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Health Care in Jamaica

Challenges and Possible Solutions

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Agenda

1. Overview of the Jamaican Health Sector
2. Description of the Health Care Delivery System
3. Comparative Health Indicators
4. Main Drivers of Health Care Costs
5. Health Care Financing
6. Main Healthcare challenges currently facing the State and individuals
7. Possible solutions to Healthcare challenges



Overview of the Jamaican Health Sector

The Jamaican Health Sector is comprised of:

1. Public Sector

- Provides health services to the majority of Jamaicans through public healthcare facilities namely hospitals and health centres at the primary, secondary and tertiary levels:
 - Primary Level – First line of contact, patients are assessed and referred to the next level.
 - Secondary Level – Care provided at the parish hospitals
 - Tertiary Level – Specialist care provided at the multidisciplinary hospitals

2. Private Sector

- Delivers health services for the insured through Group and Individual insurance policies.



Statistical Data on Health Care Penetration (Dec 2012)

Category	Number of Lives	Distribution
Employer Sponsored	343,896	13%
Public Sector Employees	310,283	11%
Other	27,212	1%
Uninsured	2,030,109	75%
Total	2,711,500	100%



Statistical Data on Health Care Penetration

% of workforce insured as at December 31, 2012:

Categories	Number of Lives	Distribution
Insured Workforce	681,391	53%
Uninsured Workforce	602,509	47%
Total Workforce	1,283,900	100%



Assessing Health Care Delivery Systems

3 Pillars of Assessment

1. Access

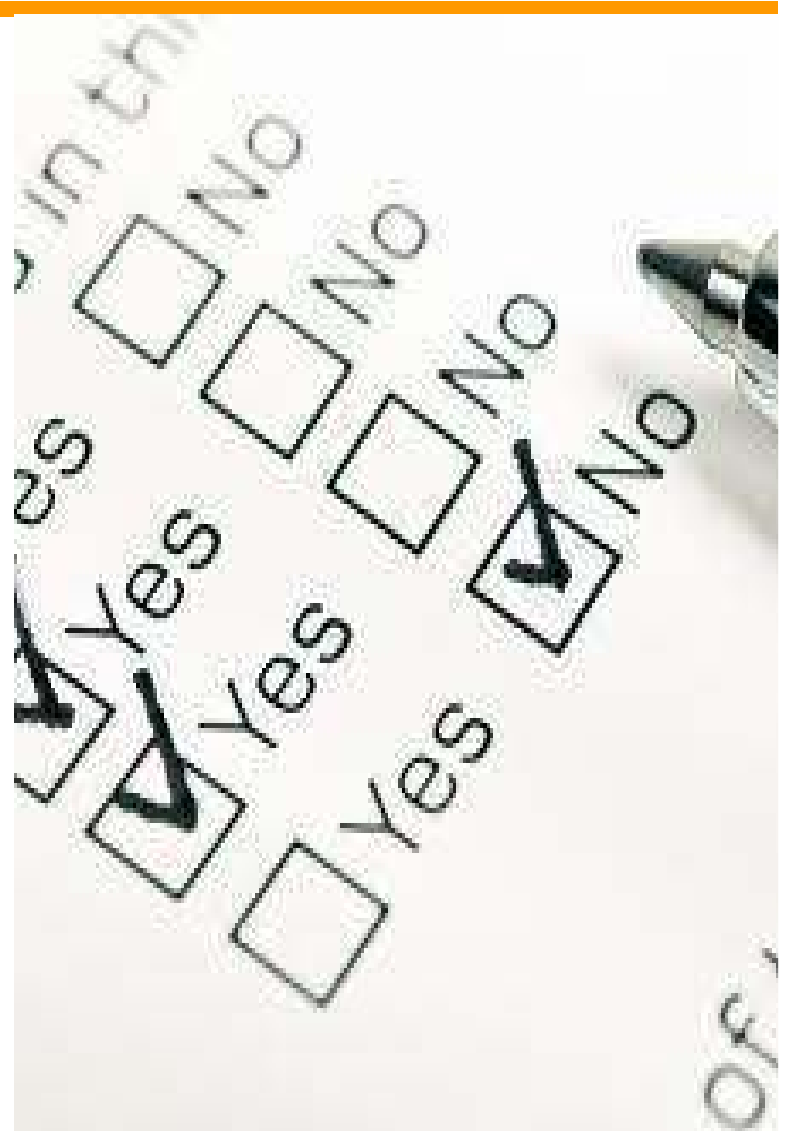
- Geographical locale
- Types of services offered
- Affordability

