

Managing Catastrophic Care: The Experience of The National Health Insurance Plan (NHIP) of The Turks and Caicos (TCI):

Health Financing: Strategic Management, Spending Wisely-2

Part 2



**National Health
INSURANCE BOARD**

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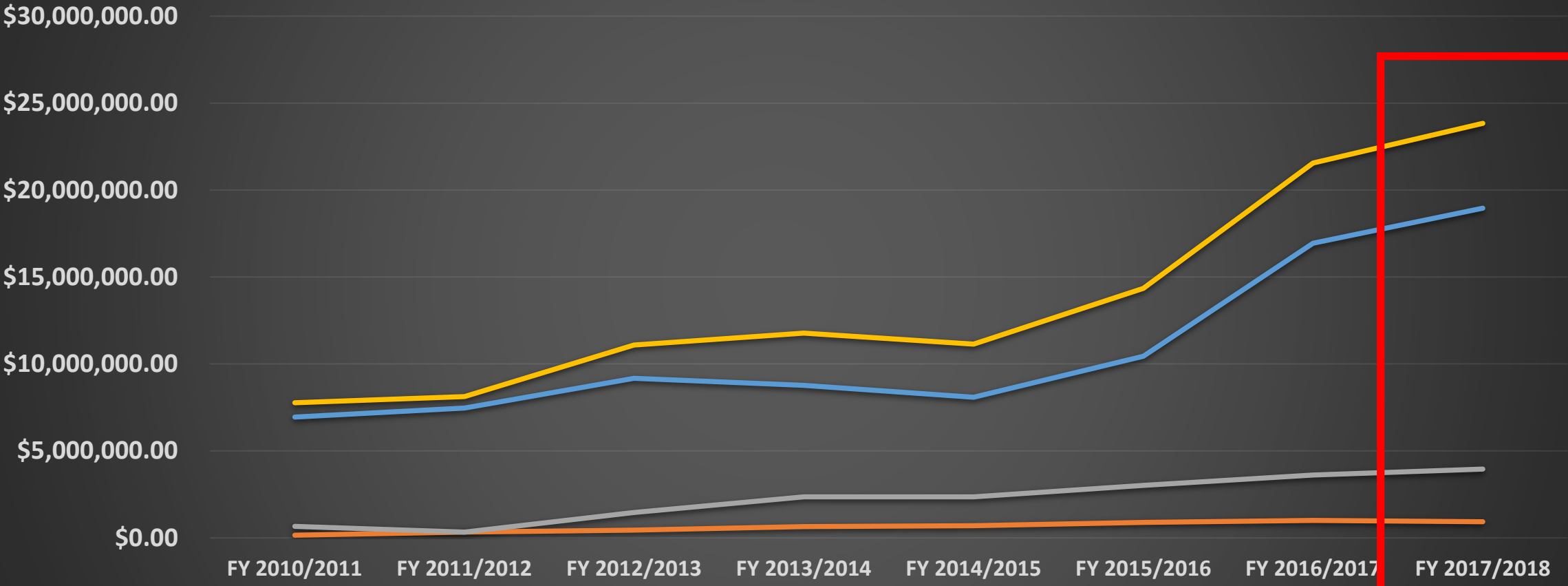
Interim Chief Executive Officer

8 - 10 October 2018

The Cost



NHIP OVERSEAS EXPENDITURE FY 2010 - 2018



— Medical — Subsistence — Travel — TOTAL

NHIP Average Expenditure: 2015 -2018

Category	Amount	Percentage
TCI Hospital Clinical Services	\$27,000,000.00	44.9
Hospital Utilities	\$4,000,000.00	6.7
Healthcare Expenses Treatment Aboard Program	\$21,300,000.00	35.4
Local Providers	\$1,000,000.00	1.7
Pharmaceuticals	\$3,300,000.00	5.5
Personnel Cost	\$1,700,000.00	2.8
Operating/Administration costs	\$1,800,000.00	3.0
Total	\$60,100,000.00	100

NHIP Payments in Excess of \$100,000.00 per year for cases during 2015 -2018

Year p	Cost	# of payments	Average
2010-2011	\$ 4,580,315.95	22	\$ 208,196.1795
2011-2012	\$ 3,152,173.22	16	\$ 197,010.8263
2012-2013	\$ 3,545,278.36	23	\$ 154,142.5374
2013-2014	\$ 3,339,796.79	24	\$ 139,158.1996
2014-2015	\$ 2,996,460.88	17	\$ 176,262.4047
2015-2016	\$ 4,186,343.74	26	\$ 161,013.2208
2016-2017	\$ 9,225,559.41	41	\$ 225,013.6441
2017-2018	\$ 9,830,496.75	50	\$ 196,609.9350
2018-present	\$ 3,000,318.57	15	\$ 200,021.2380
Total Amount	\$ 43,856,743.67		

NHIP Ongoing Expenditure In Excess of \$500,000.00 per individual

Clients	Cost
Client #1	\$1,734,018.00
Client #2	\$552,115.78
Client #3	\$522,348.72
Client #4	\$613,865.51
Total	\$ 3,422,348.01

Managing the Cost of Catastrophic Services:

What is being done about it?



