Advancing Primary Health Care Provision, Lebanon

SCBF PUW 2023 – 13 **Report Date: May - 2025**

Project Summary

Instrument type	Technical assistance grant	Project duration	Jun 2023 – May 2025
Co-funding partner(s)	n/a	Project theme	Financial Resilience
Country of implementation	Lebanon	Product / Solution	Health insurance & Personal accident insurance
Financial sector partner(s)	World Vision Lebanon	Grantee / TA provider	VisionFund International
Targeted segment(s)	Low-income Clients (Children and adults)	Targeted outreach	Health insurance – 5'000; Personal accident insurance – 2'600; Financial education – 25'000

• Executive Summary

Lebanon has been hit by multiple crisis ranging from Beirut blast, financial crash, local and regional conflict. This has resulted in escalating costs and deterioration of health services. Vulnerable communities have had to de-prioritise preventative health care especially for children as they focus on food and other immediate needs. This project introduced the provision of health insurance and targeted services as a stimulus for the prioritisation of preventative health care and uptake of health services.

The project targeted families of the 'most vulnerable' children registered under World Vision Lebanon (WVL) and MFI clients in urban and rural Lebanon with appropriate health and insurance provision. At the close of the project 5,244 children had participated in the comprehensive health package including a personal accident cover and 14,022 MFI clients purchased the personal accident cover. By the end of the project period a total of 19,266 people were enrolled under the personal accident cover and 27,752 received financial and insurance education.

• Context

Poverty increases exposure to insecurity and vulnerability, and in turn, experiencing adverse events can deepen poverty. The welfare costs associated with shocks such as lost income opportunities or unexpected expenses are significant and contribute to the persistence of poverty in many developing countries. Without protection, poor households remain highly susceptible to serious or even catastrophic losses, often resorting to negative coping strategies. To manage income and assets under uncertainty, they are forced to adopt expensive or inefficient tactics, which further limits their capacity to generate income or save.

This dynamic is especially severe in fragile contexts such as Lebanon, where multiple crises have resulted in hyperinflation and a sharp decline in health service provision. Families face serious concerns around food security, and preventative healthcare, especially for children is often deprioritized. The high cost of medical care severely restricts access, leaving individuals untreated or dying from otherwise manageable conditions.

The provision of financial services remains limited, with only four functional microfinance institutions (MFIs) operating in the country. The insurance sector is also underdeveloped, with just one major provider active in the micro insurance space. While the regulatory environment generally supports the activities of MFIs and insurers, the main challenge lies in Lebanon's volatile macroeconomic conditions marked by hyperinflation and a weakened local currency.

At the outset of the project, no insurer had proposed a micro-health insurance product primarily due to the ongoing crisis. As a result, the product had to be designed from the ground in partnership with the only insurer in Lebanon that was both available and willing to collaborate. It was also clear that there existed a level of mistrust toward insurers, as insurance was often perceived as a commercial enterprise that exploits vulnerable populations. However, when the project introduced a personal accident insurance policy for World Vision Registered Children, it generated significant interest from families outside the program, many of whom expressed a willingness to participate and pay for the service. This revealed a large, underserved market for life and health insurance that was in need of relevant and affordable products. Furthermore, the rollout of personal accident insurance to Al Majmoua clients enhanced the appeal of the microfinance institution (MFI), as it provided added value to clients' lives.

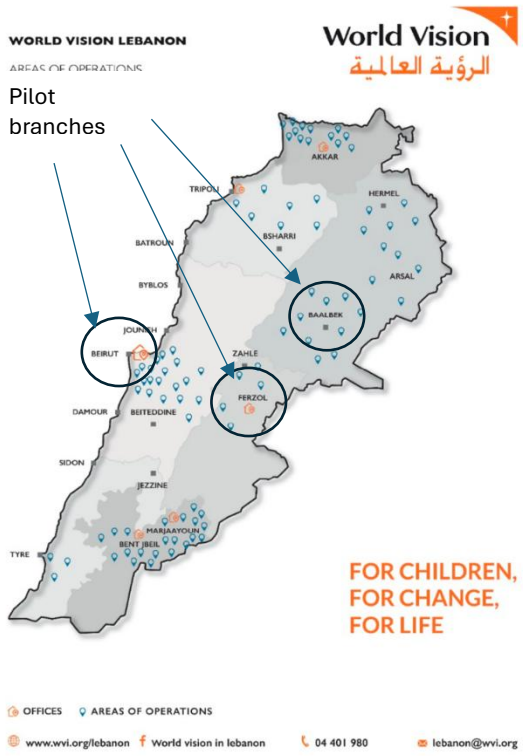
Doctor explaining the medical condition of a child to a parent