2. Cost

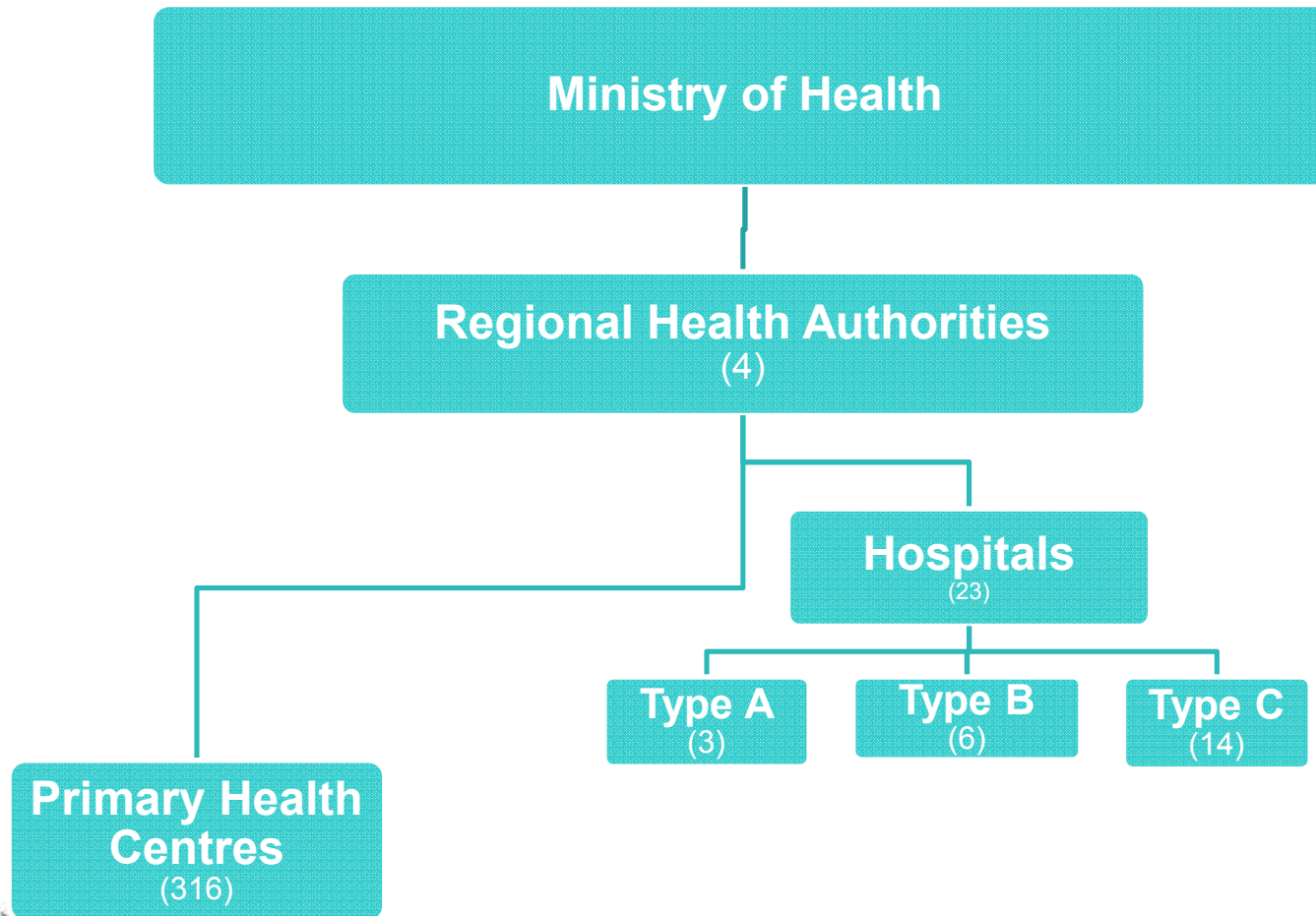
- Amount charged for various medical episodes

