Case Study 1

Jamii: Making mobile health insurance affordable for SMEs and low-income populations in Tanzania

Founding year	2016
Geography	Tanzania
Team	Lilian Makoi – Founder and CEO Rayah Ndagire – COO (GSMA Grant Manager)
Business description in a tweet:	Jamii is a mobile micro-health insurance product for SMEs[1] and individuals in the informal economy. **www.jamiiafrica.com**

In Tanzania, fewer than 30 per cent of the country's 52 million people have access to health insurance.[2] The remaining 70 per cent, who often work in the informal economy, must pay for health services every time they need them. Due to high administration costs, large insurance companies rarely serve small enterprises or Tanzanians earning less than $100 a month.

Jamii was founded in 2016 to allow low-income populations and workers in the informal sector to access affordable healthcare financing schemes.

Jamii offers micro-health insurance services with plans starting at around $1 per month per person. The start-up, in collaboration with Jubilee Insurance and Vodacom Tanzania, offers 12 different cover levels depending on the number of people in the organisation or family. When users sign up, they are given access to hospital services that fall within their policy limit. However, there are no limitations on the type of services they can receive. The policy includes dental, eye and maternity treatment, doctor consultations, medicine and X-rays. To reduce administration costs (by up to 95 per cent), Jamii is relying on a mobile policy management platform and on mobile money to collect premiums and pay out claims.

As of July 2018, over 6,400 people have been covered by health insurance offered through Jamii and 2,900 people have made health insurance claims through the platform. Two hundred hospitals have been enrolled and this number is set to grow to 750 by March 2019. Jamii initially deployed its service in four regions of Tanzania — Mwanza, Mbeya, Arusha and Kilimanjaro. Jamii services became available nationwide in August 2018.

FIGURE 1

Number of people benefiting from health insurance provided through Jamii
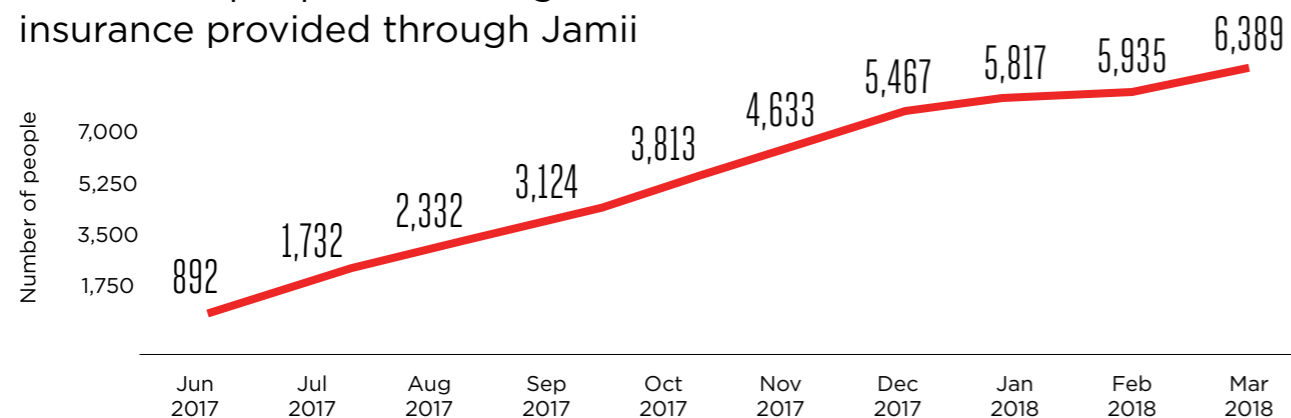
How the service works

The platform is integrated with mobile money (Vodacom M-Pesa) to provide cashless payments when the user[3] pays for the policy and when the insurer pays the hospital. Users pay for their policies on a monthly basis and Jamii retains an administration fee. The service is accessible by mobile phone through USSD. This is how the service works:

Registering with Jamii

SME customer registration (companies with fewer than 50 employees):

1. The SME representative dials the M-Pesa main menu, registers for the Jamii service (SME name, full names of employees, region), chooses a policy type and the duration of the insurance policy. The representative then selects how many members they would like to pay for.

2. Jamii's platform calculates the insurance premium for all the individuals selected by the SME and the SME representative then pays for the policy using M-Pesa (for each registered employee).

3. Jamii's agent collects employee data through the Jamii app and the SME representative receives an employee ID number allocated by Jamii for each registered employee.

4. The system sends each end user covered by the policy an SMS with the user's Jamii ID number, which benefits can be accessed, and a list of nearest hospitals that accept Jamii health insurance.

