15th Caribbean Conference on National Health Financing Initiatives

"Optimizing Efficiency in Governance and Public-Private Partnerships"

Legislation & Governance in the Medical Benefits Scheme (Antigua & Barbuda)

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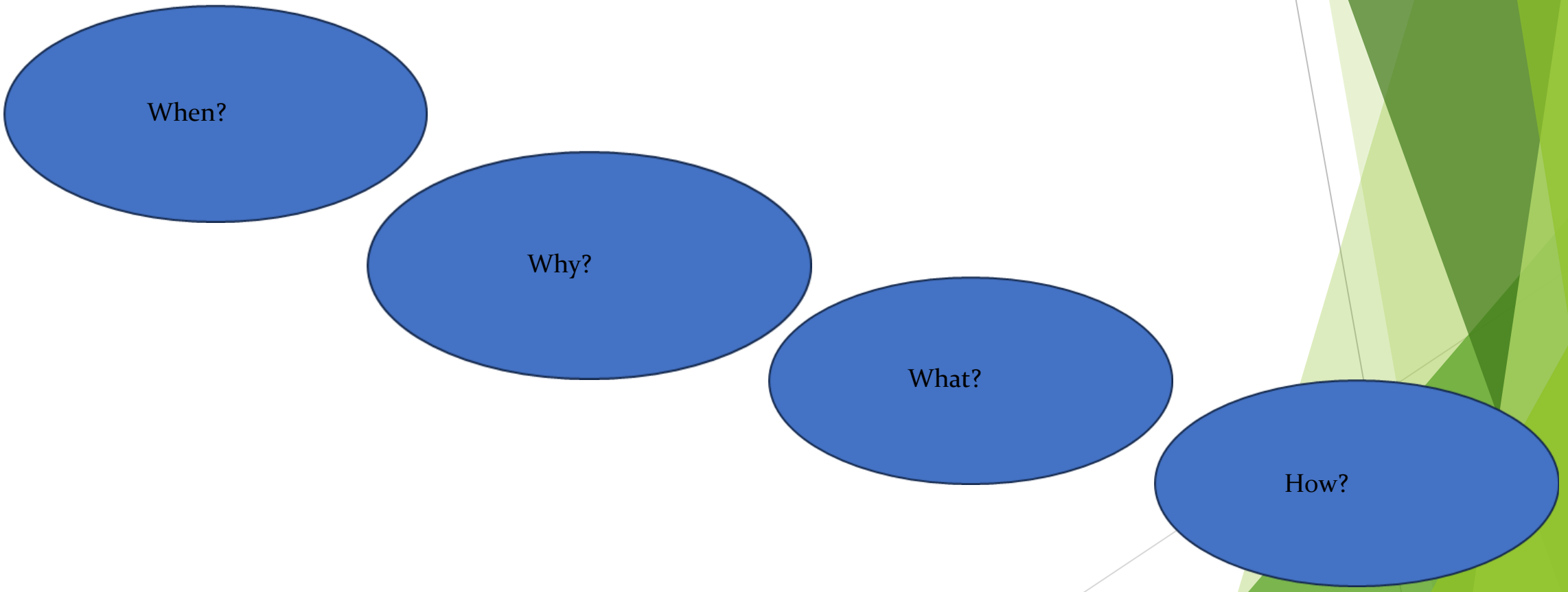
Brief History of the Medical Benefits Scheme



When were we established?

MBS - Statutory Health Services Organization

- Established under The Medical Benefits Act 1979

Most Recent ACT

- The Medical Benefits Act 2010 (effected May 2010)

Most Recent Regulations

- The Medical Benefits Regulations 2011 (May 2011)

Rationale for Amendments

To make specific healthcare payments on behalf of the Ministry of Health:

Payment for beneficiary care

Infrastructure payments for the hospital

Procurement of all pharmaceutical and medical supplies for the health system

Payment for bilateral healthcare service

Why do we exist?

"We MB Care"

We exists for two main reason:

1. Management & Prevention of Chronic Diseases
2. To provide financial and other assistance towards the cost of medical services and proactive activities to prevent disease

Managing and preventing chronic diseases require a comprehensive approach that involves both medical services and proactive activities.

