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### **Parallel session 5: Insurance and affordability issues**

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#### **PS 05/2**

#### **A Comparison of fee exemptions and health insurance for providing financial access to primary clinical care for children under five in Ghana**

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Health sector out of pocket fees at point of service use in Ghana have improved public sector health service financing, but proved an access barrier to needed services especially for the poor. To address the problem, several fee exemptions including exemptions for primary clinical care for children under five were introduced in the nineties followed by national health insurance in 2003. This paper compares the effectiveness of the exemptions and national health insurance policies in providing financial access to primary clinical care for children. Data was collected using a review of OPD utilization data, focus group discussions, in-depth interviews and a structured questionnaire.

Target groups were principal child care takers, service providers and households with children under five. Household awareness of the existence of exemptions and health insurance was high but with limited knowledge of the details of the programs and how to benefit. Users who knew or suspected their exemption entitlements often failed to ask because of fear of negative reactions from health providers. Providers expressed problems with the exemptions policy that motivated their behavior. Delays, erratic and uncertain reimbursement from central government made them reluctant to fully implement the exemption program which was seen as a threat to their financial viability.

The result of this combination of client, provider and payer factors was that the majority of children under five paid fully or partially for exempt services despite the existence of the policy. The insurance scheme appeared to be better at providing financial protection for the insured because providers had more confidence in the likelihood of reimbursement. Enrolment was however low because of the newness of the scheme, lack of information, administrative and premium payment problems. Only about half of children in the rural and a quarter in the metropolitan study sites were covered. Without prompt and guaranteed reimbursement to providers, as well as extensive education and empowerment of clients, it is unlikely that exemptions schemes will be effectively implemented. The Health insurance scheme needs to

utilize the lessons from the failures of the exemption scheme and make sure that it has reliable provider payment arrangements that maintain provider confidence in the scheme. Given the voluntary nature of enrolment in the health insurance scheme there is a need for much community education and exploration of ways of increasing coverage especially among the poor and vulnerable.

**Key Words:** Health Care Financing, Africa, User fees, Fee exemptions, Health Insurance