



ACTUARIAL SOCIETY 2015 CONVENTION

Low Cost Health Cover in Africa: Consider an Alternative

Kudzai Chigiji



Agenda

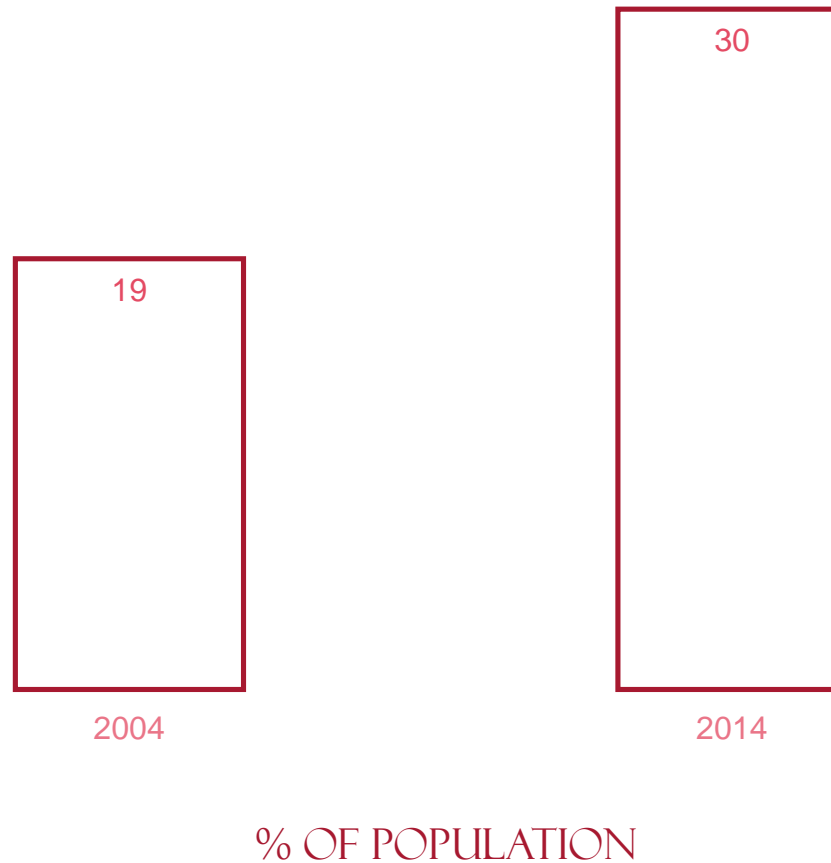
Low Cost &
Affordability

Medical
Schemes:
Incomplete

An
Alternative
Approach

Coming
back home

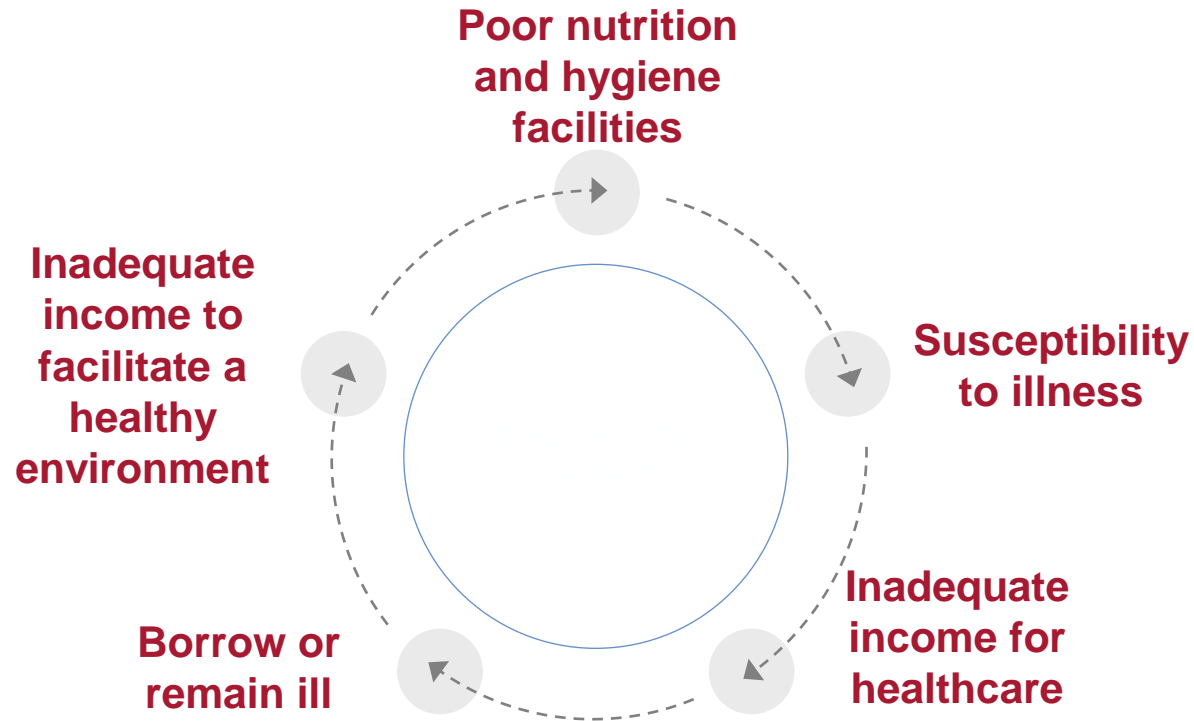
Government Support to the Public



Poverty in South Africa



Healthcare and Poverty



Ability and Willingness to Pay