Managing Catastrophic Care Costs

- **Exploring Feasible Options to Create Fiscal Space in Health**
 - **Clarification of TCIG's ongoing role as "Funder in Chief"**
 - TCIG contributions
 - As employer.
 - **Infusion** (subventions) from TCIG of funds as needed
 - National Budget **reprioritization an option**
- **Development of a Funding Policy**
 - **Funding, reserving,**
 - **Pursuit of additional "efficiency" revenue options**
 - Who pays? When? How?

Managing Catastrophic Care Costs

- **Implementing measures to improve efficiency such as:**
 - **Ongoing review of PPP between TCIG and TCI Hospital**
 - Strengthening the Contract Management Unit
 - Possible onboarding of more services
 - **Options for Managing Expenditure under TAP (value for money)**
 - Review/improvement of Treatment Abroad Policy
 - Improving governance
 - Reviewing the benefits package
 - Role of private insurance
 - Remuneration options

Managing Catastrophic Care Costs

- **Managing Expenditure under TAP (value for money)**
 - **Provider Audits** (critically appraise/review membership of TAP Provider Network, especially as it relates to Catastrophic Services)
 - Pharmaceutical management
 - Benchmarking and renegotiation of provider fees
 - **Strengthening Case Management**
 - **Strengthening Compliance (collections)**
 - **Training and capacity building**
 - **Risk Management supporting viability and sustainability**
 - **Reinsurance via IRM**

Result: measures implemented to increase efficiency in TCI

- **Desired Result**
 - **Bending the cost curve in the right direction in the long term**

Challenges controlling costs in limited resource pool

- **Challenges**

- **Population “Volatility”**

- Aging of the population
 - Immigration

- **Chronic non-communicable diseases**

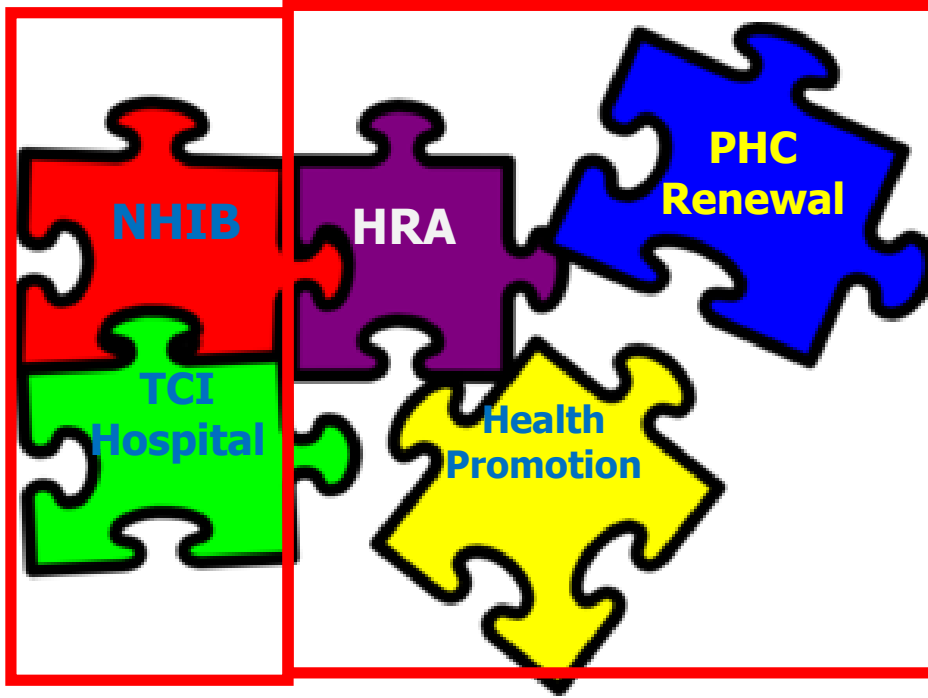
- Prevention and chronic Disease Management Issues

- **Catastrophic events**

- Motor vehicle accidents
 - Crime
 - Hurricanes (Irma and Maria)

