

Causal Factors Analysis of National Health Insurances Unpaid Premium by Informal Workers in Baubau City

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Abstract: National Health Insurances (NHI) as informal sectors member are facing difficulties in paying the contributions are vulnerable NHI participants to unpaid premiums. This problem is more common in the informal sector workers and non-workers. The expanding aspect coverage of membership and contribution sustainability, especially participants PBPU and BP is a major challenge that must be faced by *BPJS Kesehatan*. Objective of this research is analysing the contributing factors for unpaid premiums of informal workers participants in Baubau City. This research used mixed method, concurrent embedded design. Unit analysis this study is that people who are in unpaid informal sector participants pay dues of NHI. The data was collected by in-depth interviews and questionnaires. Results showed that there are seven factors that causes PBPU participants unpaid premiums at Baubau City are socio-demographic categorization because types of jobs that are not earning salary with earnings below UMR, forgot, dissatisfied with health services provided, limited access to premium payment channels, healthy, class restrictions, health seeking behaviour and knowledge. Conclusion from this research is unpaid premiums by JKN PBPU participants in Baubau City are still high, therefore needed a breakthrough and right strategy to prevent and reduce to PBPU participants who are unpaid premiums.

1 INTRODUCTION

In order to achieve UHC there are three dimensions that must be a priority: the expansion of membership (coverage), the extension of the benefit package (benefit package) and the sustainability of the contribution premium. Three years of the existence of JKN, this program has a lot of problems and challenges that must be experienced, one of which is the collection function of the premium (revenue collection) that is the coverage of membership and the continuity of payment of premium by the participants. This problem occurs mostly in the informal sector (PBPU) and Non-Workers (BP).

The aspect of extending the coverage and continuity of premium, especially the participants of PBPU and BP is a big challenge to be faced by BPJS Kesehatan, based on data BPJS Kesehatan report that there are about 47.33% or 9 million participants PBPU delinquent contribution by August 2016. In order to maintain the balance and sustainability of JKN financing, efforts to improve compliance and

sustainability of contributions by participants are as important as increasing the coverage of membership (Mundiharno & Thabrany, 2012). Informal sector participants have the greatest possibility of delinquent paying premiums because the main characteristics of these workers are non-permanent income and in many cases (especially in agriculture and plantation sectors) depending on the season, unlike the formal sector that the premium is universally administered by the institutions or organizations where they work and automatically deducted from their salary while informal sector workers have to manage their own premiums.

2 METHODS

This research used descriptive method, with mixed method research design: concurrent embedded (case study). Qualitative sampling technique using purposive sampling and quantitative sampling using cluster random sampling. The unit of analysis in this

research is the community of participant of JKN independent PBPU in arrears paying the premium. Data collection was done with in-depth interviews as well as questionnaires.

3 RESULT

This research used descriptive method, with mixed method research design: concurrent embedded (case study). Qualitative sampling technique using purposive sampling and quantitative sampling using cluster random sampling. The unit of

3.1 Socio-demographic Characteristics of Respondents

The socio-demographic condition of PBPU participants has an important role in influencing the high rate of premium payment arrears to the participants of JKN PBPU, the result of in-depth interview analysis describes the work and income become the dominant factors causing the PBPU participants in arrears premium. The age of 31-50 years has a tendency of delinquent pay dues compared to other ages, about 6 informants and 43.86% respondents, men are more likely to delinquent pay premiums than women, approximately 5 informants and 61.40% respondents and PBPU participants with higher education tend to be dominant in delinquent from other informants about 6 informants and 70.67% of each respondents are in arrears premium for ≤ 6 months. Work and income have a significant relationship with the premium arrears of participants JKN PBPU, for instance farmers with income IDR. 150,000. - IDR. 500,000 are in delinquent premium for > 6 months about 3 informants, artisans (motorcycle taxi, stones and wood) who have income IDR.500.000 - Rp.900.000 are in arrears premium for ≤ 6 months as many as 4 informants, while other jobs (apprentices, mall servants and retired civil servants) with revenue from IDR. 100,000 - IDR. 2,000,000 in arrears premium for ≤ 6 months about 3 informants. Informants with entrepreneurial occupation with income IDR. 2,500,000 are in arrears for ≤ 6 months.