3. Quality

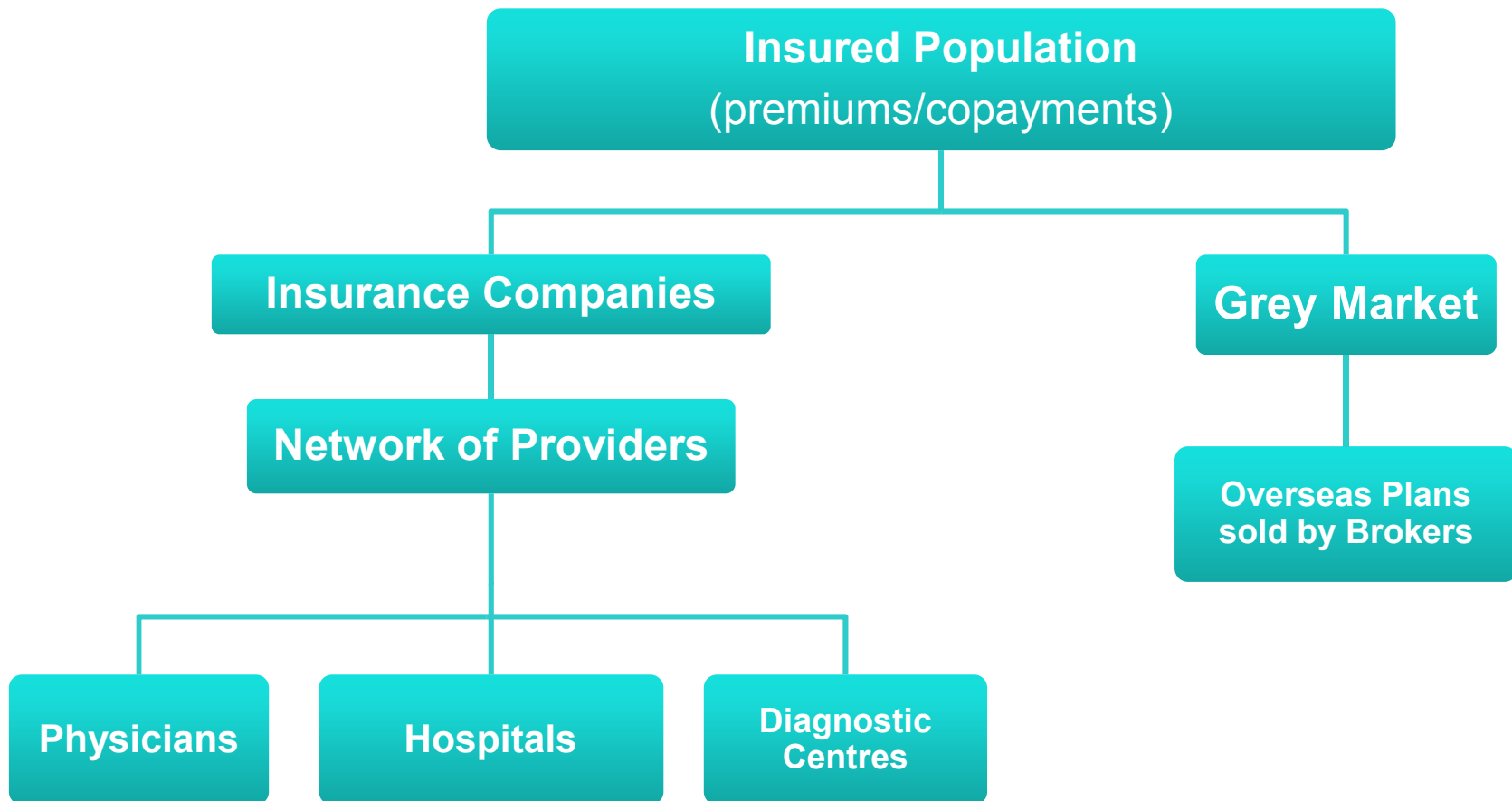
- Based on medical outcomes



The Public Sector Health Delivery System



The Private Sector Health Delivery System



Comparison of Health Status Indicators

	Jamaica	Barbados	Trinidad
Total Population (millions)	2.8	0.3	1.3
Gross National Income per capita US\$	7,310	19,000	24,050
Life Expectancy at birth m/f (years)	71/78	75/80	66/75
Probability of dying under 5 (per 1,000 live births)	17	18	21
Probability of dying between 15 and 60 years m/f (per 1,000 population)	188/103	122/70	222/104
Total Expenditure on Health per capita US\$	392	1,600	1,488
Total Expenditure on Health as a % of GDP	4.9	7.7	5.7