Ability to pay

LIMS:
2m lives at R299 pmpm

Willingness to pay

Primary cover > Tertiary cover

Medical Schemes: Incomplete



**“A benefit for the poor is
a poor benefit.”
– Amartya Sen**

But not all benefits for the rich are necessarily rich benefits.

The Gap: Poverty and Healthcare

Social Security
Healthcare Benefits

Rural areas

Informally
employed

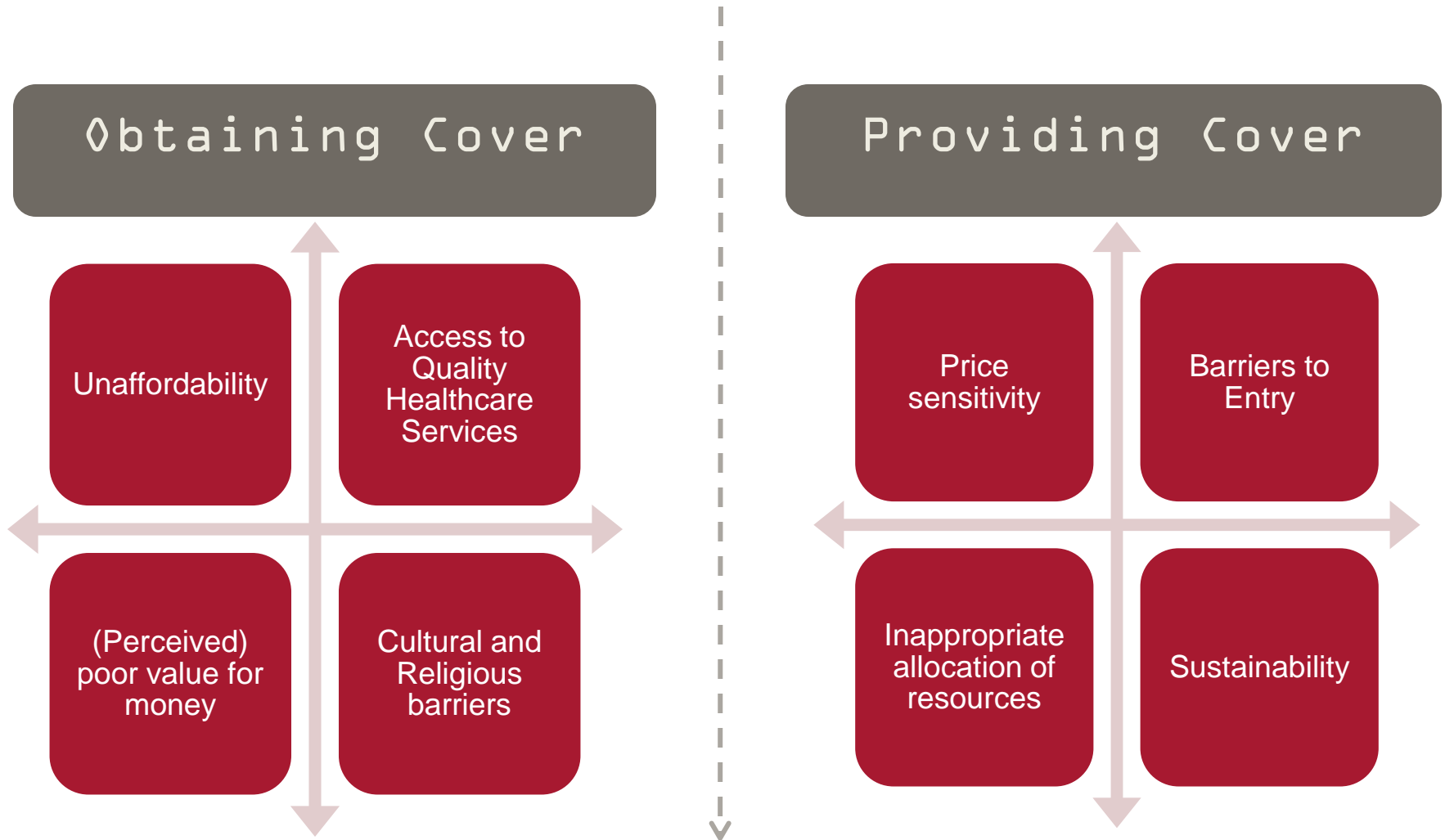
“The forgotten”

