EXEMPLARS SERIES

AFRICAN RENAISSANCE

Roll out of low-cost mandatory health insurance

Zambia

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Zambia's exemplar analyses how low-cost mandatory insurance under NHIMA has been strengthened through partner alignment, especially Global Fund support, alongside subsidy design and digital systems. It highlights a model that combines insurance expansion with practical system-building.

Core exemplar

Integration of multilateral financing, especially Global Fund support, to strengthen low-cost mandatory insurance under NHIMA and support subsidies for vulnerable populations.

Why it matters for ALM: It shows how insurance reform, external financing alignment, and digital systems can be combined to extend protection while building national ownership.

Primary ALM contribution: Equity and financial protection, more money for health through pooled financing, and governance through NHIMA and SmartCare systems.

Replicability potential: High for countries introducing affordable mandatory insurance while seeking to align partner resources with national systems.

1. Context: Free Primary Care and National Insurance Expansion

Zambia is unusual in that it had already achieved relatively strong financial protection before launching national insurance. Catastrophic health spending had fallen to 3.39% by 2014, helped by the removal of user fees at primary care level first in rural areas and then nationwide. The National Health Insurance Act was passed in 2018 and implementation began in 2019 through NHIMA. Under President Hakainde Hichilema, Zambia has also taken on a more visible continental role through cholera leadership in SADC and beyond.

By 2023, Zambia had held a national health-financing dialogue and was spending about 3.3% of GDP on health. The National Health Strategic Plan 2022–2026 set ambitious sector goals, and in December 2025 the country signed a National Health Compact with the World Bank that included a commitment to recruit 74,000 health workers over five years while sharply reducing maternal, neonatal, and child undernutrition burdens.

2. Mechanism: Low-Cost Insurance, Donor Alignment and SmartCare

NHIMA was designed to be politically affordable at launch. Employees contribute 1% of salary matched by employers, while self-employed members pay 1% of declared income with a low minimum contribution. Older people and people with disabilities are exempt. Reformers have always acknowledged that the 2% total contribution rate was set below full actuarial cost to make uptake easier in the early years. By 2025, the government was already discussing adjustments to contribution rules, stronger Treasury support for vulnerable populations, and a new balance between employer and employee financing.

One of Zambia's most distinctive choices has been to work with the Global Fund to extend insurance coverage for poor and vulnerable groups. That makes NHIMA more than an insurance scheme; it also becomes a platform for aligning external financing with national protection systems. On the digital side, SmartCare—Zambia's long-running electronic health record platform—now supports data across maternal and child health, HIV, TB, and malaria services and gives the system a stronger information backbone than many of its peers.