What do we do?

Financial Assistance for Medical Services:

- Objective: Provide financial aid to individuals with chronic diseases to cover the costs of medical services, including consultations, diagnostic tests, and medications.
- Key Results: Increase the number of individuals receiving financial assistance for medical services by a certain percentage within a specific time frame.

Proactive Prevention Initiatives:

- Objective: Implement and promote proactive health initiatives to prevent the onset or progression of chronic diseases.
- Key Results: Measure the success of prevention programs through indicators such as the adoption of healthy lifestyles, reduction in risk factors, and increased community awareness.

Community Education and Awareness:

- Objective: Raise awareness about the importance of preventive measures and early detection of chronic diseases within the community.
- Key Results: Conduct workshops, seminars, and outreach programs to educate a targeted number of individuals, and assess the increase in knowledge and awareness.

Partnerships with Healthcare and Social Providers:

- Objective: Establish partnerships with healthcare providers to ensure quality and accessible care for individuals with chronic diseases.
- Key Results: Develop collaboration agreements with a certain number of healthcare institutions, measure patient satisfaction, and monitor the timely delivery of medical services.

How are we maintained?

(1) Mandatory Employment Remittances Ages 16 to 60

Formal Employment Remittances (7.0%)

- 3.5% from Employee
- 3.5% from Employer

- 5% from Self-Employed Individuals

(2) Mandatory Employment Remittances -Age 60 to 70

- 2.5% Employee & Self-Employed Contribution

How are we maintained? cont'd

- (3) Voluntary Contributions
    - 3.5% Voluntary Registrant Contribution of Notional Monthly
    - $20 contributions for unemployed workers
- (4) Investments
    - Maximized Returns from Investments in Securities set out in an Authorized Schedule

The Medical Benefits Scheme
Current Governance Structure

The Medical Benefits Scheme is a government administered statutory organization.

Oversight of the MBS is provided by the Medical Benefits Board of Directors that reports to the Minister of Health, Wellness, Social Transformation & the Environment.

Composition of the Medical Benefits Board

The Medical Benefits Act 2010 established the Medical Benefits Board consisting of the following members:

a) Three (3) members nominated by the Cabinet one of whom shall be the Chairman, who shall be selected by the Cabinet;

b) Two (2) members nominated by the associations, which in the opinion of the Minister are most representative of the Business sector in Antigua and Barbuda;

c) Three (3) members nominated by the associations, which in the opinion of the Minister are most representative of Labour; and

d) Three (3) representatives from Health, to include one (1) from the Medical, one from the Nurses and one (1) from the Pharmacists Associations.

Duties & Responsibilities of the MBB

The MBB is typically a governing body established by legislation and regulation.

Its primary role is to oversee and regulate the operation of the Medical Benefits Scheme as per directives of the Cabinet of Antigua & Barbuda, more specifically, the Minister of Health, Wellness, Social Transformation and the Environment.

The Board consist of directors who are responsible for making policy decisions, setting guidelines, and ensuring the overall integrity and sustainability of the scheme within the confines of the law..

The MBB has the authority to make decisions on several matters including financial assistance and financial matters.

Duties & Responsibilities of MBB cont'd

The Board establishes committees to execute its functions. They execute this by ensuring suitably qualified personnel are attached to the relevant committees.

These committees include but are not limited to:

1. Medical Sub-committee
2. HR Sub-committee
3. Internal Audit Sub-committee

These committees are chaired by a member of the board and who on behalf of the sub-committees would make presentations and recommendations to overall board for discussion and ratification.

Composition of the Organization and Responsibility of the Executive Management

The Executive or Management team is responsible for the day-to-day operations and administration of the Medical Benefits Scheme.

