

Country Update Jamaica

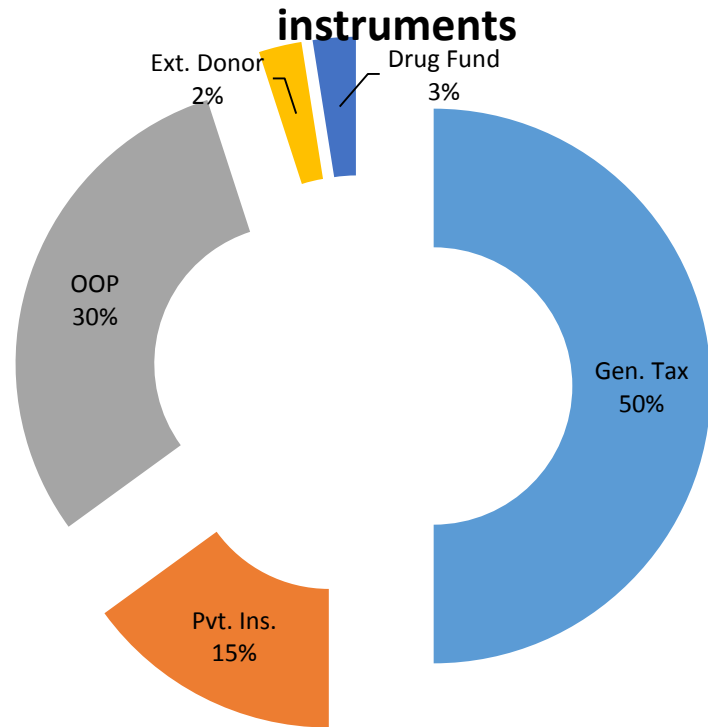
9th Annual Caribbean Conference on Health Financing Initiatives

November 4 - 6, 2014



Overview of Insurance in Jamaica (MOH)

Distribution and share of health Financing instruments



Services	Sector	Financing
Public Health	Public	Taxes/budget
Ambulatory Care (GPs, Specialists)	Private and Public	Out of pocket; taxes-budget, insurance
Inpatient Care	Public and Private	Taxes-budget, out of pocket, insurance
Drugs and Diagnostics	Private and Public	Out of pocket, insurance, taxes-budget, NHF
Overseas Care	Private, Public	Insurance, out of pocket, taxes-budget
Training-Research	Public, Private	Taxes-budget, out of pocket, grants



NHF in 2014

- Over 240 Team Members
- 4 Core Functions
 - Individual Benefits
 - Institutional Benefits
 - Public Information
 - Procurement, Warehousing, Distribution and Retailing of Pharmaceuticals
- 18 Locations
 - Head Office
 - Warehouse
 - 3 Help Desks
 - 13 Pharmacies



Individual Benefits

BENEFITS ADMINISTRATION

- NHF Card - 15 Conditions + 224 APIs (over1,400 drugs)
- JADEP – 10 Conditions, 73 items
- Over 600,000 persons registered
- Breast Cancer Receptor Studies

CUSTOMER SERVICE

- NHF, JADEP and GOJ Enrolment, Card Production, Help Desk

NHF CARD



Individual Benefits

PROVIDER RELATIONS

- Over 400 Providers

QUALITY ASSURANCE (ISO 9001:2008)

- Monitoring of organizational processes for quality and adherence to ISO Standards

