



Road to SEHATI

National Social Health Insurance Program

Kingdom of Bahrain



His Royal Highness Prince
Khalifa bin Salman Al Khalifa
The Prime Minister of Bahrain



His Majesty King
Hamad bin Isa Al Khalifa
King of Bahrain



His Royal Highness Prince
Salman bin Hamad Al Khalifa
Crown Prince of Bahrain
First Deputy Prime Minister

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Introduction

The National Health Plan (2016-2025), which was endorsed by Cabinet, came to pave the way forward for the health industry in the Kingdom of Bahrain for the coming 10 years. The Plan provides the building blocks for the provision of high quality health services, healthcare sustainability, and securing the necessary manpower and infrastructure, to achieve the set goals of the Economic Vision 2030.

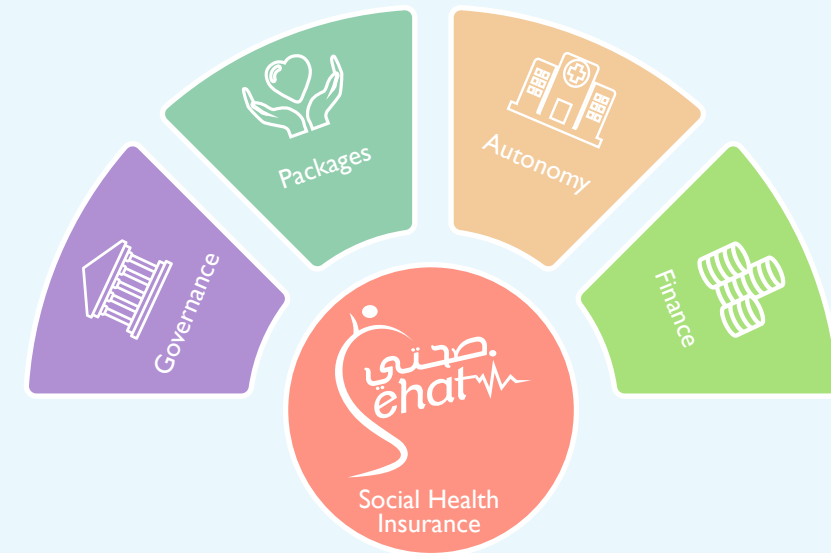
One of the main objectives of the National Health Plan (2016-2025), is the adoption of the Social Health Insurance Program (SEHATI), to develop the quality of the current health system and ensure sustainability. This system is meant to revolutionize the local health sector through better utilizing the available resources, while overcoming pressing challenges, which are mainly due to the rapid increase in population and shifting demographics. This Phenomenon is increasing the burden and demand on health services.

The purpose of this document is to provide a brief explanation of the proposed Social Health Insurance System- its main pillars: including the financing scheme, autonomy of public health providers, insurance packages, and the monitoring and governance of the health system.

It is worth mentioning that different models are already in place in many world countries, including some of the GCC states. The Kingdom of Saudi Arabia has made strides in applying a similar system on expatriates and nationals working in the private sector, Similarly, the United Arab Emirates (particularly Abu Dhabi and Dubai) have already implemented a similar system.

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The System is based on main pillars



Achieving Economic Vision 2030



Pillars of Social Health Insurance

Financing**■ The Current System**

The current health financing system is based on a set central budget. This budget is allocated to public hospitals and primary health care facilities through the designated ministries (Ministry of Health for public hospitals and Ministry of Defense for Royal Medical Services Providers).

This system is characterized by its inflexibility and limits to institutional freedom in directly dealing with the allocation of funds. The system also lacks lineaments of accountability or reward. As a result, these public health providers are rendered incapable of competing with other providers in the market.



The new system will also create a competitive environment between health providers, where the client (patient) will be given the freedom to choose between public hospitals (for mandatory health package for nationals recipients)

■ The Future System

The new system will witness the birth of the Social Health Insurance Fund Authority (SHIFA). This independent authority will be presided over by a board of directors, appointed by the Government. The main functions of SHIFA will include: collecting premiums from beneficiaries as per the designated package, forging contracts with health providers to finance and purchase health services, and providing periodic actuarial studies.

The proposed system will completely change the financing methodology for health services in the Kingdom of Bahrain. The main source of service provider income would be received payments for services provided to the recipient (patient). This payment system will be based on the globally renowned Diagnostic-Related Grouping (DRG) method for hospitals and Capitation for primary care.

