



NIGERIA'S NATIONAL HEALTH INSURANCE SCHEME: A REVIEW OF COVERAGE, PACKAGES, PROBLEMS BEING ENCOUNTERED AND THE WAY FORWARD

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Abstract

Nigeria's National Health Insurance Scheme (NHIS), set up by Act 35 of 1999, is a social health insurance programme designed by the Federal Government of Nigeria to complement sources of financing the health sector and to improve access to health care for the majority of Nigerians. This review paper examined issues of coverage, packages and myriad of problems facing NHIS in Nigeria. It is anchored on three interrelated theoretical standpoints as Health Reform Model arising on account of globalization, Albert Bandura's Social Learning Theory and Everest Rogers (1962) Diffusion of Innovation theory. Given that low coverage and several operational inadequacies confront the scheme, it was recommended that government should increase funding for NHIS. Beyond the public sector package for civil servants, the other packages of NHIS should also be made to reach vulnerable groups and other segments of Nigerian population, while sensitization of the public about NHIS should be enhanced.

Keywords: coverage, packages, public sector, national health insurance scheme, Nigeria

Introduction

Health insurance could be defined as a system of financing health care through contribution to an insurance fund that operates within a tight framework of government regulations. It provides a pool of funds to cover the cost of health care. Ideally, it also has a social equity function which eliminates barriers to obtaining health services at the time of need, especially for the vulnerable groups (Anigbogu and Okafor, 2014).

According to Akinyemi, Owopetu and Agbejule (2021), Nigeria's National Health Insurance Scheme (NHIS) is a social health insurance programme designed by the Federal Government of Nigeria to complement sources of financing the health sector and to improve access to health care for the majority of Nigerians.

Historically, the establishment of National Health Insurance Scheme (NHIS) in Nigeria was sequel to the general poor state of health services and health infrastructure (Anigbogu and Okafor, 2014). Indeed, the health system was in total decay, such as inadequate manpower, problem of quackery, brain drain, inadequate equipment, among others. There was also dwindling funds for health care in the face of rising cost of provision of health services. In



addition, there was the tendency toward overdependence on government to finance all health services, and inability of government health care institutions to cope with people's demands. Thus, according to Ibinoye and Adeleke (2008), in order to solve such existing problems, the option of National Health Insurance Scheme (NHIS) was adopted to give easy access to health services at affordable cost to the population.

However, following its introduction vide Decree 35 of 1999 (now Act 35), the question of coverage, packages and myriad of problems facing it, has remained on the front burner of the scheme, hence the focus of this review paper.

Aims and Objectives of Nigeria's National Health Insurance Scheme

According to Anigbogu and Okafor , (2014). Nigeria's national health insurance programme is geared toward ensuring availability and accessibility of health services to all citizens. The motto for Nigeria's National Health Insurance Scheme (NHIS) is "easy access to health care for all".

The NHIS was designed to facilitate fair financing of health care costs through institution of prepaid mechanism, pooling and judicious utilization of funds, financial risk protection and cost-burden sharing for people (Mills, Rashers, Tolland, 2006; Ekman, 2007).

The specific objectives of NHIS include the following:

- a. Every Nigerian should have access to good health care services through a number of programmes.
- b. To ensure efficiency in health services.
- c. Equitable distribution of health care costs among different income groups.
- d. Equitable distribution of health care facilities within the federation.
- e. Appropriate patronage of all levels of health care services.
- f. Availability of funds to the health sector for improved service.
- g. Protect families from the financial hardships of huge medical bills.
- h. Promote and harness private sector participation in the provision of health services.
- i. Limit the rise in the cost of health services.
- j. Maintain high standards of health care delivery within the scheme through intermittent training or upload training where workers knowledge, skills and expertise are updated.

Theoretical Thrust

Three interrelated theoretical standpoints were adopted for this work. They are Health Reform Model arising on account of globalization, Albert Bandura's Social Learning Theory and Everest Rogers (1962) Diffusion of Innovation theory. The three theories explain the source, how, why and the rate new health ideas, products, interventions, and technologies are copied and spread across communities, urban and rural areas, regions and nation states. Such health products with new promises to better health outcomes to the population are communicated over time among the members of a social system through certain channels. However, spread, coverage or overall uptake of a new health agenda or product may be defined by several factors which include, commitment to implementation, funding issues, level of sensitization and community participation, and other contesting considerations like cultural lag etc In the context of NHIS, all these factors are also relevant to its successes and handicaps in Nigeria..



