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REVIEW ARTICLE

Egypt's Universal Health Insurance System: Strategies for Sustainability

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ABSTRACT

Background: The World Health Organization (WHO) adopted Universal health coverage (UHC) as a target of the Sustainable Development Goal (SDG) 3. In 2018, Egypt issued the Universal Health Insurance Law (UHI), which aimed to achieve the UHC for its population and provide them with the needed health services without financial hardship. The Universal Health Insurance System (UHIS), applied in six governorates as Phase I, has achieved multiple successes covering all levels of medical care (primary, secondary, and tertiary). There are a group of implementation challenges; including the problems of overpopulation besides thousands of refugees and asylum-seekers, the dual burden of diseases, brain-drain of physicians, and the pricing of healthcare services, that have recently put the successful completion of subsequent UHC phases in great danger. This review article aims to provide recommendations to ensure the sustainability of the UHIS and gain its targeted benefits.

Conclusion: A group of challenges threatens the successful completion and sustainability of the subsequent UHC phases, so it is important to address them using well-tailored targeted strategies and interventions.

Keywords: Egypt; Health system; Universal health coverage; Healthcare financing

INTRODUCTION

It has been about six years since Egypt issued the Universal Health Insurance Law (UHI) in 2018. The law that puts Egypt on the path to achieving Universal Health Coverage (UHC) entails expanding health coverage to its population and providing the needed health services for all without suffering financial hardship **[1,2].**

Based on this law, three new health bodies with different competencies were established: ***the Universal Health Insurance Authority,*** which purchases the health services and manages the National Health Insurance program; ***the General Authority of Healthcare,*** which provides the curative health services at their three levels (primary, secondary, and tertiary), and ***the General Authority for Healthcare Accreditation and Regulation*** which sets the quality standards for the health services, and oversees the registration and accreditation of medical professionals and standards to comply with quality standards **[3].**

The UHIS will be progressively rolled out in six phases over fifteen years. The Governorates of Phase I were selected based on their readiness and the available health system capacities. Port Said was chosen as a pilot. In addition, two large governorates with very high poverty rates (Luxor and Aswan) were also included in Phase I to ensure the coverage of vulnerable populations **[4].**

Universal Health Coverage (UHC):

Universal Health Coverage (UHC) emerged due to increasing awareness of the problems facing healthcare systems worldwide (low quality of care, low access to health services, and increasing financial risk). Regardless of the approach, UHC has three main objectives in all settings: improving the health of the targeted individuals, improving access to health services (especially for disadvantaged people), and providing financial risk protection **[5].** It was adopted by the WHO as a subgoal (target) of the Sustainable Development Goal (SDG) 3 **[6].**

Healthcare Financing in Egypt:

The financial healthcare system in Egypt has a wide range of stakeholders, including the healthcare providers (public and private) and the funding

organizations. The current health expenditure (CHE) reached about 255 billion EGP in 2019/2020, representing 4.6% of the gross domestic product (GDP). It remained stable in the year 2021 (4.61%). The Total Health expenditure (THE) in 2019/2020 was estimated to be 271.4 billion EGP, representing 4.9% of GDP **[7, 8].** The out-of-pocket (OOP) expenditure forms the largest source of healthcare financing in Egypt **[9]**, which makes Egypt one of the countries with the highest OOP expenditure as a percentage of the current health expenditure (as 26.3% of its population spends more than 10% of their income on health) **[10].**

Healthcare financing under the umbrella of Universal Health Insurance will be provided through numerous sources such as the citizen-paid premiums, the state budget, the taxes (general and tobacco earmarked), the governmental subsidization of people experiencing poverty, the service fees (co-payments), 0.25% of the total annual revenues, and the fees paid by the medical clinics, treatment centers, hospitals, pharmaceutical companies, and pharmacies to subscribe to the new UHIS (ranging from 1000 to 15000 Egyptian pounds) **[11, 12, 13, 14].**

Citizen-paid premiums will be collected as follows: the employer will pay a 4% premium of each employee's salary (1% for occupational diseases insurance and injuries + 3% for medical insurance). Employees will pay an additional 1% premium from their salaries. Additionally, the head of every household will pay premiums of an extra 1% for each dependent and 3% for the housewife. Finally, the state will treat those who cannot be entirely determined by the Ministry of Social Solidarity **[15].**

The cost of Universal Health Insurance for a single citizen is expected to range from 1300 to 4000 EGP **[16],** which urges the government to allocate more funding resources. In its report, The Ministry of Planning and Economy announced that the plan for the financial year 2023/2024 aims to allocate an estimated total investment (public and private) of 75 billion EGP in health services, which forms 4.6% of the total investment in the plan for the same financial year **[17].** By 2030, The Egyptian government aims to allocate at least 5% of the GDP for public health spending, renovate and establish 3100 health facilities, and increase the local pharmaceutical production to cover about 95% of the needs of the market according to its economic strategy for 2024-2030 launched in January 2024 **[18].**

Achievements of the UHC:

In June 2024, the Health Care Authority announced the achievements of the universal health insurance system. The Health Care Authority provided the following services in six governorates: 44 million medical and therapeutic services covering all levels of medical care (primary, secondary, and tertiary), over 500000 surgeries and interventions, and more than 27 million primary healthcare services, including family medicine, comprehensive medical examination, dental services, and first aid which represent more than 80% of the medical services needed by the citizen **[19].**

Issues related to the UHIC law:

According to the UHIC law, the UHI benefit package remains broad and unspecified with unclear criteria as it includes 'all diseases for diagnostic, therapeutic or rehabilitative purposes…' (Article 3 UHI law). Also, the package doesn't cover preventive services or mention early disease detection. This can lead to the separation of the promotive and preventive services (financed by the Ministry of Health and Population) and the curative services (funded through the UHI system), which can hinder the provision of integrated, coordinated, and continuous people-centered health services. The period for ceiling amounts and the list of copayment-exempted chronic conditions with their related drugs weren't specified for medication. In addition, the law didn't outline the process of setting and revising the provider payment methods **[1]**.