- **Lack of a comprehensive, Electronic Health Information Management System**

- TCIG Subventions needed to cover budget shortfall due to increase in healthcare expenditure in FY 2016-2017 and 2017-2018



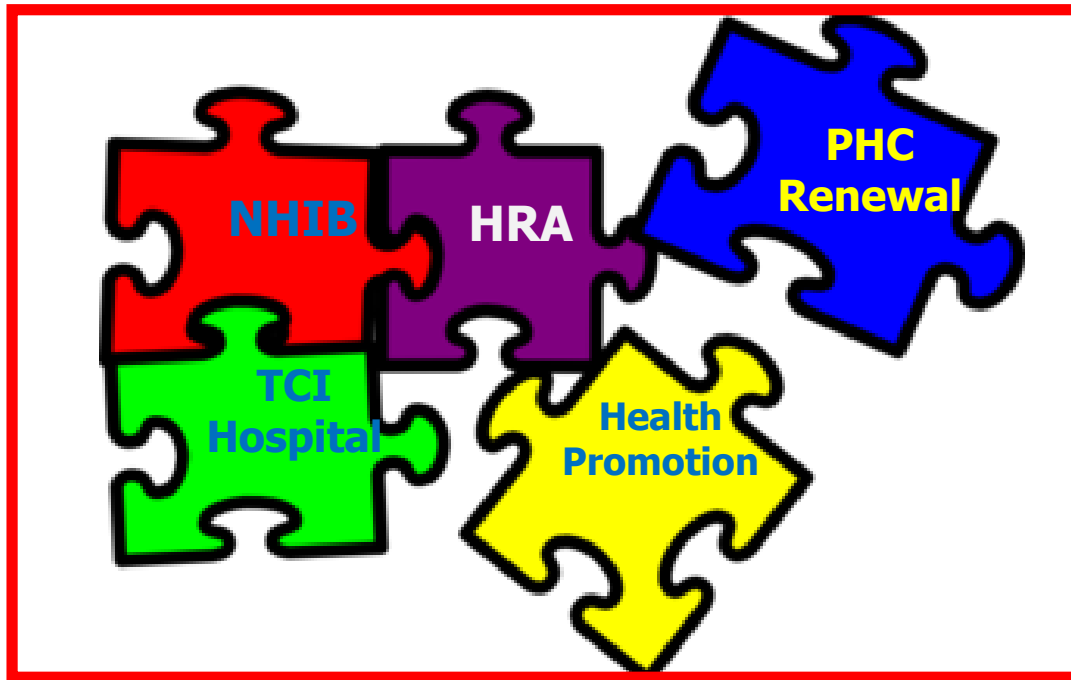
Completing the Assembling of the Health Care Puzzle

TCI has Unwavering Commitment to the 5 Ps

People
Planet
Prosperity
Partnership
Productivity

Sustainable Development Goals (SDGs)

- Global focus on the achievement of the new **Sustainable Development Goals (SDGs)** in (post 2015 and into 2030)
- Must critically analyse the role of and need for **sustainable health financing models in the achievement of the SDGs**
- Particularly SDG 3, which calls for us to ensure **healthy lives and promote well-being for all at all levels**
- **In TCI this involves simultaneously:**
 - **Implementing Public Health Prevention modalities**
 - **Managing Health Care Costs**
 - **Catastrophic Care Costs**



Assembling the Health Care Puzzle in TCI

Health is key.

National prosperity ultimately depends on productivity **Productivity is inextricably linked to health** **Operationalisation of all 5 Pillars is key**

- **1. NHIP**
- **2.TCI Hospital**
- **3. Health Services Regulation through the creation of a HRA**
- **4. Primary Healthcare Renewal**
- **5. Strengthening Health Prevention and Promotion**

The Way Forward: Unity is Strength



**Turks & Caicos Government:
The Ministry of Health and The Ministry of Finance**

National Health Insurance Board & Plan

TCI Community

Public Health

Reinsurance

Solidarity

Cost Control

Quality

TCI Hospital

Creating Fiscal Space

Risk Management

Improved Health and Health Outcomes for TCI

Local Providers
Capacity Building

External Providers
Efficiency

TCI Situation: What lies beneath the Surface?

Catastrophic Care Costs

Public Health Measures

- Eliminate obesogenic environments
- Address Modifiable Disease Risk factors
 - Innovation and automation
- Evidence informed decision making and policy development including **Health in All Policy Development**

A tropical beach scene with turquoise water and white sand. The text "Thank You" and "The End" is overlaid in a dark blue, cursive font. The word "Thank" has a horizontal line underneath it.

Thank You
The End