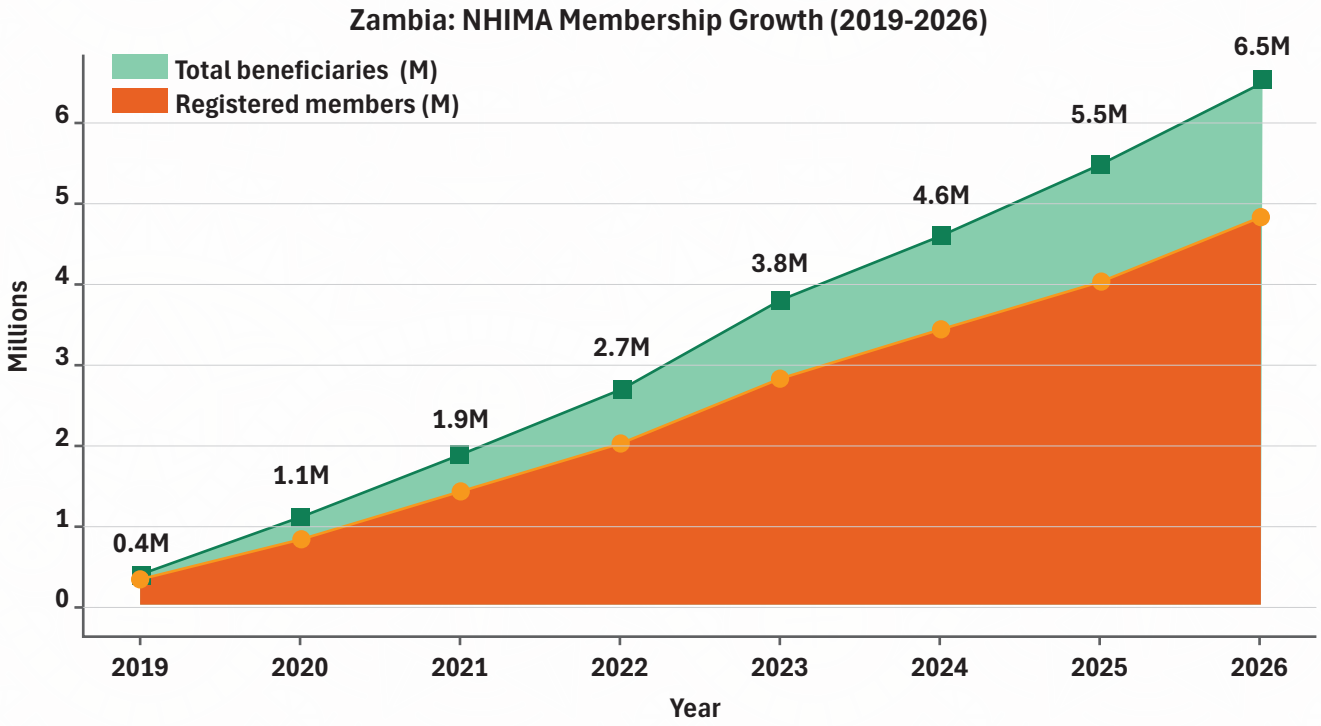

Figure Z-1. Zambia: NHIMA Membership Growth (2019–2026). Registered members reached 3.4 million by November 2024 with approximately 4.6 million total beneficiaries; the health budget share of the total national budget rose from 8 % to 12 %.

3. Outcomes: Membership Growth and Regional Health Leadership

By November 2024, NHIMA had registered over 3.4 million members with approximately 4.6 million total beneficiaries, and 452 healthcare facilities were accredited. Zambia has established a Health Financing Unit and revitalized its Health Financing Technical Working Group (TWG). The health budget allocation has grown from 8 % to 12 % of the total budget, moving toward the 15 % Abuja Declaration target. New guidelines for managing Internally Generated Funds were rolled out in January 2025. In December 2025, Zambia signed the World Bank National Health Compact. The same month, NHIMA received the Nigerian benchmarking delegation, underscoring Zambia's continental influence on NHI-Global Fund integration models.

On regional health security: Zambia has led SADC cholera coordination under President Hichilema's championship, with the June 2025 AU high-level cholera meeting demonstrating cross-border leadership. Zambia has conducted reactive OCV campaigns and coordinated with Malawi, Mozambique, Zimbabwe, and the DRC on cross-border outbreak response.

Key Vulnerability

- **What is at risk:** Long-run NHIMA sustainability and breadth of coverage if contribution rates and workforce capacity do not keep pace with demand.

- **Why it matters (evidence):** The 2% contribution rate (1% employee + 1% employer) was set below actuarial cost for political acceptability, and even reform supporters acknowledge it is insufficient at scale. NHIMA mainly covers hospital-level services, leaving a PHC financing gap (partly offset by Zambia's free-PHC policy). Rural accreditation still lags urban centres. Overall health spending is ~3.3% of GDP—below the 5% benchmark—and the workforce is chronically constrained (fewer than one doctor per 10,000 people). The December 2025 Compact commitment to recruit 74,000 health workers is ambitious but was unfunded at announcement, and sustaining financing post PEPFAR remains a live constraint.

- **What would reduce the risk:** Implementing the announced contribution-mechanism reforms, expanding strategic Treasury subsidies for the poor and vulnerable, accelerating rural accreditation, and funding a realistic workforce plan aligned to the 74,000 target and post-PEPFAR financing realities.

4. Zambia on the ALM Scorecard

Zambia's ALM scorecard reflects solid reform momentum, with seven commitments rated On Track and three rated Partial. The strongest areas are political leadership, insurance expansion through NHIMA, digital system strengthening, and the alignment of external financing with national platforms. The three Partial ratings reflect structural constraints in domestic resource mobilization, still-developing private-sector architecture, and limited pharmaceutical manufacturing capacity. Overall, the scorecard is consistent with a country that has made credible progress on insurance and governance while still needing deeper fiscal and industrial strengthening.