In general, in many informants and respondents who earn below the UMR (\leq IDR 1,850,000) as many as 8 informants and 74.38% respondents are in arrears premium for ≤ 6 months, the number of family members > 4 people tend to be lower in delinquent pay premium if compared with the number of family members ≤ 4 people around 5

informants and 73.64% participants are in arrears paying premium for ≤ 6 months.

3.2 Causes Arrears of Premium Payments

The premium payer is over ≤ 6 months more than the informant who is in arrears of premium for > 6 months each of 10 informants and 6 informants respectively. Here are the reasons why participants of JKN PBPU are in delinquent of paying premiums:

3.2.1 Type of work

The type of informant work with low and uncertain income leads to premiums arrears, along with in-depth interview quotes with informants:

“Ehh honestly sir, ah hence mi we are unpaid because of the obstacle of money also not exist and income effects as well because our income as farmers is not fixed”. (Informant_1)

3.2.2 Health status and history of chronic illness

Two reasons participants enrolled JKN PBPU that healthy condition (7 informants and 35.96%) as anticipation to get health insurance when sick and financial protection. Ill condition (9 informants and 64.04%) due to need of health services in the near future, get free health service and self-esteem and advice from medical officer, besides the reason the participants registered for JKN PBPU when healthy is as a worship charity for saving in the next life and ethics-related awareness is also a trigger for the society to register to be a participant JKN PBPU so they are not comfortable if directly use the *BPJS Kesehatan* card when in a state of illness. But these conditions still affect the payment of premium payments, PBPU JKN participants who are healthy do not comply again pay a premium because they do not need any more BPJS and it is useless if they do not use *BPJS Kesehatan* although they know that the obligation to pay premiums is in every month and rarely use it.

Regular utilization of health services so that the ownership of JKN PBPU becomes important because the absence of close families and relatives that can be relied on to help alleviate health financing and previous family experience when treatment requires high costs are the reasons participants register JKN PBPU, the presence of chronic diseases should be able to improve

compliance participants of JKN PBPU paid a premium due to the high frequency of use of health services, about 9 informants and 35.09% of respondents had chronic illness. The findings of this study illustrate that the participants of JKN PBPU who chronically ill choose surrender with the disease and switch to traditional treatment which more affordable and cheap so they do not want to pay BPJS Health premium again.

3.2.3 Membership Class

Class 3 is more dominant than other classes because of the cheap and affordable premium of about 8 informants and 64% of respondents. About 7 informants and 33.33% of respondents chose grade 2 because of the quality of health services despite their financial capacity due to poor quality experience of 3rd grade health services and class restrictions. The restriction of membership class 1 and 2 by the BPJSK officer becomes the participant's expense so that the premium paid is expensive and unreachable. Class 3 is more dominant than the other classes because of the low and affordable premium about 8 informants and 62.28% respondents, about 6 informants and 35.96% respondents choose class 2. Because of the quality of health care despite the ability of their financial capacity around 2 informants and surrounding class restrictions 3 informants, restriction of membership class 1 and 2 by unscrupulous officer BPJSK become the burden of participants so that premiums paid expensive and not affordable finally delinquent in premiums.

3.2.4 Knowledge

In general, in many informants it is found that knowledge of informants related to rights as participants of JKN PBPU is high enough to get quality health service, to pay medical expenses when experiencing illness or even free. Related to his obligations as a participant JKN PBPU informants have enough knowledge on monthly fee obligations, nominal and sanctions in arrears paying premiums and payment due. Informant's knowledge related to paying the premium on time is high enough about 9 out of 16 informants paid premiums on time, but some informants, 7 of the 16 informants in paying premium have low knowledge about the deadline payment so that affecting compliance of payment, forget and use health services infrequently. The consequences of PBPU JKN participants in arrears in paying premiums are the inactivity of membership and penalties, 11 out of 16 informants had high knowledge related to sanctions and penalties when

delinquent paying premium, however about 5 of the informants had low knowledge related to sanctions and fines when delinquent paying premium. Informants with initials ES related how to use and treatment procedures using *BPJS Kesehatan* card does not know. This is because informant has never used the *BPJS Kesehatan* card on the ground of still healthy

