HEALTH ANALYTICS BRIEF

PharmAccess FOUNDATION

THE FINANCIAL AND HEALTH DIARIES

USING DIARIES TO IMPROVE A HEALTH INSURANCE PROGRAM TO BETTER MEET HEALTH NEEDS IN RURAL NIGERIA

How frequently do people get sick? What diseases do they get? How often do people seek care? And when seeking care, where do they go, and what do they spend? These and other questions were investigated in the Financial and Health Diaries study, consisting of weekly interviews with 240 households, over a one-year period. 120 of these households were located in Kwara State, Nigeria. The recorded data shed light on how to improve the insurance program in terms of provider network and quality of services within the Kwara State Health Insurance program.

Since 2007, the Kwara State Government, Hygeia Community Health Care, the Health Insurance Fund, PharmAccess Foundation, and healthcare providers have been working with local communities to improve access to affordable and quality healthcare for rural residents of Kwara State by offering subsidized health insurance and improving quality of care at program facilities. Since the introduction of the Kwara State Health Insurance program in 2007, a total of 347,000 individuals had enrolled in the scheme by December 2015. This study investigated health seeking behavior for both insured and uninsured households to all types of providers of care within the context of the insurance program in Kwara State.

The study was conducted among 120 households in Edu Local Government Area (LGA), one of the 16 LGAs of Kwara State. Approximately half of the households were enrolled in the insurance scheme at the beginning of the study. All 311 adults in the study households participated in weekly private interviews from April 2012 to April 2013. The interviews recorded all weekly financial transactions (Financial Diaries), such as income, loans, gifts, savings, and purchases. The health events of all 829 household members were recorded (Health Diaries), such as illnesses, injuries, health expenditures, and consultations at healthcare providers.

Main findings

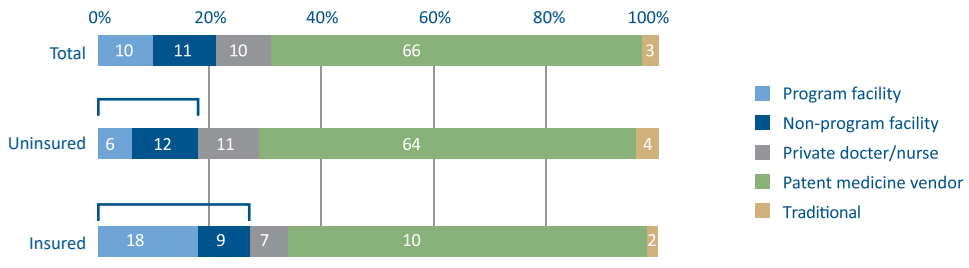
Prevalence of illness

- Insured and uninsured individuals reported similar symptoms. Most common were fever and malaria-type symptoms (42%), followed by the flu, colds, and coughing (18%), and by diarrhoea and stomach problems (9%).
- Insured individuals reported significantly more illnesses than did uninsured individuals (2.58 vs. 1.95 episodes), which could be a reflection of attracting individuals that need more healthcare or increased awareness of healthcare needs.

Healthcare utilization

- Foregone care was uncommon in the study population: Among both the insured and the uninsured, only 9% of people experiencing health issues did not seek care.
- Regardless of insurance status, individuals seeking healthcare consulted a patent medicine vendor (PMV) about two out of three times (Fig. 1). Most individuals purchased drugs over-the-counter when consulting a PMV; these events can therefore be regarded as self-medication. This can be explained by the fact that a large share of the health events were minor events. Since PMVs play such an important role, it can be important for an insurance program to investigate this role.

Figure 1 Provider choice when seeking care based on the number of patient visits



KEY COUNTRY FACTS

173.6 M
population
(54% are rural)

62%
of people live on less than USD 1.25/day

69%
of people's spending on healthcare is out-of-pocket

Based on 2012 and 2013 World Bank and World Health Organization data.

STUDY FACTS - NIGERIA

The Diaries study tracked low-income households over the course of a year to collect highly detailed data on how families manage their finances on a day-to-day basis and what kind of health problems they experienced. This research reveals hard-to-see aspects of the financial and health lives of rural Nigerians, providing new insight for the design of insurance marketing strategies, programs and quality improvement efforts.

