

# Public Health Systems and Health Insurance Schemes (A Study of the Nigerian Public Health System and its Health Insurance Scheme)

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## Abstract

The study focused on Universal Health Coverage (UHC) and covered services, self-funding and corporate reputation, public health systems and health insurance programs, and a study of the Nigerian public health system and its health insurance program. The study's foundation was a change management theory that Kurt Lewin developed in the 1940s. Qualitative research methods were adopted. The sample size of 18 (3 people each from the six geopolitical zones in Nigeria) was obtained from the unlimited total population into a focused group that comprises stakeholders of the Nigerian public health system and its health insurance scheme. Collaboration action research was adopted to comply with learnings from iterated feedback cycles. The result shows that there is a significant growth in Nigeria's UHC but if the health insurance scheme does not provide sufficient healthcare services, even for minor conditions. Furthermore, results also show that a lack of trust led to a decrease in the corporate reputation of the NHIS reducing the rate of self-funding. Therefore, the study suggests that stakeholders in Nigeria's public health system and health insurance program should build a positive reputation by communicating to citizens specific aspects of the system's vision, mission, services provided or covered, etc. Nigerians view trustworthiness and high-quality services as essential components of the system and the program's reputation. In order to deliver a complex and iterative process of change (Unfreeze, Move, and Refreeze), Nigeria should establish a strong managerial reputation among its stakeholders, fund and monitor the system and scheme through proper accountability, the interaction of the individual, groups, organizations, and society involved

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## 1. Background of Study

The World Health Assembly began calling on countries to prioritize universal health coverage (UHC) in 2005 as a means of providing better healthcare services. This provided a workable method for providing affordable healthcare services that were appropriate, motivating, healthy, rehabilitative, and constructive for everyone (World Health Organization (WHO), 2005). Furthermore, according to WHO, stakeholders across the globe have given financing the implementation of health systems a higher priority. The Medical Savings Account (self-funding) in Singapore (Buşoi, 2010), the Affordable Care Act (Obama Care) in the USA, Community Based Insurance, and Private Health Insurance are just a few examples of the numerous health funding schemes that exist. In order to restructure a nation's health system, which includes enforcing sustainable health finance composition and tracking that nation's progress toward achieving UHC, healthcare financing plays a significant role (WHO, 2011). The Public Health Association of Australia explains the purpose of public health as follows: "Public health includes, but goes beyond the management of individuals to include health promotion, prevention of disease and disability, recovery and rehabilitation, and disability support." This approach gives specific relevance to and expertly informs the Association's position, together with consideration of the social, economic, and environmental determinants of health. According to Kuzin (1997), a health insurance scheme is an arrangement in which efforts are made by or for the benefit of individuals or groups (associates) to purchase institutions (a fund) that are responsible for purchasing covered treatments from providers on behalf of the scheme's members.

## 2.1. Objectives of the Study

The study analyses public health systems and health insurance programs, and it specifically focuses on the Nigerian public system and its health insurance program.

- 1) Investigate the significance of the UHC and covered services
- 2) Ascertain the nature of self-funding and corporate reputation

## 2.2 Research Questions

- 1) What is the level of UHC and covered services?
- 2) What is the nature of self-funding and corporate reputation?

## 2.3 Hypotheses

- 1) There is significant growth in the UHC and covered services
- 2) There is an increase in self-funding and corporate reputation

## 3. The Nigeria National Health Insurance Scheme (NHIS)

It is possible to date the founding of NHIS to 1962. Nevertheless, the plan was a three-party public-private partnership between the NHIS, health management organizations (HMOs), and healthcare providers that went into effect in 2005. The registrants in the program make up the other stakeholder (NHIS, 2012). The main goal is to ensure UHC, which could enable a better approach to healthcare services and a better population health outcome. Its objective was to complete UHC within a 10-year window starting in 2005 (2005-2015). The NHIS certifies the HMOs that operate in the health insurance sector and accredits healthcare facilities to specify the welfare packages to registered subscribers in order to configure the health insurance policy. For eligible enrollees, the HMOs are responsible for purchasing medical services in place of the Scheme. The NHIS is a program that has the potential to increase Nigerians' access to vital high-class healthcare and lower the country's uninsured rate, as was seen in the ACA in America (Obama, 2016). Nevertheless, opinions on the plan's success in improving the nation's poor health outcomes and health conditions remain divisive among stakeholders (Agba, Ushie, and Osuchukwu, 2010). As a result, there is an increasing requirement to correct the ongoing sad extent by evaluating the plan and enforcement status of the scheme. This will render a clinical appraisal of the state of affairs for the policy actors.

