

VI NATIONAL HEALTH INSURANCE SUSTAINABILITY PLAN

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Programme: MBA Sustainability Leadership

Module: Embedding Sustainability within Organisations

Executive Summary

In December 2019 the management team of the Virgin Islands National Health Insurance commissioned a 'sustainability plan' that is expected to work in tandem with the growth and development plan of the organization. This plan is expected to serve as a sort of conscience of the organization in relations to sustainability responsibilities.

This document takes into consideration the present state of affairs of the National Health Insurance and outlines the options and efforts that will be utilized to convert the NHI into an organization that is environmentally conscious.

This document outlines the organization's commitment to sustainability. It paves the road towards a fresh approach to the management of the organization in terms of its daily operations in a changing world and a Territory that is very aware of the effects of climate change.

This plan also addresses the issues that were noted in the previous report as it relates to the current state of affairs within the National Health Insurance system and ties this with the Territorial sustainability efforts. Additionally, the plan outlines the organization's sustainability strategy which is "Mitigate, Collaborate and Support."

Method

In order to gather information that would inform the creation of this plan and be equivalent to a materiality analysis information was gathered from reports on a series of public meeting with health care providers that were held by the National Health Insurance in the latter part of 2019. As well as recent disclosures by the Minister for Health and Social Development Hon. Carvin Malone, under whose purview the National Health Insurance falls. Public discussion forums were also monitored to gain a pulse on the public's view towards the recently announced reorganizing plans of the organization.

Additionally, written reports and review from noted health practitioners here in the Territory; as well as other documents sourced from NHI and Government of the Virgin Islands that are of importance were utilized. It should be noted that all of the information used in this report are publicly accessible data. Consideration was also placed on information contained in the 2010 housing and population census.

The National Health Insurance (NHI) has been faced with insurmountable challenges since its conception; and any plan that deals with the viability of the organization must consider not only the survival of the organization; but also its responsibility as a corporate citizen of the British Virgin Islands.

The Nature and Purpose of NHI

The National Health Insurance System (NHI) is a division of the BVI Social Security Board (SSB) and was brought into existence with the passage of the Social Security (Amendment) Act, 2014, in the House of Assembly and assented to on April 2014.

The NHI was created to provide an avenue for uninsured persons in the Territory of the Virgin Islands (BVI) to be able to cost effectively obtain medical services. The system is the Government of the Virgin Islands compulsory universal healthcare provision.

As a health financing system the National Health Insurance system was created to ensure that no legal resident is unable to access health services in the Virgin Islands. The system is a contributory in nature and provides broad coverage that focus on “health promotion, prevention and treatment in times of illness or injury. All persons are required to contribute to the plan. (Virgin Islands National Health Insurance).

Contributions to the National Health Insurance is shared between the individual and the Government via the National Insurance System. These contributions are based on ability to pay, and no resident is denied coverage because of health risks such as age, occupation or pre-existing health conditions (Virgin Islands National Health Insurance).

Currently NHI services are accessible at Public Healthcare facilities such as the Territory’s main hospital – the Dr. D. Orlando Smith Hospital, the community clinics around the Territory, Contracted Private healthcare facilities located in the Virgin Islands; as well as Contracted Overseas healthcare facilities. The service is also extended to Out of Network Providers which includes Non contracted Private healthcare facilities in the Territory also those Non contracted Overseas healthcare facilities.

Goals

- To Contribute as an organization to Government’s plan to go green.
- To control costs in the system.

Sustaining the National Health Insurance System

The NHI Brochure referenced statistics which showed that 47% of the Territory’s population has a non-communicable disease. The most prevalent of these conditions are: Hypertension (High Blood Pressure) Diabetes, and Cancer.

Prior to the service coming on stream it was noted that almost 65% of the population of the Territory did not have health insurance and could not afford healthcare as a result.

Currently NHI is a burden to the Territory because the Government covers the cost for: All children - from newborn to age 18 years and up to 25 years, once enrolled in full time education, at an accredited educational institution. This includes children with special needs, Indigent persons, Wards of the State such as residents of the Rainbow Children's Home, the two Homes for the Elderly, and Risk Officers including: Police, Customs, Immigration and Fire (special group).