120
households investigated

311
adults interviewed weekly for one year

PROGRAM PARTNERS

Kwara State Government
Hygeia Community Health Care
PharmAccess Foundation
Health Insurance Fund

RESEARCH PARTNERS

- Amsterdam Institute for International Development
- University of Ilorin Teaching Hospital
- International Food Policy Research Institute

Figure 2 Reasons why insured people go to non-program provider

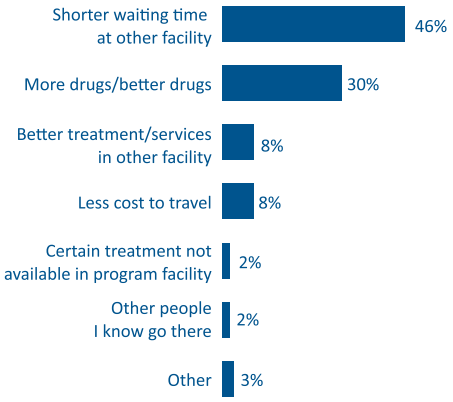


Figure 3 Reasons not to re-enrol in the insurance scheme

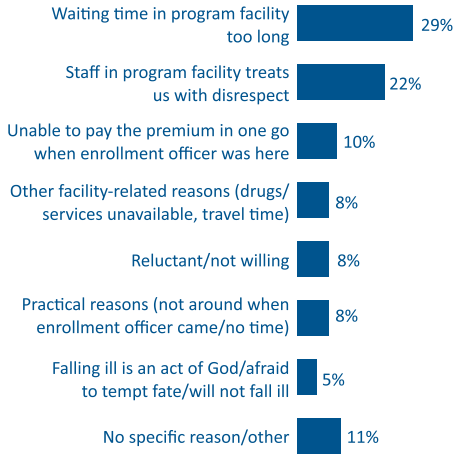
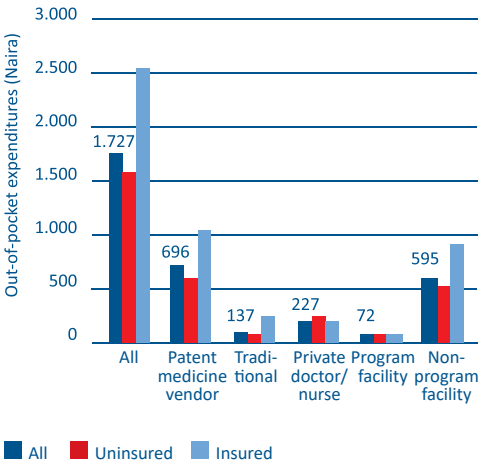


Figure 4 Total annual per capita out-of-pocket health expenditures by provider type**



*** These out-of-pocket expenditures exclude the insurance premium and travel costs*

- Visits to doctors in private practices (often at their house), program and non-program clinics or hospitals (public and private), and traditional healers comprised the remainder of consultations. Households were significantly more likely to use clinics or hospitals while they were insured (27%) than while they were uninsured (18%). This can partly be explained by the financial protection insurance offers to insured households.
- Surprisingly, in one third of all their visits to clinics insured individuals chose facilities that were not covered by the insurance program, even though they had to pay for these visits out-of-pocket.
- The endline survey conducted after completion of the Diaries further investigated these observations. The main reasons for choosing a non-program facility were shorter waiting times (46%), availability of drugs (30%), better treatment and services (8%), and lower travel costs (8%) (Fig. 2). Reasons for not renewing health insurance were dominated by quality considerations as well, such as long waiting times, disrespectful staff and drug stock-outs, in contrast with the regressions results that showed no effect of cash on hand or wealth on renewal, financial contstraints (Fig. 3). Investigating these quality of service aspects could inform how to improve the provider network both in terms of access and quality.

Out-of-pocket health expenditures

- On average, people spent 1,727 Nigerian Naira (NGN ≈ USD 8.70)* on healthcare out-of-pocket over the year, with a higher annual out-of-pocket expenditure for the insured, although this difference is not significant (Fig. 4).
- Average expenditures per consultation are lowest at PMVs (466 NGN), and highest at non-program facilities (2,431 NGN) and traditional providers (1,799 NGN). However, the vast majority of consultations take place at PMVs. Consequently, annual healthcare expenditures at PMVs represent the largest share of annual out-of-pocket expenditures, both for insured and uninsured individuals (40%).

Conclusion

The Financial and Health Diaries show the health seeking behavior pattern of households in rural Nigeria. This gives insight into the relevance of the insurance program and how it can be improved to better meet the needs of these households, mostly in the field of provider network and quality of services at program facilities.

* 200 NGN ≈ USD 1, see www.xe.com, February 1st 2016

TAKE HOME MESSAGES

- The insured reported more illness episodes than the uninsured. This could be a reflection of attracting individuals that need more healthcare or increased awareness of healthcare needs.
- The insured were more likely to use clinics or hospitals than the uninsured. This can partly be explained by the financial protection of insurance which reduces the effect of cash constraints on seeking healthcare in clinics or hospitals.
- The majority of illness episodes result in a visit to a PMV for self-medication. Since PMVs play such an important role it is advised to investigate the role they could play within the insurance program.
- Out of all visits to clinics or hospitals, insured individuals still visit non-program clinics or hospitals in one-third of the cases. Reasons are related to quality of services. Investigating these quality of service aspects could inform how to improve the provider network in terms of access and quality.

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