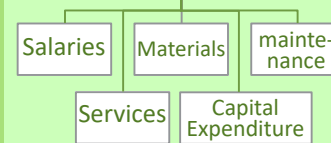
In the new structure, service buyers (SHIFA or private insurance companies) will pay hospitals or health centers based on agreed contracts for the services they provide to the beneficiaries. The new system will also create a competitive environment between health providers, where the client (patient) will be given the freedom to choose between public hospitals (for mandatory health package for nationals recipients) or between public and private hospitals (for the optional health package for nationals recipients).

Primary Health Care financing, on the other hand, will be based on a Capitation system, whereby the family physician will be paid according to the number of individuals registered with him/her.

These amounts are made out to the facilities to cover the physicians' fees along with certain pay for service provisions, such as overtime and on-call services.

Current Situation

Annual Budget

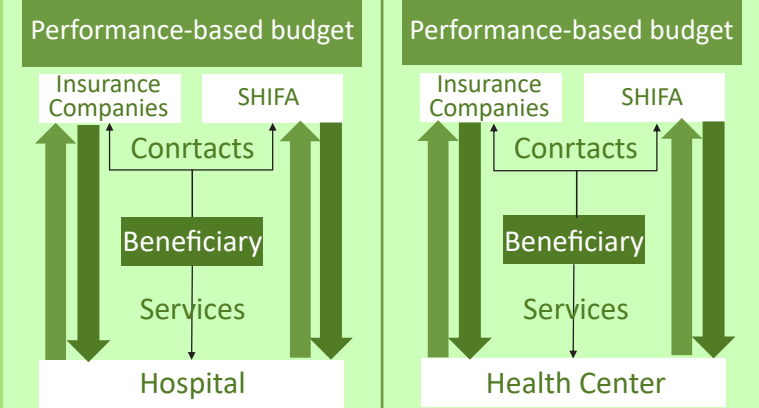


- Difficulty in relocating funds.
- No pay for performance.
- Limited incentives to improve quality.
- Limited competition due to pre-set budgets.
- Limited optimal use of resources.

Future Situation

Hospitals

Primary Care



Implementation of autonomy in all public health sectors

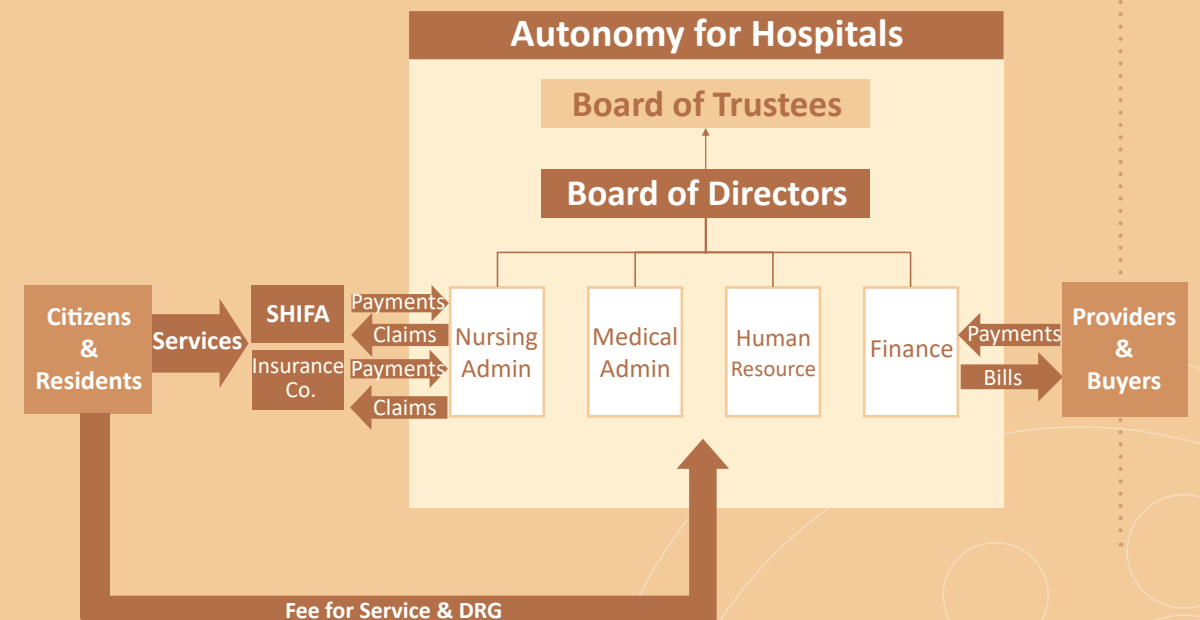
Autonomy**Autonomy for Hospitals**

The current administrative system in public hospitals is not designed to cope with the planned reforms due to be brought about by the Social Health Insurance Scheme. Hospital Management systems should be changed to adapt with the Future National Social Health Insurance system. and public hospitals will be forced to compete with private hospitals in the quality of the services provided to attract patients. The proposed changes highlight the need to give these institutions greater autonomy through the appointment of a board of trustees and granting it privileges to oversee the functions of public health facilities; be it hospitals or primary healthcare centers. This board of trustees will, in turn, direct the designated board of directors through its financial and administrative duties, to ensure the provision of high quality services.

