

People's Perceptions on the Financial Pools for Universal National Health Insurance Coverage.

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Abstract

The study aimed at assessing people's perceptions on the financial pools for enhancing the capacity of Universal Health Insurance Coverage in Dar es Salaam city. The study explored perceptions on merging health insurance schemes, harmonization of health insurance schemes, cross-subsidization and making compulsory involvement in health insurance schemes as the financial pooling mechanisms for Universal Health Insurance Coverage. The study employed the cross-sectional research design which allowed collection of opinions from different stakeholders concerning the adoption of Universal Health Insurance Coverage in Tanzania. Results from the field indicates that majority of the respondents were having normal level of awareness health insurance schemes and universal health insurance financing, nevertheless, results shows that Dar es Salaam residents differ on the way the understand how health insurance schemes operate in Tanzania. Results indicate most of the respondents perceives merging health insurance schemes and introduce the single health insurances schemes to administer Universal Health Insurance Coverage as the best mechanism of effectively implementing the Universal Health Insurance Coverage. The study recommends that National Health Insurance Fund should be transformed to Universal Health Insurance Coverage to administer and implement the program of Universal Health Insurance Coverage

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1. Introduction

Access to affordable healthcare and the financial burden of medical expenses remain significant challenges, particularly in low-income and developing countries (Anasel et al., 2024). High healthcare costs can drive households into poverty and exacerbate inequities in access to medical treatment (Kitole et al., 2023). Endemic diseases such as malaria, typhoid, tuberculosis, and diarrhea contribute to high mortality rates in many African countries, where healthcare costs are often unaffordable for most people. To address these challenges, countries have explored various strategies to alleviate the financial burden on households and achieve universal health coverage (UHC). Moreover, for most of the developing countries increase in this burden has been drawing back these countries into low economic growth and fail to meet their development goals (Utouh and Kitole, 2024; Kitole and Utouh, 2023; Kitole et al., 2024). Hence, increase the poverty prevalences across developing countries due to high expenditure on health.

One prominent strategy is health financing, which involves the collection, pooling, and purchasing of healthcare services. Effective pooling strategies aim to gather funds from diverse sources and manage them efficiently to ensure equitable access to healthcare and mitigate financial risks for individuals. Health insurance is a critical component of this approach, providing financial protection by reducing out-of-pocket expenditures and improving access to inpatient and outpatient services (Amu et al., 2020). Health insurance can cover medical, surgical, and sometimes dental expenses, either reimbursing the insured for these costs or paying healthcare providers directly (Bassett, 2015).

Health insurance programs can significantly improve access to affordable, high-quality medicines. However, a considerable gap exists in rural communities, where only 13% of members have access to health insurance services (Kamuzora and Gilson, 2007). Different countries have implemented pooling strategies with varying success. For instance, Denmark's experience of merging territorial-based health pools and municipalities highlights the benefits of reducing system fragmentation. Similarly, Ukraine's establishment of a national pooling and purchasing agency underscores the importance of centralization. In Africa, regional reports and strategies have been adopted to reinforce health financing efforts and move toward UHC. For example, Ghana's health sector development plan includes health financing as a key component, while Rwanda has introduced contributory compulsory coverage subsidized by the government for the informal sector. However, it is crucial that compulsory coverage includes subsidies for those who cannot afford it (Acharya, 2017).

Tanzania has undertaken reforms in its public financial management structure, including budget allocations directly to health facilities and the introduction of pooling mechanisms such as the Community Health Funds (CHF) and the National Insurance Fund (NHIF) to increase resources and pool risks. Despite these efforts, challenges in achieving universal coverage and effective pooling strategies persist. Issues such as insufficient financial resources, fragmented funding sources, and the need for improved management and allocation of funds remain critical (Martha et al., 2021).

