



Health Cooperatives: Bringing health care to marginalized communities

UN Expert Group meeting, Nairobi Kenya

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Largest **consumer-governed, nonprofit** health care organization in the United States



- Health insurance
- Health care
- Research
- Education



90+

clinics and hospitals



26,000

dedicated employees



1.8

million insured members



HealthPartners® Uganda

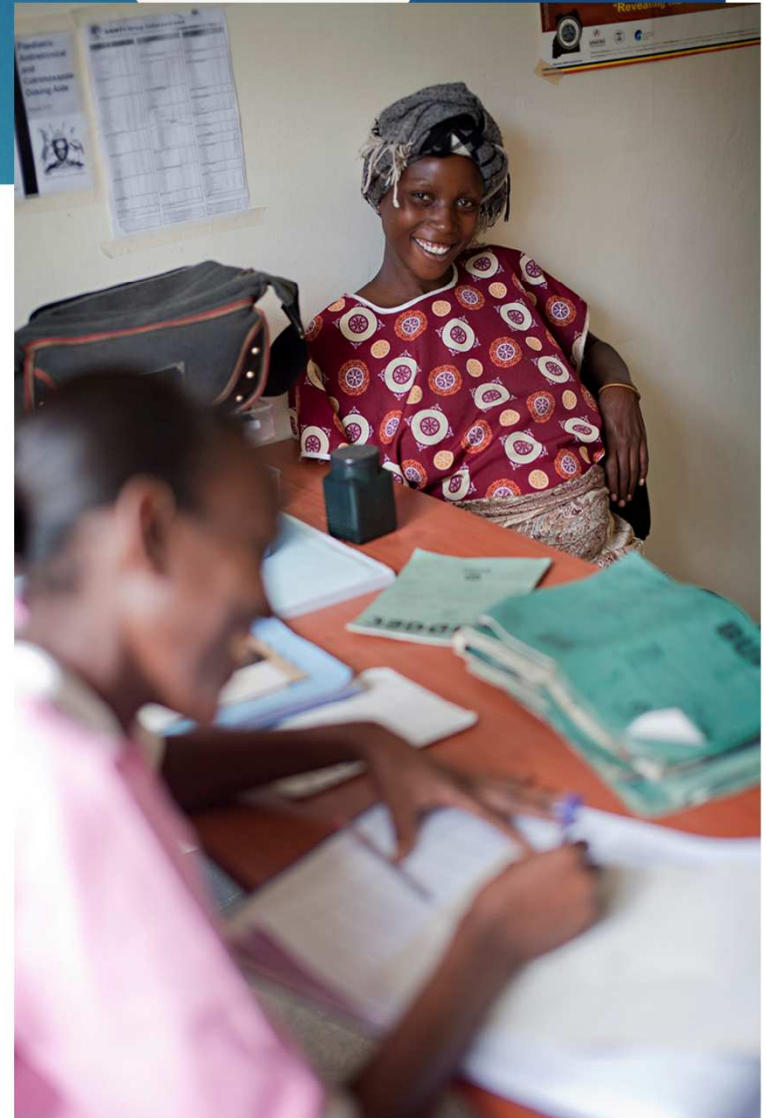
Challenge:

High out of pocket costs =

- Debt for providers and patients
- Poor health outcomes

Solution:

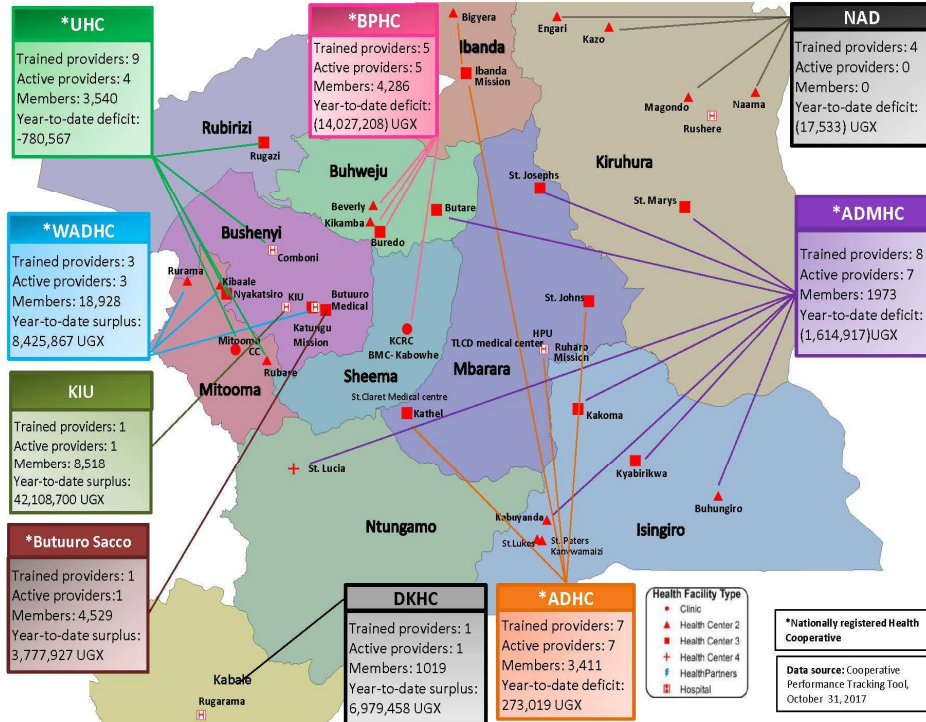
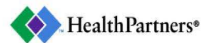
- Locally run health cooperatives



Health Coops in Uganda



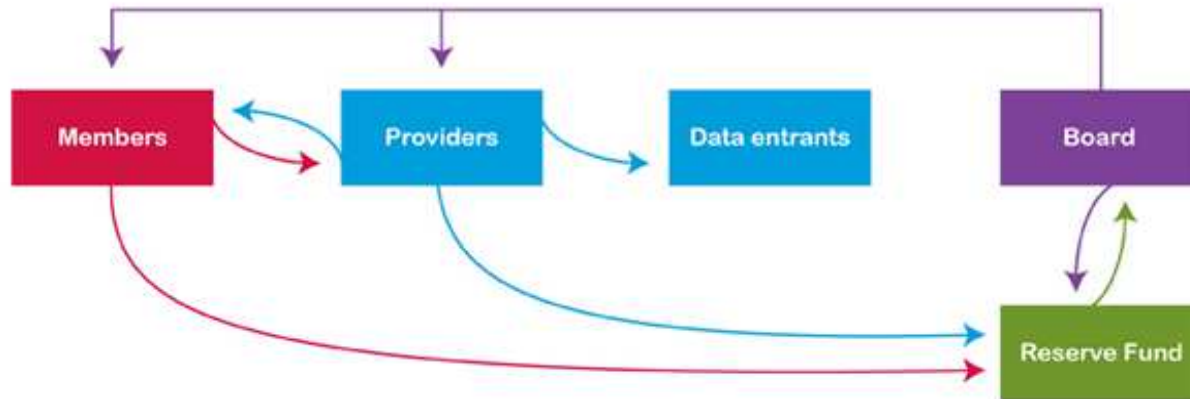
Southwest Uganda: Health Cooperative Providers
Members and Financial Performance October 31, 2017



- 46,000+ members
- 31 providers
- 14 coops/pre-coops
- 2017 Coop surplus: \$118,000 USD
- 5 year combined surplus: \$350,000+ USD



Financial Sustainability



Members

- Pay premiums and co-pay to providers
- Pay into a reserve fund

Providers

- Give quality treatment and drugs to members
- Pay data entrants
- Pay 10% of annual surplus into reserve fund

Member-elected Board

- Manages the reserve fund
- Adjusts rates to ensure quality care for members and annual provider surpluses to sustain the partnership

Reserve Fund

- Used for an annual audit, board meetings and annual general membership meetings

Local partnerships

No claims or
billing

No provider
reinsurance,
no subsidies

Skills required to run a cooperative

Care Providers

Role: Manage daily operations

- ▶ Management
 - ▶ Make / update IDs
 - ▶ Collect and track premiums, copay and member dues
 - ▶ Collect and track treatment costs
- ▶ Communication
- ▶ Data analysis

Board of Directors

Role: Oversee scheme to ensure profitability (providers) and accessibility (members)

- ▶ Governance
- ▶ Communication
- ▶ Accounting and financial analysis
- ▶ Data collection and analysis

Benefits

Members:

- Affordable access
- Financial protection
- Improved health indices
- Improved quality

Providers:

- Steady revenue
- Improved quality
- Relationship with community



Financial Protection

Coop members are less likely to:

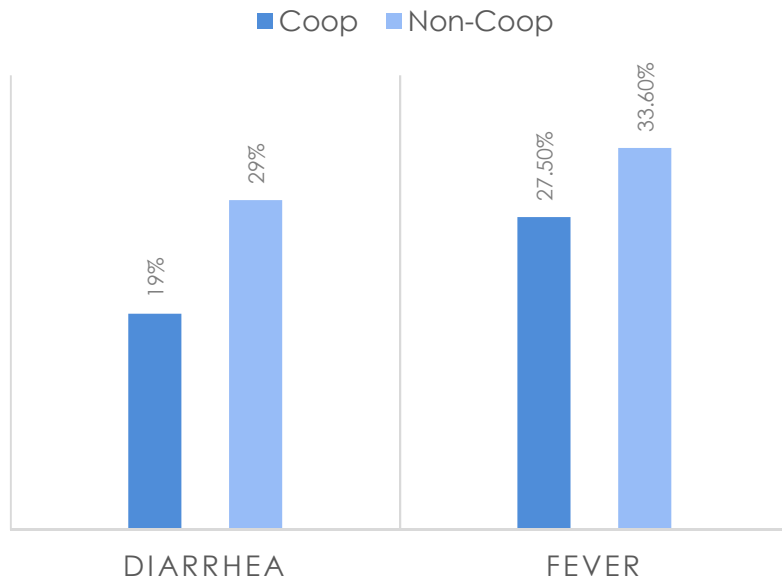
- **Borrow** money to pay for health care
- **Use credit** to pay for health care
- **Sell assets** to pay for health care

	Coop Member	Non-coop Member
Borrow money to pay for health care	23%	46%
Pay for health care on credit	15.5%	29.4%
Sell assets to pay for health care	34%	78%

Health Indices

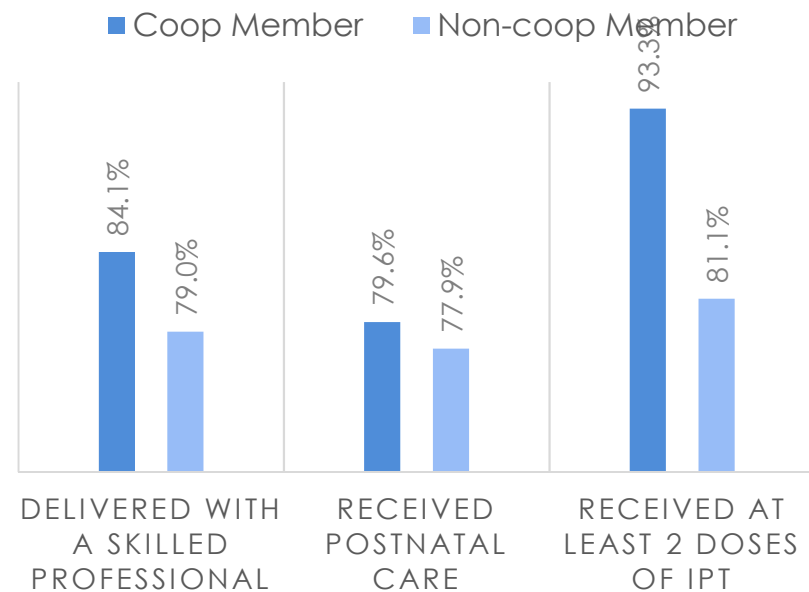
Child Health Indices

- Reduced incidence of fever
- Reduced incidence of diarrhea



Maternal Health Indices

- More likely to
 - Deliver with a skilled professional
 - Receive postnatal care
 - Receive at least 2 doses of intermittent preventive treatment (IPTp)



Provider Cost Recovery

**Provider Cost Recovery = Revenue from coop or Out of Pocket
(OOP) payers – Treatment costs**

Coop member
cost recovery
\$6.38 USD
per patient

OOP patient
cost recovery
-\$0.50 USD
per patient

Implications



Government

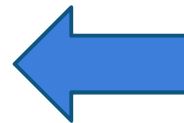
Formal Sector

Private

Informal Sector

Indigent

- Government and formal sector offset costs for the poorest of the poor
- Relies on tax revenue / government funding



Health Cooperatives

- Immediately reach informal sector
- Rely on local funds and local management

Health Cooperatives



- Provide financial protection
- Make health care accessible
- Locally owned, managed, funded
- Empower the informal sector
- Improve health indices



Asante Sana !