Private
Medical
Cover

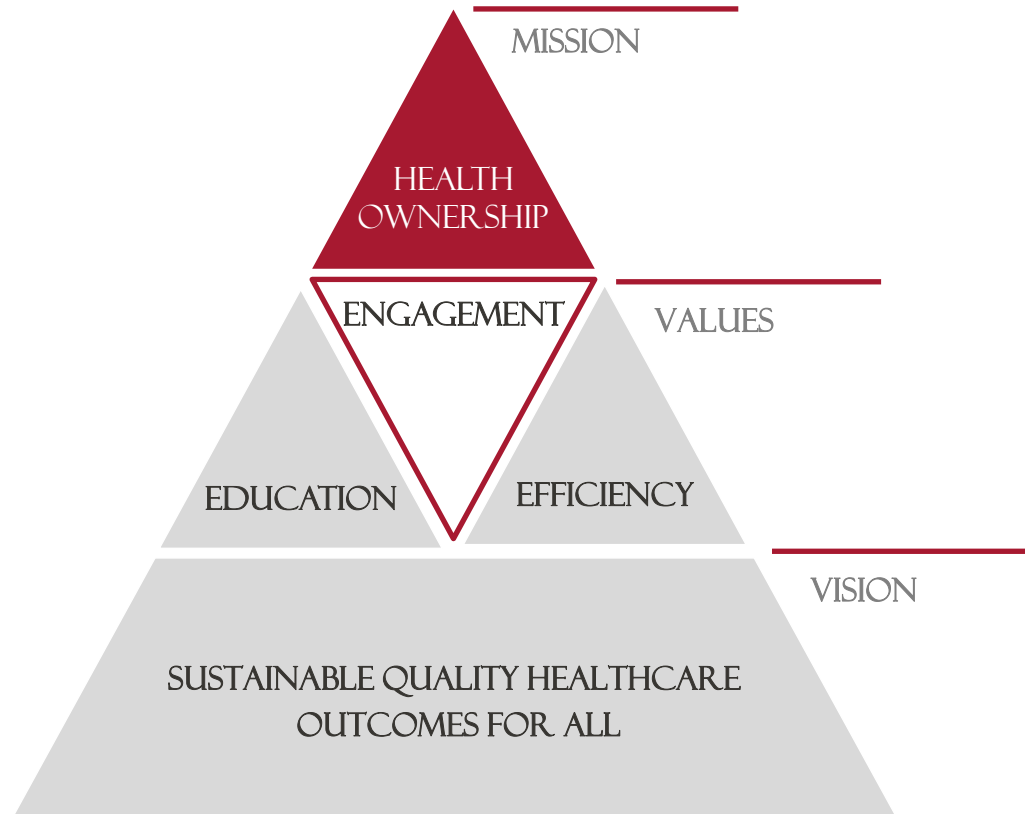
8.81 million

+44m

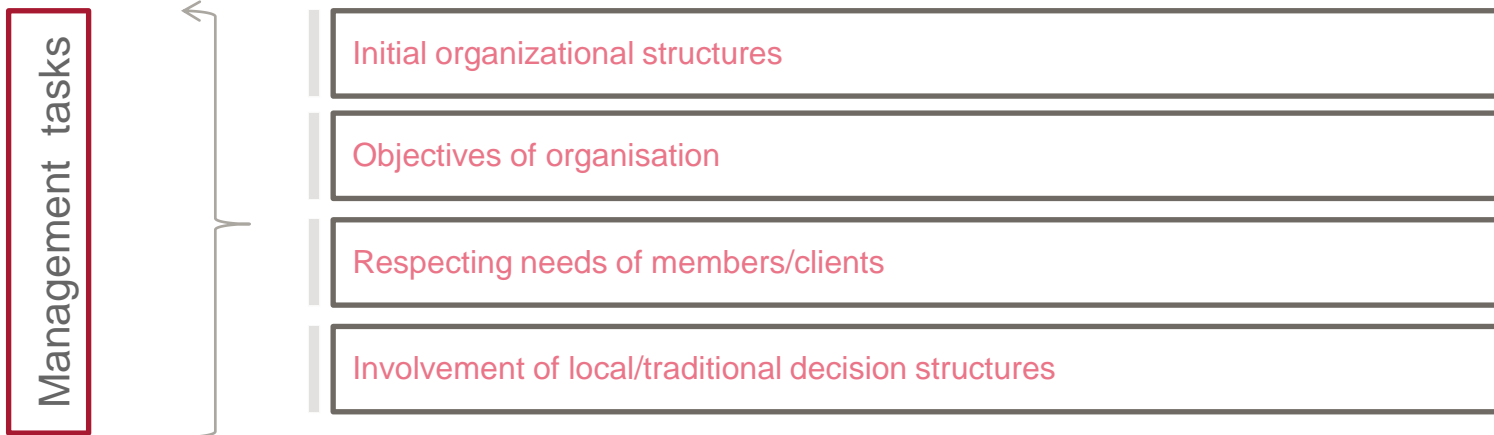
Challenges: Giving and Receiving



An Alternative Approach



Engagement



Engagement



Engagement: Examples

Product development

Focus groups, CHAT
game, public voting

India, BAIF MHI

Product servicing

Public payouts

India, SMHI

