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<b>Title of Assignment:</b> Implementation of an Insurance Management Information System (IMIS) in Nepal			
<b>Consultant / Firm of consultants</b>	Swiss Centre for International Health	<b>Project No.</b>	2012.22.02.5-001
		<b>Contract Ref No.</b>	
<b>Name of Experts:</b>	Manfred Stoermer (health system) Jiri Nemeč (IT) Ralf Rademacher (health insurance) Cyril Nogier (provider payment) Saurav Bhattarai (IT) Krishna P. Neupane (Insurance implementation) Siddartha Srivastava (insurance management) Shyam Sharma (health system)	<b>Reporting to:</b>	HSSP
		<b>Reporting Date :</b>	June 2014 (for IMIS) and April 2016
<b>Place of assignment</b>	Abroad and Nepal including visits to district		
<b>Contract Duration:</b>	March 24, 2014 - April 30, 2016		

### 1. Background

The German Federal Ministry for Economic Cooperation and Development BMZ has highlighted the development of the health sector as a priority area for development in Nepal. The Nepali-German Health Sector Support Programme (HSSP) consists of addressing issues of quality improvement with a focus on maternal and newborn health, social health protection and fair financing and promotion of sexual and reproductive health with a focus on adolescents.

On the top of tax-based financing system that exists in Nepal, Government of Nepal is aiming to introduce the public health insurance scheme at the national scale. In this endeavor, Ministry of Health and Population (MoHP) together with external development partners drafted a policy on National Health Insurance (NHI) which is in the process for approval from the government. Vision statement and objectives of the policy are depicted in the following box.

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### *National Health Insurance Policy*

#### **Vision**

The main objective of this health insurance scheme is to ensure universal health coverage **by increasing access to, and utilisation of, necessary quality health services.**

#### **Specific objectives**

The specific objectives of the health insurance scheme are to:

- 1) increase the financial protection of the public by promoting **pre-payment and risk pooling** in the health sector;
- 2) **mobilise** financial resources in an **equitable manner**; and
- 3) improve the **effectiveness, efficiency, accountability and quality of care** in the delivery of health care services.

The policy on NHI envisions of establishing a semi-autonomous body under the Development Board Act, as an implementer of the NHI. Roles and responsibilities of such an agency will be defined in its formation order to be issued by the government. MoHP has also recently formed a NHI unit within the ministry structure. The unit is working on necessary preparatory works for the establishment of the insurance agency and also define technical details for the implementation of the scheme including the development of an implementation guideline. MoHP aims to start implementation of the scheme as soon as possible from three districts (Kailali, Baglung and Ilam) which will subsequently be expanded in other districts, ultimately covering nationwide. Some technical details envisioned in the guideline so far are as follows.

#### **Key design features envisioned in the draft guideline**

SN	Design specifications	envisioned so far (based on draft guideline)	Remarks
1	<b>Enrollment, contribution, benefit package</b>		
	Payment of contributions	Single instalment	During enrolment time
	Waiting period	One month	
	Grace period	One month	Only for enrollment
	Monetary ceiling on benefits	Benefits defined in 2 packages and: <ul style="list-style-type: none"> <li>• Package 1 has no ceiling</li> <li>• Package 2 (defined as referral services) has ceiling</li> </ul>	Exclusions defined separately in negative list
	Ceiling for individual vs. family	Family (applicable for package 2)-	Ceiling amount varies by size of a family
	Valid period of insurance	One year	
	Insurance cycles	Two cycles in a year <ul style="list-style-type: none"> <li>• Effective from 01 Mangshir (mid-Nov)</li> <li>• Effective from 01 Jestha (mid-May)</li> </ul>	

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<b>2</b>	<b>Cost sharing mechanism</b>		
	Services in package 1	No cost sharing (except drugs)	
	Services in package 2	No cost sharing (except drugs, inpatient stays of longer than 7 days)	
	Drugs (applicable for both package 1 & 2)	<ul style="list-style-type: none"> <li>No copayment until NRs xxx per year</li> <li>y% copayment for the expenses beyond xxx</li> </ul>	
<b>3</b>	<b>Identification card for enrollees</b>		
	Card to individuals vs. family	Each enrolled member of a family	
<b>4</b>	<b>Payment method and claim processing</b>		
	Payment to providers		
	<ul style="list-style-type: none"> <li>Outpatient services</li> </ul>	Fixed rate per service delivered	
	<ul style="list-style-type: none"> <li>Emergency services</li> </ul>	Fixed rate per service delivered	
	<ul style="list-style-type: none"> <li>Inpatient services</li> </ul>	Fee-for-services	
	Paper based vs. electronic submission of the claims?	Electronic submission of the claims	Automatic claim submission via software?

### 2. Rationale and purpose and scope of the assignment

Information management of the insurance scheme need to be done in an electronic form for the effective implementation of the scheme and its easy monitoring, as envisioned in the policy. Therefore a separate information management system (software) for handling insurance information is required for the implementation of NHI. Since the development of new software will be a lengthy process and requires much resource, adaption for Nepal from a software used in other countries is preferred. The overall purpose of this assignment is to support the MoHP in building up an electronic information management system for health insurance scheme and its implementation.