Individual/family and micro-entrepreneur customer registration:

1. User registers for the micro-health insurance by dialling the Jamii USSD short code [USSD *150*00#].

2. User selects a policy (from 12 options) and pays via mobile money (M-Pesa).

3. User is issued a unique Jamii ID number via SMS.

Access to Healthcare Benefits

1. User goes to a listed hospital with their Jamii ID.

2. Hospital attendant enters the user's Jamii ID number into the Jamii mobile application to verify the user's details (full name, date of birth, gender, policy subscribed to, up-to-date status of benefits claimed).

3. User is given access to medical services within their policy limit and can register and book an appointment with a doctor.

4. User receives an SMS with the real-time balance of health insurance and transactions of benefits claimed..

5. Jamii's insurance group partner, Jubilee Insurance, pays hospitals via mobile money (M-Pesa) within seven days of the claim being submitted and approved.

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1   Small and medium enterprises (SMEs)
2   Policy Forum Tanzania, 2016, "Visioning Access to Health Insurance in Tanzania: Opportunities and Challenges",
    https://www.policyforum-tz.org/visioning-access-health-insurance-tanzania-opportunities-and-challenges.

3   A user is defined as the policy holder, who is subscribed to and pays (directly or through an employer) for Jamii services.

Working with mobile operators

In April 2017, Vodacom Tanzania and Jamii entered a revenue-sharing partnership. Jamii is listed on Vodacom's mobile money (M-Pesa) menu, which Jamii uses to collect premiums and pay out micro insurance claims to hospitals. M-Pesa has played a significant role in cutting the administration costs of supplying insurance to Jamii's customers by 95 per cent.

Vodacom supports Jamii through co-branding and below-the-line marketing efforts. This includes cross-selling and targeted SMS campaigns to Vodacom customers on the benefits of using Jamii. The Vodacom team advises Jamii on product design and operations. Vodacom has also provided above-the-line marketing support and exposure through radio and TV adverts, billboards and online media.

Subscribe and buy a Jamii cover to take care of your health.

*Dial the M-Pesa menu (*150*00#) and pay via M-Pesa/no transaction fees.*

"As Vodacom Tanzania, we partnered with Jamii as we saw the demand in the micro health insurance space that we had not ventured into before as a telecom company. The partnership allows us to complement our existing corporate social responsibility seeing that we not only provide the usual MNO services, but are also able to avail affordable micro health insurance to the informal sector, which in turn reduces our churn rate and increases M-Pesa usage. The partnership with Jamii is rather exemplary and we are positive we will replicate the same in other countries where Vodacom is present in a bid to serve the underserved through a cashless and paperless micro health insurance product."

**— Vincent Ndekana Polycarp
Head of M-Commerce Product
Development and Marketing
Vodacom Tanzania**

Changing lives

3 GOOD HEALTH AND WELL-BEING

As of July 2018, 3,820 potentially fatal cases of curable diseases have been treated thanks to Jamii micro health insurance service. Sixty per cent of claims were for the treatment of malaria and cholera. 102 hospital births have also been covered by Jamii, reducing the risks associated with home births.

8 DECENT WORK AND ECONOMIC GROWTH
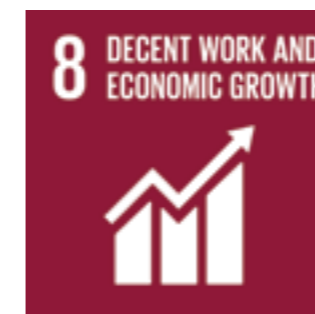
Jamii's solution empowers the underserved to stay healthy, and ultimately economically productive, through access to medical care. Jamii enables SMEs to retain their employees by providing them with affordable health insurance benefits. A survey with forty-three SMEs using Jamii has shown that employee turnover has declined by 35 per cent and productivity has increased by 22 per cent.

"Jamii helped me pay for my medical bills while I was sick with malaria and I am now able to look after my business and family. Before I used to spend money from my small business to treat myself and my son but with Jamii I paid very little money yet I have a shield over my health."

Mariam, Vegetable Cart Vendor, Mbeya region, Tanzania.

Working with the GSMA Ecosystem Accelerator

Jamii received a grant from the GSMA Ecosystem Accelerator Innovation Fund in February 2018 to expand its service nationwide with a marketing campaign, set up a dedicated call centre for SMEs and micro-entrepreneurs, improve their onboarding process and enrol more hospitals.

Beyond funding, the Ecosystem Accelerator supports Jamii in deepening its partnerships with mobile operators in Tanzania and facilitating more partnerships with mobile operators abroad. By the end of the project in March 2019, Jamii plans to cover more than 100,000 people with health insurance — over 49,000 of whom would be women — and give them access to a network of 750 hospitals and 375 pharmacies across Tanzania.