Micro insurance was a largely unfamiliar concept for both the target population and World Vision, marking a significant shift in approach for staff within a humanitarian organization. The support provided by SCBF was instrumental in driving this mind-set change and in building internal capacity around insurance. The technical assistance (TA) played a critical role in equipping World Vision staff and beneficiaries many of whom were encountering insurance for the first time with the necessary knowledge, information, and training.

Additionally, the TA facilitated collaboration with the insurer to co-develop contextually relevant products, drawing on lessons from other regions. It also served as a bridge between the insurer, WVL and Al Majmoua, helping to establish clear workflows and responsibilities for each stakeholder. Field staff supported by the TA were vital during the early stages, assisting clients with enrolment and guiding them through the claims process.

• Partnership model

The project successfully reached a total of 19,097 clients, with women comprising 51% of this group. Among these beneficiaries, 5,244 children accessed a comprehensive health package that included personal accident insurance, while an additional 13,853 adults received personal accident coverage through Al Majmoua, Lebanon's largest microfinance institution. Although the project met or exceeded most of its targets, enrolment of children in the comprehensive health package was 15% below expectations, primarily due to disruptions caused by regional conflicts that affected access and delivery of services. Notably, 42% of all clients were located in rural areas, highlighting the project's commitment to reaching underserved and remote communities.



The implementation of this initiative was a collaborative effort among four key organizations:

- VisionFund International (VFI) played a central role by providing technical assistance, training, and capacity building to ensure effective project delivery.
- Commercial Insurance, a Lebanese insurer, developed and supplied a micro insurance product specifically tailored to the local context and needs.
- World Vision Lebanon (WVL), a trusted international NGO with strong community ties, mobilized children for the comprehensive health package and facilitated client enrolment, claims processing, and training.
- Al Majmoua managed enrolment and claims processing for adult clients accessing the personal accident insurance, leveraging its extensive client base and expertise as a leading MFI in Lebanon.

Together, these organizations worked synergistically to design and deliver insurance solutions that addressed both health and financial protection needs, particularly among vulnerable populations in fragile settings and we have observed and implementation model that we can replicate in other fragile contexts.

• Intervention approach

Lebanon is characterised by multiple crises that have fuelled hyperinflation and fragility leading to a deterioration in service delivery. People are focused on safety and food security making it is difficult to sell intangible products like insurance. While insurance and preventative health care are critical services that should be purchased, many families are not able to prioritise these. Given this background it was important to design an intervention that attracts clients to the service that is being promoted. A key strategy for this intervention was to embed insurance with another essential product meaningful to the client or beneficiary.

For World Vision groups, the Personal Accident insurance was embedded with a comprehensive health package where each child was given free access to medical check-up by a qualified doctor and there after they are enrolled for insurance. It was expected that positive claim experience and knowledge gathered through trainings will stimulate the families to then purchase the PA on their own. For MFI clients the product was bundled with credit to clients. Feedback from Al Majmoua and their clients has indicated that bundling a funeral and PA cover made the Al Majmoua loans more attractive.