## 4. Conceptual Review

### 4.1 Public Health

The Asia-Pacific Academic Consortium for Public Health (APACPH) has the vision to achieve the highest possible level of health for all of the people of the countries of the Asia-Pacific region. According to the American Public Health Association, "Public health promotes and protects the health of people and the communities where they live, learn, work, and play." By providing education, research, and population health services, member institutions will be better able to address key public health concerns and improve the quality of life in the region.

Both definitions of public health share the same element that it works with population health, as opposed to clinical colleagues who are initially focused on restoring, preserving, and improving an individual's health. Public health emphasizes the value of safeguarding, illness prevention, and well-being promotion in order to improve the health of the entire community. Population, prevention, and equity are the concept's three main themes. A thorough understanding of epidemiology's concepts, which provide tools to assess disease patterns, risk factors, and the results of prevention and treatment efforts, is a fundamental skill for everyone interested in public health. These abilities are especially important for distributing scarce health resources fairly.

### 4.2 Corporate Reputation

No consensus exists regarding a single definition of business reputation. Walker (2010) states that a company's reputation can be described as the collective impression of the nation's expectations for its next actions as a result of its effectiveness against the country's top rivals. According to Pauland (2015), reputation is the sum of the impressions of conduct and culture held by many stakeholders throughout time. Corporate reputation denotes a long-term, cumulative evaluation of the nation made over a considerable amount of time (Gioia, Schultz, & Corley, 2000; Ou & Abratt, 2006). Reputation is a set of assets that include qualities like "quality of products and services, ability to innovate, value as a long-term investment, financial stability, ability to attract, develop, and retain talent; use of corporate assets; and quality of management," according to Marken (2002).

### 4.3 Theoretical Review

Kurt Lewin, who created the conceptualized approach to change in the 1940s, is credited with developing the change management theory that will serve as the foundation for this study. Lewin's method of approaching change, according to Graetz, Rimmer, Lawrence, and Smith (2006), is based on a big collection of concepts known as "field theory." According to this view, nations are always exposed to two types of forces: those that maintain stability and those that cause it to break. It often exists in a balanced situation where stability-promoting factors are in control. The nation would need to reduce the factors that promote stability or switch out the ones that promote change in order to achieve transformation. Three steps make up Lewin's change model: unfreezing, moving, and refreezing. Unfreezing entails cutting back on the field troops that uphold an established

operating culture (such as the Nigerian public health system and its health insurance program). Utilizing data that demonstrates the existence of problems, it entails removing psychological ties to the past (Graetz et al 2006). The second stage is evolving, which calls for the construction of new behavioral norms centered upon a specific set of novel structures and procedures in Nigeria's public health system and its health insurance program (Graetz et al 2006).

Fundamentally, this is changing a set of behaviors from one that is less acceptable to one that is acceptable. Refreezing, which constitutes the third phase, mainly entails cultural reinforcement of freshly conditioned behaviors. In order to prevent a new round of disconfirmation, the focus of refreezing is to ensure that the new behaviors are, at least in part, appropriate to the learner's overall behavior, personality, and surroundings (Burnes, 2004). Lewin believed that successful change was a collective endeavor because, according to Graetz et al. (2006), behavioral changes cannot be sustained without a change in group norms and operating principles. Lewin's theory of change has been criticized for failing to account for how individuals, groups, organizations, and societies interact as well as for failing to provide the difficult and iterative process of change (Burnes, 2004).

