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Swiss Capacity Building Facility (SCBF) partners with local innovators to build low-cost health insurance for communities in Kenya

Nairobi, Kenya 25th April 2023 - Swiss Capacity Building Facility (SCBF) and **APA Insurance** have partnered with a consortium of local insurance innovators **Paa Insurance Agency**; an inclusive insurance distribution specialist, **Emerging Markets**; a research and design consultancy firm, **Ilara Health**; a network of primary healthcare facilities and **Democrance**; a SaaS plug-and-play insurance technology provider. The partnership seeks to provide affordable and relevant primary healthcare insurance solutions to under-served Kenyans, an innovative solution designed with a hybrid model of capitation costs, and in-patient benefit for patients who become hospitalised.

"We are proud to launch this innovative initiative which will see thousands of under-served households in rural and peri-urban Kenya have access to sustainable primary health care financing solutions to protect their families against out-of-pocket expenses that could otherwise force them into poverty," stated Dana Ellis, Senior Operations Manager at SCBF.

The technical assistance funding from SCBF will contribute to strengthening financial inclusion and increasing resilience against primary healthcare costs for under-served communities in Kenya, intending to reach at least 50% of women. This is aligned to the Government of Kenya's 2030 financial inclusion strategy to ensure that no person in Kenya is left out of reach of financial services, to increase their resilience against risks beyond their control, while also improving their access to essential healthcare services.

Speaking at the launch of this ambitious project, Mr. Ashok Shah, the Group CEO for APA Insurance noted that, "it is important for insurers to think beyond offering insurance to the affluent customer segment." He emphasised that the future of insurance lies in tapping into the majority of the population which remains uninsured. APA has been at the forefront of supporting inclusive insurance solutions targeting the middle and lower base of the economic pyramid, and shall continue to do so with this initiative, to create social and sustainable impact within the communities.



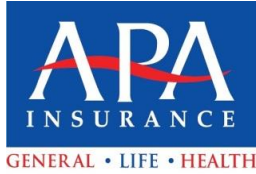
The demand for new innovative insurance solutions, over the last few years, has seen an emergence of insurtechs (insurance innovators who use technology to create and improve insurance solutions) and simplified customer experiences facilitating the purchase, service and making of claims without the barriers associated with mainstream insurance. This proliferation has particularly been fueled by the regulator-backed programme, BimaLab, in partnership with Financial Sector Deepening Africa (FSD Africa). BimaLab is an accelerator program that supports early insurtech innovators to develop innovative insurance solutions.

Elias Omondi, Senior Manager Risk Regulation at FSD Africa, who inspired the birth of BimaLab remarked, “We’re thrilled to see startups that have gone through BimaLab launch innovative products that will redefine how insurance is offered and accessed in the Kenyan market, and even beyond our borders. We feel honoured to have been selected to offer local support and monitoring mandate by SCBF. We will work closely with the innovators, the insurer and the regulator to see that the project achieves its intended impact.”

The project will enable three BimaLab participants, Paa Insurance Agency, Emerging Markets and Democrance, supported by Illara Health, to build cutting-edge solutions for a market that continues to be neglected by mainstream insurance providers. “The project will enable us to refine and scale inclusive insurance solutions that we have been developing since our participation in BimaLab. By working together, we will leverage core organisational strengths and increase the speed at which we churn out new solutions,” noted Paa Insurance Agency co-founder and CEO John Paul Otieno.

Dr. Eric Mbutia Kanyi, Chief Medical & Technology Officer at Illara Health, highlighted the importance of continued investment within the primary health care segment, “Illara Health is building a network of technology-enabled primary healthcare clinics delivering affordable, quality healthcare to Africa's low to middle income demographics. It does this by financing the deployment of essential equipment and consumables within existing under-equipped clinics and digitising these facilities with its suite of software tools.”

“Technology will play a key role to ensure efficiencies and reduced product distribution costs. Democrance SaaS platform enables digitisation of the insurance value chain, to allow our clients to serve new customer segments, improve efficiencies and reach customers often



neglected by conventional insurance solutions,” remarked Mr. Siani Malama, Director for Sub-Saharan African Region at Democrance.

“We will ensure we focus on the customers first, and re-work our solution to address customer pain points through human-centered design frame and research. This will be managed and implemented by Emerging Markets Consultancy, led by Mr. Luis Kinuthia.”

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The Stakeholders

About Swiss Capacity Building Facility

The Swiss Capacity Building Facility (SCBF) is an innovative public-private platform to enhance inclusive finance for low-income clients, especially women, smallholder farmers and MSMEs, in emerging contexts. SCBF enables, with funding, financial service providers to access the expertise required to develop, tailor and scale innovative solutions that address the unique challenges these low income populations face. Since inception to end of 2021, SCBF has co-funded over 169 projects across 48 countries, reaching over 2.9 million people with financial services that improve their living standards, build resilience and advance economic empowerment.

About APA Insurance

APA Insurance is one of the leading innovative insurance company in Kenya, providing insurance solutions across different customer segments and product solutions.

About Paa Insurance Agency

Paa is an insurance agency, specialising in marketing, design and distribution of insurance solutions for under-served communities in Kenya.

About Democrance

Democrance is a SaaS service provider, specialising in digitising insurance distribution for insurers and distribution partners to enable scale and efficiencies, and data analysis.

About Ilara Health

Ilara Health is a leading network of primary healthcare clinics delivering affordable, quality healthcare to Africa’s under-served communities through diagnostic devices and solutions.



About Emerging Markets

Emerging Markets is a consultancy firm specialised in human-centered design research, product development and go-to-market strategy development for under-served communities.