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Perceived Impact of the National Health Insurance Schemes (NHIS) Among Registered Staff in Federal Polytechnic, Idah, Kogi State Nigeria

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Abstract: The paper focuses on the perceived impact of the National Insurance Scheme on registered workers in Federal Polytechnic Idah. Utilising primary and secondary data the study discovered that although the scheme is ineffective it should not be scrapped because in the long run if properly managed its benefits will be tremendous on the workforce. Health security and insurance is an important measure of enhancing productivity in both private and public organizations. A healthy workforce makes a productive workforce.
Keywords: health; workers; productivity; impact; health service providers

INTRODUCTION

The importance of a healthy worker to private and public organizations cannot be overemphasized. A healthy population makes a healthy nation and workforce upon which the realization of corporate objectives of organizations largely depends. However, when health problems occur among workers in their productive years the number of available workers reduces, absenteeism increases while productivity decline. The Global Business Council on HIV/AIDS (2002) reasoned that with increasing absenteeism organizations will experience loss of skills and declining morale which is likely to lower productivity.

It is in view of the above that some employers sometimes establish health scheme for their workers to address their health needs. One of such health package is the National Health Insurance Scheme established by the Federal Government of Nigeria in 2005 as a policy response to the rapid escalating cost of health services and the lack of accessibility to health services by majority of Nigerians despite the National Health Policy (NHP) of 1988. Since the establishment of the scheme four years ago there have been mixed feelings about the impact of the programme on workers.

This study is therefore conducted to find out the perceived impact of the National Health Insurance Scheme (NHIS) among registered staff in Federal Polytechnic, Idah in Kogi State, Nigeria. The issues which constitute the problematique of the study are broadly summarized in four principal research questions as shown below:

(i) What is the scheme all about and the challenges of the programme?

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(ii) What is the perceived impact of the scheme on registered workers in terms of morale and job satisfaction?

(iii) Do worker access health services through the scheme and what is the quality of series rendered by health service providers.

(iv) Does the scheme have any effect on health status of workers and their finances?

The remainder of this paper shall seek to answer these questions by way of utilizing primary and secondary data.

NATIONAL HEALTH INSURANCE SCHEME: A LITERATURE REVIEW

The National Health Insurance Scheme (NHIS) was launched in 2005 by the Obasanjo Administration (1999 – 2007). The idea for a scheme of this nature was conceived in 1962 but was only executed forty three (43) years after because of lack of political will to actualize the dream by successive governments (Falegan, 2008), both military and civilian. Explaining the purpose of the NHIS, Ononokpono (2008), notes that it was established to provide comprehensive health care delivering at reduced (affordable) costs, covering employees of the formal sector, self-employed, rural communities, the poor and the vulnerable groups. The scheme is therefore aimed at solving the problem of inequality in the provision of health services (Ibiwoye and Adeleke, 2007). Health service is for all- both the rich and the poor.

The scheme recognizes the fact that the impact of ill health can take the form of soaring financial cost of illness, low productivity at workplace (Sanusi and Awe, 2009), absenteeism, etc. For instance, in recent years, 500 million work days were lost in Europe due to health related problems (Woolhandler et al, 2003; Colins et al, 2007).

The NHIS was established by Decree 35 of 1999. The Decree provides for the establishment of a Governing Council charged with the responsibility of managing the scheme. The council consists of the following members.

(i) The chairman who is an appointee of the President on the recommendation of the Minister of Health;

(ii) One representative each from the Federal Ministries of Health and Finance;

(iii) One representative from the office of establishment and management services in the office of the secretary to the Government of the Federation;

(iv) One person to represent the Nigerian Employers Consultative Association;

(v) One person to represent the Nigeria Labour Congress (NLC);

(vi) One person to represent the registered health maintenance organizations;

(vii) One person to represent the private health care providers

(viii) Two representatives of public interest; and

(ix) The Executive Secretary of the Scheme who is also the Secretary to the Council

Members of the council are expected to be men of proven integrity, and possessors of relevant high education and knowledge.

(a) The NHIS Decree No. 35 of 1999 states that the scheme is to:

(b) Ensure that every Nigeria has access to good health;

(c) Protect families from the financial hardship of huge medical bills;

(d) Limit the rise in the cost of health care services;

(e) Ensure equitable distribution of health care costs among different income groups;

(f) Maintain high standard of health care delivery services within the scheme;

(g) Ensure efficiency in health care services;

(h) Improve and harness private participation in the provision of health care services;

(i) Ensure equitable patronage of all levels of health care

(j) Ensure equitable distribution of health facilities within the federation;

(k) Ensure the availability of funds to the health sector for improved services.