In Dar es Salaam, Tanzania, households continue to face significant financial barriers to accessing healthcare services, despite government efforts to improve healthcare financing and achieve UHC. The existing health financing system, characterized by inadequate budget allocation, gaps in resource mobilization, and inefficient purchasing mechanisms, has resulted in poor quality of care and limited access to affordable healthcare. The high cost of medical care, particularly for non-communicable diseases, has led to financial hardship and the

avoidance of necessary healthcare. Moreover, the reliance on out-of-pocket payments and the limited coverage provided by the NHIF exacerbate the financial burden on households. Even with the introduction of the Single National Health Insurance Fund (SNHIF) to cover the entire population, challenges in accumulating and managing financial resources for health insurance coverage persist.

Given the Ministry of Health's focus on implementing the policy of Universal Health Insurance Coverage (UHIC), it is crucial to understand how the potential pooling systems intended to finance UHIC are perceived by the targeted community. This study aims to investigate the perceptions of individuals in Dar es Salaam regarding strategies for improving the accumulation and management of financial resources for health insurance coverage. By exploring these perspectives, the study seeks to identify key issues and barriers hindering effective health financing, particularly in relation to pooling systems, and propose potential solutions to enhance access to affordable and high-quality healthcare services in the region.

The general objective of this study is to assess the perceptions of people in Dar es Salaam on financial pools for enhancing the capacity of Universal Health Insurance Coverage (UHIC). Specifically, the study aims to investigate residents' perceptions of making health insurance legally compulsory as a financial pool for UHIC, merging health insurance schemes, harmonizing health insurance schemes, and implementing cross-subsidization of health insurance costs as financial pools for UHIC.

2. Theoretical foundation

This study draws upon the theoretical frameworks of Expected Utility Theory and Cumulative Prospect Theory to explore the decision-making processes underlying health insurance enrollment and utilization.

Expected Utility Theory is a fundamental concept in economics, formulated by Daniel Bernoulli in the eighteenth century to resolve the St. Petersburg paradox. This paradox addressed why individuals were willing to pay small amounts for a gamble with an infinite expected monetary value. The core assumption of this theory is that rational decision-makers aim to maximize their expected utility, not necessarily their expected monetary value. In uncertain situations, individuals evaluate the utility of potential outcomes by weighing them against their probabilities (Caplin & John, 1996).

In the context of health insurance, the theory suggests that individuals make decisions by comparing the probability of needing medical care and the expected utility derived from insurance coverage. For instance, the National Health Insurance Fund (NHIF) in Tanzania has faced criticism for not covering certain drugs, leading patients to incur out-of-pocket expenses despite being insured (NHIF, 2019). This creates a scenario where wealthier individuals, who can afford to calculate the risks and benefits of prepaying for medical expenses, may weigh the utility of enrolling in health insurance against the quality and comprehensiveness of services provided. The success of Universal Health Insurance Coverage (UHIC) depends on effective risk pooling, which requires a large enrollment of young, healthy, and economically capable individuals.

On the other hand, the cumulative Prospect Theory, introduced by Amos Tversky and Daniel Kahneman in 1992, provides another perspective on decision-making under uncertainty. This theory posits that individuals make decisions based on the potential value of losses and gains, which are weighted by their perceived probabilities rather than actual probabilities. People tend to overweight small probabilities and underweight large probabilities (Khan, 2022).

According to this theory, the decision to enroll in an insurance scheme depends on how individuals perceive the probability of falling ill. Those who assign a high probability to the event of illness are more likely to enroll in health insurance, while those who perceive a low probability may forego coverage (Banerjee, 2022). Economic constraints and poverty exacerbate this situation, as individuals may prioritize immediate family needs such as food and education over prepaying for medical expenses. This perception makes health insurance seem like a luxury rather than a necessity (Northouse, 2013).

To enhance resource pooling and increase enrollment in health insurance schemes, it is crucial to provide education and sensitization to the community. People need to understand the benefits and functions of health insurance, as well as have their doubts and concerns addressed. Clear communication about the services provided by insurance funds can help alleviate fears and encourage enrollment, thereby improving the effectiveness of UHC (Khan, 2022).