Brief Review of Relevant Literature

Level of Coverage/Uptake of National Health Insurance Scheme (NHIS)

The level of coverage of NHIS is still significantly low against the total population of Nigerians. For instance, federal government's mandate to the NHIS administration was to achieve population coverage of 30% by 2015, but this was not met. This is in contrast to France which operates a health insurance policy that is compulsory. On its part, Ghana National Health Insurance Act of 2003 with the aim of making health care available to all residents of Ghana recorded an uptake of 62% (Annual Report of the NHIS of Ghana, 2009). Indeed, the issue of low uptake/coverage became a major concern that a new National Health Insurance Act was signed on May 19th, 2022 to replace the old National Health Insurance Scheme Act of 1999 which as Olaniyi and Buhari (2022) stated, failed to register up to 10% of the population.

Also coverage across segments of the Nigerian population has been lopsided. While the subscription to the public sector programme of the scheme for civil/public servants has witnessed some growth over the years, the same could not be said of other programmes for other sub sects of the population. In particular, according to Muanya (2020) over 170 million Nigerians are without health insurance. These include the rural population, unemployed persons, vulnerable groups and other stakeholders who are left out of the scheme.

Also worrisome is the number of health facilities enlisted in the scheme (both public and private), as well as health care providers (practitioners) who are the main operators of the scheme. The level of enlistment of private health care facilities and practitioners into the scheme has been low compared to public facilities and their staff. Regarding this issue of participation of health facilities in the scheme, in the South-East, Okaro et al (2010) reported that almost all the hospitals they studied had registered with the scheme. However, Olugbenga-Bello (2008) reported that in Lagos, uptake of NHIS increased from 4.5% in 2000 to 13.6% in 2004, 27.6% in 2005 and 31.6% in 2006.

According to Akinyemi, Owopetu and Agbejule (2021), the current participation levels might be as a result of corruption in the public sector, lack of accountability, poor management of available resources, management and running of the schemes by non-professionals, and poor financing by the government. Adinma (2010) stated that limited institutional capacity, corruption, unstable economy, and lack of political will have been identified as factors why some financing mechanisms of financing health care have not worked effectively in Nigeria.

Review of Some Packages of National Health Insurance Scheme (NHIS) in Nigeria

NHIS in Nigeria is organized into the following Social Health Insurance Programmes (SHIPs)

1. Formal / Public Sector Programme
2. Urban Self Employed
3. Rural Community
4. Children (Under age of five)
5. Disabled Person (Safety Net Programme)
6. Prison Inmates
7. Tertiary Institution
8. Armed forces, police and other uniformed services.



9. Voluntary Participants.

1. Formal Sector

This type of social health insurance programme involves civil servants (both employees and employers) especially in federal, state and local government officers. It is believed that only formal sector social health insurance programme (SHIP) is currently fully operational in Nigeria. Membership with formal Sector social health insurance programme (SHIP) is mandatory for federal, state and local government employees. The worker makes mandatory monthly contribution to the scheme which is deducted at source. They are entitled to register their spouse and four children below 18 years of age.

2. **Children (Under age of five):** This is a type of social health insurance programme (SHIP) that involves children under age of five years. It targets such children for better health care, especially in the area of immunization etc.
3. **Tertiary Institution (Package for students):** The Tertiary Institutions Social Health Insurance Programme (TISHIP) was introduced in 2012. It is meant for students who have no source of income to enable them utilize national health care system/ service in their institutions. The programme also takes cognizance of the fact that many students of higher institutions are above 18 years old and can no longer access health services as dependents of their parents under the formal or public sector package. Students enroll into the scheme by paying stipulated registration or subscription fee.
4. **Retiree Programme:** This programme is targeted at the retired public servants. They register and pay prescribed subscription amount to national health insurance scheme from their pension in order to enable them to receive medical health services as need arises from the scheme.
5. **Safety Net Programme for Disabled Persons:** This is simply called 'safety net programme'. It is targeted at the handicapped and persons with disability. NHIS organizes monetary funds for them to ensure they receive good treatment.