There is no stipulation as to the services that can be accessed by residents through NHI. The benefits package is broad and enables residents to access services whether primary health care, specialized secondary care, and highly or specialized tertiary level of care. The ultra-comprehensive benefit package also includes hospital room and board, Surgery, Pharmaceutical services, Mental health, Dental care, Eye care, some prosthetic devices; and Rehabilitation services.

Environmental Risks

Category five hurricanes and earthquakes of seven magnitude and below are becoming frequent visitors to the Caribbean region. As a Territory the Virgin Islands is especially familiar with the damage and destructions such disasters can cause. As the main health insurer in the Territory -- this NHI Sustainability Plan takes into consideration impacts a major environmental disaster can have on health care, and NHI's obligations. It also considers the present operational difficulties of the organization.

The Virgin Islands is always on natural disaster alert particularly hurricanes, and earthquakes --which can result in tsunamis. Each year the Atlantic Hurricane Season spans from 1st June to 30th November and poses a big risk to the NHI considering that natural disasters adversely affect the health of populations directly through injury, death as well as increased physical and mental illness. (Ali Ardalan, 2013).

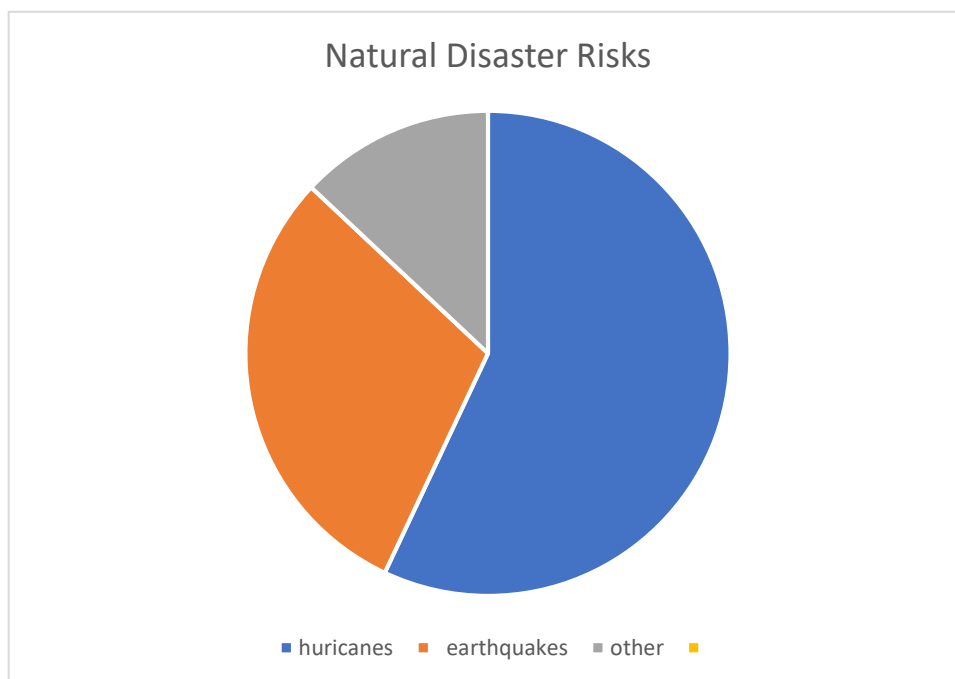
For instance, the VI has had hurricanes of varying categories in the years: 1989, 1995 (two that year), 1996, 1998, 1999 (two that year), 2010, two in 2017, and one in 2019. The hurricanes in 1989 and 2017 were the most catastrophic for the Territory.

Geographically the Virgin Islands are located along an earthquake fault; and as a result, minor earthquakes are regularly felt. The most recent was recorded on the 7th January 2020. Prior to that earthquake activities were recorded in each of the past ten years.

Therefore, it is imperative that the National Health Insurance is actively involved in stewardship initiatives that are geared at preserving the Territory's environment.

Chart 1:

Shows the natural disasters that pose risks to the Territory and by extension the National Health Insurance.



It is clear to see that the Territory and by extension the National Health Insurance organization must be cognizant of environmental risks and what this means for the service offered.

Mention must be made of the fact that the Intergovernmental Panel on Climate Change in its third assessment stated that climate change is projected to

increase threats to human health ... predominantly within tropical/subtropical countries. The report stated that, "Climate change can affect human health directly ... and indirectly through changes in the ranges of disease vectors, water-borne pathogens, water quality, air quality, and food availability and quality," (Intergovernmental Panel on Climate Change, Third Assessment Report).

