



Micro-insurance: Bupa's pilot in Ghana

In partnership with MicroEnsure, Bupa is piloting an innovative health care model in Ghana, which aims to reduce the financial barriers of accessing healthcare, through micro health insurance.

What is micro-insurance?

Micro-insurance has evolved as an innovative business model in response to the unmet health needs of millions of people around the world living on extremely low incomes.

Micro insurance provides strength in numbers. It enables individuals to pool together, sharing the risk of a major health shock so that they, or others, can draw on the pool's funds in the event of illness.

Micro insurance can prevent people from being pushed into poverty when they have to pay for healthcare. Without micro insurance, many people who become ill are forced to choose between paying for healthcare or paying for other necessities such as food or rent.

How the pilot in Ghana works:

The micro-insurance pilot Bupa is involved with in Ghana is a monthly hospital cash plan.

Customers of mobile phone company Airtel are able to opt-in to the scheme and qualify for a free, or 'freemium based', hospital cash plan policy by reaching a minimum spend on their mobile phone each month. The cost of the insurance is absorbed by Airtel who provide the add-on product as a loyalty incentive. Benefits are tiered based on how much airtime customers use.

To qualify for hospital cash back, customers must have met the minimum air time in the previous month and must have been in hospital for three or more nights.

To claim against their policy, customers can either text a photo of the paperwork showing their hospital stay or can go into an Airtel shop front and post the paperwork from there. A lump sum credit is then made to the customers' *mobile money* account. These funds are then able to be withdrawn as cash.

Background:

Airtel is a mobile network operator in Ghana offering micro-insurance products to customers to encourage consolidation of mobile phone spend and to encourage brand loyalty. The hospital cash plan is bundled with two other covers - life insurance and personal accident.

In order to effectively manage these micro-insurance loyalty products, Airtel has partnered with MicroEnsure, experts in micro-insurance. Bupa has partnered with MicroEnsure to offer our financial assistance through a reinsurance arrangement, and by providing health insurance expertise such as actuarial, pricing and claims management support.

Airtel and MicroEnsure handle all engagements with customers. Bupa supports behind the scenes operations.

Bupa's involvement:

As a leading international healthcare group, Bupa brings significant expertise, helping the partners better understand and manage the health risk of the insured population, including providing expertise and analytics to MicroEnsure regarding the health claims made.