# **Original Research Article**

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# Health insurance enrollees' satisfaction with health maintenance organizations and non-enrollees' willingness to participate and pay for health insurance in Abuja, Nigeria

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#### **ABSTRACT**

**Background:** The Health Maintenance Organizations (HMO) which is shouldered with the responsibility of coordinating the activities of the Health Care Providers (HCP) to ensure good services are rendered to the insured enrollees have been reported to be failing in her responsibilities. This study was conducted to determine enrollees' satisfaction with HMOs services and the willingness of the non-insured to participate in health insurance scheme in Abuja Metropolis.

**Methods:** A cross-sectional study was conducted among 400 Health Insurance enrollees using systematic sampling method. Data were collected using self-administered semi-structured questionnaires and analyzed using the statistical package for social sciences (SPSS) version 20.

**Results:** This study revealed low satisfaction of enrollees with the services rendered by their HMOs as only a few above half of the study participants 115 (54.8%) reported to have been satisfied with the services received from the health insurance administration, their service providers and the HMOs in charge.

**Conclusions:** Though Health Insurance is a proven way of achieving universal health coverage and Health for all populations, this study showed that enrollee's dissatisfaction with HMOs services has continually being a hindrance to this key Alma-Ata Declaration. More knowledge among enrollees about the modus operandi of HMOs will help them demand for better services as a right.

**Keywords:** Health maintenance organizations, Enrollee, Health insurance

#### INTRODUCTION

Health maintenance organizations (HMOs) may be defined as institutions that both insure and provide health care services to an enrolled population in exchange for pre-paid per capital payment. HMOs have become a viable sector of the medical economy and are potential significant vehicles for controlling health care costs. It is an organization that provides or arranges managed care

for health insurance and acts as a liaison with health care providers (hospitals, doctors, etc.) on a prepaid basis. They are also to ensure adherence to quality services for their patients.

It is widely acknowledged that the performance of a national health system is largely determined by its financing and payment mechanism.<sup>1</sup> It is therefore of little surprise that one of the most important policy goal

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and objective of a national health system is to secure a stable and sustainable ways and means by which funds are mobilized to pay for essential health services in equitable, fair and just manner, such that everyone is protected against the catastrophic and poverty induced effects of ill-health.<sup>2</sup> Developing and implementing a sustainable healthcare financing strategy are key success factor for health sector reforms in Nigeria and in improving the health status of a majority of Nigerians.<sup>1,2</sup>

The NHIS scheme is designed to provide comprehensive health care delivery at without out-of-pocket expenditure; covering employees of the federal formal sector.<sup>3</sup> The self-employed, as well as rural communities, the poor and the vulnerable groups are also provided with appropriate form of Health Insurance. There has been an increasing awareness in the function and modus operandi of health maintenance organization in Nigeria; however, the expectations of individuals are not always met as there are various challenges encountered in relationship between HMO enrollees, maintenance organization and health care providers.<sup>4</sup> Although businesses pursued the HMO model for its alleged cost containment benefits, some studies indicates that private HMO plans don't achieve any significant cost savings over non-HMO plans. Although out-of-pocket costs are reduced for consumers; controlling for other factors, the plans don't affect total expenditures and payments by insurers. A possible reason for this failure is that consumers might increase utilization in response to less cost sharing under HMOs.<sup>5</sup> Some have asserted that HMOs actually increase administrative costs and tend to cherry-pick healthier patients. 6 However, the beneficiary cost sharing (e.g., co-payment or coinsurance) may be higher for specialist care. Anecdotal evidences also showed that quite a number of enrollees do not even know their HMOs neither do they know what their rights and privileges are.

Public health system in Nigeria, have failed to deliver adequate level of services, especially to the disadvantage groups. The extent of coverage of the NHIS is such that artisans, farmers, sole proprietors of businesses, street vendors, traders and the unemployed are not yet adequately covered. It is hoped that this study will serve as an available reference source and will help other researchers in this field; thus contributing to the existing literature. Moreover, the study will help government and health maintenance organizations in policy formulation and administration for better service delivery and improvements in the scheme.

This study sought to assess the knowledge and satisfaction of enrollee of Health insurance with the health insurance scheme and the activities of the health maintenance organizations (HMOs) in Abuja Metropolitan Area Council, Abuja and well as non-enrollees' willingness to participate and pay for health insurance.

#### **METHODS**

The study was carried out in the Federal Capital Territory Abuja which is located in the centre of the country. It's administration is headed by a Minister appointed by the President of Nigeria. The estimated population was 1,405,201. The Territory is made up of six Area Councils namely Abuja Municipal, Abaji, Bwari, Gwagwalada, Kuje and Kwali. The study population consists of the health care users in corporate organizations in Abuja Municipal Area Council above the age of eighteen 18 years.

