ABSTRACT

Introduction

Importance of financial risk protection has increased with rising out-of pocket expenditure for health care. Constraints on increasing the government contribution to healthcare financing and the rising burden imposed by demographic and epidemiological transition are necessitating exploring other financing avenues such as Employers' contribution to ensure financial risk protection. Paucity of data regarding Employer health benefits provided to 3.3 million private sector employees, has limited the use of these alternative financing mechanisms optimally. Hence, this study aimed to assess the Employer health benefits including in-house health care facilities provided to private sector employees and their utilization in contrast to alternative financing mechanisms.

Objectives

To assess utilization of Employer Health Benefits by employees in selected private sector organizations in the Gampaha district

Methodology

The study had qualitative and quantitative components. Component 1 qualitatively assessed the different Employer Health Benefit Schemes provided by the three selected organizations. In-depth interviews were carried out with the Human Resource Managers of the respective organizations. Component 2 was achieved using the observation method to identify in-house health care facilities provided by the three selected organizations. Component 3 involved a survey to quantitatively determine the utilization of Employer health benefits and alternative financing mechanisms for health care. A self-administered structured questionnaire was used among employees of the organizations. Sampling for component 3 was done at three levels adopting proportionate stratified sampling technique.

Results

Employer Sponsored Health Insurance (ESHI) was identified as the major Employer Health Benefit scheme adopted by the selected private sector organizations. Exclusion of manufacturing workers from ESHI was observed in two organizations out of three. Annual Coverage Limits for inpatient care varied among eligible staff categories;

highest for managers and lowest for supervisor/Staff category or manufacturing workers if they were covered. Similar trend was observed for outpatient care annual limit in one organization while the others had same limit for all employees.

Basic physical health facilities such as sick room with beds, examination bed and facilities for wound dressing were provided. Doctors visited the organization twice a week. A nurse was available whenever workers were within the premises.

ESHI was used to pay for 50%, 35% and 17% of inpatient encounters, outpatient encounters and medical device purchases respectively. There was no utilization of ESHI for disease screening. Rate of utilization of ESHI was highest among managers and declined to a lowest in manufacturing workers in OPD encounters, long term care for chronic illnesses and admissions to private hospitals. Out-of pocket expenses were incurred on most occasions. ESHI of a family member and Private Health insurance were utilized negligibly.

Conclusion

ESHI plans lacked equitable provision of health benefits in terms of coverage of staff categories and Annual coverage limits. Basic in-house health care facilities involved only limited access to medical care. Out-of pocket payment was the commonest method of payment for health care. ESHI also contributed significantly. Use of 'ESHI of a family member' and Private health insurance was very limited.

Recommendations

Designing ESHI schemes taking the equity principle, financial risk protection, employee needs and utilization pattern into consideration is recommended to the employers and the insurance companies. Policy makers should formulate policies and regulations relating to employer health benefits. Fiscal incentives should also be used to encourage employers to provide ESHI. Further research on establishing more comprehensive in-house health care facilities in the work places and factors affecting the utilization pattern of employer health benefits is recommended as this is clearly a significant source of health financing.

Key words: Employer Health Benefits, Employer Sponsored Health Insurance, Financial risk protection, Alternative financing mechanisms