The current environmental realities and the territorial push to go green and reduce the Virgin Islands' carbon footprint behooves NHI to do its part. While the current shared office layout does not lend itself to green energy solutions such as solar panels, the NHI can resort to simple energy conservation changes such as switching the light bulbs and employing various other energy saving initiatives.

Most extensively, and a more viable solution to the organization's environment risk factor would be to go the Insurtech way; and digitize the services of the National Health Insurance.

Not only is this a cost cutting measure that would save the organization money, but it will also make the NHI more resilient in the wake of a disaster as its cloudbased services would be easier to deploy.

Minimizing Social Risk

Minister for Health and Social Development Hon. Carvin Malone announced during a community meeting on 23 January, 2020 that Government is paying twice for Health care in the Territory – by contributing millions in funding to the public health facilities (the main hospitals and community clinics), while still covering the cost of healthcare for the special group of residents (Virgin Islands News Online, 2020).

In the presentation of the 2020 budget that was delivered on 25 April 2019 Premier and Minister of Finance in the of the Virgin Islands Hon. Andrew Fahie confirmed that the National Health Insurance was in the red. It was stated that the organization was spending more than it made (NHI “RED” NEEDS CLOSER LOOK, 2019).

In consideration of the present state of the National Health Insurance and the fact that there is a duplication of coverage for the special group it is suggested that as a cost saving method the special group receives coverage from government with no NHI contribution needed. This will rid NHI of that obligation and result in a dramatic saving.

As was mentioned in the previous report price gouging by private healthcare providers is a major contributor to the current unsustainable operations of the National Health insurance; and as a means of addressing the situation the organization in May 2019 instituted a three-visit policy. The policy allows “one primary visit and a maximum of two follow-up visits for a specific diagnosis within a thirty-day timeframe,” (BVI News, 2019).

This policy, while a good saving and accountability measure is unfavored by residents. In fact, members of the community used various public forums to mention their unhappiness about the policy. In the same BVI News article one the comments with the most ‘likes’ stated, *“Let me be the first to say that this is absolute and undeniable BS.”* Reviews such as these by one of the main stakeholder groups of NHI creates reputational risk to the organization.

This is only one of the things that is nibbling at NHI’s reputation. The other issue had to do with the fact that other the last two years as the organization struggled to survive it had to employ stringent actions. Unfortunately, these actions were interpreted by Health care providers and NHI users as the organization being difficult and overly bureaucratic in its handling of medical matters.

This plan notes that stakeholder cooperation is key to the future success of the NHI. Therefore, suggested approach to these reputational matters includes --- incentivizing fewer doctor visits, especially to private institutions where the cost is higher.

In addition to employing a tactic such as the incentivizing suggestion --- going forward the organization needs to carefully consider how various policies are communicated to the public.

Immediate and Longterm Integration Assessment

This plan advocates for an overhaul of the National Health Insurance programme as it currently stands and the creation of a firmer nexus between NHI and other public health services. The longterm success would entail formal agreements and ongoing communicating on matters of mutual importance.

The Sustainability Strategy

In order to ensure its viability, it is prudent that the National Health Insurance employs a “Mitigate, Collaborate and Support.” Sustainability strategy.

The recent occurrences and trends are clear on some of the common threats to the Territory of the Virgin Islands and as such the NHI will need form partnership with key organizations to collaborate on programmes that promote wellbeing. The organization’s agenda of cost cutting will benefit as well by the partnership with organizations such as the Diabetes Association, and Cancer Society.

These collaborations will serve well in ensuring that residents make use of the free services provided by various organization and avoid paying for these services.

The NHI will also collaborate with the Department of Disaster Management to embark on a series of educational campaigns geared at informing the public of health risks associated with disasters such as hurricanes and earthquakes and advise on how the community can stay well during a storm.

The organization has been in an audit-like state since 2018 which brings the strengths, weakness, and opportunities of the organization in the forefront. This provides an opportunity at this juncture for the quick adaptation and rollout of a sustainability plan.

A key indicator of the success of the plan would be savings recorded by the organization as a result of noted measures and suggestions.

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