These institutions will be granted more autonomy in the direct day-to-day running of its activities with regards to budgeting and human resource capital.

This proposed system will then hold the administration (both board of trustees and board of directors) accountable to the quality of services and general workflow to ensure that the set objectives are met.

In this scenario, if the institution achieves a surplus in its budget, then it is granted the freedom to re-invest that surplus according to the set rules and regulations. Similarly, if there is a deficit, or if the institute fails to achieve its set objectives, then those in-charge will be held accountable by the Supreme Council of Health and/or the designated monitoring bodies.

Autonomy for Hospitals

■ Autonomy for Primary Healthcare Centers:

Primary healthcare is considered the main gateway to all health services in the Kingdom. Under the new system, each individual will be paired with a family physician of his/her choosing. The family physician will provide therapeutic and preventative services: such as vaccinations, and early detection of diseases, such as cancer, diabetes, and others.

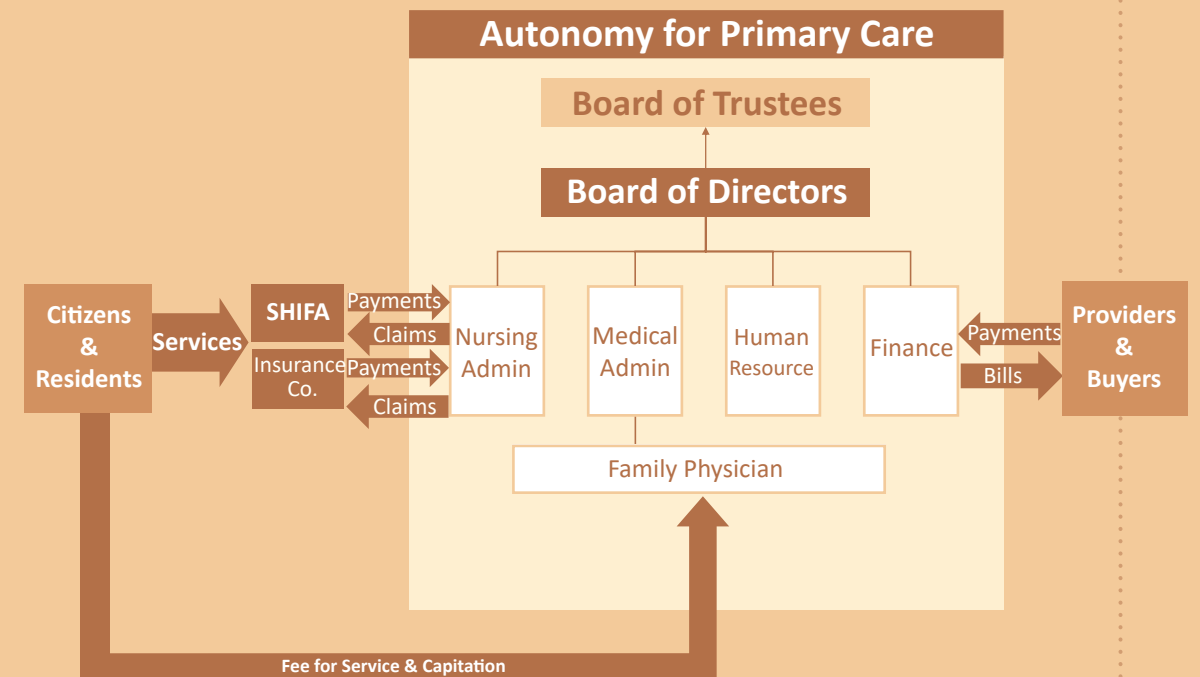
In the event of a required referral to a specialist, then the patient is referred to a secondary healthcare hospital, and after discharge continues to follow up with his/her family physician at the primary healthcare center.

The administration of these primary healthcare centers will be under the designated board of trustees and corresponding board of directors, as is the case with hospitals.

