

Financing Healthcare in Africa: Heineken supports a Health Insurance Fund (HIF)

Context:

Heineken N.V. (beverage industry) employs around 60 000 people worldwide. Operating in Africa since 1937, with 8 000 employees, 5000 spouses, 28 000 children in 2006. Since 2001, after risk assessment analysis, made with the support of the Executive Board, Heineken has been making HAART available to employees in Africa in partnership with the Dutch NGO, PharmAccess International (PAI). This program was an extension of existing medical programmes and the results are good. The company is now considering the sustainability of its Health programs through new financial mechanisms.

Description of the program:

Heineken supports the new Health Insurance Fund (HIF), as groundbreaking initiative for a new health insurance fund for Africa. The HIF will introduce a new, innovative insurance fund for African countries that will enable low-income groups to receive collective health insurance through a premium subsidy. This insurance principle will make basic health care, including anti-AIDS medication, accessible to more people in Africa.

The financing of the insurance fund will be realized through insurance premiums and donor subsidies. All those insured will make a contribution to their insurance premium depending on their income. Coverage is based on the solidarity principle, which will enable large groups in the community to profit from the expansion of the capacity. The insurance packages will always consist of a combination of basic health care, including HIV/AIDS, TB and Malaria treatment.

In addition to the HIF, the Dutch insurance companies Achmea, SNS Reaal and AEGON will support a private investment fund that will invest in local insurers and in organizations involved in the execution of the programs. This private investment fund and the HIF together are decisive for this new public-private approach.

The Dutch government will support the HIF with the amount of 100 million Euros for the next six years.

Expected outcomes:

- Impact of the quality of care: services will be provided by both public and private care providers with whom the insurer will enter into care contracts. The care providers will be paid based on their performance. The execution of this insurance principle will be the central issue and will thus contribute to a more effective healthcare system in Africa. The available physicians, nurses and care centres can be better utilized.
- An estimated number of 230,000 people from low-income groups in Africa will be covered by basic health insurance, including anti-AIDS medication, through the Health Insurance Fund. People who, should they fall ill today, are unable to pay their GP or hospital bill. Thanks to a temporary subsidization of their insurance premium by the HIF they will be able to obtain health insurance.

Progress and next steps:

DGO (De Grote Onderneming), which is a collaboration of the top of the Dutch business community focused on the fight against HIV/AIDS, hosted the launch of the first HIF insurance policy in late June 2006, with Minister Van Ardenne and HIF chairman Kees Storm.

The HIF will first execute its pioneering plans by setting up a number of pilot projects in Nigeria. In Lagos it will work with the association of local market women and with the 'Lady Mechanic', a group of female working mechanics. In the rural Kwara state it will focus on the farming community. Subsequently, the HIF wants to expand its projects to other South- and East-African countries.