#### *4.4 Empirical Review*

Through a review-based comparison analysis, Odeyemi and Nixon (2013) evaluated the equity of healthcare provided by the national health insurance programs of Ghana and Nigeria. The findings revealed that Ghana retained a significant advantage in life expectancy, infant mortality, and under-five mortality between 2000 and 2010, as well as a lower burden of major diseases. In these nations, healthcare spending accounts for roughly 5% of GDP, but in Nigeria and Ghana, public spending in 2010 accounted for 38% and 60% of total spending, respectively. Since Ghana's NHIS was implemented, private out-of-pocket spending has decreased from 80% to 66% of total spending, whereas it has remained at over 90% in Nigeria; NHIS membership in Nigeria and Ghana is roughly 3.5% and 65%, respectively; Financing and access are less equitable in Nigeria. While Ghana provides benefits that are the same for all beneficiaries, Nigeria offers a benefits package that varies depending on membership type. Although equity is improving in both nations, membership has a pro-rich and pro-urban bias. Adewole, Adebayo, Udeh, Shaahu, and Dairo (2015) evaluated how members of selected households in a rural location in the southwest of Nigeria paid for medical care and were aware of the National Health Insurance Scheme (NHIS).

A semi-structured, previously tested interviewer-administered questionnaire was utilized to gather information from 345 households using a multistage sampling strategy. The majority of consumers continue to pay for their own medical expenses out of pocket (OOP). Although there was little knowledge of the NHIS in Nigeria, attitudes toward it was positive, and from the responses collected, it appeared that the populace would be open to signing up for the program if given the chance. The adoption and growth of the NHIS in the unofficial sector may be hampered by poverty, a lack of faith in the social policies of the government, and religious convictions. Promoting sociocultural appropriate awareness campaigns regarding the NHIS and its advantages is the responsibility of stakeholders.

The government and other parties involved in prepayment systems in Nigeria should effectively handle any factors that could pose difficulties for the program. Ibiwoye and Adeleke (2008) looked into whether the introduction of the program had enhanced access to high-quality medical care. This study used logistic regression to assess formal sector employee participation in the NHIS using source data from Lagos. The study discovered that while low awareness is a significant barrier to scheme participation, the NHIS has the potential to increase access to high-quality healthcare, especially for educated couples. If businesses abide by the mandate for all employees to participate in the program, participation may increase in the formal sector, while it may increase in the unofficial sector thanks to a push to raise awareness of the program's advantages.

Self-funding's impact on the performance and success of a crowdsourcing campaign has so far remained elusive. According to early findings in the context of reward crowdfunding, it is deliberately used to establish or restore favorable campaign fundraising dynamics (Crosetto and Regner, 2018). Aminu and Mustaph (2014) looked at how corporate reputation affected the performance of the banking sector in Nigeria's northwestern Kano State. The model demonstrates that corporate reputation is a reflecting construct that significantly influences performance on a direct basis.

## **5. Methodology**

Qualitative research methods were adopted to actively pursue some kind of intervention, resolve the problem, or effect some kind of change utilizing the dependent and independent variables. The sample size of 18 (3 people each from the six geopolitical zones in Nigeria) was obtained from the unlimited total population into a focused group that comprises stakeholders of the Nigerian public health system and its health insurance scheme. Collaboration action research was adopted to comply with learnings from iterated feedback cycles because the objectives are community-based and focused on building a network of similar individuals.

## 6. Results and Discussion of Findings

Nigeria's government-funded UHC, to cater for accessible healthcare to all Nigerian citizens. Regrettably, because of the inadequacy of healthcare funding in Nigeria, the national public health system has limited resources and its covered services if health insurance schemes do not provide sufficient healthcare services, even for minor conditions.

The government uses general tax revenue to fund the health sector in Nigeria. The public health system receives further health financing through donor funding, a social insurance scheme known as the Formal Sector Social Health Insurance Program (FSSHIP), and self-funding. The result also shows that a lack of trust led to a decrease in the corporate reputation of the NHIS reducing the rate of self-funding.

## 7. Conclusions and Recommendations

A strong reputation demonstrates improved business value and ensures ongoing competitive advantage in luring more donor support and self-funding from people and the international community, respectively, which in turn improves any country's performance. It gives stakeholders the fundamental feedback needed to maintain growth in the nation's UHC and the knowledge required to expand the services covered by its health insurance program. As a result, the study suggests that stakeholders in Nigeria's public health system and health insurance program build a positive reputation by sharing specific information with the public about their vision, mission, services provided or covered, etc. Nigerians view credibility and quality service as crucial factors in the reputation of the system and program. Nigeria should establish a strong managerial reputation among its stakeholders, fund and oversee the system and plan through appropriate accountability, the interaction of the involved individuals, groups, organizations, and society, and deliver a complex and iterative process of change (Unfreeze, Move, and Refreeze).

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