

3 GOOD HEALTH AND WELL-BEING



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Better health through DIGITAL FINANCIAL INCLUSION

Health-care costs due to COVID-19 pushed more than half a billion people into extreme poverty.¹ Around 100 million people, mainly with low income and largely uninsured, fall into poverty each year due to health shocks and stresses. The impact of climate change is making the trend worse: it is anticipated to add about 250,000 more deaths annually between 2030 and 2050.²

OPPORTUNITY

Digital financial services can improve the speed and efficiency of health wage payments,³ the reach and effectiveness of health services, and the monitoring and management of health programs. They also enable individuals, safely and affordably, to store, send, and receive money in planning for emergencies, and in making productive investments or savings for the future, such as in health.⁴ Wage digitization could be particularly beneficial for women, since the majority of lower-level health workers at the front line in many emerging economies are women.⁵

CHALLENGES

- About 50% of adults in emerging economies were very worried about covering health expenses in the event of a major illness or accident, and **36% said health-care costs were their biggest worry.**⁶
- **A shortage of health workers**, especially in rural and remote areas, makes it harder to deliver effective and affordable health services. **Delayed wage payments** have been one of the concerns for health workers on strike. They may also lead health workers to solicit informal payments from patients.¹⁰
- While gender disparities in mobile phone ownership have narrowed over time, **women continue to be less able to access critical health-care information** from the government and health-care providers.¹⁵

SOLUTIONS

- Digital financial services make individuals and households less vulnerable to catastrophic health-care expenditures.^{7,8} When compared with non-users, between 2013 and 2016, **mobile money holders in Kenya spent 98% more per capita on health care**, were 50% more likely to buy medication, and used more formal health-care facilities.⁹
- Reliable payment processes improve worker morale, performance, hours worked, and retention, which may lead to improvements in the delivery of high-quality health services.^{11,12} Wage digitization also reduces costs, and improves transparency and program governance.¹³ For instance, **digitizing 50% of employee payments has the potential to boost Senegal's economy by \$84 million each year.**¹⁴
- Digital financial services, such as receiving remittances through mobile money, can improve health-care access and delivery. In Uganda, for instance, women who used mobile money were **more likely to seek prenatal care**, improving health outcomes for both mother and child.¹⁶

KENYA

M-TIBA, a health-care financing platform, onboarded 4.7 million users and over 3,000 health-care providers between 2016 and 2021. Every year, the platform manages more than 1 million treatment claims.¹⁸ Almost all of the 4,354 surveyed users—93%—reported that the mobile-enabled services resulted in greater control, access to quality health care, and a better payment process.¹⁹



CÔTE D'IVOIRE

Surveys showed that eight in 10 polio vaccinators preferred mobile money over cash, citing convenience, speed of receiving funds, and security as the top three benefits. Most vaccinators were able to get paid within a half hour.²²



NEPAL

Women who opened no-fee savings accounts **increased household spending on education and nutritious foods**, and their daughters stayed in school. They also **invested more in preventive health care**, thereby improving resilience to health shocks.²⁰



TANZANIA

Jammi, a mobile micro-health insurance product, reduced insurance administration costs by 95% and enabled access to cheap insurance, starting at \$1 a month via USSD.^{23,24}



SENEGAL

The integrated management information system for universal health coverage, digitized enrollment and premium payments, resulted in reduced per user enrollment costs from \$4.70 to \$2.40 and enrolled 2.8 million people between 2019 and late 2020.²¹



KENYA

The Mobile Alliance for Maternal Action used mobile money to pay incentives to health workers, enabling faster payment delivery, within 11 to 30 days as opposed to 41 days.²⁵

SIERRA LEONE

Shifting to digital payments at the height of the Ebola crisis from 2014 to 2016 helped **critical health workers to receive their pay quicker, reducing the payment time from over a month to around one week**. This eliminated worker strikes and secured the Ebola response workforce that saved countless lives.²⁶



1. WHO, 2021. 2. Ibid. 3. BTCA, 2020 4. USAID, 2018 5. McConnell et al., 2022. 6. World Bank, 2021. 7. USAID, 2018. 8. Pazarbasioglu et al., 2020 9. Ahmed and Cowan, 2021. 10. Data points from 2009–2018 across a group of 31 low-income countries (Salama, McIsaac, and Campbell, 2019; McConnell et al., 2022). 11. Russo et al., 2019. 12. McConnell et al., 2022. 13. USAID, 2018. 14. Chaintreau, Mvondo, and Annoussamy 2021. 15. GSMA, 2020. 16. Egami and Matsumoto, 2020. 17. AFI, 2021. 18. Nationally representative survey in August 2020 on mobile services used for health care (CarePay and Ajua, 2020). 19. Prina, 2015. 20. BTCA, 2021a. 21. In Côte d'Ivoire, 382 vaccinators were surveyed (60 Decibels, 2021a); in Liberia, 464 were surveyed (60 Decibels, 2021b); McConnell et al., 2022. 22. Peverelli and de Feniks, 2017. 23. Signé, 2021. 24. BTCA, 2021b. 25. Bangura, 2016.