The study was a cross-sectional descriptive study. An outpatient baseline user's utilization and satisfaction survey conducted in some selected NHIS accredited healthcare providers in the Northwest geo-political region of the country in 2008 by Diazenge showed that 65% of the users of these facilities were very satisfied with the services and this was used in calculating the sample size using the Leslie Fischer's formula. A total of 400 people participated in the study.

Sample size (n) = 
$$\frac{z^2pq}{d^2}$$

The study was conducted in selected corporate companies within Abuja Metropolitan Area Council. A list of all registered corporate organizations was obtained. A systematic sampling technique was used where every 2nd office listed was sampled until the desired sample size was obtained. The questionnaires were administered between January and March 2016, to the every person who met the inclusion criteria and consented to participate in the study in the offices selected.

The data collection instrument is a semi-structured questionnaire consisting of three sections – personal data, perception of and experience with HMOs as well as willingness to participate in and to pay for health insurance for non-insured respondents. Data were collected with the use of self-administered semi-structured questionnaire. The internal consistency of the instrument was determined by a pretest on 20 health care consumers in Gwagwalada area council, Abuja. The data generated were analyzed both manually and by the use of statistical package for social sciences (SPSS) 20 software package. The data was presented in the form of tables, graphs and charts, while measures of central tendency (mean, median and mode) and measure of variability (standard deviation) were used where appropriate.

Informed consent was duly sought and obtained from research participants who volunteered to take part in the study. The research participants were assured of anonymity and confidentiality of information elicited. The study was conducted in only one area council in Abuja; therefore, it might be difficult to generalize findings.

#### **RESULTS**

A total of 400 respondents within Abuja Municipal Area Council (AMAC) in the Federal Capital Territory (FCT) completed the questionnaire. Two hundred and sixty seven (66.7%) were male while 133 (33.3%) were female. The married were more 317 (79.2%) than those who never married 83 (20.8%). Among those that were married, most 147 (46.4%) have between 1 and 4 children. Other variables are as in Table 1.

Table 1: Socio-demographic characteristics of respondents.

Characteristics	Frequency (N=400)	Percentage (%)
Gender		
Male	267	66.7
Female	133	33.3
Marital status		
Single	83	20.8
Married	317	79.2
No of children (N=317)		
0	16	5.0
1 – 4	147	46.4
> 4	154	48.6
Average monthly income (N)		
50,000 - 100,000	212	53.0
100,001 - 250,000	149	37.3
250,001 - 500,000	21	5.25
500,001 - 1,000,000	12	3.00
> 1,000,000	6	1.5
Educational category		
Secondary	50	12.4
Tertiary	175	43.8
Post graduate	175	43.8
Religion		
Christianity	204	51.0
Islam	192	48.0
Traditional	4	1.0
<b>Employment status</b>		
Private organization	251	37.5
Government	149	33.3
Retirement status		
Retired	32	8.0
In active service	368	92.0

Table 2 describes the knowledge of respondents with respects to health insurance and HMOs from the various questions asked resulting into the sum knowledge. There is higher knowledge of health insurance scheme than HMOs. Only a few understand the modality of how the scheme works and the right to change either or both the HMO and the service provider. Three hundred and forty seven (86.7%) of the respondent have knowledge on working modalities and benefits of health insurance.

Overall, only 101 representing 25.3% of the respondents have good knowledge of Health Insurance and operation of HMOs.

Table 2: Respondents' sum knowledge of health maintenance organizations and the health insurance scheme.

Variable	Frequency (N=400)	Percentage (%)
Correctly describes what HMO stands for	162	40.5
Correctly identifies the role(s) of HMOs in Health Insurance scheme	96	24.0
Understands that he/she has a right to change his HMO	41	10.2
Understands that the process/modality to change HMO	17	4.2
Understands the benefits of HIS	289	72.2
Understands the process/modality of HIS	92	23.0
Understands the scope of service coverage of the chosen HIS	134	33.5
Understands he/she can change his/her health service provider under insurance scheme	91	22.7
Understands that the process/modality to change service provider	44	11.0
Understands the referral process with HIS	47	11.7
Overall knowledge score		
Good	101	25.3
Poor	299	74.7

HIS: Health Insurance Scheme; HMO: Health Maintenance Organization.

