Access Micro-Finance or Micro-Insurance – Need ++ BUT Cannot Afford



BUT:
Micro-Insurance prevents the poor becoming poorer

‘Poverty Line’

‘The poorest of the poor are too poor!’

Graham Wright-
MicroSave Africa

Our History:



Micro Health Insurer targeting informal sector low income groups that expanded up into the formal sector

Our Strategy - going forward:

Now we use our apex market derived economy of scale to push back down into the slower roll out and price sensitive informal sector mass market

- **Dr. Gerry Noble** MB, DCH, DObs, DTM&H
Group CEO and Medical Director

Medical Doctor with 13 years experience in Uganda in Healthcare, Health Management and HIV/AIDS.

- **Francis Somerwell** BA (Econ), Dip Business Admin.
Managing Director Microcare Insurance Ltd
and Group Technical Director

IT Specialist with 12 years experience in Uganda in IT, Insurance and Health Management Systems.

Microcare Background



- Started as a not for profit organization in 2000 providing group medical schemes priced for low-income earners
- Developed a unique networked check-in desk health insurance control system to prevent common abuses and enable fast accurate settlement of claims
- Targeted rural and urban both formal and informal sectors
- Commercialized and became a licensed insurer in 2004:
Now the Largest Health Insurer in Uganda with 62,000 formal sector clients from 170+ corporations and 23,000 informal sector community group clients

IT Capacity and Systems:



- Photo smart ID card with bio-metrics
- Robust Oracle Database
- Data connectivity through VSAT and GPRS protocol
- Real-time claims processing through unique networked hospital check-in desk system
- Ongoing in-house software development & support with hardware & networking backup

Chip Based Photo ID Card



- Member & dependants details
- Ceiling limits
- Can hold client details including biometrics code
- Rolling record: last 40 entries
- Security features prevent intrusion, duplication, etc.



Chip card reader



Robust Database



• Our own Oracle database system: It doesn't fall over!



- Handle millions of clients & thousands of service providers, tests, diagnosis & drugs
- Claims processed at clinic
- Reduces labor intensive paper claim form processing
- Accurate timely financial and risk manage

Ensures Control:


The Right Person gets the Right Treatment at the Right Place for the Right Cost

Real time claims processing



MTAC Medicine

Hospital: ST FRANCIS, NSAMBYA Dept: OPD

 MTAC No: [] Date: 01/Jan/2005 Card No: FIN18600070
Profile No: FIN18600070 ID: FIN18600070 Name: NAMAKULA ALICE
Regn Fee: [] Amt: [] Doctor: BUKENYA
Form No: [] Rmk1: [] Rmk2: []

DOB: 01/Jan/1946

Diagnosis: [] Add Delete

Comment: []

Diagnosis	Comments
MALARIA	

Generic: [] Product: [] Route: []
Frequency: [] No of Days: [] Quantity: [] Amount: [] Add Delete

Product	Frequency	No Days	Quantity	Amount
PANADOL 500 MMG	3	5	15	750
QUININE 2 MML	1	1	1	1500
MULTIVITAMINS 100 MML	1	5	5	250

Ceiling Limit: [] Used: [] Total Amount: 2500 (USH)
Save & Print Close

- Client Profile
- Clinic
- Doctor
- Investigations
- Diagnosis
- Drugs
- Itemized

Lack of controls - Extra claims costs of 30% +

I can't afford **NOT** to have control

Single Source Document for Transaction



Plot 23, Prince Charles Drive Kololo
Kampala
P.o Box 29252
Tel 041 235120/3
Fax 041 542237/535681

0009050

MTACNO H003M0401318
PATIENT ID **FIN18600070**
DR. NAME DR BUZALIRW

PATIENT NAME **NAMAKULA ALICE**

DATE **01/01/2005**
SEX **F**

DIAGNOSIS ABNORMAL FINDINGS IN SPECIMENS FROM MALE GENITAL ORGANS

<u>PRODUCTNAME</u>	<u>ROUTE</u>	<u>DOSAGE</u>	<u>FREQ</u>	<u>DAYS</u>	<u>QTY</u>
NIMESULIDE 2	ORAL	250 MG	2	3	6
NIMESULIDE 1	ORAL	100 MG	2	2	4

AFFORDABLE ACCESS TO QUALITY HEALTHCARE

In Triplicate:

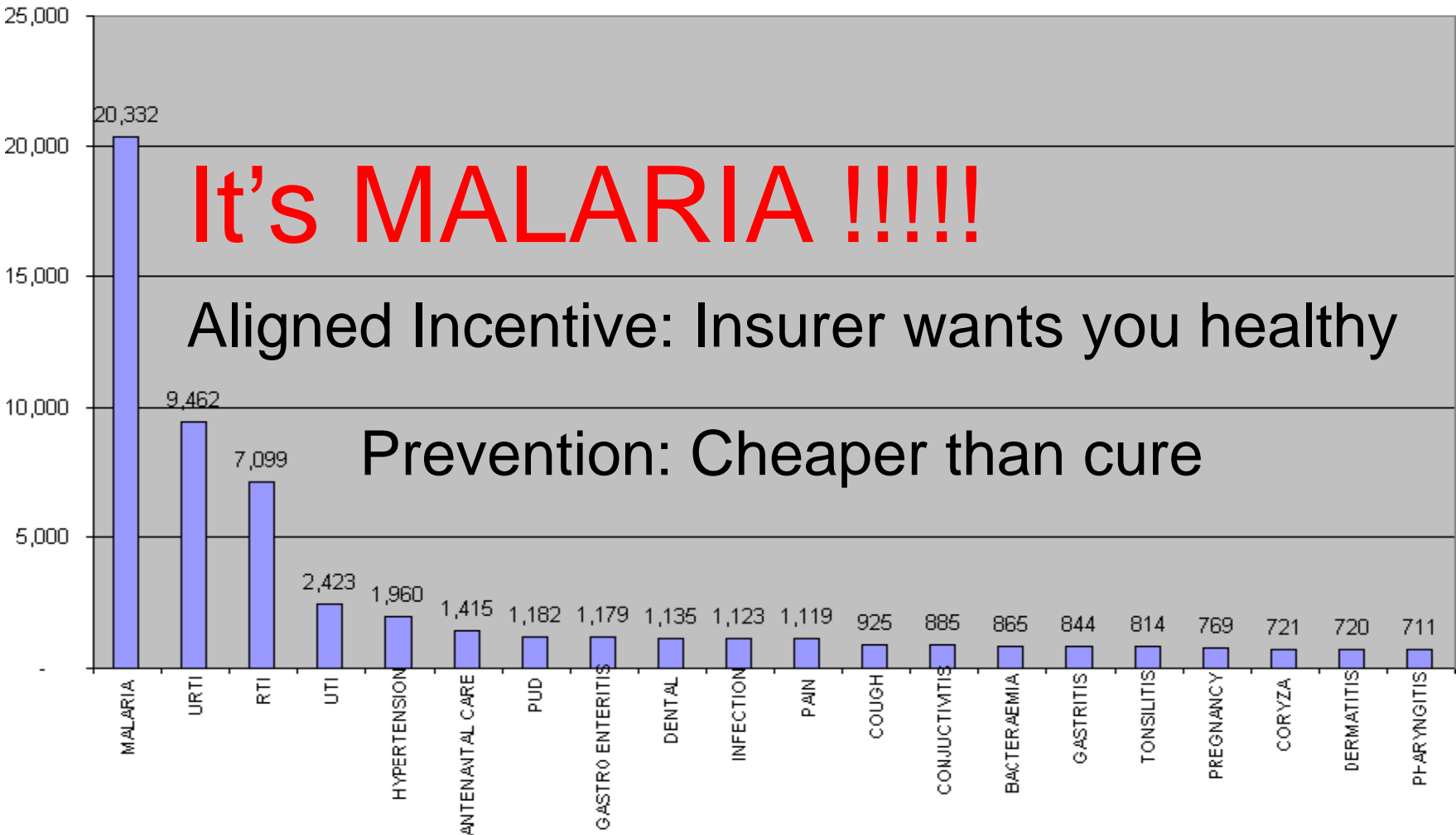
- Patient
- Provider
- Microcare

Signed by:

- Patient
- Doctor
- Pharmacist

Disease Pattern: Top 20 Diagnosis 2006

top 20 dia count 2006



It's MALARIA !!!!!