Challenges facing Universal Health Insurance:

Egypt is the most populous country in the Arab world and the third-most-populous country in Africa, behind Nigeria and Ethiopia **[20, 21].** As of June 30, 2024, its population is 114,470,572, with a yearly population growth rate of 1.57% **[22].** In addition, Egypt hosts more than 670 thousand registered refugees and asylum-seekers from more than 60 nationalities. Their numbers are expected to rise thanks to renewed conflicts, wars, and political instability in the neighboring countries and regions **[23].** This population overgrowth excessively pressurizes the Egyptian healthcare system with an expected increase in healthcare costs in limited resources **[24].**

Also, Egypt suffers from a dual burden of disease, which is characterized by increasing rates of non-communicable diseases in addition to the prevalence of communicable diseases **[25].** NCDs constitute a significant burden on the healthcare

system as they are currently the leading national cause of death among Egyptians (67% of premature deaths and 82% of all deaths) **[26].** Emerging access to global communications and commerce is raising the population's expectations for more and better care and advanced healthcare technology **[27].**

The COVID-19 pandemic has strained the Egyptian healthcare system. Its effects extended to spotlighting the health inequalities that persist within the system. Citizens living in underserved geographical areas were at a higher risk of infection and death, less early diagnosed and vaccinated. They also suffered from the lockdown results as they could not afford to stay at home and didn't have access to the same quality of medical class compared to the affluent class **[28].**

Providing sufficiently trained medical personnel, especially family physicians and nurses, is considered a significant challenge facing the UHIS in light of the migration of many family physicians, mainly to the Gulf states, seeking higher wages and better socioeconomic conditions. Brain drain, which means the migration of physicians from low- and middle-income countries (LMIC) to high-income countries, is a significant problem that threatens the sustainability of the health systems in LMIC. Despite thousands of medical students graduating annually, Egypt needs more physicians, who cannot be replaced by recruitment **[29, 30].**

A problem highlighted after implementing the UHI system was the need for more ability to have actual prices of healthcare services from the local market. Several factors lie behind this problem, such as the unavailability of accurate information about health services prices in terms of quality and financial value, especially from the private sector, which needed further participation from private sector providers, lack of coordination between the UHIA departments, lack of knowledge of health systems among the responsible pricing committee, and lack of engagement of the stakeholders such as the private sector which negatively affects pricing setting and regulation **[3].**

Despite the major institutional changes implemented in the purchasing arrangements to move towards a more strategic purchasing process, the continuity of a non-aligned and mixed provider payment system, in addition to incoherent incentives, may engage the healthcare providers in treating the more profitable patients (cream skimming) and resource shifting for this patient group. So, transparent processes and criteria and more specifications are needed to set the benefits and establish a new payment system **[1].**

Recommendations for sustainability:

To ensure the sustainability of the UHIS in Egypt and gain its targeted benefits, it is recommended to **[1, 31, 32, 33, 34, 35]:**

- Aligning the provider payment methods and funding streams for both the promotive and preventive care (funded by the government budget) and the curative care (UHI payment methods) to prevent provider behavior distortion. Adding a pay-for-performance component to incentivize healthcare workers is also recommended**.**
- Increasing national spending directed to healthcare financing to ensure the sustainability of the UHC.
- Innovating new funding sources besides the present ones to accommodate the growing population.
- Developing a "financial resource mix" to facilitate subsequent pooling, stabilizing funding flows, and ensuring long-term sustainability.
- Exploiting the COVID-19 crisis that faced the healthcare system to develop the financial healthcare system and renew its resources**.**
- Clarifying the vague points in the UHI law, such as the list of chronic diseases with their related medications and providers' payment methods.
- Designing a model benefits package known as essential UHC (EUHC) and specifying a package of interventions called the highest-priority package (HPP).
- Establishing a benefit package committee within the MOHP responsible for defining and specifying the benefit package and reviewing it regularly.
- Defining the referral levels from lower to higher and from primary care level to specialized physicians and how the different hospital types will be harmonized in healthcare provision. This will clarify the chances available for the private providers to work within the UHIS and how people will choose their providers**.**
- Raising the awareness of both the healthcare providers and the population about their rights, obligations, payment mechanisms, and methods for better using the available services to provide the best benefit and prevent unnecessary investigations.

- Providing adequate training and certified programs for healthcare providers to effectively fulfill their roles and responsibilities according to evidence-based medicine guidelines.
- Regularly collecting feedback from healthcare workers to identify the challenges they face during their daily practices and manage the reasons for brain drain.
- Improving healthcare providers' salaries, together with providing incentives (financial and non-financial) to help decrease their migration rates and brain drain.
- Strengthening the mechanisms of participation and accountability towards the public in addition to regularly organizing citizen consultations to collect feedback and suggestions for improvement from the population.
- Develop tools (such as checklists) that can guide and inform the stakeholders on design options that maximize the effectiveness of universal health coverage and improve financial risk protection.

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