Two hundred and ten (52.5%) of respondents were enrolled on Health Insurance Scheme. Among those enrolled on the scheme, 117 (55.7%) were using public health insurance scheme while 93 (44.3%) were using private health insurance scheme. Majority 147 (70.0%) have been enrolled for at least five years. The main factor for registration with insurance scheme is demand from workplace. A larger percentage of the respondents have their choice (between private and public health insurance) made for them by their employer. Of the respondents, 115 (54.8%) reported to have been satisfied with the from services received the health insurance administration, their service providers and the HMOs in charge. The reasons why enrollee's expectations were not met to satisfaction include poor registration services, poor referral system, delay in receiving required services and unavailability of some required services. Out of 118 respondents that were not yet enrolled in a form of health insurance, 81 (68.7%) prefer to contribute only 2% of their basic salary.

Table 3: Participation of respondents in health insurance scheme.

Variable	Frequency	Percentage (%)
Currently on health insurance scheme (n=400)		
Yes	210	52.5
No	190	47.5
Types of health insurance scheme (n=210)		
Private	93	44.3
Public	117	55.7
Duration of registration (n=210)		
< 5 years	63	30.0
≥ 5 years	147	70.0
Factors for registration (n=210)		
Office	125	59.5
Personal decision	82	39.0
Association	3	1.4
Reasons for choice (n=210)		
Office	123	58.6
Personal decision	84	40.0
Association	3	1.4
Satisfaction with health insurance (n=210)	115	54.8
Willingness of non-enrollees to participate (n=190)	118	62.1
Willingness to pay for health insurance (n=118)		
- Preference to contribute		
1% of basic salary	5	4.2
2% of basic salary	81	68.7
5% of basic salary	30	25.4
7.5% of basic salary	2	1.7

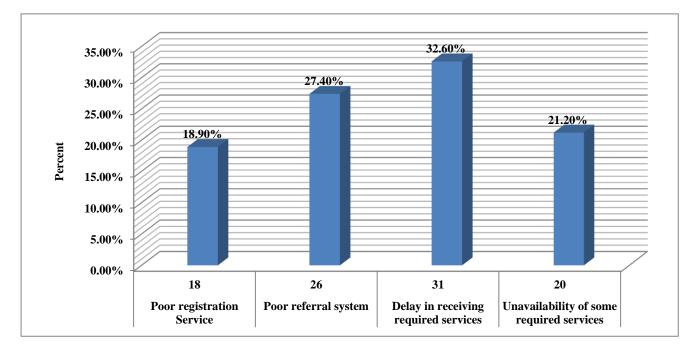


Figure 1: Reasons why expectations were not met.

Marital status, number of children, monthly income, educational status and employment status were all

statistically associated with knowledge of health insurance but retirement status was not. Those who were enrolled in health insurance also have a higher knowledge than those who were not. Among the enrolled, the length of years of enrolment was statistically associated with their knowledge of HIS and HMOs but the type of health insurance was not associated.

Table 4: Association between selected socio-demographic characteristics and enrolment status and knowledge of health insurance scheme and health maintenance organizations.

Variables	HIS and HMO knowledge		$\mathbf{X}^2$	df	Dundana	Domesto
	Good	No	X	ar	P-value	Remarks
Marital status						
Single	5	78	20.511	1	1 <0.0001	p<0.005 Statistically
Married	96	221	20.311	1	<0.0001	significant
Category of no of children						
0	17	82				p<0.005 Statistically significant
1–4	52	95	13.048	1	0.0018	
>4	32	122	_			
Average monthly income(n)						
50,000-100,000	3	27				
100,00 -250,000	55	94	20.720	2	3 0.0001	p<0.005
250,001-500,000	25	78	20.730	3		Statistically significant
>500,000	18	100				
Educational category	11	39				
Secondary	36	139		2		p<0.005 Statistically significant
Tertiary	54	121	84.167		< 0.0001	
Post graduate			_			
Employment status						
Private Organization	67	184	50.000	.282 2	< 0.0001	p<0.005 Statistically significant
Government	34	115	52.282			
Retirement status						
Retired	8	24	0.001	1	0.9729	p>0.05 Not
In active service	93	275	0.001			statistically significant
Enrolment status						
Enrolled	69	141	12.551	1	0.0002	Statistically significant
Not enrolled	32	158	13.551			
Type of enrolment (n= 210)						
Private	31	62	0.017 1	1	0.8958	Not Statistically
Public	38	79		1		significant
Length of enrolment (n= 210)						
<5 years	27	36	4.092	1	0.0434	Statistically significant
≥5 years	42	105	4.082	1		

One hundred and nine (51.9%) of enrollee want health service providers to employ more staff for better service while 75 (35.7%) want computerization of medical records, 72 (34.3%) want a review of the referral system. Others want building of more infrastructure, training of existing staff, adequate funding and creation of separate health insurance unit.