Review of Problems Encountered by the National Health Insurance Scheme (NHIS) In Nigeria

There are many problems facing NHIS in Nigeria which includes:

Inadequate Funding Low funding has been a major problem facing NHIS and health sector activities in general. While Abel Smith (1992), contended that funding of health in Nigeria has been through government subvention through earnings from petroleum export and user fees of patients; Gottret and Schieber (2006) were of the view that health care in Nigeria is financed by a combination of tax revenue, out-of-pocket payments, donor funding, and health insurance.

However, in all these, Gottret and Schieber (2006), strongly argued that Nigeria's health expenditure is relatively low, even when compared with other African countries. According to Soyinbo (2005), Nigeria's total health expenditure (THE) as a percentage of the gross domestic product (GDP) from 1998 to 2000 was less than 5%, falling behind THE/GDP ratio in other developing countries such as Kenya (5.3%), Zambia (6.2%), Tanzania (6.8%), Malawi (7.27%) and South Africa (7.5%). Low funding of health care in Nigeria has negative implications for NHIS. It has not only affected the quality of health care services but lead to improvised health standard of the population.



Unavailability of Facilities Health facilities like hospitals and health centers are not adequate in number, while those available are ill-equipped for a smooth take off of the programme, especially in rural areas.

Poor Public Enlightenment Adequate public enlightenment, education and awareness about the pros and cons of the scheme are not created for the public that are expected to utilize the scheme. This grossly affects their participation in the NHIS.

Favouritism The program has been accused of favouritism and bias in the selection of health services providers. Transparency is not assured. This casts crisis trust.

Corruption The issues of corruption on the part of government officials who diverts subvention allocated for the running of the scheme is worrisome. There is also the issue of mismanagement of funds raised through registration and subscription by NHIS officials.

Depletion of Trained Personnel The sector has suffered several years of neglect, decay of infrastructure, poor funding and inappropriate human resources management, coupled with colossal depletion of trained personnel (brain drain).

Lack of Supervision Overall supervision of the scheme requires to be strengthened. In particular, supervision of the operations and management of health care centers by the appropriate agency from the ministry of health is inadequate.

Weak Referral System There is still weak and ineffective referral system resulting in overburdening of secondary and tertiary health facilities.

Overall Accomplishments It has not been able to fulfill its promise of making health services accessible to all. It is only skeletal in most places and often seen as a program for only public and civil servants at federal, state and local government levels, without committed effort to engage the private sector

Recommendations for Improved National Health Insurance Scheme in Nigeria

Efforts should be made by all the stakeholders to reduce and remove the above reported bottlenecks in the scheme. The following measures should be taken to improve NHIS in Nigeria

1. Government should adequately fund and release approved funds allocated to the scheme as when due.
2. Several Nigerian are not fully enlightened in the component and structure of the NHIS. There is therefore the need for a massive and far reaching public enlightenment and awareness campaign to educate the population about the scheme, benefits and right of enrolled.
3. All forms of biases and favouritism in the selection of health services providers should be discouraged. There should be clearly stated guidelines for the selection of health care services providers.
4. There should be accountability and transparency in managing funds so that lukewarm attitudes of people towards the service would be eradicated.
5. There should be zero tolerance for all forms of corrupt practices and misappropriation of funds in the scheme. All forms of corruption within the administration of the scheme should be eliminated.
6. Health maintenance organization and health providers must realize that enrollees have the right to choose who their services providers are and can change to another when not satisfied with services rendered.



7. Compulsory enrollment into the scheme should be enforced for all working Nigerian starting with those working in government organizations. This will improve our dismal health services without the encumbrance of large out of pocket expenses.
8. Multinationals, Corporate bodies and individuals should support the NHIS by truthfully funding it without hidden agendas or personal interests.

Conclusion

The NHIS in Nigeria was established to solve the problem of limited access to health care by the population, among others. It has not made significant impact because those saddled with the responsibility of running the scheme, seem to have lost their visions. It has not been able to fulfill its promise of making health services accessible to all. At best, it is seen as a program for only public and civil servants in all categories without private sector participation.

The government should work together with other agencies in the health sector especially the World Health Organization, United Nations, among others to solve the problems facing NHIS in Nigeria.. The need to strengthen NHIS is particularly important given that comparing NHIS in Nigeria with user fee option, Akinyemi, Owopetu and Agbejule (2021) in their study, found that the majority of the respondents (87.3%) claimed that NHIS is a better means of settling healthcare costs than out-of-pocket-payment. They considered health insurance is a viable programme that should be allowed to blossom for the benefit of the masses.

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