NHF CARD



Individual Benefits

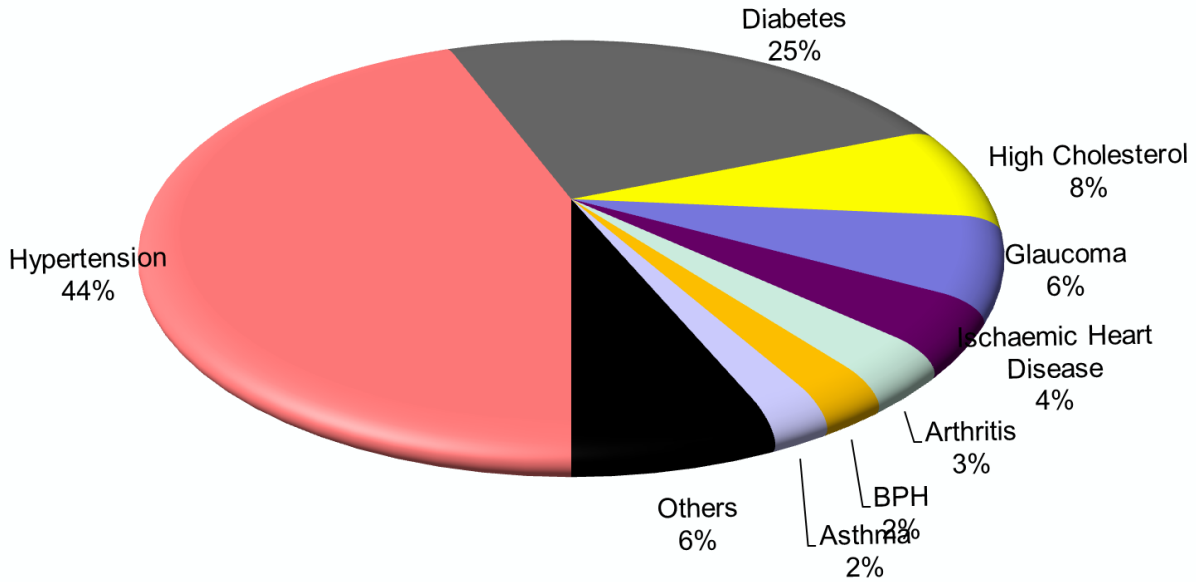
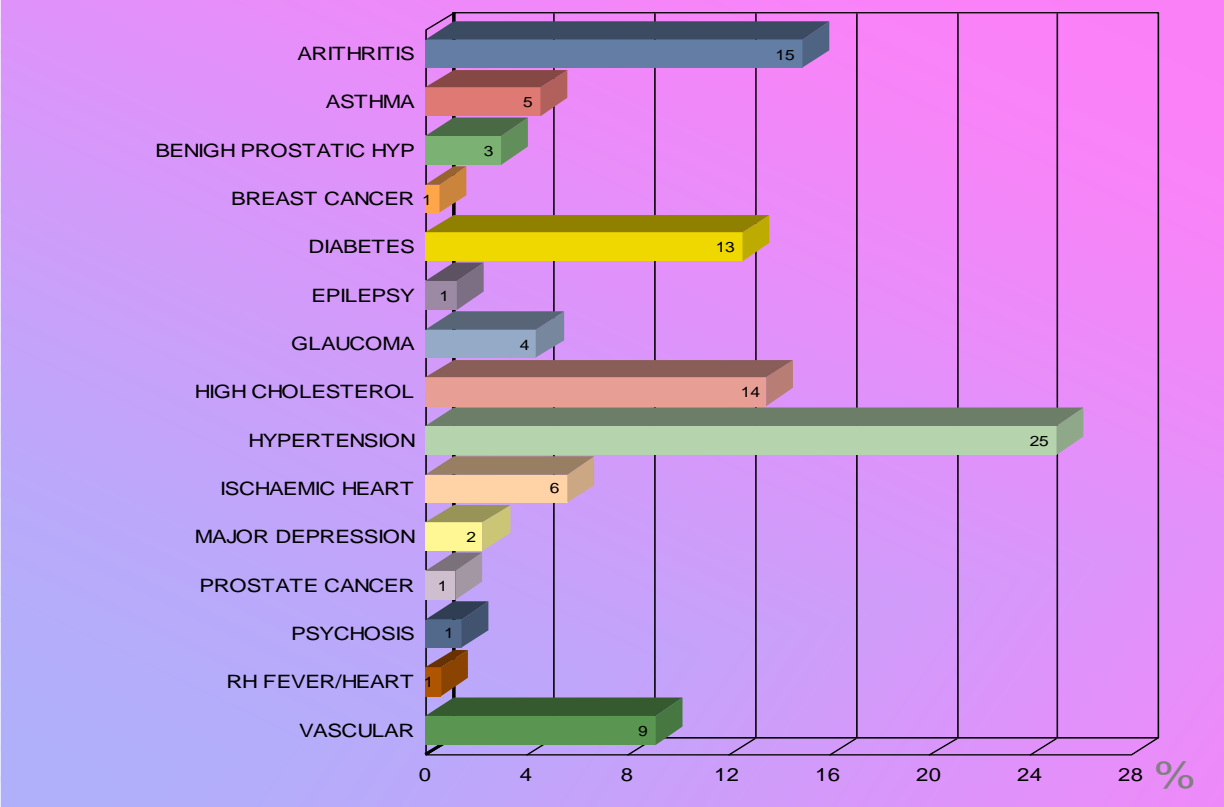
CLAIMS PROCESSING