Management decisions

Strategising and electing
management

Cameroon, BMHO

Monitoring

Checking financial
transactions

Cameroon, BMHO

Product servicing

Claim committees

India, SMHI

Product sales

Identifying the target
markets

Ghana, DWMHI

Product servicing

Premium collection,
identifying risks and
solutions

Cameroon, BMHI

Ghana, WGMHI

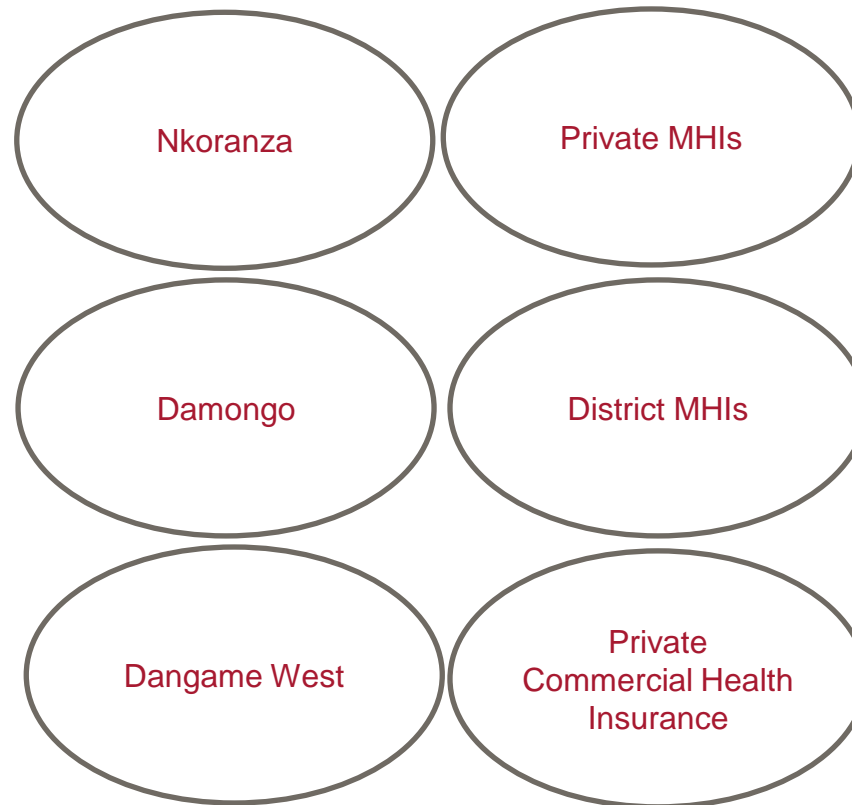
