



Virgin Islands National Health Insurance(NHI)

13th Caribbean Conference on National Health Financing Initiatives

Theme: 'Health Financing: Fiscal Space & Sustainability Challenges'

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Presented by:
Mr. Roy Barry
Deputy Director
Social Security Board - Responsible for
National Health Insurance

Agenda

- NHI Structure – Key Objectives
- NHI Structure – Guiding Principles
- NHI Structure – Operation
- NHI Structure – Benefits Package
- Benefits Exclusions
- Benefits – Terms and Conditions
- Financing
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- Financial Implications
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NHI Structure –Key Objectives

- The NHI was designed to ensure that all legal residents of the Virgin Islands have equal access to all necessary health services.
- NHI is a contributory health insurance plan that provides coverage for a defined benefit package of health services allowing beneficiaries to receive primary, secondary and tertiary health care services.
- NHI was designed to provide access to specialist care overseas where equivalent services is not available on-island.
- To provide real-time access to health benefits by utilizing on-line real-time electronic validation, claims processing, general administration and performance reporting measures.
- To improve the long-term outcomes and health care standards.



NHI Structure – Guiding Principles

1. All registered legal residents have equal access to healthcare benefits.
2. Contributions are shared based upon the members' ability to pay.
3. No discrimination regardless of your age, gender, or pre-existing conditions.



NHI Structure – Operation

- The NHI is administered by the National Health Insurance Division of the Social Security Board of the BVI.
- NHI was designed to share the costs of healthcare with employed persons and businesses operating on-island.
- Providers consist of:
 - Health Services Authority (HSA) – Community Health Clinics
 - HSA – Hospital
 - Private Hospital
 - Private Providers
 - Overseas Providers



NHI Structure – Benefits Package

Equal Benefits for ALL

- Primary Care
- Specialist Visits
- Preventative Care
- Hospital Room and Board
- Diagnostic Procedures
- Intensive Care
- Approved Prosthetic Care
- Physical Therapy
- Air Ambulance
- Ground Ambulance

- Surgery
- Emergency Care
- Pharmaceutical Services
- Mental Health Services
- Dental Care
- Vision Care
- Approval required for diagnostic testing, in and outpatient services, and specialist visits on-island and overseas



Benefits – Exclusions

1. Consultations and treatments for (i) infertility including in-vitro fertilization, artificial insemination; (ii) sex change procedures; and (iii) over the counter contraceptive drugs or devices or sterilization
2. Weight loss procedures and treatments
3. Cosmetic surgery unless medically required and pre-approved
4. Self-referred second opinion by overseas providers
5. Chiropractor visits
6. Counseling and therapy for marital and family difficulties



Benefits – Exclusions

7. Mortal remains repatriation*
8. Treatment or participation in any health service deemed to be experimental. Experimental, for this policy, refers to treatment, medicine or other procedures which are a part of a research program and have not been approved by the relevant medical board and/or accreditation authority
9. Applicable beneficiary co-insurance amounts
10. Expenses beyond the coverage limits stated in the benefit package

**Repatriation of mortal remains to the BVI will only be applicable where off-island care of the (deceased) beneficiary was pre-approved by the MRC prior to his/her death.*



Benefits – Exclusions

11. Transplants

12. Overseas outpatient physical therapy

13. Insurance medical for obtaining insurance policy,
employment purposes, driver's license and Immigration
Medicals

14. Genetic testing



Benefits – Terms and Conditions

○Co-payments

- 0% at community health clinics
- 5% at the public hospital
- 10% at private clinics on-island and in-network
- 20% at private clinics on-island but out-of-network
- 20% at overseas clinics in-network
- 40% at overseas clinics and hospitals out-of-network



Benefits – Terms and Conditions

- Limitations – certain limitations on coverage were proposed:
 - Maximum lifetime benefits limit of US\$1,000,000 including hospitalizations
 - Prenatal Care is restricted to treatment within the British Virgin Islands and to a maximum of US\$1,500 for normal pregnancy and US\$2,000 for high risk pregnancy (delivery is covered under maximum lifetime benefit)
 - MRI scans restricted to US\$1,500 per year and requires pre-approval





Benefits – Terms and Conditions

- Other annual maximums include:
 - Emergency medical transportation by sea \$1,000
 - Ground ambulance – maximum US\$500
 - Mammography – one per year from age 40
 - Air ambulance – maximum of US\$20,000
 - General diagnostic testing – maximum US\$2,000
- No coverage for overseas out-patient surgical procedures until pre-approved
- No coverage for overseas prescription pharmaceuticals until pre-approved

Financing

- Contributions are based upon 7.5% of income within a defined range with a minimum and maximum. The contribution rate is split equally between employer and employee. Employee has 3.75% deducted from salary and employer pays a 3.75% levy on payroll.
- Children under 18 are exempt from contribution
 - Persons between the ages 18 to 25 years are exempted from payment once enrolled in full-time education.