3.2.5 Access Premium Payment Channels

Approximately 13 informants and 71.05% of respondents made payments through banks because of the ease, although there are also difficulties such as queue, but a small number of participants feel bored and lazy because the old queue, about 10 informants and 86.84% respondents travelled ≤ 10 kilometres, easy access by having a motorcycle so that it is easy to reach becomes the reason the participants are not burdened with distance, but in a small part the participants feel burdened by the distance. The reason is difficult to reach because they have no a motorcycle. Approximately 14 informants and 98.25% respondents took ≤ 60 minutes to the payment site, most informants were not burdened with time because it was close and short, but in small numbers of informants felt burdened because they had no time and busy. Approximately 11 informants and 55.26% respondents spent \leq IDR. 10,000 for transportation costs, most informants are not burdened with the cost because they have a motorcycle so it is cheap and practical, but a few informants feel burdened because it is expensive. Limitation of access to premium payment services is also a contributing factor to JKN PBPU participant's delinquent paying premiums, long distance payment places that requires long travel time, expensive transportation costs and disruption payment system through auto-debit make some participants of JKN PBPU choose delinquent pay premium.

3.2.6 Experience of Health Service Access Utilization

About 15 informants and 96.49% respondents had used health services, around 8 informants most often use health services in Public Health Services (*Puskemas*) are those who suffer from sickness that could be handled by Public Health Services (*Puskemas*). Approximately 7 out of 16 informants using health facilities in hospitals are those who have high-cost diseases, require comprehensive and high-tech health services, most of the participants are satisfied with the quality of the health service

they get, however in some cases the experiences of JKN PBPU participants related to poor service quality and additional costs when getting treatment are some of the reasons participants delinquent pay premiums.

4 DISCUSSION

The results of this quantitative study show that around 25.33% of PBPU participants are no longer active in paying premiums or not paying health insurance premiums more than six months, the average of those who are in arrears of premiums is to have informal sector jobs with income below UMR due to uncertain income and not routine. Employment in the informal sector is an important determinant of participation in the NHIF program, our findings suggest that more efforts are needed to integrate informal sector workers into NHIF³. Previous research has shown that in many African countries one of the obstacles to efforts to implement comprehensive social health insurance is the difficulty of accumulating contributions due to the high proportion of the population in the informal sector⁴. A large number of household members are preventing people from enrolling in health insurance schemes because they cannot pay the premiums of their entire family members. Revenues are one of the main causes of PBPU participants delinquent paying contributions for ≤ 6 months and > 6 six months (inactive) are those with uncertain income, non-regular income and income below the Minimum Wage of Municipalities.

Most of the participants who signed up to participate in PBPU were those with ill health conditions because they needed health services in the near future so that were forced to enroll JKN with the hope of obtaining free healthcare, those who participated in PBPU mostly worked in the informal sector where the work had non-routine income, uncertain and still below the UMR so reasonable if they are delinquent to pay premiums. The tendency of participants to register when the illness is the impact of the social health insurance policy, as it is known that social insurance does not have underwriting as in commercial insurance, so this situation becomes a weakness of social insurance, high adverse selection on PBPU participants is the impact from the discontinuity of premiums or high burden of *BPJS Kesehatan* premiums because participants pay only premiums when ill⁶. The health status of the participants at the time of registering to *BPJS Kesehatan* affected the arrear of premium payment, the PBPU participants who enrolled in the ill condition 1, 3 times the risk

of delinquent paying premiums than the PBPU participants who enrol in healthy condition⁷. Quite a few participants who registered as *JKN Mandiri* participants suffered from illnesses requiring care and costly medical treatment (Nopiyani, et al, 2015). This research is in line with Nopiyani and Pujiyanti's research in 2015, indicating that most participants enrolling to be PBPU participants are those with ill health conditions so they need financing and health care insurance in the near future. Quantitative findings about 3.33% of PBPU participants due to delinquent premiums are healthy so feel no longer need to pay per month if not using health services and it's just a waste of money only.