The Major Drivers of Health Care Cost in Jamaica

1. Increase in Chronic Illnesses

- high level of cost associated with their intervention and maintenance

2. Devaluation

- a significant input to health care delivery is imported

3. Increase in the incidence of trauma cases

- Resulting from motor vehicle accidents and violence

4. Shifts in Technology

- The diagnostic landscape for example has seen an emergence of more precise diagnostic tools, but at an increased cost



Financing

- **Public Sector**

- Primarily by Budgetary support from central government.
- Supplemented by inputs from Non-Government Organizations (NGOs) and International Development Partners (IDPs)

- **Private Sector**

- Premiums: Employer Sponsored plans are financed mainly through Employer paid premiums, and Dependent Coverage financed primarily by the employees.
- Copayments: Percentage /Fixed payments, which are the responsibility of the insured.



Health Care Challenges – Cost of Care

1. Inadequate budgetary support for the MOH

- Poorly staffed and poorly stocked healthcare facilities.

2. No user fee policy

- High demands on the already resource constrained health service

3. Non-communicable lifestyle diseases (NCDs)

- These diseases are not passed from person to person, but are of long duration and generally slow in progression.
- 4 main types are: Cardiovascular Diseases, Cancers, Chronic Respiratory Diseases and Diabetes



Health Care Challenges – Impact of NCDs

- NCDs have emerged as the leading causes of mortality and morbidity in Jamaica, accounting for the highest numbers of discharges (including death) from hospitals
- NCDs account for 65% of diseases
- NCD deaths are 5 times higher than the number of deaths from other diseases
- NCD deaths are 10 times higher than the number of deaths from HIV/AIDS
- They have resulted in:
 - Increased medical costs
 - Reduction in productivity levels



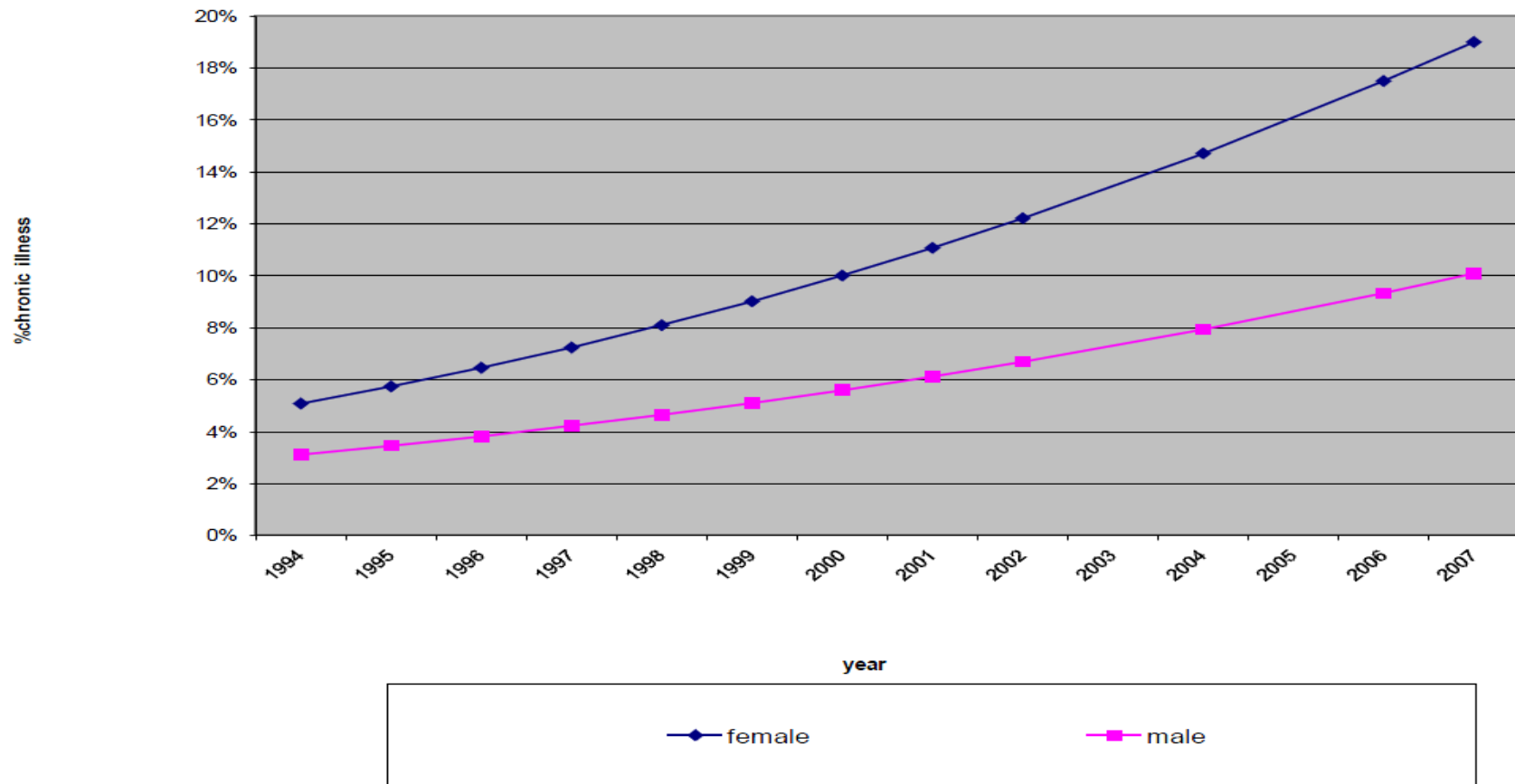
Health Care Challenges – A Further Look at NCDs