- Over 340,000 claims per month
- Annual Claims in Excess of US\$30M per year
- Over US\$175M in claims since inception

NHF CARD

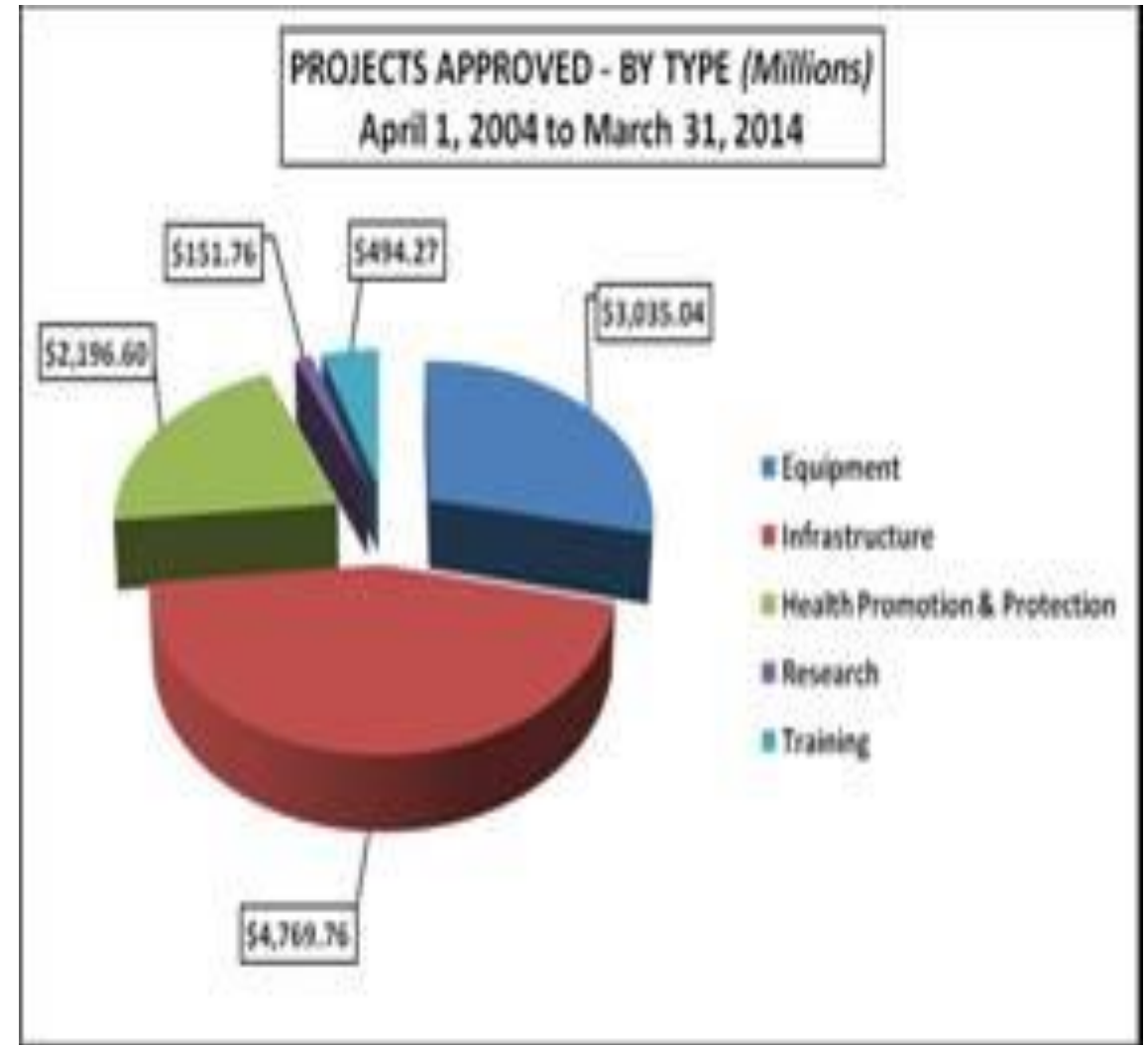


NHF Enrolment and Claims by Condition



Institutional Benefits

- Over 450 Projects
- Value at over US\$98M
- Currently Managing over 200 Projects