### 3. Scope of the assignment

The scope of this assignment is in twofold:

#### A. Establishing an Insurance management Information System (IMIS) for Nepal and its adaption with following specific scopes

- Liaison with Swiss Development Corporation on the procedures of licensing IMIS for introducing in Nepal
- Assess local situation by visiting a district and consult key stakeholders on remaining issues to finalize business processes and operational procedures for NHI

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- Assess technical requirements and its specifications for adoption of IMIS in Nepalese context based on the implementation guideline and stakeholder consultation
- Guide and assist local team for customization of IMIS based on the specifications to be developed by the international IT expert

### **B. Support in setting up IMIS and its smooth functioning at the implementation phase with following specific scopes**

- Define technical specifications and TORs etc for software and hardware vendors; phone provider for data transfer package, preparing and implementing tenders.
- Define structures and distribution network for enrolment and contribution collection and fund transfer
- Support in finalizing contractual arrangement with providers including methods for provider payment
- Develop training manuals / materials for health insurance personnel in different functions and deliver a training (TOT)
- Technically assist and strengthen capacity of a local IT team, support in preparing trainings materials and implementation of IMIS for pilot districts
- Backstopping on other implementation which may come during implementation such as
  - Documentation of future requirements and specifying their technicalities,
  - Coordinating and supervising for the development of new version,
  - Outlining concept for integration of IMIS with District Health Information System (DHIS) and OpenMRS which are currently being adapted for Nepal.

The consultancy would be asked to adhere to the following activity plan:

SN	Activity	Contents and objectives	Expert
<b>1</b>	<b>Design phase</b>		
1.1	Licensing arrangements for IMIS transfer	License arrangement for the transfer of IMIS from Tanzania to Nepal: <ul style="list-style-type: none"> <li>• Liaising with SDC on the procedures of licensing IMIS for being introduced in Nepal</li> <li>• Liaising with MoHP in Nepal on</li> </ul>	International consultant, Team leader/health system expert

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		<p>the details of such an agreement</p> <ul style="list-style-type: none"> <li>Facilitating the licensing process, working out the respective documents.</li> </ul>	<p><b>With support from GIZ Nepal and KOICA Nepal</b></p>
1.2	<p>Situation analysis and concept development for the organizational set-up</p>	<p>Meetings with MoHP and DPs, familiarisation with concept development so far done, discussion of findings of field visits, and agreement on cornerstones in a planning workshop.</p> <p>Field visits to Kailali district (possibly two others):</p> <p>assessment of:</p> <ul style="list-style-type: none"> <li>Who will be responsible for operating the health insurance and IMIS?</li> <li>Who will be responsible for overseeing the health insurance (governance system)?</li> <li>Is personnel available for the health insurance operations? Which training / background? Presently employed by local government? Training needs</li> <li>infrastructure available for operating the health insurance? (offices, computer equipment, transport, etc.)</li> <li>How is the legal situation for operating health insurance? Amendments needed for allowing smooth operation (e.g. local govt. by-laws or central govt. directives)?</li> <li>How can enrolment in the rural communities best be organized? How can voluntary Enrolment Officers (working on</li> </ul>	<p>International consultant, health system expert</p> <p>International consultant, health insurance expert</p> <p>National consultant, health insurance expert</p> <p>Plus MoHP representatives</p> <p>and</p> <p>with support from GIZ Nepal and KOICA Nepal</p>

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		<p>commission base) be recruited,who oversees their work?</p> <ul style="list-style-type: none"> <li>• Internet and mobile phone connectivity in the districts?</li> <li>• Discussion with mobile network providers</li> </ul> <p>Concluded by a planning workshop with the MoHP, DPs, other stakeholders, for agreeing on the essential cornerstones of the programme</p>	
<p>1.3</p>	<p>Defining operational procedures</p> <p>Analysis of technical requirements for adaptation of IMIS to Nepali context</p>	<ul style="list-style-type: none"> <li>- Workshops with key stakeholders on remaining open questions on business processes and operational procedures</li> <li>- Drafting report outlining operational procedures</li> </ul> <p>Analysis and specification of needed adjustments to IMIS:</p> <ul style="list-style-type: none"> <li>• With which organisations does the health insurance IT need to communicate?</li> <li>• Compatibility with further IT systems in the Nepali context</li> <li>• Adjustments needed to IT standards?</li> <li>• specification of infrastructure needs</li> <li>• Draft procurement plan</li> </ul>	<p>International consultant, health system expert</p> <p>International Consultant, health insurance expert</p> <p>International Consultant, IT expert</p> <p>National consultant, IT expert</p> <p>With support from GIZ Nepal and KOICA Nepal, local IT team</p>

