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-Ankita Timilsina

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Abstract: Health Insurance facilitates access to health facilities for all. Nepal also embarked on providing health insurance to the people. Social health insurance scheme aiming to cover the entire population. Health insurance started in 2016 in Nepal, and the Health Insurance Board. The study focused on the enrollment situation in Nepal. A family of up to five members covered under the Health Insurance Scheme is entitled to a contribution of Rs. 3500 and an additional cost of Rs. 700 for each additional member. It covers one lakh per year for everyone in the family, up to five members. 39.15 percent of households have enrolled the households in the insurance system. Still, 81.15 percent need to be attracted to the insurance.

Keywords: Attraction, health benefit, Insurance, households.

Declaration: There is no conflict of interest.

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Introduction

According to the World Health Organization (WHO), universal health coverage (UHC) aims to ensure that everyone can access health services without suffering financial hardship and to protect from poverty (1). In recent years, several low-and middle-income countries, including Nepal, have embarked on a path to implement various models of health insurance schemes, aiming to cover their entire population (2). Social health insurance is a health care financing mechanism that is based on a comprehensive social contributory scheme where the government provides subsidies for the poor. The Government of Nepal (GON) established a health insurance program in April 2016 and in 2017, the Health Insurance Board (HIB) of Nepal was formed.

Objectives of the study

The main objectives of the health insurance program are:

- Ensure access to quality health service (equity and equality).
- Protect from financial hardship and reduce out-of-pocket payments.
- Extent of universal health coverage

Rationale of the study

Health insurance plays a critical role in improving access to healthcare services and protecting individuals and households from financial hardship due to medical expenses. In Nepal, the government has initiated a social health insurance program to promote equitable access to health services, particularly among low-income and vulnerable populations. Despite these efforts, the enrollment rate remains uneven across regions, and many households are still either unaware of or not participating in the health insurance program. Major studies show that the socio-demographic characteristics of a household are major predictors of people's enrolment in health insurance programs.

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Methodology

It is a narrative literature review based on the documents published on the internet and academic articles and institutional documentation to comprehend the historical background and model of the insurance.

Model of health insurance

The concept of Health insurance originated in Germany. Germany is often credited with pioneering the first national health insurance system in the late 19th century. Germany has the world's oldest national social health insurance system, where the focus is on providing healthcare as a human right to everyone, with funding through taxation. Nearly every Bismarck system became universal, and the State started providing insurance or contributions to those unable to pay (4).

The Bismarck model (also referred to as "**Social Health Insurance Model**") is a health care system in which people pay a fee to a fund that in turn pays for health care activities, which can be provided by State-owned institutions, other Government body-owned institutions, or a private institution. The first Bismarck model was instituted by Otto von Bismarck in 1883 and focused its effort on providing cures to the workers and their families (5). Three major pieces of legislation that established state social insurance were the Compulsory Insurance Act of 1883, the Accident Insurance Act of 1884, and an old-age and disability pension system that was enacted in 1889 and began in 1891 (6).

Nepal and Health Insurance status:

A family up to five members covered under the Health Insurance Scheme is entitled to a contribution of Rs. 3500 and an additional cost of Rs. 700 for each additional member. The Coverage of Health insurance if up to NPR 100,000 per family per year for hospitalization and treatments for five members and if there are more members in the family than five members, there is a provision to receive a benefit of twenty thousand rupees for each additional member, and there is a provision to receive up to two lakh rupees for the duration of the service (3). The Nepal Demographic Health Survey 2022 included health insurance for the first time on its sixth survey, comprising 13,786 households (samples) nationwide, showing that only about 10 percent of the

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total population aged 15-49 years were enrolled in the health insurance program (1). By the conclusion of FY 2080/81, 26,08,139 households had joined the health insurance program since its inception.In a similar vein, 82,92,141 citizens have joined the program. Of these, 50,12,213 individuals and 18,74,228 households are active in FY 2080–81. The general population makes up 73.4% of the active population, while the target population makes up 26.6%. Women make up 51.34% of the active insured population, and those between the ages of 75 and 79 make up the largest proportion of the population.While less than 5% of people are active in the districts of Bajra, Dhanush, Dolpa, Manang, Sarlahi, and Humla, over 40% of people are engaged in Palpa, Chitwan, Bhaktapur, Jhupa, and Syangja. (7). Need to enroll more households in the insurance policy. Only there were 6,666,937 housing units in the 2021 census of Nepal, of which 6,660,841 are conventional households"(8). Out of these households, 39.15 % have enrolled in the insurance policy, and 60.85 % households need to be attracted to enroll in the system.

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Conclusion

The implementation of the Social Health Insurance Program in Nepal represents a significant step toward achieving UHC, aiming to ensure equitable access to quality healthcare and protect individuals from financial hardship. In the context of Nepal German and Korean model of health insurance is adopted. A better understanding of the factors influencing enrollment, including socio-economic status, geographic location, and public perception, is essential to inform policy and programmatic reforms. Strengthening public awareness, enhancing service delivery, and ensuring timely benefits can further increase trust and participation in the health insurance program. Therefore, public health professionals should collect and analyses data on

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enrollment patterns, satisfaction levels, and service utilization. Identify gaps and barriers (e.g., lack of services, corruption, delays in claim processing) and provide evidence-based feedback to policymakers. Advocate for increased government investment and political commitment to health insurance. Work with local and national stakeholders to ensure policies are inclusive, equitable, and responsive to the needs of all population groups.

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