Health Promotion and Prevention

- Over 300 community interventions annually
- Over 120,000 screenings per year
- Procuring our own mobile screening unit

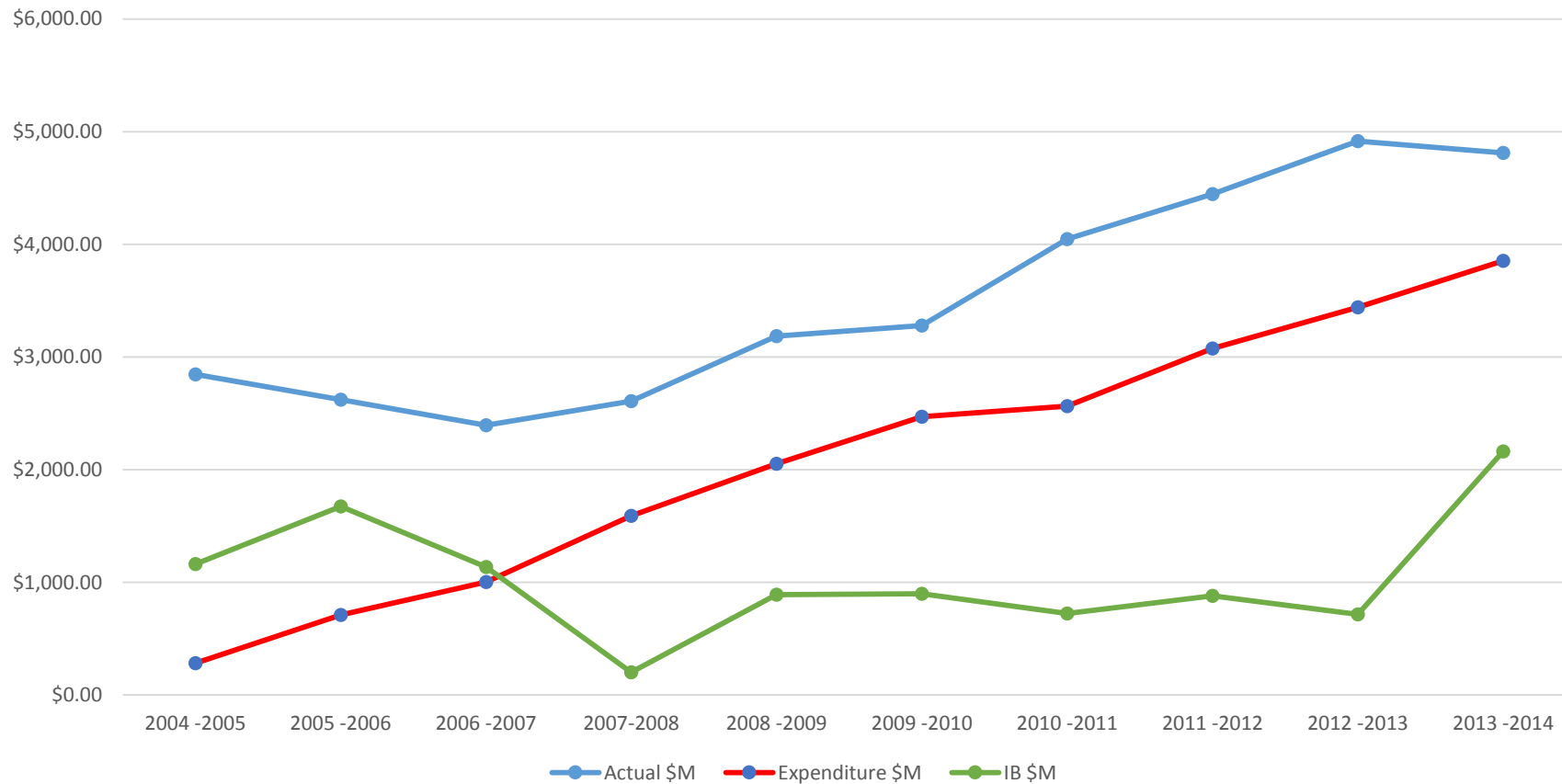


Current Issues

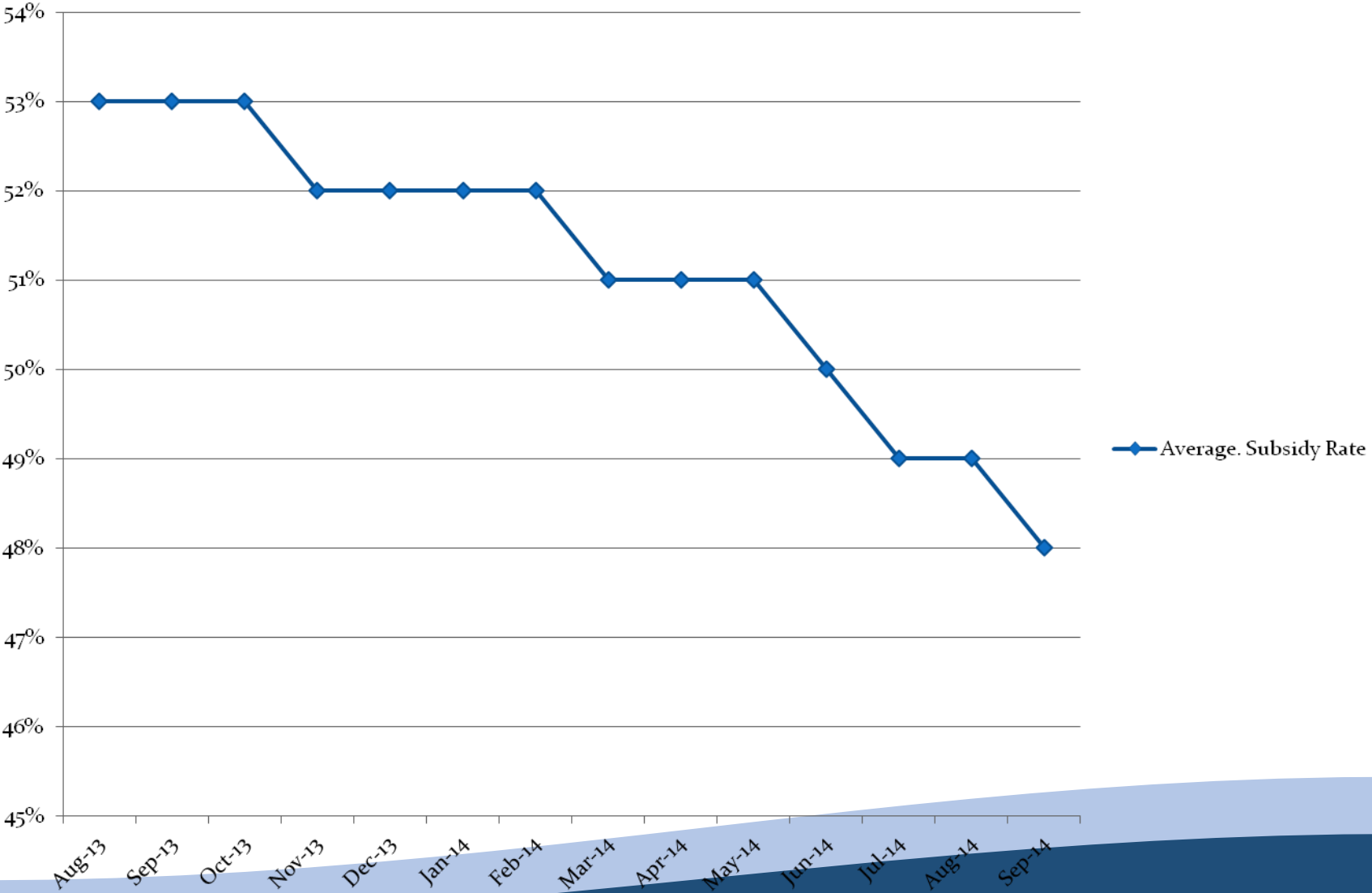
- Revenue Matching Expenditure on Programme
- No Fiscal Space for Institutional Benefits
- State of Economy
- Dilution of Subsidy
- Revenue to add new conditions



Revenue vs Expenditure (JA\$M)



NHFcard Average NHF Subsidy Rate



Sustainability Study - Background



- Commissioned in November 2012
- Took into consideration the impact of the National Debt Exchange (NDX) and the Reserve and Capital Requirements
- Did not take into consideration the likely impact the take over of the public sector pharmacies would have



Sustainability Study – Major Findings



- Forecasted that NHF will realize negative investment income in the year 2018
- Against the background that the reserve at the end of 2017 coupled with the income in 2018 will not be sufficient to cover expenses and liabilities in 2018 and subsequent years



Sustainability Study



The report states that in order for NHF to operate in perpetuity, it needs to have sufficient capital that will generate investment income that is able to compensate for the inadequate income in future years.

sus.tain'abil'i.ty:

n., the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs.