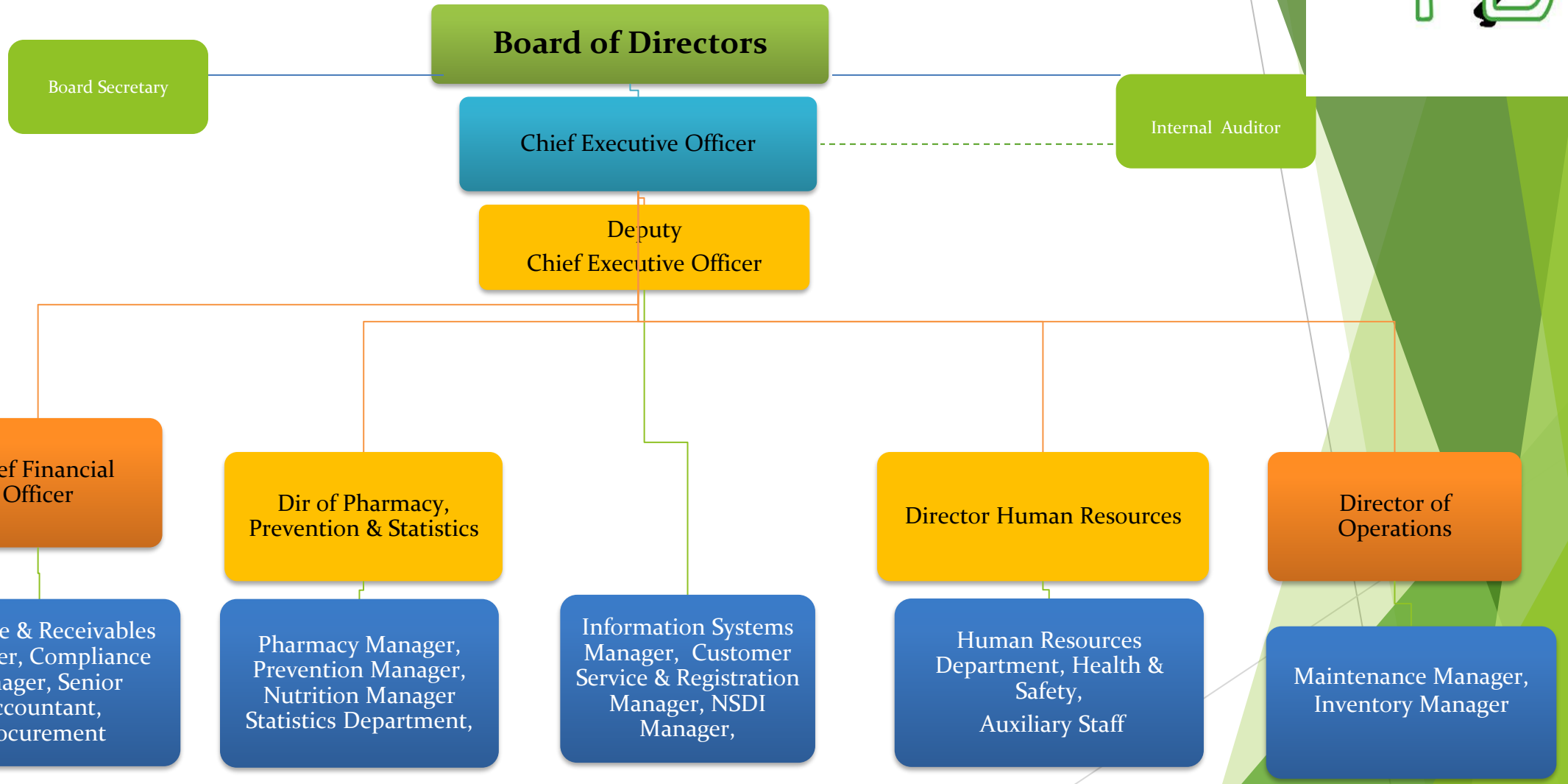
This team is tasked with implementing the policies and decisions set by the Medical Benefits Board.

These include the collection of contributions, managing funds, and coordinating with healthcare providers to ensure that covered services are delivered efficiently.

The Executive/Management is also responsible for the ongoing maintenance and improvement of the scheme's operational aspects.

Medical Benefits Scheme Organizational Chart

"We Care"



Some Challenges Include:

- Inefficient procurement processes
- MBS and MSJMC running deficits
- Unclear relationships between
  - MBS and Hospital
  - MBS and MOH
  - MBS and Ministry of Finance
- Benefits Packages expanding but not link to cost
- Refund rates outdated and not link to modern diagnostic and preventative treatment
- Legal framework needs to be updated
- Weak coordination between primary and secondary healthcare facilities.

