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AFRICAN RENAISSANCE

The Sustainability of Departmental Health Insurance Units in Senegal

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Key takeaways:

The UDAM program prioritised long-term financial sustainability by using actuarial studies to determine the membership needed to remain viable beyond donor support.

A prime example was the development of collective work fields and fishing initiatives allowing villagers to pay insurance premiums thus reduce dependence on state subsidies and international aid.

Reform objectives:

In 2014, two Departmental Health Insurance Units (UDAM) started with the aim to achieve Universal Health Coverage (UHC) by pooling risks at a larger scale and replacing volunteerism with professionalised management. Executed in the Koungheul and Foundiougne departments with a EUR 4 million from the Senegalese government and EUR 16 million investment from a Belgian technical cooperation project (Enabel/CTB), the project dissolved local communal units to create single departmental entities.

Context:

The rural regions of Koungheul and Foundiougne replaced their fragmented communal community-based health insurance units with a single, professionalized departmental model (UDAM) that covers a diverse range of local activities and demographics. The model was established in 2014 as part of a Belgian-Senegalese project and remained sustainable even after the technical and financial project support ended in 2017. UDAM manages a membership base largely dependent on agriculture, trade, and fisheries. This required a flexible financing model to handle irregular income streams in a pyramid-shaped health system.

Achievements:

The Departmental Health Insurance Units (UDAM) program in Senegal generated significant health and systemic impacts by improving financial protection for members and strengthening the financial stability of the local healthcare infrastructure.

A key health outcome is the earlier utilisation of health services among members, reducing delays in care that are often driven by financial constraints. The program provides substantial financial protection, allowing members to pay significantly less for care. For example, one beneficiary noted paying only 500 francs (XOF) for a visit that would have otherwise been prohibitively expensive. The flat-rate fee structure improves the transparency and predictability of healthcare costs, contributing to reduced financial risk and limiting the incidence of catastrophic health expenditures. The program achieved an extensive penetration rate, rising from less than 4% in 2014 to 71% in Foundiougne and 66% in Koungheul in 2021.

Additionally, members benefit from the portability of their insurance within their department and even at regional hospitals for certain services, ensuring they can access care across different levels of the system.

Comparative Analysis

	Start of program (2014)	2021/22
Penetration Rate	< 4% (Fragmented)	71% (Foundiougne) / 66% (Koungheul)
Management Structure	Communal / Volunteer-led	Departmental / Professionalised
Risk Consolidation	Fragmented Pool (676 units)	Consolidated Pool (46 units)
Financial Stability	Donor-dependent	State subsidies + contributions

The sustainability in these two specific areas is attributed to several innovative management and community strategies:

- These units were managed by professional staff with head offices and formal accounting procedures, unlike traditional volunteer-run communal models. They successfully kept management fees below the 25% regional standard, averaging around 13–15%.
- To ensure members can afford contributions, both areas implemented "collective work" initiatives. In Koungheul, villagers participate in collective fields by growing mil and peanuts and using the profits to pay for insurance memberships. In Foundiougne, similar efforts were organized through collective fishing activities. their respective local health systems.
- A significant draw for members in these departments was the use of flat-rate fees for healthcare services, which provides transparent and predictable costs for patients.

- The UDAMs utilize local "focal points" in villages and "village godmothers" (Bàjenu Gox) to raise awareness and encourage annual membership renewals during social and religious ceremonies.
- Between 2014 and 2021, these two units paid approximately 2.5 million EUR to local healthcare providers making them vital financial stakeholders in

Policy recommendations

1. Plan for sustainability long before the end of a program. Sustainability should be anticipated as an outcome from the start of an intervention. In Senegal, actuarial modelling was used to establish the membership thresholds necessary to ensure financial viability beyond donor support.
2. AU Member States should systematically integrate endogenous, community-driven financing models to reduce dependence on public and donor resources. In particular, insurance premium structures should be aligned with the livelihood and income cycles of target populations to improve affordability, contribution regularity, and scheme sustainability.
3. Build win-win partnerships with providers and maintain rigorous accountability. The sustainability of insurance depends on a quality care offer and a healthy relationship with healthcare providers. To maintain trust, implement internal controls, invoice validation systems, and complaint mechanisms to prevent fraud and ensure providers are paid fairly and transparently.
4. Anchor programs in national political strategy. Integrated health programs into National health agencies ensuring they are part of the national development strategy. Additionally, the state's role in subsidising any contributions must be formalised to ensure financial stability.

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Method: The study employed a qualitative research design guided by Schell et al.'s (2013) conceptual framework on sustainability, drawing on 13 months of field observations, a documentation review, 129 in-depth interviews at local, regional, and national levels, and one focus group, with data analyzed thematically according to the conceptual framework's nine dimensions.

Evidence: Ridde, V., Kane, B., Mbow, N. B., Senghor, I., & Faye, A. (2024). The sustainability of two departmental health insurance units in Senegal: A qualitative study. SSM - Health Systems, 2, 100006. https://doi.org/10.1016/j.ssmhs.2023.100006

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