NCD Paid Claims as a % of Total Claims Paid by Sagikor in the Region

Territory	2009	2010	2011
Barbados	30%	33%	33%
OECS	30%	36%	36%
Jamaica	26%	25%	26%
Trinidad	30%	32%	32%
Total	28%	28%	28%



Health Care Challenges - Trend of NCDs in Jamaica



Health Care Challenges - Trend of NCDs in Jamaica

Sagicor NCD Claims Data

Gender	2009	2010	2011
Male	41%	39%	38%
Female	59%	61%	62%



Health Care Challenges – Access to Service

- **Health Infrastructure**

- Depending on your location in Jamaica, health care facilities might be limited in quantity
- Every parish has at least one small hospital but comprehensive care only available in Kingston and Montego Bay
- Outside of Kingston and Montego Bay, emergency services are limited in quantity and quality

- **No User Fee Policy**

- Long waiting lines for limited resources (approximately 6-8 hours for non-emergency care)



Health Care Challenges – Quality of Care

- **Chronic shortage of technical staff and resources**
 - Inadequate number of doctors
 - Inadequate specialist trained doctors
 - Inadequate forensic and other pathology services
 - Inadequate diagnostic facilities

- **No User Fee Policy**
 - High patient to doctor ratio, with no adequate increase in the number of physicians has increased the demand for medical services, leading to additional workload for inadequately staffed health facilities



Possible Solutions to Health Care Challenges

1. Re-impose user fees
2. Change to a funded model
3. Promote Preventative and Wellness Care
4. Introduce Taxes and Bans
5. Medical Tourism
6. Managed Care Techniques
7. Health Product Options



Re-impose User Fees

- Continue no user fee policy for children, the current elderly population and the physically and mentally challenged
- Restore realistic user fees outside of these categories
- Use an affluence test to determine which individuals should be exempt from the user fee



Change to a Funded Model

- Introduce a health tax to fund health care
 - Use PAYE system to deduct contributions
 - Provide health care in retirement
 - At retirement require individuals to purchase a health policy from an insurer
 - Segregate funds



Promote Preventative and Wellness Care

- Increase health awareness through Health & Wellness fairs

- Encourage insurance companies to offer preventative services for free as part of the policies that they issue:
 - ✓ Blood pressure
 - ✓ cholesterol tests
 - ✓ Mammograms
 - ✓ Colonoscopies
 - ✓ Screenings for osteoporosis, type 2 diabetes, HIV, etc

- Promote Health Consumerism
 - Empower individuals with knowledge to get them more involved their own health care decisions



Tackle the Growing NCD Problem

NCDs are highly preventable

Exercise



Stop smoking



Change to a healthier diet



Reduce alcohol intake



Taxes and Bans on Unhealthy Products

- Tobacco and alcohol already heavily taxed
- Smoking banned in public places
- Tax fast foods
- Ban Trans Fats
- Restrict import of unhealthy items