# **DISCUSSION**

HMOs and the national health insurance scheme have been in existence in Nigeria for a decade now. It was introduced in response to the dwindling funding of the nation health sector, with the aim of improving the quality of health services. Almost 80% of the respondents were married, while 20.7% were single, this is in line

with the work of Sanusi and colleagues. 10 Number of children in many of the households in this study is large which implies that most of the respondents have family sizes which cannot all be covered in the National Health Insurance Scheme as the scheme ordinarily cater for four children.

The knowledge of health insurance and HMOs is poor, just a little above a quarter of the participants have good knowledge; considering a scheme which has been in operation for more than a decade in the country and all the media publicity given to it. Although, majority of the studied population were well aware of health insurance, an observation which also observed in another in study conducted in Jos but lower than a similar study among civil servants in Osun State which revealed an awareness

of 40%, the in-depth understanding of the process and modalities is very poor both among the enrolled and the non-enrolled. 11,12 It was not surprising though that those who were enrolled had better knowledge. Reasons for better knowledge of HIS and HMO among the private insured and government insured cannot be established. Studies of awareness and knowledge of HMOs is however scanty. This may be because the clients usually relates with only the health care provider but it is important for the people to know their rights and demand same as it relates with the HMOs. Many of the challenges some may even have with the providers may be due to the inefficiencies of their HMOs. When there is poor satisfaction with services of HMOs, the guideline provides for a change of HMOs once a year but very few knew this. As expected, the higher the educational level, the higher their knowledge of Health Insurance obviously due to their exposure and quest for knowledge.

Just a little more than half were registered with health insurance, an improvement over a similar study earlier report of 24% most of whom were government employees. <sup>13</sup> More than 75% of public employees among the respondents in this study were enrolled on HIS compared with less than 40% of the private workers. This is not a good feature for a country after a decade of launching the scheme especially at a time of advocating for universal health coverage for the country. 14,15 The government workers in the scheme were most likely there because it was mandatory and those yet to join are likely to be on the process though this study did not elicit that. Currently, most non-federal civil servants and private employees are yet to be registered with the scheme with the exception of two states out of 36 states of the federation. 16 The same reason is responsible for low participation in private health insurance in comparison to NHIS which is a social form of health insurance. On the reason for choice of health insurance, it was observed that almost 60% of the respondent got enrolled based on the policy of their employer and not on their own. Most agencies of government has embedded the health insurance in the employment package of their staff, this is a welcome development however, individual opinions should be sort and understand their right before enrolling for a particular health insurance whether private or public. But the almost two thirds that showed interest in enrolling with the scheme is encouraging with a good proportion from the private employees.

The expectation of as much as 45% of the insured respondents were not met as compared to 26% that were dissatisfied in similar study by Onyedibe and collegues but less than the 57.9% reported in similar study by Salifu et al at Zaria in Kaduna state. 11,17 The reasons why enrollees were dissatisfied with health insurance care services were also reported in other studies. 18,19 It had been expected that enrolling in health insurance scheme would improve quality of services and clients satisfaction following the guidelines that established the health insurance including reducing waiting time and improving

access to needed drugs but it was not so in this study.<sup>3,20</sup> Challenges with registration processes, referral procedure and non-availability of drugs still persist. Some of the respondents who have complained of their predicaments to the service providers also gave an indirect report of the complaints of the providers who also had trouble with the HMOs by not providing the required capitation and this made the rendered services come below expectations.

It was also observed that the dissatisfaction was higher among respondents with public than private health insurance. Though, private health insurance is not as widespread as the public/social health insurance, their services seemed to be more client-friendly and satisfying probably because of less bureaucracy and waiting time. It may also not be unconnected to patient load which may be more with the social health insurance scheme. Registering with public or private insurance does not necessarily mean that the health care would be corresponding public and private but it usually happened that way as it was in this study.

#### **CONCLUSION**

HMO in collaboration with the national health insurance scheme in Nigeria is unarguably an indispensible strategy for ameliorating the poor health indices of the country and reducing out-of-pocket expenditure for quality health care services. This study reported a low level of awareness about the health maintenance organisations and high expectations from those enrolled.

#### Recommendations

It is therefore recommended that HMOs should be closely supervised and monitored that they ensure prompt remittance of capitations to the service providers. More multifaceted enlightenment of the enrollees is important to achieve the intended quality of service in terms of procedure to change service providers and HMOs who performs poorly while such service providers and HMOs investigated for reports against them with appropriate sanctions if found guilty. Such complaint section should be available in every centre providing services or as near as possible and not only at NHIS offices which might involve too long bureaucracy. Users themselves should seek knowledge and update themselves continually. The private insurance should also be strengthened the more while expanding services covered currently by the NHIS.

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Institutional Ethics Committee

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