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2	Implementation Phase		
2.1	Finalisation of business processes and Standard Operating Procedures (SOPs)	<p>On the basis of the agreed health insurance design:</p> <ul style="list-style-type: none"> <li>SOPs are defined for all levels (community /district / regional / national) and for all personnel involved; job descriptions</li> </ul>	<p>International consultant, health insurance expert</p> <p>International consultant, insurance management expert</p> <p>National consultant, insurance implementation expert</p> <p>With support from MoHP. GIZ and KOICA</p>
2.2	Support on procurement	<p>Define specifications and TORs etc for software and hardware vendors; Negotiations with phone provider for data transfer package, preparing and implementing tenders.</p>	<p>International consultant, IT expert</p> <p>National consultant, IT expert</p> <p>National consultant, health system expert</p> <p>International consultant, Insurance management expert</p>
2.3	IT customization	<p>Activities for supporting the IT customisation to the Nepali context</p>	<p>International consultant, IT expert</p>
2.4	Constitution of the insurance agency and the district branches in pilot districts	<p>Establishment of the health insurance organisation in 3 districts:</p> <ul style="list-style-type: none"> <li>Establish the health insurance and its district branches legally;</li> <li>Recruit personnel of the district branches</li> <li>Establish governance and accountability structures</li> </ul>	<p>MoHP with support from GIZ and KOICA</p>

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		<ul style="list-style-type: none"> <li>Creating a national support team which later on serves for model replication (resource centre)</li> </ul>	
2.5	Establishment of the distribution network	<p>Recruit the enrolment officers at community levels</p> <ul style="list-style-type: none"> <li>Establish structures for local accountability of the enrolment and premium collection process (establish clear roles of VDC)</li> <li>Establish cost-effective mechanisms for fund transfers from community to health insurance branch</li> </ul>	<p>MoHP</p> <p>International consultant, health insurance expert</p> <p>International consultant, Insurance management expert</p> <p>National consultant, Insurance implementation expert</p>
2.6	Contracting of health care providers	<p>Contract a suitable network of health care providers:</p> <ul style="list-style-type: none"> <li>Identify which health care providers are accessible for the communities (geographical distribution, service packages, fees, cultural factors, etc)</li> <li>Negotiate prices and conditions for services</li> <li>Establish payment modalities</li> <li>Contracting / service agreements</li> </ul>	<p>MoHP with GIZ and KOICA</p> <p>Technical input and backstopping:</p> <p>International consultant, provider payment expert</p> <p>International consultant, health system expert</p>
2.7	Training of trainers- health insurance personnel	<p>Development of training manuals / materials</p> <ul style="list-style-type: none"> <li>ToT for training of health insurance personnel in various responsibilities (management, membership relations, claims administration, enrolment campaigning, handling of the IT system) and on various organisational levels (district,</li> </ul>	<p>National consultant, insurance implementation expert</p> <p>National consultant, IT expert</p> <p>International consultant, insurance management expert</p>



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		<p>region?, national)</p> <ul style="list-style-type: none"> <li>• Quality control mechanisms (capacity building for support team/resource centre) – including payment options (fixed rate, performance related, etc.)</li> <li>• Insurance scheme monitoring aspects and processes by core team/resource centre (indicators, reporting module training, etc.)</li> </ul>	<p>International consultant, health insurance expert</p> <p>With support from GIZ and KOICA (trainers to be supplied by GIZ/KOICA or MoH – not part of this offer)</p>
2.8	Training of distribution network	<p>Technical assistance to a local IT team: Setting up level 1 support team (building local capacity)</p> <ul style="list-style-type: none"> <li>• Preparation of implementation of IMIS for pilot districts</li> <li>• Preparation of training manuals for IMIS</li> <li>• Conducting of trainings at different levels</li> <li>• Establishment of a “help desk”</li> </ul>	<p>National consultant, insurance implementation expert</p> <p>National consultant, IT expert</p> <p>International consultant, insurance management expert</p> <p>International consultant, IT expert</p> <p>International consultant, health insurance expert</p> <p>With support from GIZ and KOICA</p>
2.9	Follow up and backstopping	<p>Backstopping on issues arising</p> <ul style="list-style-type: none"> <li>• Documentation of future requirements</li> <li>• Turning future needs into technical specifications</li> <li>• Coordinating development and testing to deliver new version</li> <li>• Concept outline: Integration</li> </ul>	<p>International consultant, team leader/ health system expert</p> <p>International consultant, health insurance expert</p> <p>International consultant, IT expert</p>

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		with DHIS and OpenMRS	National consultant, insurance implementation expert  National consultant, health system expert
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### 4. Working arrangement

This assignment needs to be carried out in close coordination with MoHP, its National Health Insurance Unit, the local IT team and other key stakeholders involved in the process such as KOICA, WHO, World Bank. Visit to at least one of the pilot district will be needed to assess the local context and for setting up an IMIS software.

### 5. Expected Outputs

- IMIS software with its licence for Nepal
- Adapted version of IMIS with customization as per Nepal needs
- Training manuals / materials for health insurance personnel
- Training of Trainers
- A report outlining business processes and standard operating procedure (SOP) for implementation

### 6. Professional requirements

The assignment will require a team of international and national consultants having a mix of following expertise:

- Health insurance design also with experience at the implementation level
- Management of enrollment, provider payment, contracting of providers and claims processing
- Information management system for health insurance
- Familiar with local health systems