Possible Solution is the introduction of A National Health Insurance:

Universal Health Coverage:

…. “all people and communities can use the promotive, preventive, curative, rehabilitative and palliative health services they need, of sufficient quality to be effective while not exposing families to financial hardship…”

Governance Structure
UWI-HEU Design Specification #3

When addressing the governance, organization, and administration aspects of the National Health Insurance Scheme (NHIS) within the National Health Insurance Project, commissioned by the Government of Antigua and Barbuda and carried out by the HEU (Health Economics Unit), Centre for Health Economics, we will make reference to the aforementioned document produced by UWI-HEU, which is presently under discussion.

Where Are We?
Comparative NHI Comparative Approaches.

Examination of global and Caribbean data regarding the comparative governance and organizational structures of National Health Insurance Schemes (NHIS) reveals some primary approaches:

a) Adoption of a single public insurer, either through the establishment of a new statutory body (e.g., South Korea, Aruba, The Bahamas, Suriname) or as a new department within existing social security organizations (e.g., Costa Rica, Virgin Islands - UK).

b) Implementation of a system with competing public and private insurers, as observed in countries such as Germany, Chile, Bermuda, and the Cayman Islands.

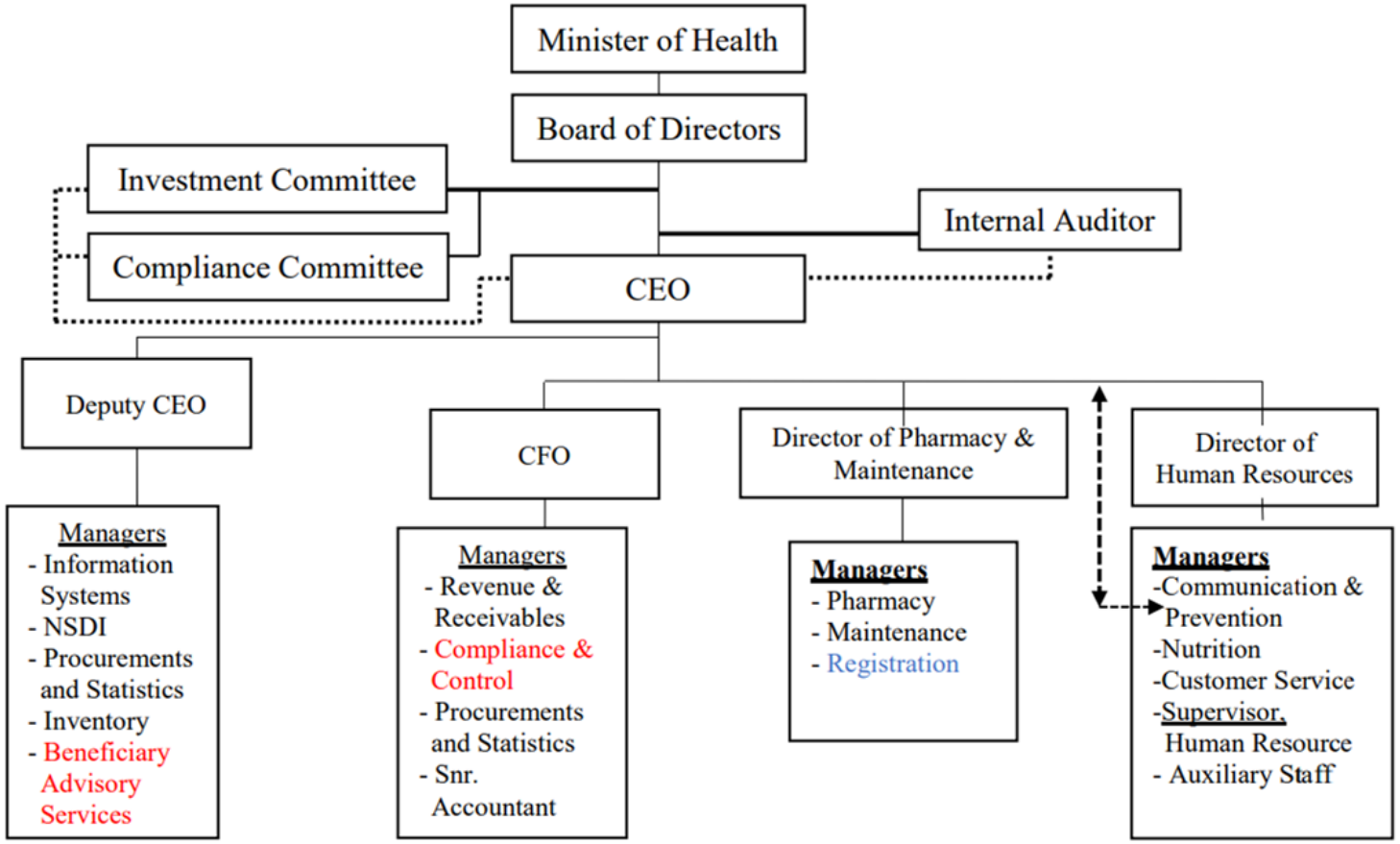
c) Utilization of a model with competing private insurers, exemplified by countries like The Netherlands, Switzerland, and partially in the United States under the 'Obamacare' arrangements.