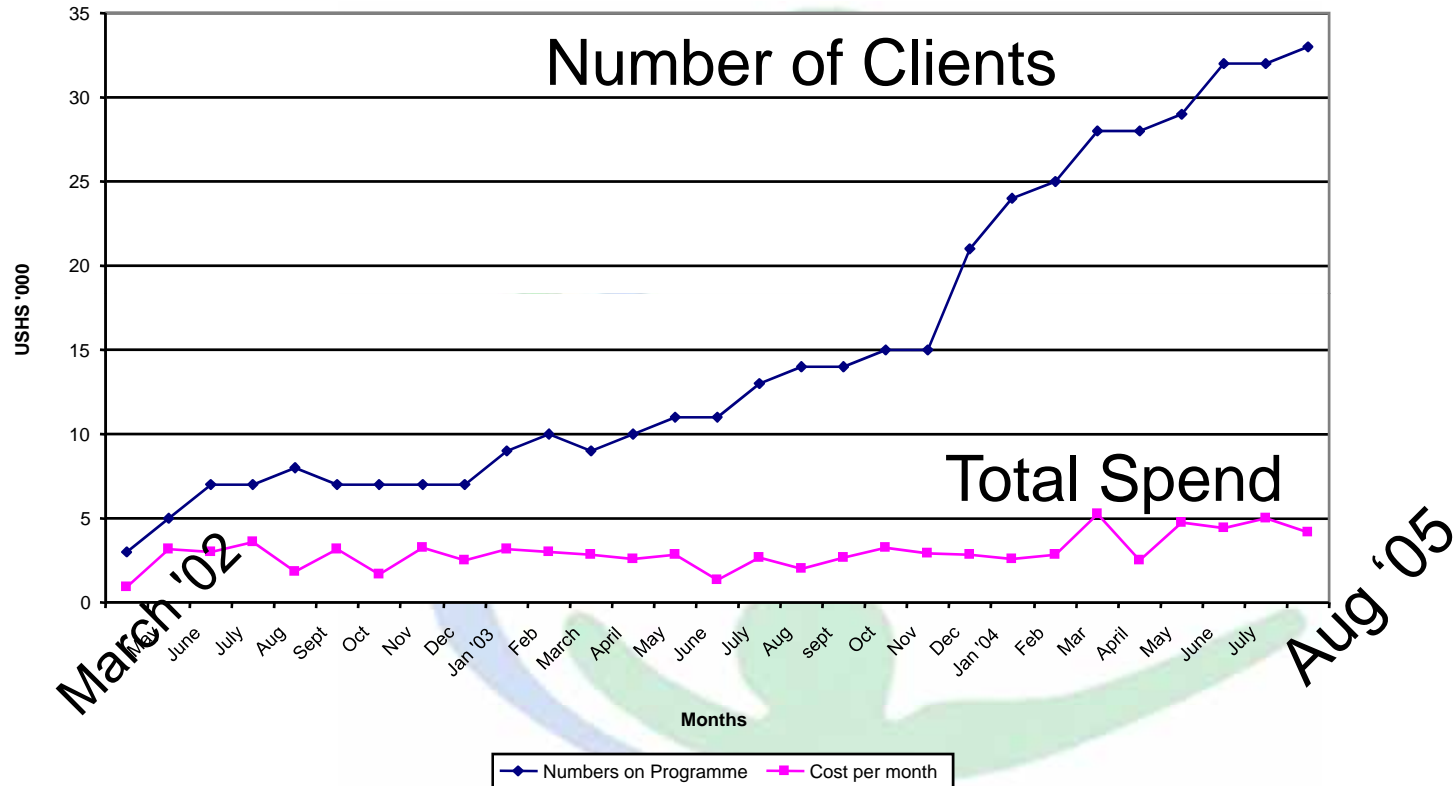
Aligned Incentive: Insurer wants you healthy

Prevention: Cheaper than cure

Is HIV / AIDS an Insurable Risk?



Corporate HIV Management Costs '02-'04



80% Decrease in treatment cost per person over 40 month

Yes! HIV/AIDS is an insurable risk in Uganda

- The poor are insurable - but only in groups
- You need IT & can't afford NOT to have controls
- Volume is essential for economies of scale
- Roll out quicker & easier in formal sector – use it
- Insurance enables early care seeking behavior
- Result: Good health outcome
- Benefits women and children most
- Insurance enables efficient output focused

Thank you



Kisiizi Orphans
Sponsored on
Microcare Insurance

*Further information visit
www.microcare.co.ug*

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