Namibian Association of Medical Aid Funds

DRIVERS OF HEALTHCARE INFLATION WORKSHOP

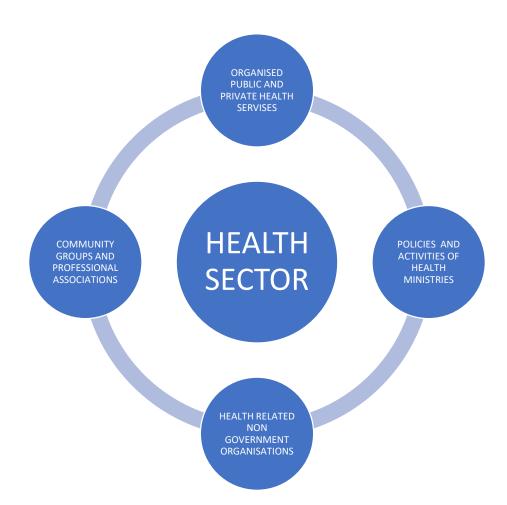
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Prepared by:

Stephen Tjiuoro NAMAF CEO

SECTOR THE FUNDS BELONG TO?





THE BUSINESS OF A MEDICAL AID FUND

STRUCTURE

- TYPE OF PRODUCT ON OFFER
- THE NUMBER AND TYPE OF INSURERS IN THE MARKET
- SUBSCRIBER CHARECTERISTICS
- INFORMATION ASSYMETRY

MARKET CONDUCT

- DEFINING BENEFITS
- SETTING PREMIUMS
- CREAM-SKIMMING LOW RISK INDIVIDUALS
- FINANCIAL EQUALIZATION BETWEEN INSURERS
- ADDRESSING MORAL HAZARD

MARKET PERFORMANCE

- LEVEL OF COVERAGE
- PRICE OF PREMIUM
- HEALTH SERVICE COST
- INSURERS PROFIT RATIOS AND
- IMPACT ON
 HEALTHCARE SYSTEM
 AS A WHOLE AND
 EQUITY
 IMPLICATIONS



Imperfect market

Price Sensitivity

Third party payer system

Electronic claims submission

Moral hazard

Purchasing decision

Often made during crisis times

Information asymmetry

Supplier induced demand

Perverse incentives

Education levels

Supplier induced demand

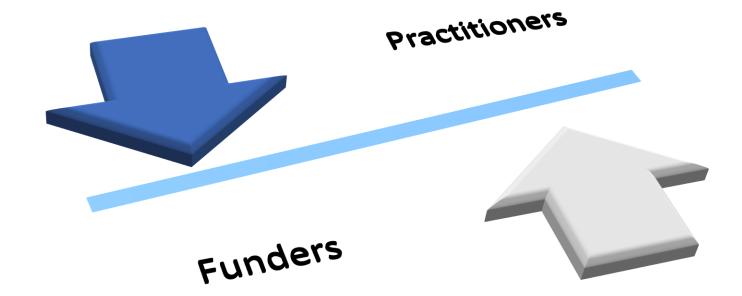
Consumer induced demand

Information asymmetry

Increased education



Natural tension



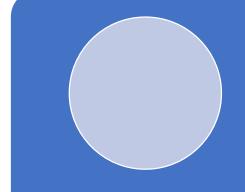


Prioritisation is a must

Expenditure Income Increased education Technological Developments Return on Increasing Burden of Investments Disease Contributions Ageing population



OBJECTIVES OF THIS WORKSHOP – MCQUESTION



WHAT DRIVES HEALTHCARE INFLATION?

Are there relationship between these drivers?



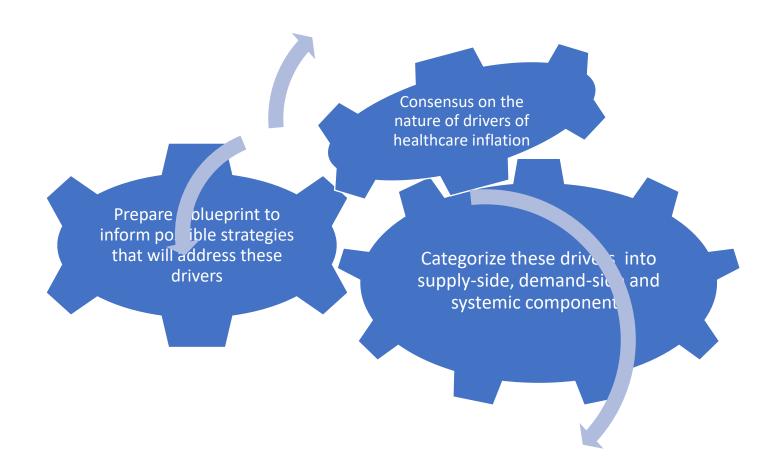
WHAT DOES THE DATA
SHOW ABOUT
NAMIBIA'S UNIQUE
EXPERIENCE



EXPLORE



WHY IS THE WORKSHOP ONLY ATTENDED. THE DEMAND SIDE / FUNDERS







Thank You