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■ Autonomy for Primary Healthcare Care:



These are a number of proposed benefit packages offered to citizens and residents as per the suggested Social Health Insurance Scheme

Packages

	Available Packages	Funded by	Cost Sharing	Insured by	Health Facilities
Bahrainis	Bahraini mandatory package	Government	Fees (specific groups)	SHIFA	Government Facilities
	Bahraini Optional Package	Subsidized by Government	+ Co-payment for private facilities	SHIFA	Government and Private Facilities
	Bahraini Private Package	Individual or Employer	+ Co-payment	Private Insurance Companies	Government and Private Facilities
Residents	Residents Mandatory Package	Employer	+ Co-payment	Private Insurance Companies & SHIFA	Government and Private Facilities
	Residents Optional Package	Employer	+ Co-payment	Private Insurance Companies	Government and Private Facilities
Visitors	Mandatory Visitor Package	Visitor	Premium	SHIFA	Government Facilities

Benefit Packages for:

Nationals/ Citizens:

a. Mandatory Nationals' Health Insurance Package:

This package is available to all nationals and paid for by the government. It includes all the currently available services today, including: primary health care (preventative and therapeutic), social welfare for the elderly and those with special needs, emergency services, treatment in all public hospitals as per the family physician's referral, dental services, and overseas treatment options. It does NOT include: private rooms, cosmetic procedures (including dental), and there are some regulations with regards to IVF and bariatric surgeries.

b. Optional Nationals' Health Insurance Package:

This package includes all services in the mandatory package both in public and private hospitals. Beneficiaries will have to pay a percentage of the yearly premium along with copayments on services in private institutes

c. Private Nationals' Health Insurance Package:

Nationals may opt to sign up for a private insurance package from private insurance companies. He/she will still be eligible for the mandatory nationals' package as a citizen. The insurance company specifies the benefits, co-payments, premiums, caps and service providers, ect.

Benefit Packages for:**Residents/Expatriates:****a. Mandatory Health Package for expats:**

This includes expat workers of a specified age group, and includes primary healthcare and emergency services, as well as secondary healthcare services upon referral by a family physician. It does NOT include labor room services or cosmetic procedures, and there is a cap for spending. If the beneficiary exceeds that cap, the premium rate for the forthcoming year is re-evaluated. This package is paid for by the employer.

b. Private Health Insurance Package for Expats:

Expats have the right to sign up with private insurance companies, provided that the benefit package is inclusive of all the services provided in the mandatory package.

c. Insurance for Visitors:

Visitors will be responsible for purchasing mandatory health insurance packages for the length of their stay in the Kingdom. These packages will cover accidents and emergencies with a set cap.

 The health packages for the nationals includes all the currently provided services:

Mandatory Package for Citizens	Optional Package for Citizens
Government Funded + Fees	Government Funding & Premium % Co Payment
Primary Care	Primary Care
Dental	Dental
Emergency	Emergency
Government Hospitals	Government & Private Hospitals
Overseas Treatment (Rules & Regulation Apply)	Overseas Treatment (Rules & Regulation Apply)
Does Not Include Plastic Surgery	Includes Other Services (Not Plastic Surgery)
Regulated IVF & Bariatric Surgery	Regulated IVF & Bariatric Surgery



Mandatory Health Insurance Package: is available to all nationals and paid for by the government. It includes all the currently provided services

Governance and Monitoring of Health System:

Supreme Council of Health:

The Supreme Council of Health in co-ordination with the leadership objectives to develop health policies and strategic plans to guide the health sector entities towards the right track to achieve policies the national directives. The Supreme Council of Health is working to build strong partnership between governmental and private health sectors to ensure systematic and integrated work to align all health sectors to ensure effective use of the resources in the health system.

HIKMA:

A Health Information and Knowledge Management Agency (HIKMA) will be established under the new system. HIKMA, under the Supreme Council of Health, will aim to monitor and direct the healthcare industry in collaboration with the National Health Regulatory Authority (NHRA) and the Social Health Insurance Fund Authority (SHIFA), along with the private health insurance companies.

HIKMA will be comprised of four directorates:

1- Health Information Directorate:

Health information will be readily available to all health-related institutes and will be based on the following new systems:

a. National Electronic Medical Record (NEMR):

Currently, public and private health facilities work with independent health information systems. In an attempt to unify these systems, a National Health Data Dictionary (NHDD) has been designed as a basis for NEMR. NEMR will gather all information in a single data warehouse, that is accessible by healthcare workers in all institutes. This also provides a basis for monitoring the outcomes of treatment as per the directives of the Quality Control Committee. It will also act as a tool to limit the overuse of services, such as repeating unnecessary diagnostic tests or the over prescription of medication.

b. Health Insurance Information System (HIIS):

This system will oversee the claims raised from service providers (hospitals and clinics) to service buyers (SHIFA or insurance companies). It involves filling up sample forms that specify the type of service, diagnosis, requested tests, procedures if any, and length of stay. The system provides an audit for the compatibility of the provided information as per the insurance regulations, and would flag any discrepancies. Thus, providing a resourceful tool to control health expenditure.