UWI - HEU Proposed Approach Option #1

Strengthening of the existing MBS Board through added advisory capabilities from the Ministry of Finance and Social Security Board. Also strengthening the Executive team i.e. line management with a view to building capacity and increasing focus and visibility on specific NHIS functions pertaining to beneficiaries, health providers and management of compliance and control activities. No staff increases are considered and additional costs are expected to be minimal. The

potential to outsource some insurance activities such as claims processing to private insurers mayalso be considered.

Option#1 - Org Chart Depiction as proposed by UWI - HEU

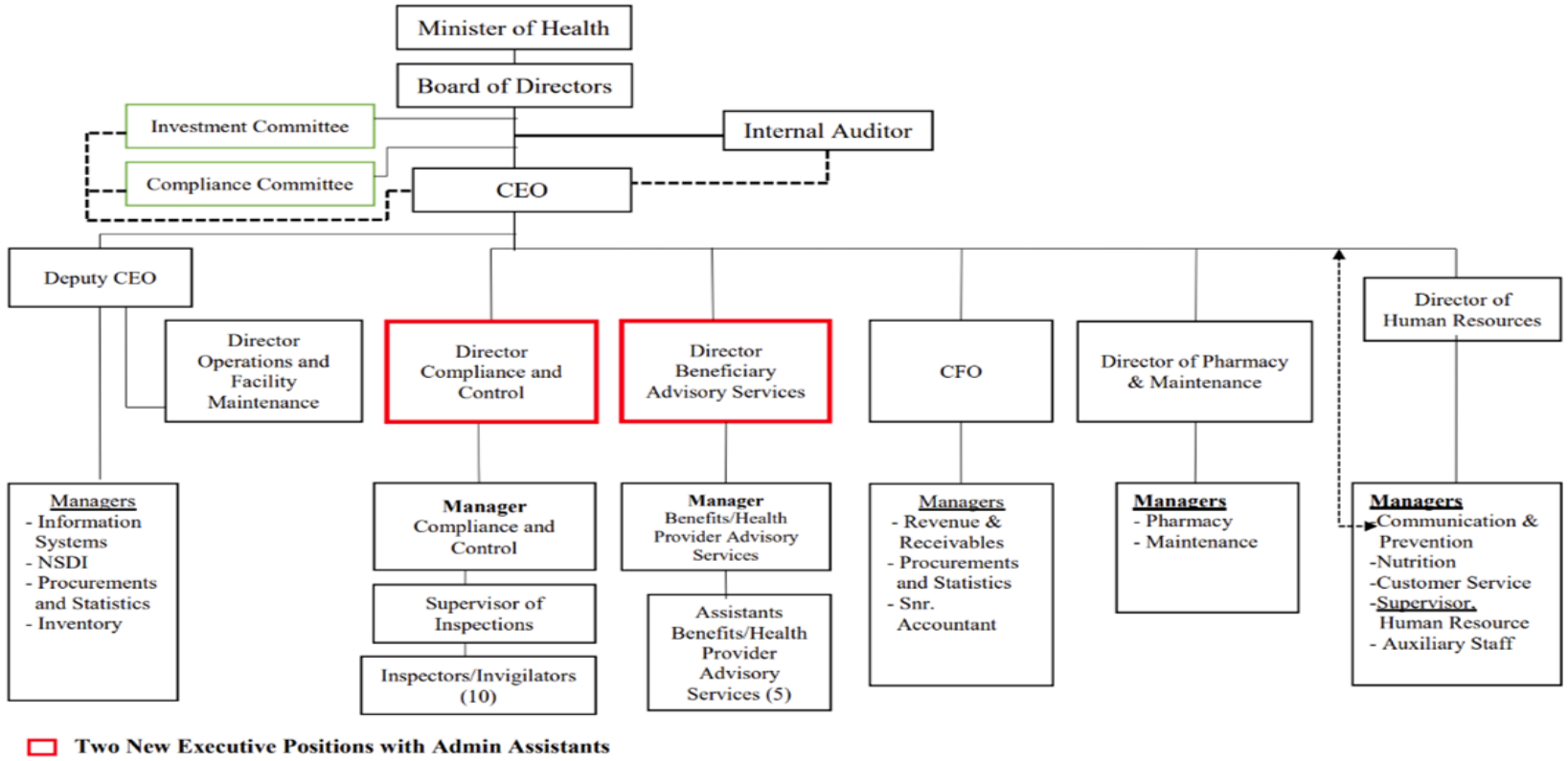


UWI - HEU Proposed Approach Option #2

Creation of two new departments for Compliance and Control, and Beneficiary Advisory Services within the existing structure. Two Directors supported by administrative assistants are added at the executive management level. The proposed staff increases will involve some additional administrative costs.

Similar to Option 1, the Board composition is also to be strengthened with inclusion of representatives of the Ministry of Finance and the Social Security Board.

Option #2 Org Chart Depiction as proposed by the UWI - HEU



Consideration #1
Review on Relationships

• The Ministry of Health, Wellness and Environment (MoHWE)—policymaking, planning, regulation and provision of primary care services in the public sector;

• The Mt St John Medical Centre (MSJMC)—delivery of secondary and tertiary care services;

• The Central Board of Health—responsibility for public and community health services;

• The Ministry of Finance—policymaking, transfer of funds and financial regulations;

• The Ministry of Education—training of health professionals;

• The Ministry of Social Transformation—social protection; community-based programs and

targeting social transfers;

• The mix of private health providers—delivering a of mix of primary and secondary care services.

Consideration # 2
Review on Legislation

