FIdES Policy Brief

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May 2014

A step towards universal health insurance

Demand for Community-Based Health Insurance in Rural Burkina Faso

Key points

- Community-based health insurance schemes are the foundation for the planned national insurance scheme in Burkina Faso.
- Illness and care are costly for rural households.
- Insurance knowledge is low.
- If affordable the potential demand for insurance is high.

Background

Thus far the health situation in Burkina Faso remains precarious. Child mortality rates are still very high. The incidence of malaria, the most common cause of child death in Burkina Faso, lies ways above the regional average in Sub-Saharan Africa.

Access to health care is still insufficient, especially for poor households. Although healthcare contacts per inhabitant increased from 0.22 in 2001 to 0.77 in 2011, they remain at a generally low level and exhibit great regional variation.

The low levels of health care utilisation are also a result of high costs for health care. Currently less than 10% of the Burkinabe population is covered by some form of health insurance. Exceptions are mutual schemes for some employees in the public and private sector, military staff and students. Private commercial health insurances cover less than 1% of the population. The large majority of the population is therefore financially fully responsible for the costs of medical care and essential drugs.

The Government of Burkina Faso has recently voiced strong commitment to implement universal health insurance. This commitment is manifested in the National Social Protection Policy.

Mutual, community based health insurance schemes have existed in Burkina Faso since 1963. At the moment there are about 188 small-scale, mutual schemes operated in the country. The Government aims to leverage on these existing schemes and plans to deploy a national health insurance scheme through new and already existing mutual health insurance arrangements. For this purpose, community based schemes shall be expanded throughout the country in the coming years. In the longer run, these schemes shall be harmonized and merged into one large risk pool.

One recent expansion is the community based health insurance scheme in Ziniaré, implemented with the support of ASMADE, a local not-for-profit organisation with a long-standing expertise in this field.

The Implementing Agency – ASMADE

ASMADE supports local communities in the establishment and operation of community based health insurance schemes (CBHIs). Throughout Burkina Faso, 20 CBHIs are currently operated with the support of ASMADE, benefiting ca. 30,000 people directly. ASMADE collaborates with several international partners including the Belgian NGO *Solidarité Socialiste* and the World Bank.

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The Health Situation in Ziniaré

The community of Ziniaré is a predominately rural community with a relatively high incidence of poverty compared to the overall situation in Burkina Faso and also compared to other rural areas, where almost every second household is poor (rural poverty rate: 50.7%). The health infrastructure however is reasonably well developed with a health centre serving on average 5,420 inhabitants. Over 92% of the interviewed households in Ziniaré are generally satisfied with the quality of services provided at the local health centre.

Ziniaré is relatively poor

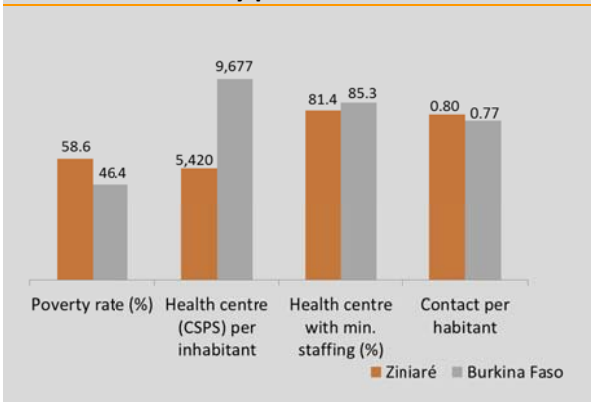

Figure 1:Comparative indicators

Nevertheless the disease prevalence in Ziniaré is high. With an average household size of seven members, at least one member a month reports to be sick.

At least one member is sick every month

Figure 2: Average number of ill members

Over two-third suffer from malaria, diarrhoea or other communicable diseases. The incidence of chronic illness such asthma, diabetes or heart disease is below 5%.

