**Title:** Investigating willingness to pay for attributes of micro health insurance in rural Malawi

**Presenter: Gilbert Abotisem Abiiro**, Department of Planning and Management, Faculty of Planning and Land Management, University for Development Studies, Ghana

**Authors:**

* **Gilbert Abotisem Abiiro**, Department of Planning and Management, Faculty of Planning and Land Management, University for Development Studies, Ghana
* Aleksandra Torbica, Department for Policy Analysis and Public Management, Bocconi University, Italy,
* KassimKwalamasa, Research for Equity and Community Health Trust (REACH Trust), Malawi and
* Manuela De Allegri, Institute of Public Health University of Heidelberg, Heidelberg, Germany

**Abstract**

**Background**: There is a limited understanding of community willingness to pay (WTP) for micro health insurance (MHI) in sub-Saharan Africa. Using a discrete choice experiment (DCE), we estimated community WTP for the essential features (attributes) of a prospective MHI scheme, aimed at filling coverage gaps within the Malawian health system.

**Methods**: A qualitative study informed led to the identification of six attributes (and attribute-levels): unit of enrollment, management structure, health service benefit package, co-payment levels, transportation coverage, and monthly premium per person. Using this attributes, we constructed a D-efficient DCE design of eighteen choice-sets, each comprising two MHI choice alternatives and an opt-out, using Ngene software. With the aid of pictorial images, trained interviewers administered the DCE, to household heads and their spouse(s) in 504 sampled households, located in two rural districts. WTP in Malawian Kwacha (MWK) (US$1≈417MWK) for each MHI feature was estimated from a conditional logit and a nested logit models computed in STATA12, using the DELTA method.

**Results**: All MHI attribute-levels except management by an NGO significantly influenced respondents’ WTP (P<0.05). Respondents were willing to pay the highest premiums for a MHI scheme that will cover all transport costs (813.95 MWK), followed by a comprehensive health service package (672.11 MWK), medium health service package (431.40 MWK), emergency transport (410.35 MWK), that defines the core nuclear family as the unit of enrollment (258.72), charges no copayment (223.57 MWK), that defines the entire extended family as the unit of enrollment (189.71 MWK), and that charges only 25% copayment (183.02 MWK). Respondents were, however, not willing to pay for MHI if the scheme defines the individual as the unit of enrollment, is managed by a community committee, covers a basic health service package of only medications, charges up to 50% copayment, and does not cover any transport cost.

**Conclusion**: The relatively high WTP for MHI benefits (transport and health services) reflect existing gaps in the Malawian health system, hence the importance of understanding community preferences in the design of appropriate context-specific universal health coverage reforms.