c. Drug Utilization Review (DUR):

This system will review all drugs and pharmaceuticals that enter the Kingdom from port of entry, to distribution amongst pharmacies, and dispensing to patients as per approved prescriptions. The system will provide a tool to ensure the safe use of pharmaceuticals in appropriate doses and drug-drug interactions, as well as flagging allergies if present. It will also allow for the dispensing of drugs from any participating pharmacy, with claims raised to service buyers as per the agreed contracts.

d. Smart Utilization of NEMR (SUN):

This system will generate periodic reports from the information systems for use by decision-makers and policy setters, based on evidence and studies.

HIKMA will be self-financed by these services provided to the main stakeholders (health institutes, insurance companies, pharmacies, SHIFA).

2- Health Economics Directorate

This directorate is tasked with the study and analysis of the details of health economics in the Kingdom, including the National Health Accounts (NHA). The provided information will help decision-makers in setting policies, and reviewing the National Social Health Insurance System.

3- Quality Directorate

This directorate will work with the National Quality Control Committee, to monitor adherence to the set quality criteria. It is also the entity that will provide incentives for performance levels (pay for performance-P4P). It will issue periodic reports on the volume and quality of work, and will conduct surveys on patients' satisfaction with the provided services.

4- Health Planning Directorate

This directorate will be involved with setting policies and strategies for the health sector on a national level. This includes studying and analyzing future needs with regards to number of beds and manpower, including physicians, nurses, and technicians. It will also be responsible for drafting the training schemes, while working closely with universities and institutes to provide training for specialties needed.

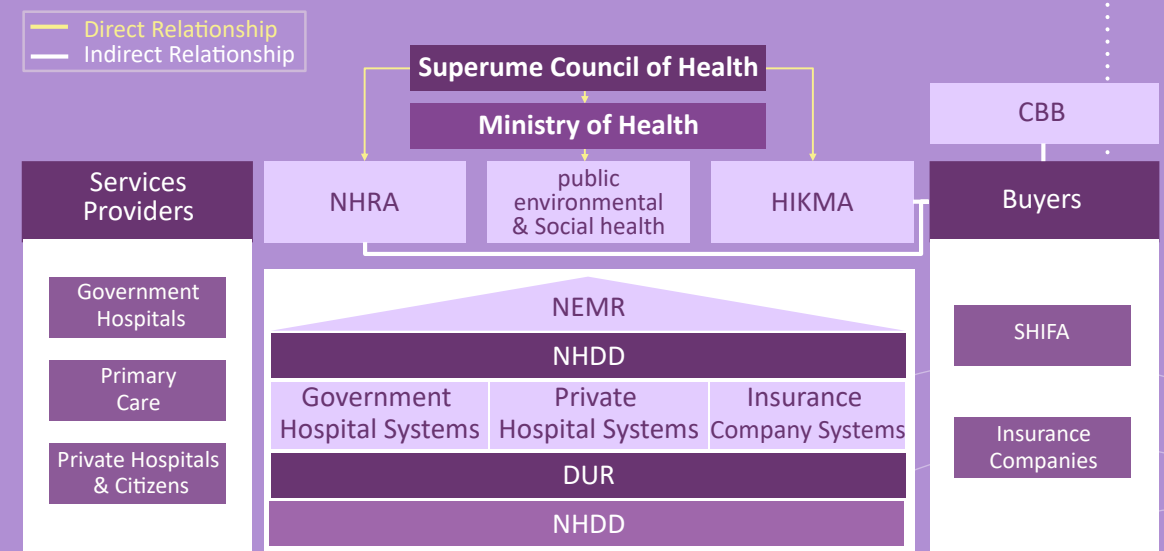
National Health Regulatory Authority (NHRA)

NHRA was established by royal decree 38 for the year 2009. It is responsible for the licensing of all health institutes and health workers in the Kingdom. The NHRA also oversees the periodic accreditation of all hospitals and health institutes in the Kingdom. Under the new structure, NHRA will be working closely with HIKMA in the monitoring of the quality of the provided health services.

Ministry of Health Reform

Under the new system, the Ministry of Health will not be responsible for the provision of health services, as is the case now. It will be assuming a health governance and monitoring role, on top of its public health, health promotion, and environmental health responsibilities. It will also be responsible for the provision of social welfare to the elderly and people with special needs.

Proposed System



HIKMA aims to monitor and direct the healthcare industry in collaboration with the National Health Regulatory Authority (NHRA) and the Social Health Insurance Fund Authority (SHIFA), along with the private health insurance companies.