Participation in the scheme is optional except for workers in the private and public sectors who are expected to contribute 5 percent of their basic salary to the scheme while their employers pay 10 percent for each worker. This entitles a contributor, a spouse and four children to access Medicare from any approved service provider (nigeriafirst. org 2003). The scheme which is modeled after the practice in developed countries is expected to provide health care to the various segment of Nigerian variegated population of about 140 million by mobilizing resources in sustainable manner. As at February 2009, the scheme has registered over 4 million federal civil servants and their dependants. This statistics shows that only 3 percent of the 140 million Nigerians are befitting from the scheme. About 23 billion naira has been disbursed to 7850 accredited health facilities nationwide (Kujenya, 2009).

RESEARCH DESIGN AND METHODOLOGY

The study area of this work is the Federal Polytechnic, Idah where some of the workers are registered members and beneficiaries of the National Health Insurance Scheme. Two major sources of data collection were used in the study – primary and secondary

In using primary sources, the study depended on personal observation and questionnaire administration. The secondary sources are textbooks, journal articles, newspapers, unpublished thesis and internet based materials.

A questionnaire had open and close ended questions designed and administered on thirty five respondents. The questions raised in the research instrument were designed to generate information on the following variables: the socio-demographic status of the respondents; quality of services provided in the scheme and the impact of the scheme among others.

The reliability and validity of data generated were ensured through thorough scrutiny of the scheme and the questions raised in the questionnaire by seasoned researchers; in analyzing the data, descriptive statistical methods like tabulation, simple percentage and frequencies were used.

DATA ANALYSIS

Socio-Demographic status of respondents

The main socio-demographic variables considered in this study are sex, marital status, age, length of service, size of household and monthly income. Thirty five questionnaires consisting of open and close ended questions were designed and administered to 35 registered members of the National Health Insurance Scheme.

Sex composition – The results of the study showed that most of the respondents are male – 94 percent as against 6 percent female.

Marital status – The percent distribution of the marital status of the respondents revealed that 88 percent are married; 6 percent are single and 6 percent are either widows or widowers.

Age Distribution – It was observed that majority (43 percent of the respondents are within the productive years of 35 – 44 years and will probably need an effective health care scheme that will boost their health status and thus enable them to contribute to national development of Nigeria through the Federal Polytechnic Idah. This percentage is closely followed by the age range of 45 and above years (34 percent). Those within the age bracket of 18 – 34 years are 23 percent (8 out of 35).

Length of Service: The data gathered were highly skewed in favour of respondents with the length of service of 1 to 10 years (63 percent); 26 percent of the respondents had put in over 21 years in the service of the Federal Polytechnic Idah while 11 percent indicated 11 to 20 years of service. Since most of the respondents still have about 20 before retirement, a scheme like the National Health Insurance Scheme would be highly desirable. Even after retirement registered members of the scheme are likely to find the programme useful.

Family size: More than half of the total respondents (51 percent) have family size ranging from 4 – 6; meaning that they need an effective health scheme to meet their health needs and reduce monthly expenditure on health services by the bread winner. About 37 percent of the respondents indicated a family size of 1 to 3 while 11 percent of the total respondents have large family size of 7 and above persons. This reflects the Africa culture where a worker in addition to his immediate family has dependants from extended family.

From the response on monthly income of respondents 43 percents indicated a monthly income of 96,000 and above naira while 37 percent earn monthly between 56,000 – 95,000 naira. 20 percent of the respondents are on monthly income of 19,200 to 55,000 naira. Giving the high cost of living occasioned by poor governmental planning, what a Nigeria worker earns monthly is hardly sufficient to meet his basic needs such as shelter, school fees, food, clothing, medical bills and others. The National Health Insurance Scheme could therefore be conceived as an incentive measure which may influence positively if well implemented the performance of workers. Inadequate incentives remain a major problem among African workers in private and public organizations and remain a key factor inhibiting higher productivity (Agba, 2007).

Impact of the National Health Insurance Scheme on Workers

Table 7 shows that there is enough awareness of the scheme among registered members. This is reflected in the 100 percent of the respondents who indicated that they are aware of the existence of the scheme. This awareness may have motivated 97 percent of the respondents to register with the scheme as against 3 percent who did not register (table 8). By personal observation and interview it was discovered that some of the worker of the Federal Polytechnic Idah had technical problems with their registration in the scheme while other have developed general apathy towards government programme because of frequent failure associated with them in the past years.