Sustainability Study – Reserve Requirements



- Current Enrolment – for future benefits and expenses of existing members only and those expected to join in the year 2013. It also assumes funding will not be affected
- The Capital Reserves – provision made for current and all future members. This Reserve will be much greater than the Reserve for current enrolment



Sustainability Study – Reserve Provisions



- Individual Benefit
- General Expenses
- Institutional Benefits Projects
- Expense due to Health Catastrophe or Natural Disaster



Sustainability Study - Conclusions



- The Reserve for current enrolment was underfunded by US\$200M (NDX US\$281M)
- The Capital Reserve is underfunded by US\$890M (NDX US\$1.21b)



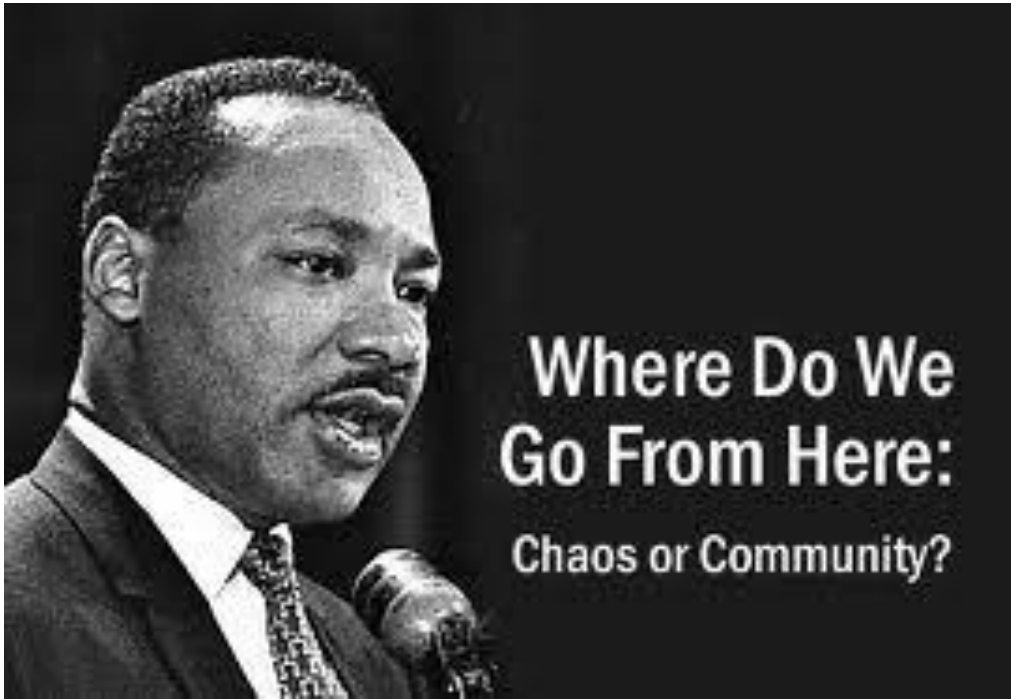
Sustainability Study – Revenue Sources



The Study Proposed Possible Sources for Additional Revenue which include the Following:

- Dine out Tax (US\$27M)
- Increase Needed in Payroll Tax (US\$18M)
- Import Duty (US\$45M)
- The NHF could consider reducing its benefits programs

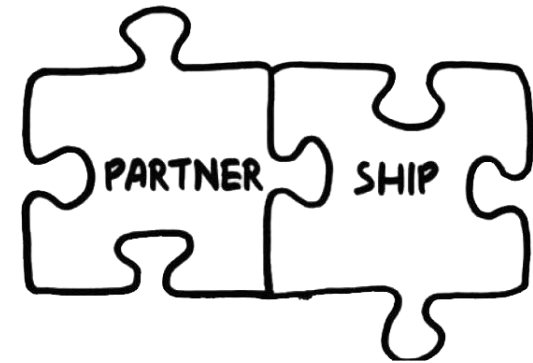




The Future



Health
Promotion



Health Care For All



Thank you