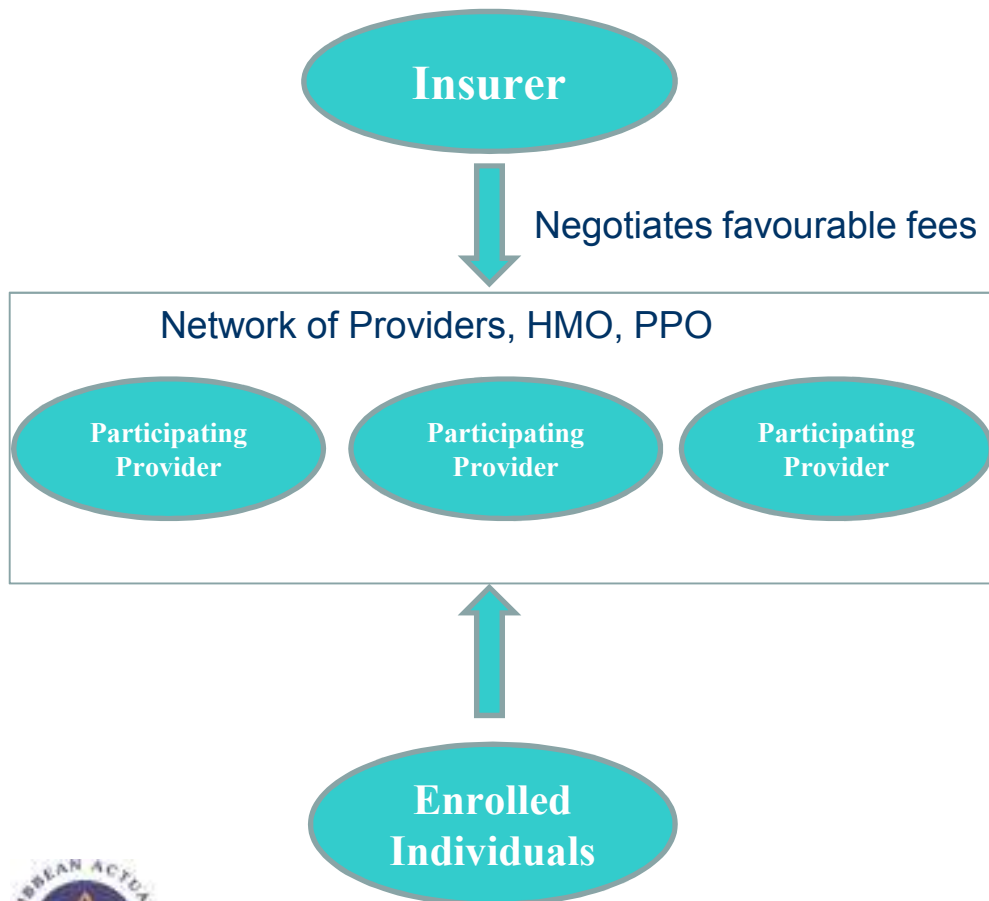


Medical Tourism

- Where people (usually from highly developed countries) travel to other countries to access health care at a lower cost
- Becoming increasingly popular due to increased medical costs, long waiting times for procedures, ease and affordability of international travel and improvements of technology and care in many countries
- Brings medical know how
- Increases tax revenue
- Brings in foreign exchange
- Over 50 countries have identified medical tourism as a national industry



Managed Care Techniques



Key features:

- access to wide variety of skilled professionals at a significantly lower cost
- no coverage if enrollees use providers outside of specified list
- Emphasis on preventative care so wellness benefits usually included
- Provider or Insurer dictate treatment options and drugs

Health Savings Products

- Geared towards providing healthcare in retirement
- Payments - regular monthly, lump sum, save at own pace
- Employers can contribute on behalf of employees
 - great recruitment and retaining tool since medical after retirement is rarely offered by employers
 - Employer has more control over costs than when provide post-retirement health directly for employees
- Funds at maturity can be used to purchase single premium health policy
- Can access better quality of care than primary healthcare facilities
- Funds can only be used for health care
- Funds cannot be drawn on before retirement



Tax benefits?

Single Premium Health Products

- Sold to retirees
- Lump sum payment made in exchange for health coverage for life with option to cover spouse as well
- Range of plans to choose from with varying premium levels and benefit packages
- Expensive - most people don't have large lump sums to pay for lifetime coverage
- Benefit of guaranteed insurability for life
- Usually there is a lifetime maximum



Thank You