Tables 9 revealed that majority (86 percent) of the registered members among the respondents have been accessing services from their health providers. Only 14 percent of the respondents said they have not been accessing services from their health providers probably because they have cultivated the attitude of cold feet toward government programmes. Table 10 shows the average number of times respondents and their family members visit their health providers for medical attention on monthly bases. More than half of the population studied (66 percent) indicated a range visit of 1 to 2 times; 11 percent stated 3 to 4 times; 8 percent said their visit is between 5 and above times while 14 percent ticked not applicable perhaps because they were not too sure of their facts. The number of times the respondents visit their health providers reveals that the workforce at various times suffers from one ailment or the other demanding medical attention. Most of the ailments are minor requiring fewer funds to handle.

In table 11, respondents revealed the quality of service rendered by their health service providers. Although services are rendered, 48 percent of the respondents rated them poor due to absence of drugs, poor prescriptions and attention. On the 26 other hand, 26 of the percent of the respondents rated the services in terms of quality as high basing their stand on good attention they received, availability of drugs, timeliness and professionalism displaced their health service providers. 26 percent of the respondents evaluate the attitude of health workers to them as substandard. In view of the majority of the respondents who indicated poor followed the opinion of substandard attitude, we cannot but conclude that services rendered by health service providers in the scheme are poor. This reflects the deteriorating state of health institutions in the country culminating in foreign medical attention by the rich.

Table 12 shows that the National Health Insurance Scheme has not improved the health status of the registered members of the scheme through better medical attention. This is reflected in the 48 percent of the respondents whose views were in line with the above statement as against 37 percent who indicated that the scheme has improved their health status. 14 percent remained undecided.

Table 13 shows a not encouraging impact of the scheme on workers as 46 percent of the respondents indicated that the programme has not improved their status thus has not affected the quality of services they rendered; the programme has no serious impact on the commitment and dedication to official duties. Furthermore, the scheme has not led to a reduction in absenteeism or increase the time spent at work. For them they have been dedicated and committed to task assigned to them even before the scheme was introduced.

As a follow up to the above, table 14 of the study shows that majority (46 percent) of the respondents argued that the scheme has not boosted their morale and job satisfaction. However, 31 percent of the population maintained that the programme has boosted their morale and job satisfaction while 23 percent of the respondents were undecided.

In table 15, respondents were asked to indicate what they consider to be the impact of the scheme on their finance. 60 percent maintained that there is no reduction in what they spend on medical services as against 40 percent who said the scheme has helped them financially by cutting down what they spend on medical bills. However, the contention of the paper is that the programme has brought some respite financially on registered workers who care to access services rendered.

Despite the negative impact the scheme seems to have had on workers, 51.4 percent of the respondents from table 16 said the scheme should not be scrapped. This is against 37.1 percent who were of the view that government should discontinue the scheme. Only 11.4 percent were undecided.

It could be inferred that although the scheme is judged to be ineffective, there is still room for improvement hence it should not be scrapped. As expressed by some of the respondents, the scheme should be sustained because it has brought some form of financial relief to some of the beneficiaries; it could serve as a source of motivation on workers if properly managed; it increases availability and affordability of functional health care to beneficiaries; and the scheme has the ability of affecting all the sectors of the economy because it takes good health to be productive.

PROGNOSIS FOR ACTION AND CONCLUDING REMARKS

It is obvious from the foregoing that the scheme is a welcome development in Nigeria; hence should be sustained. To do this, there is need to be guided by the principle of transparency and accountability in the administration of the scheme. Transparency and accountability on the part of the government and the health service providers will go a long way to curb corruption in the administration of the programme. Government must ensure that the scheme is not abused by corrupt men and women. The minimum standard for the service providers must be clearly defined by the government followed by proper supervision by the supervisory agencies. To achieve this there is need to decentralize the administration of the scheme through the establishments of National Health Insurance Offices in rural areas where

complaints from beneficiaries can be lodged, investigated and corrective measures taken where necessary.

Health service providers must endeavour to render cutting edge service to their registered members through improving on the quality of drugs and attention to patients. To improve on the quality of drugs, the operation of the National Agency for Food, Drugs Administration Control (NAFDAC) in fighting fake drugs in the country must be strengthened. Health service providers should see the scheme as a service to nation building and not make excessive profits through rendering substandard services. More so, drugs should be issued by certified pharmacists while diagnosis and prescriptions should be done by doctors.

Fund is said to be the life wire of most private and public organizations in the world. This means that there is need to adequately fund the scheme by ensuring that there is timely and regular release of funds to health service providers. Internal control system that will ensures that these funds reach the health service providers and not private pockets of corrupt public officials must be established and maintained.

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