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Date: **24th Jan., 2024**

To All Media Houses

PRESS RELEASE ON WEDNESDAY 24TH JANUARY 2024 BY THE PRIVATE HEALTH FACILITIES ASSOCIATION OF GHANA.

PERSISTENT DELAY AND DICTATES OF MEDICAL PRACTICE IN GHANA BY PRIVATE HEALTH INSURANCE COMPANIES

Background

The National Health Insurance Authority is mandated by the National Health Insurance Act, 2012 (ACT 852) to register and license all Private Health Insurance schemes in Ghana. These Private Health Insurance Schemes exist to augment the National Health Insurance Scheme (NHIS) which is operated by the state to provide medical care to the Ghanaian population at a minimal cost.

However, these Private Health Insurance Schemes primarily target individuals and corporate organizations and groups by offering third-party administration services, thus, they provide cover for out-patient and in-patient care through a network of affiliated service providers (Private Health Facilities).

The Current State of Affairs of Some Private Health Insurance Schemes:

Despite charging high premiums from individuals and corporate clients for their healthcare, these health insurance companies fail to reimburse service providers after they have seen to the provision of efficient and quality medical care to their clients. The service providers end up chasing for their claims to be paid which in extreme cases takes up to even a year.

The leadership of Private Health Facilities Association of Ghana (PHFAoG) by this press release is officially informing all Private Health

Insurance Companies except Apex Health Insurance, Star Health Insurance, Cosmopolitan Health Insurance, Acacia Health that the healthcare service providers are fed with the provision of service without immediate and appropriate reimbursement of claims.

Reimbursement of Claims:

Irrespective of Act 2004, LI 1809 section 37-39, which had not been amended alongside Act 650, Act 2003 now Act 2012 Act 852, which states among other things that claims submitted by a healthcare service provider shall be paid within four weeks, the healthcare service providers have in principle agreed to be reimbursed within ninety days. Ninety days have become nine months and in some cases one year for some of the insurance companies.

Claims Indebtedness:

At the time of coming to the press, we had an average value of One Hundred and Fifty-Two Million, Three Hundred and Seventy-Eight Thousand, Five Hundred Ghana Cedis. **(GHC152,378,500.00)** as the outstanding liability. This figure does not represent the entire debt owed service providers but just a fraction of the total debt outstanding. What is even more depressing is the evasiveness of some insurance companies by informing their clients (corporate organizations/individuals) to desist from accessing healthcare from certain facilities since they are no longer in good standing to provide the needed care.

We have at some point witnessed the Collapse of certain private health Insurance companies like Summit Health Insurance Company, Universal Health Insurance Company, Medex and others which have created a huge bad debt in the books of our members. The fear that, the behaviour of some Private Health Insurance Schemes may end up folding up with millions of cedis belonging to service providers cannot be over looked.

Dictates of Medical Practice:

There is a sad development in the medical practice space where insurance companies want to adopt cost containment measures or mitigate costs by

way of directing what medication should be given at a particular point in time to patients.

We are sorry to inform them that, every professional practice has its rules, regulations, code of ethics, and above all standard practices.

Aside from the Standard Treatment Guideline, there exists clinical diagnosis which has to do with the clinical judgment and the experience of the clinician in dealing with some critical health issues. If clinicians are to rigidly follow directives from the insurance companies, a lot of patients would experience complications leading to prolonged illnesses, invariably affecting productivity and loss of revenue to the employer and the state.

Providers Intended Action:

We hereby wish to state unreservedly that the insurance companies that have not met their claims payment obligations to service providers should do so within three weeks from now commencing 24th January, 2024 to 14th February, 2024.

Within the three weeks, clients of these insurance companies are advised to carry money to pay for their services. Failure by these companies to honour their obligations as expected will attract a rather radical approach to remedy the situation.

Clients Enquiry:

Following our recent media engagement with Citi TV has ignited widespread agitations among the various corporate organizations, a barrage of phone calls has flooded the offices of the association to ascertain whether or not their insurance companies are in good standing with the healthcare providers. **They have since been advised to covenant with claims reimbursing Private Health Insurance Companies to avoid any embarrassment.**

Thank you all.

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Forging for Quality Health Care