Malaria is the most common illness

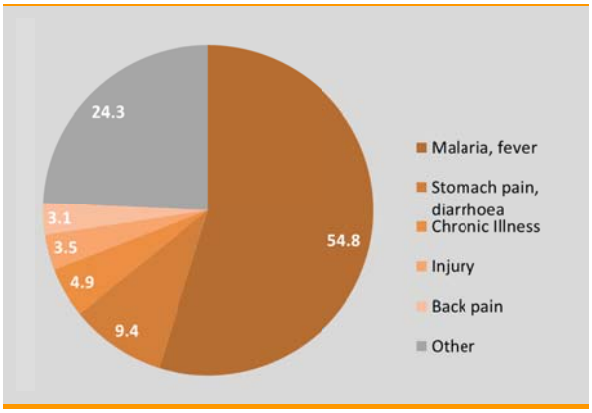

Figure 3: Distribution of illness

In the majority of the cases, the sick visit a local health centre for treatment. The average costs of a consultation for the local health centre vary between 1,950 and 4,000 CFA F (ca. 3 to 5 EUR using the official exchange rate).

56% of the illnesses are treated at the local health centre

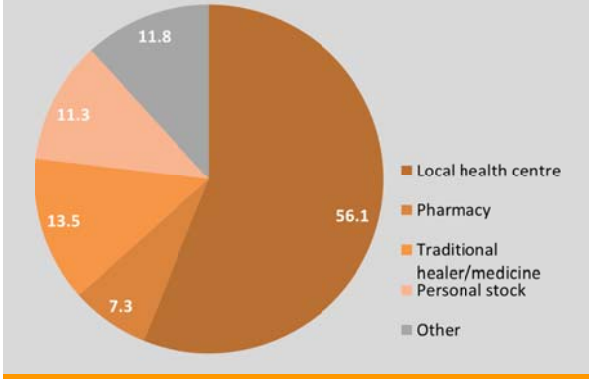

Figure 4: Treatment

Health care costs and financing

Current monthly household health expenditures in the area are substantial. The average (median) health expenditure is 5,500 CFA F. On average however households spend around 10,000 CFA F (about 15 EUR). This represents almost 15% of the total monthly consumption. For the most common diseases, malaria and diarrhoea, households spend on average 8,000 CFA F and 6,500 CFA F respectively.

Treatment reduces household savings

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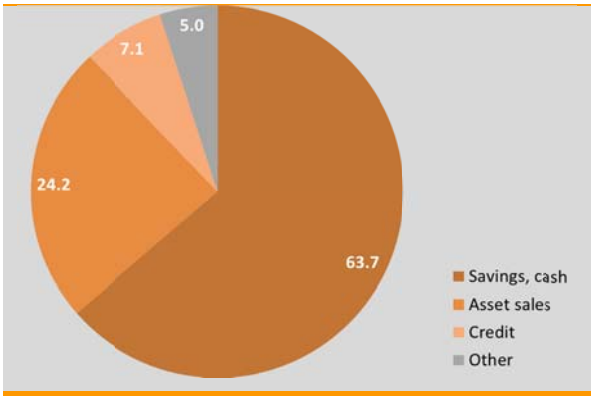

Figure 5: Financing of health care costs

The health expenses are mainly financed through savings and asset sales, predominately livestock (13.5%) but also premature harvest sales (10.5%). Livestock sales are not only a strategy to finance excessive health care costs. To the contrary, they appear to be commonly in households to cover also the basic costs of treatment of the most frequent illnesses. 75% of all livestock sales reported have been used to finance malaria treatments. The financial burden leads to a reduction in livestock holding which reduces the productive capacity of households and increases their vulnerability. If shocks occur repeatedly, households rapidly lose their ability to respond.