The decisions also necessitated a systematic examination of the legislative framework, governance structure, and operational systems of the MBS (Medical Benefit Scheme), especially in light of its expanded roles, including:

- Acting as a 'payer-purchaser' of health services for members, encompassing services from both public and private providers, as well as overseas care.
- Serving as a 'provider' of health services, which includes the provision of pharmaceuticals and the implementation of health promotion-wellness programs.
- Functioning as a 'procurer' of medical supplies and equipment for the public health sector.

In this context, there might be a need to contemplate the 'separation' of these functions (i.e., 'payer,' 'provider,' 'procurer'), possibly through the establishment of a dedicated 'division' specifically focused on NHIS matters. This division could still collaborate with and rely on certain 'common services' provided by the broader activities of the MBS.

Conclusion

The establishment of the National Health Insurance Scheme (NHIS) poses a novel institutional challenge in realizing the goals of Universal Health Coverage.

This new system involves the creation of a clearly defined, legislated, and regulated membership base within the population, a specified benefit package encompassing health services, structured contribution arrangements, a network of healthcare providers, and designated payment mechanisms.

The report from UWI - HEU presents two organizational structure options, each requiring careful consideration and measured adjustments.

Conclusion Cont'd

Both Options necessitate modifications for effective implementation.

Notably, the existing structure of the Medical Benefit Scheme (MBS) serves as a foundational framework that allows for a seamless integration of NHIS functions. Moreover, it offers a supportive infrastructure for accommodating organizational changes to meet the evolving cultural demands of the NHIS.

The MBS's existing structure thus serves as a strategic platform for managing the transition and facilitating the necessary adaptations to successfully implement the NHIS.

THE END…

Thank you !