	WVL Comprehensive Health Package Including PA, death and disability cover	**MFI Personal Accident Cover**
Premium	CHF 24.21 per Individual	CHF 4 per individual
Benefits	CHF 1,600 Accident cover CHF 400 Death/Disability Health day (medical assessment), In person consultation, Teleconsultation, hotline, educational sessions,	CHF 1,600 Accident cover CHF 400 Death/Disability

SCBF funding was used to support product development, distribution channels and the design of training materials. The SCBF support also enabled WVL to deploy full time consultants to help support clients with training, enrolment and claims process. The enrolment and claims process are all digitised and accessed through a mobile phone. Even clients without a mobile phone were able to be facilitated by the Field Officers to enrol. The claim process for services is cashless and payments are made directly to service providers. Payments for death claims are made through mobile money.

The World Vision Lebanon programme targeted children and their care givers. Most care givers for vulnerable children are women. The program meeting spaces, and meeting times are therefore made flexible to allow women to fully participate

- **Results, outcomes and impact**

Key KPIs	*Achieved results (by end of the project – 31st May 2025)*
Total number of people reached	*19,266*
- *Number of women*	*51%*
- *Number of people from rural area*	*42%*
- *Number of people under the age of 35 years*	*5,244*
Total number of people trained in financial literacy	*27,752*
- *Number of women trained in financial literacy*	*51%*

The project successfully reached a total of 19,266 clients, with women representing 51% of the beneficiaries. Among these, 5,244 were children who accessed a comprehensive health package combined with personal accident insurance, while an additional 14,022 adult clients of Al Majmoua accessed the personal accident insurance package only. 42% of all clients lived in rural areas, highlighting the project's reach into underserved communities. Although most targets were met or exceeded, the number of children accessing the comprehensive health package fell short by 15%. This shortfall was primarily attributed to disruptions resulting from the ongoing war in the Middle East, which affected accessibility and service delivery in WVL Area Programmes. In 2024, the project conducted its first client satisfaction survey in partnership with Al Majmoua, which revealed overwhelmingly positive feedback. Over half of respondents (52%) rated the insurance product as excellent, while 29% rated it as good, and only a small minority (2%) found it unsatisfactory. Notably, 73% of respondents expressed their willingness to enrol in the product if it were made optional, and 58% showed interest in extending coverage to their family members. Additionally, a vast majority (99%) confirmed that the insurer delivered on all contractual promises, and 78% regarded the insurance premium as reasonable. The introduction of the insurance product also enhanced the reputation of the microfinance institution (MFI), positioning it as more competitive and trusted MFI in the market.

The project also prioritized financial and insurance education, reaching 27,752 clients with targeted training sessions. Survey respondents indicated strong satisfaction with the training: 75% stated that the information provided was clear, 82% found the product training easy to understand, and 99% reported effective communication with the insurer. This education was crucial in building clients' understanding and trust in the insurance products offered. The comprehensive health package had significant impact beyond financial protection. It uncovered treatable medical conditions in children that had previously gone undiagnosed, as well as gaps in immunization—some children had reached age 15 without receiving vaccines. These findings encouraged caregivers to prioritize

preventive health care and gave a means to do so. While it is still early to fully assess the long-term impact on MFI clients, the project has already processed seven insurance claims, including two death claims, demonstrating the product's tangible benefits. Furthermore, the project leveraged a CHF 60,265 (approximately USD 75,000) grant to subsidize insurance premiums for registered children in Baalbeck, underscoring the commitment to preventative care in vulnerable communities.

A notable outcome of the pilot was the insurer's development of an affordable, locally relevant personal accident insurance product tailored to fragile contexts. This product has since been adopted by MFI clients and shows promising potential for broader market penetration and we are considering replication in other countries such as Zambia and Bangladesh.

Key outcomes of the project include:

- The successful development and deployment of a personal accident insurance product designed to function in fragile, conflict-affected settings.
- A significant mind-set shift within World Vision Lebanon and Al Majmoua, embracing insurance as an effective tool to build resilience among vulnerable populations.
- The insurer's recognition of a critical market gap and creation of an appropriate product to fill this need.
- Increased awareness and prioritization of preventive health care among caregivers of vulnerable children.

Overall, the project demonstrated that micro insurance can play a vital role in supporting both the health and financial security of vulnerable and economically active poor communities. By combining health and accident coverage with education and community engagement, the initiative contributed to strengthening resilience and improving quality of life for thousands of families.

