

# Namibian Association of Medical Aid Funds

THE ROLE OF REGULATORS  
11<sup>th</sup> of June 2019



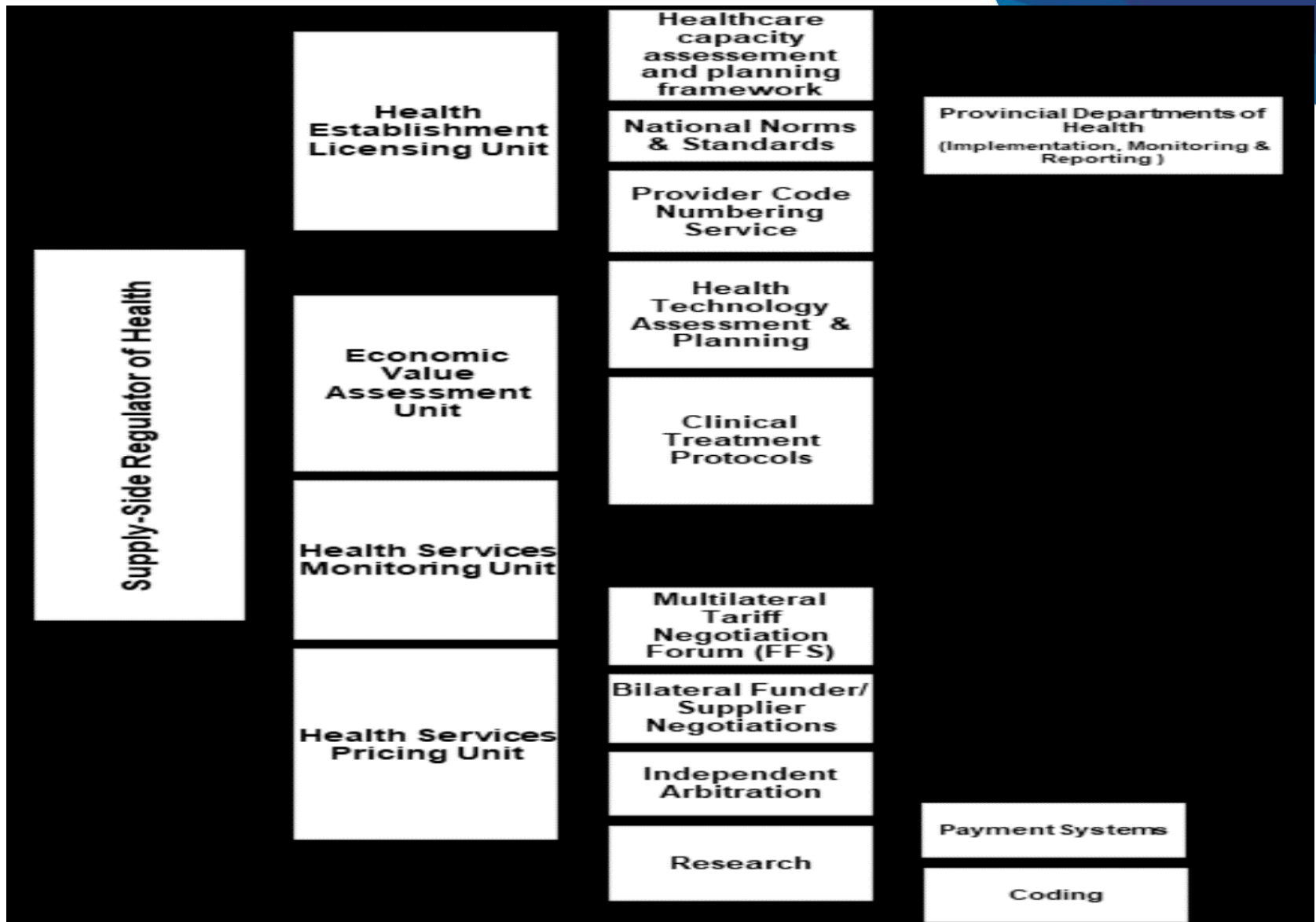
Taking hands in Namibia's  
healthcare

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# The role of Regulators

There are two distinct set of regulators:

- a) Supply side and
- b) Demand side



# Management tools



## Health Establishments

- Capacity planning
- Norms and standards
- Practice Numbering systems



## Economic Value Assessment

- Health Technology Assessment (HTA)
- Clinical protocols



## Health Monitoring

- Quality metrics
- Clinical outcomes
- Financial outcomes
- Training and education



## Health Pricing

- Coding
- Billing rules and guidelines
- Benchmark tariffs
- Reimbursement models

# THE BUSINESS OF A MEDICAL AID FUND

## STRUCTURE

- TYPE OF PRODUCT ON OFFER
- THE NUMBER AND TYPE OF INSURERS IN THE MARKET
- SUBSCRIBER CHARACTERISTICS
- 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

# Components of a “Twin Peaks” Approach

## Conduct Supervision

- Consumer protection
  - Correct usage of coding structures
  - Adherence to industry guidelines (sec 18)
- Screening of HCP – practice numbers
- Risk management strategies (data analysis)
- Customer (health related) complaints handling
- Awareness creation
- Stakeholder engagement

*Source: Centre for Insurance Policy and Research*

## Prudential Supervision

- Risk-taking practices
- Capital adequacy
- Viable business models
- Internal governance processes
- Risk management arrangements

*Source: Financial Supervisory Authority - Finland*

# LEGAL FRAMEWORK / INDUSTRY REGULATORS

<b>Government &amp; Departments</b>	<ul style="list-style-type: none"><li>• <b>Ministry of Finance</b></li><li>• <b>Ministry of Health</b></li><li>• <b>Ministry of Home Affairs</b></li><li>• <b>Etc.</b></li></ul>	<ul style="list-style-type: none"><li>• <b>National health policy</b></li><li>• <b>Immigration laws</b></li></ul>
Regulators	<ul style="list-style-type: none"><li>• NAMFISA</li><li>• NAMAf</li><li>• HPCNA</li></ul>	<ul style="list-style-type: none"><li>• Financial regulation &amp; Solvency requirements</li><li>• Conduct regulation</li><li>• Scope of practice</li><li>• Ethical rules</li></ul>



Thank You