Financing

- Government contributes for:
 - Children to 18 years in full time education, and up to 25 years in tertiary education
 - Indigent
 - Wards of the State
 - Risk Officers – Police, Customs, Immigration and Fire
 - Seniors 65 years and older who are unemployed



Challenges

Registration

- Persons with dual citizenship and not living in the Territory were registered and accessed service.
- Contributions for unemployed spouse and voluntary contributors are not consistent.



Challenges

Claims

- Fraudulent claims submitted by some providers, such as the following:
 - I. Over the counter drugs,
 - II. Services not rendered,
 - III. Incorrect service date to facilitate 90 days,
 - IV. Over testing,
 - V. Labs such as, ultrasound as routine testing,
 - VI. Over prescribing of drugs



Challenges

Legislation

- Part III of the legislation, Social Security (National Health Insurance) Regulations, 2015, stipulates the contributions obligation of all contributors. Notwithstanding, the system faces a constant challenge with the major contributors to meet this obligation appropriately. The main contributors are the employers and the government.



Challenges



Benefits Package:

- The Beneficiaries were seeking medical consultation more than three times within a thirty-day period for the same diagnosis.
- Colonoscopy was once every three years from age fifty.
- Physical Therapy had an annual maximum of fifteen sessions and speech therapy twenty sessions. The system noticed that therapists were exhausting the sessions for most patients.
- Doctors were requesting several ultrasounds for the same patient within one year.
- Major preventative treatments for dental care were included as part of the \$1,500.00 annual maximum.

Financial Implications

- The issues mentioned represent a total cost of **\$3,427,021.00** incurred by the NHI system for the year 2018.
- The Government-Funded cost NHI a total of \$18,199,243.68
- Below is a breakdown of the financial implications of the Benefits Package issues:

Major Dental Cost 2018

| | \$ USD |
|----------------------|----------------------|
| Oral Surgery | 204,663.62 |
| Dental Prosthetic | 346,361.12 |
| Restorative Services | 1,148,160.13 |
| Endodontic Services | <u>437,577.16</u> |
| | <u>2,136,762.03</u> |
| Therapy Services | 1,104,822.78 |
| Colonoscopy | 89,392.69 |
| Ultrasound | <u>1,090,383.07</u> |
| | <u>22,620,784.25</u> |



Mitigating the Challenges

Registration:

As time progresses, with the assistance of the NHI team and the local providers, we were able to identify and suspend these persons' membership.



Mitigating the Challenges

Claims:

The auditing of providers, reviewing each claim and ongoing communication with providers were necessary to eradicate such fraudulent culture.

The Management team implemented a claim assessment process whereby the claims are thoroughly checked by the claims processor to ensure correctness.



Mitigating the Challenges



Legislation:

After three notices sent to non-compliant employers, they are referred to our legal team for collections.

The legal team will also collect from the employers, healthcare cost incurred by NHI for the payment of claims. This is considering that the employees are not denied coverage if their employers are delinquent.

Note: The legislation speaks about NHI legal right to collect the healthcare cost from the employer.

Mitigating the Challenges

Legislation:

Plans are to ensure the Government meets their legislated obligation.



Mitigating the Challenges

Benefits Package:

The NHI Benefits Package was reviewed and better defined to avoid misinterpretation

- NHI will cover no more than fifty per cent (50%) of the cost for all major dental cases. .
- All therapy services are capped at \$1,500.00 per person annually.



Mitigating the Challenges

Benefits Package:

- Registrants fifty (50) years and older can only have a colonoscopy once every year.
- Ultrasounds will require a pre-authorization for non-emergency cases, but not for emergency cases. NHI will allow an annual maximum of three (3) emergency ultrasounds without a pre-authorization, and thereafter, a pre-approval will be necessary when beneficiaries exceed this yearly maximum.



Social Implications

- The plan is to engage the public through an intense public awareness campaign to mitigate the negative effect that most persons will associate with the amendments.



NHI: Future Plans

We continue to diligently monitor the usage of the system by the Beneficiaries and the trends in practice by the Providers.

The aims are to ensure the strengthening of the system and the reduction of abuse. Also, to secure the system's sustainability through sound management practice and risks reduction.



QUESTIONS????



THANK YOU