- **Way ahead: Future scaling and sustainability plans**

The Lebanon pilot was VisionFund International's (VFI) first insurance implementation in a country without existing VisionFund operations, offering valuable lessons. Collaborating with World Vision Lebanon (WVL) and a local microfinance institution, Al Majmoua, as distribution channels proved effective. These partnerships allowed VFI to reach vulnerable clients through trusted local organizations, demonstrating that insurance programs can be delivered without VF MFI's direct presence and even in a fragile context with limited available insurance partners.

Building on this success, VFI has replicated the insurance product in Bangladesh and El Salvador, also countries without VFI operations. Encouraged by these results, VFI plans to expand the model to 30 countries over the next decade, areas where World Vision operates without a presence of any MFI from the VF network.

The personal accident insurance product has been successfully adopted by the local MFI, which can now work directly with the insurer, ensuring sustainability with minimal VFI involvement. Likewise, VFI has started some engagement with Vitas and IBDAA to replicate the model and extend the outreach in Lebanon. WVL has developed the capacity to manage the comprehensive health package, although ongoing funding is needed to subsidize premiums. To address affordability, VFI is piloting a Savings Scheme in Bangladesh, encouraging vulnerable families to save monthly towards their insurance premiums. This approach will be shared with WVL after testing, potentially supporting sustainable premium payments in Lebanon.

Overall, the Lebanon pilot has refined VFI's approach to micro insurance in fragile contexts, enabling scalable, sustainable models through local partnerships and innovative solutions.

- **Lessons learnt and recommendations**

One key lesson learned from the project is that distributing insurance products in fragile contexts is indeed possible, but success depends on embedding the insurance within essential services that naturally stimulate demand. Offering subsidized premiums during the product testing phase proved crucial, as it helped overcome negative myths and misconceptions about insurance among clients. Additionally, comprehensive education and training for staff were vital, given that micro insurance represents a new way of working for many involved.

Equally important was providing clear financial and product education for clients, empowering them to understand and appreciate the value of insurance. Another important insight was that distribution through a local microfinance institution (MFI) strengthens the sustainability of the product by leveraging existing client relationships and infrastructure. However, selling the product to families of World Vision's most vulnerable children did not succeed as anticipated. While these families recognized the need for insurance, they lacked the capacity to pay full-year premiums upfront. This highlighted the need for more flexible payment options, such as monthly premium

contributions, to make insurance accessible to the poorest segments of the population. This underscores the need to test models such as the Savings Pool Concept that we propose to develop with SCBF in Bangladesh.

The project confirmed both the need for and feasibility of developing a contextually relevant and affordable micro-health insurance program in fragile settings. For example, the personal accident product covered death and injury from passive war exposure, directly addressing local risks. Challenges included limited access to smartphones and internet connectivity among World Vision Lebanon's client base, which made virtual training difficult. Consequently, the program relied on face-to-face training sessions. Moreover, the ongoing war in the Middle East caused significant delays and disruptions, underscoring the importance of flexibility and contingency planning in such environments.

Based on these experiences, a key recommendation is to engage MFIs much earlier in future programming to maximize learning and collaboration. Another critical change would be securing premium subsidies for two to three years upfront, providing the target groups with enough time to become familiar with the product and develop trust through positive claim experiences.

Top Five Recommendations:

- Conduct a comprehensive country assessment before designing the insurance product, including:
  a. Regulatory environment and insurance landscape
  b. Clients' needs, economic status, and willingness and ability to pay premiums
  c. Service delivery mechanisms and infrastructure
- Secure premium subsidies for at least two years for the most vulnerable groups to support uptake and trust-building.
- Develop flexible premium payment options, such as monthly instalments, especially for the most vulnerable populations after subsidy periods.
- Involve MFIs early in the pilot design and implementation process to strengthen partnerships and enhance program effectiveness.
- Prioritize thorough training for both staff and clients as a foundational component of microinsurance implementation in fragile contexts.