The behaviour of the health seeking pattern by the people also influences the compliance of the public paying the premium, a small percentage of the participants with chronic health disorder tend to choose traditional treatment either by themselves or with the help of others such as masseuse or shaman, so no wonder if there are still a small number of PBPU delinquent paying premiums JKN despite having a history of chronic diseases because of the high trust of PBPU participants to the traditional medicine which effective and cheap and because the payment process is voluntary depending on the economic capacity of the people. But distinguish the results of research conducted by Dong et al, (2009) found that continuous utilization of health services due to certain diseases will encourage people to register themselves as participants of *JKN Non-PBI Mandiri* and encourage people to obediently pay JKN contributions. The risk of noncompliance decreases with the increasing number of visits to FKTP and FKTL because participants who suffer from illness or health problems should receive services at health facilities will be more diligent to pay premium so they can continue to utilize JKN to access services Health at no charge⁹. A household with one family member who has a chronic illness or has had a disruption in routine activity over the past three months has a significant relationship to registering to become a CBHI member rather than a household without chronic disease (Alkenbrack, et al, 2013). There is an influence of the history of chronic diseases on the participation of the informal sector community as a participant of health insurance.

The high number of PBPU 3rd graders who are in arrears paying the premiums is a description that the group is risky or easy to get into the category of poor, unpredictable jobs and income, making them at risk for delinquent paying JKN premiums. Several cases in the study also found that PBPU participants generally chose grade 3 because the premiums were cheap so they could be reached and the willingness of the premium payer that is the child for those participants paid by others. The high number of

PBPU class 3 participants in arrears of premium compared to other classes illustrates that PBPU class 3 is a group that is still vulnerable or easy to go in the category/poor category also found in Pujiyanti et al research on PBPU participants in 10 Provinces of Indonesia 2015.

Class 1 and 2 restrictions by unscrupulous officers of health BPJS become a burden for PBPU participants because they have no choice but to be inconsistent with the income and financial condition of the family causing them to default in paying the premium. Their main reason for purchasing class fees is higher than their capacity because their previous experience of showing 3rd class health services is less satisfactory, such as less friendly healthcare workers and less comfortable treatment rooms were also found in Pujiyanti's et al research on PBPU participants in 10 provinces of Indonesia by 2015.

Access to limited premium payment channels such as limited payment places and payment system disruptions, travelled distance to payment access is far due to the difficulty of transportation to premium payers, long travel time so that participants do not have time because busy with work in the informal sector so forget, long travelled distance, time consuming and using public transportation such as motorcycle taxis and city transportation, causing expensive transportation costs because their income below the UMR is the cause of PBPU participants are not obedient to pay premiums.

In some cases in this study found that participants PBPU delinquent premiums because they do not know and forget the due date of premium payments this is due to the length of time they do not use health facilities either in the FKTP and FKTL because their health conditions are good and healthy are they educated and less knowledgeable. Not knowing sanctions when delinquent premium is a factor supporting the payment of premium not timely. Knowledge of premium dates and sanctions when late paying contributions is significantly related to the incidents of participants in the 2-6 months unemployment rate, therefore, it is necessary to innovate and improve the reminder/notification system due date and the late payment premium. Since both variables are factors that influence the delinquent premium, BPJS Kesehatan should be able to innovate in utilizing technology in order reminder mechanism more efficient for example through SMS gateway also found in research conducted by Pujiyanti et al in 2015. In contrast to the research of Mebratie et al., 2015 that the high understanding and knowledge of health insurance especially health insurance CBHI is significantly related to the low number of CBHI members out of the CBHI insurance scheme in

Ethiopia because they realize that CBHI insurance is not just for sick people only but healthy people also need, they also realize that it is not a savings scheme and their premium will not be returned.

Poor quality of health care is also one of the factors causing delinquent paying of premiums such as long registration booth queues, lack of stock of drugs resulting in additional costs when using health care facilities, the finding is in line with previous findings that factors affecting compliance of pay premium (in arrears compliance) namely education, sex, health status, occupation, place of payment, travelled time and transportation costs and related knowledge maturity and sanctions when not paying on.

5 CONCLUSIONS

There are seven factors that cause PBPU participants in arrears in paying premiums in Baubau City are socio-demographic categorization because the types of jobs that are not earning salary with earnings below the UMR, forgot, dissatisfied with the health services provided, limited access to premium payment channels, better health status (Healthy), class restrictions, health seeking behaviour and knowledge are the causes of PBPU participants delinquent paying premiums.

Unpaid-premiums for PBPU participants with earnings below UMR should be reviewed, the determination of premiums as mandated in the JKN roadmap, the government contributes by providing premium subsidies or PBPU participants who cannot afford the premiums transferred to participants of JKN PBI. Premium collectability is enhanced by various ways such as payment by adjusting the characteristics of PBPU participants. Socialization and education need to include stakeholder, cross sector of program including from community and private segment

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