Structural decisions

Founding and running

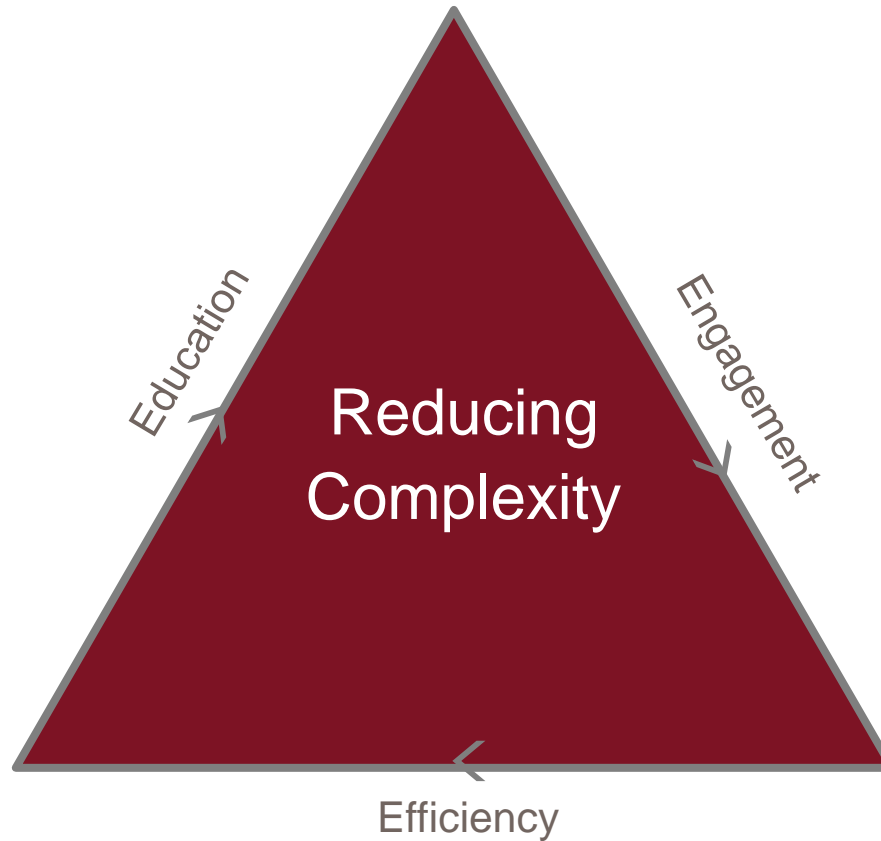
Senegal, several MHIs

Bottom line:
Health ownership

Health Insurance Act



Simplicity is powerful



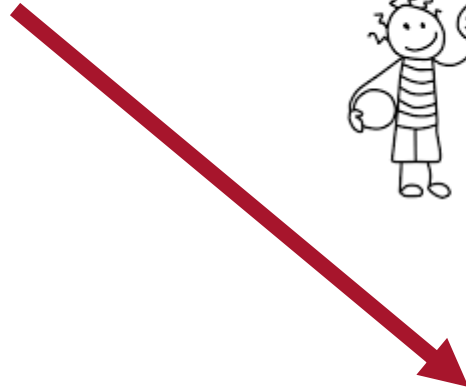
Healthcare Strategy – The same but different

Health Ownership



Primary Care

Food for Thought



Food for Thought