ALM Scorecard Heat-Map	
Country	**Zambia**
1. Political Agenda	
2. Leverage Partners	
3. Domestic Mobilization	
4. Private Sector	
5. PMPA Harmonization	
6. Operational Undertakings	
7. Monitoring & Reporting	
8. Accountability Framework	
9. Hosting Role	
10. Leveraging AU Support	

Legend: Green = On Track; Amber = Partial; Red = Off Track

5. Key Lessons and Policy Implications

- Free PHC + insurance overlay. Zambia's model of retaining free PHC while adding insurance for hospital-level care creates a complementary architecture that avoids the "insurance replaces everything" trap — and explains why catastrophic health spending was already low at NHIMA launch.
- Zambia's use of Global Fund resources to support insurance coverage for vulnerable groups is one of the most practical examples in the report of aligning external financing with a national protection platform.
- Regional Cholera Champion as continental role. President Hichilema's designation as SADC and Global Cholera Champion demonstrates how smaller African states can secure outsized continental influence by concentrating on a specific health-security agenda — a replicable positioning strategy.
- Launching with a low contribution rate made the scheme politically acceptable, but Zambia now faces the harder next step: adjusting financing rules so the model remains viable as coverage and expectations grow.
- SmartCare as continental EMR reference. With SmartCare Pro rolling out nationally and SmartCare being one of the continent's most mature EMRs, Zambia is positioned to be a digital-health reference for the ALM Commitment 6(vii) National Health Accounts monitoring agenda.

Editorial Oversight: Caroline Kwamboka N.
Technical review: Matthias Brucker
Technical writer: Chris Alando

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ALM score card sources: Zambia (7/10 On Track, 3 Partial)
C1: Political agenda — **On Track** Indicators: Hichilema = SADC+Global Cholera Champion; Tokyo Compact Dec 2025 (74,000 HWs); Nigeria benchmarking Sources: AU Cholera Champion (au.int); WB Zambia Compact Dec 2025
C2: Leverage partners — **On Track** Indicators: WB, Global Fund, Gavi, USAID; NHIMA-GF integration model; SADC RHFH Sources: NHIMA-GF integration model; WB Zambia Health projects; SADC RHFH
C3: Domestic mobilisation — **Partial** Indicators: NHIMA 3.4M members (4.6M beneficiaries); 2% contribution sub-actuarial; budget 8%→ 12% toward 15% Abuja Sources: NHIMA (nhima.co.zm); Zambia MoH Budget; NHI Act 2018
C4: Private sector — **Partial** Indicators: Private insurance growing (Madison, Hollard, Sanlam); NHIMA-accredited providers; pharma minimal Sources: Zambia Insurance Regulatory Authority; NHIMA Provider List
C5: PMPA — **Partial** Indicators: ZAMRA improvements underway; SADC SPPS pilot; domestic manufacturing limited Sources: ZAMRA (zamra.co.zm); SADC SPPS; WHO assessments
C6: Operational — **On Track** Indicators: NHIMA Act 2018 mandatory; NHIMA-GF novel integration; Compact HW pipeline; biometric registry Sources: NHI Act 2018; NHIMA Annual Reports; Zambia Compact
C7: Monitoring — **On Track** Indicators: NHIMA digital registry+biometric; SmartCare DHIS2; Cholera Champion accountability; Compact milestones Sources: NHIMA data systems; SmartCare review; MoH annual statistics
C8: Accountability — **On Track** Indicators: NHIMA Board+tripartite; Parliamentary Health Committee; Auditor-General; Cholera Champion monthly progress Sources: NHIMA governance; Parliament of Zambia; Auditor-General
C9: Hosting role — **On Track** Indicators: SADC+Global Cholera Champion; hosted Nigerian NHIMA benchmarking Dec 2025; SADC RHFH contributions Sources: AU Cholera Champions; NHIMA benchmarking (nhima.co.zm/news/nigeria-benchmarking-2025)
C10: Leveraging AU — **On Track** Indicators: Cholera Champion role; SADC RHFH; PIFAH pipeline; AVMA development Sources: AU Champions; AUDA-NEPAD PIFAH; SADC RHFH

African Renaissance Trust
2nd Floor, Jumuia Place 1, Lenana Road
P.O. BOX 18332 Nairobi, Kenya 00100 GPO
dialogue@the-african-renaissance.org
www.the-african-renaissance.org