Study Description

The results presented in this policy brief form part of a larger research study conducted by the University of Passau, the Institute de Recherche en Sciences de la Santé (IRSS), the German Development Institute (GDI) and the Erasmus University Rotterdam in collaboration with the NGOs ASMADE and SolSoc. The Formal Insurance and Productive Effects Study (FIdES) aims to systematically analyse the health situation in Burkina Faso to understand existing drivers and constraints for insurance uptake, and to learn about the direct and indirect effects of such insurance in the short and medium term to identify promising interventions and strategies to promote health insurance coverage and enhance poverty reduction and development more broadly.

Insurance demand

Insurance knowledge in Ziniaré is still low. Only about 28% of the interviewed households have heard of health insurance already. Insurance knowledge is more widespread in the larger villages in the area.

Only 28% heard of health insurance

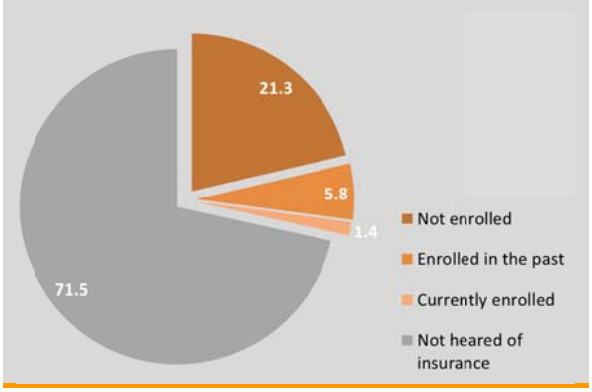

Figure 6: Insurance experience

Insurance knowledge also appears to be tied to education levels. Households where household heads have primary education or are at least literate know much more is about insurance products.

Yet, looking at adherence the region is still a virgin territory for insurance. A meagre 1% of the population is currently a member of a mutual insurance group. Less than 5% have any experience with mutual health insurance and a general suspicion against insurance seems to persists within the population; believes that having insurance attracts illness are common.

Insurance should cover drugs and surgeries

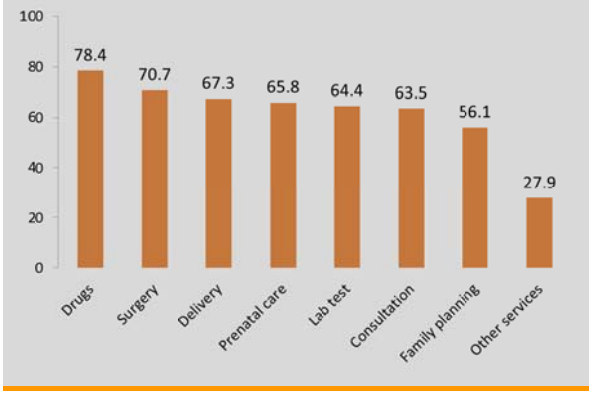

Figure 7: Insurance coverage

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Nevertheless, household appear generally interested in insurance provided it is affordable to them. On average households are willing to pay over 7,000 CFA F (ca. 10.7 EUR) – i.e. about 1,000 CFA F per household member – for an insurance which covers basic services and generic drugs distributed at the local health centres.

Study Area

This study interviewed 1,500 households in the rural community of Ziniaré. Ziniaré is located northwest of Ouagadougou, the capital city of Burkina Faso in the Department of Oubritenga. The households were selected using a 2 stage clustered random sampling. In the first step, out of 49 villages, 30 were randomly selected.

References

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Institut National de la Statistique et de la Démographie (INSD) (2012). La Région du Plateau Central En Chiffres (Edition 2011). Ouagadougou: INSD.

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Research Partners

Funding

Rotterdam Global Health Initiative

Perspectives

The Community-based health insurance is launched by ASMADE in spring 2014. FIdES will accompany the roll-out by conducting regular household surveys, organizing focus group discussions and visiting providers. This process will allow adapting the insurance to the needs and expectations of the population and help to make this initiative a key-pillar of the regional development strategy and beyond. Results will be regularly shared with the population and all relevant stakeholders; through the FIdES policy briefs, other technical notes and various dissemination activities such as round tables and workshops.

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