3. Literature Reviews

A robust body of literature examines the challenges and opportunities associated with achieving Universal Health Coverage (UHC), particularly in low- and middle-income countries. These studies highlight various factors influencing the success of health financing systems, such as equity, patient perspectives, community involvement, and the role of private health insurance. This section reviews key studies, providing a comprehensive understanding of the complexities and misconceptions surrounding UHC and health financing.

Ataguba and Kabaniha (2022) explore key misconceptions regarding equity in health financing for UHC, identifying three primary misconceptions: fair contribution, pro-poor approaches, and cross-subsidization. They argue that disparities in income distribution and healthcare contributions among different population groups complicate the assessment of equity in health financing. The study emphasizes that an equitable and fair health financing system is crucial for achieving UHC, and misconceptions about equity can hinder progress. Policymakers and practitioners must consider income distribution within a country when assessing the fairness of a health financing system.

Wattanapisit and Saengow (2018) investigate patients' perspectives on hospital visits within Thailand's Universal Health Coverage System. They identify several factors influencing patients' decisions to seek hospital care, including the availability of free healthcare services, perceived severity of illness, the need for specialized tests, and the importance of continuity of care. However, the study finds that long waiting times pose a significant barrier to hospital visits, potentially undermining the effectiveness of the UHC system in providing timely and accessible healthcare. Additionally, Wright et al. (2020) focus on community perceptions of gaps in Ghana's Community-based Health Planning and Services (CHPS) maternal and child health services. The study finds strong support among focus group participants for posting trained primary healthcare nurses in community locations to improve access, even in areas without operational CHPS services. However, it also reveals that cultural, financial, and familial constraints limit women's autonomy in seeking healthcare, which compromises the delivery and effectiveness of CHPS services.

Abouelmaged et al. (2019) explore the role of private health insurance in Egypt following the implementation of UHC. The survey indicates that private health insurance activities may come under increased government control, with market regulation potentially shifting towards more

centralized governmental oversight or managed competition. This reflects broader trends in balancing public and private roles in health financing systems.

Rashid (2017) examines community participation and coping mechanisms in response to increased user fees under Tanzania's Improved Community Health Fund (iCHF). The study finds that the community was not involved in the decision-making process, resulting in a lack of ownership and poor enrollment rates. This "top-down" approach to policy implementation underscores the importance of community involvement in health financing decisions.

Basaza (2007) assesses the challenges of low community enrollment in Ugandan Community Health Insurance Schemes (CHIS). The study attributes low enrollment to a lack of basic information about the scheme's design and operation, limited understanding of the principles underlying CHI, minimal community involvement, and a lack of trust in scheme management. These factors collectively undermine the potential success of community-based health insurance initiatives. Moreover, Kivilege (2015) and Kitole et al. (2023) evaluates the contribution of Tanzania's health insurance scheme to the quality of health services. The study finds no significant difference in attitudes toward the quality of health services between CHF members and non-members. The majority of respondents cited poor health services as the greatest challenge, suggesting that the CHF has not effectively addressed issues of service quality.

These studies collectively highlight the complexities and challenges in achieving UHC, particularly in resource-limited settings. They underscore the need for equitable health financing, effective community involvement, and the careful integration of private insurance systems to enhance healthcare access and quality.

4. Methodology

This study was conducted in Dar es Salaam City, Tanzania, purposefully selected for its unique population characteristics and availability of health facilities. As the most populated region in the country, Dar es Salaam offers a diverse range of economic statuses and demographic profiles, making it an ideal location for examining public perceptions and strategies related to national health insurance coverage. The city's diversity provides valuable insights that can inform targeted policies and interventions aimed at enhancing the effectiveness and sustainability of the national health insurance system.

The research employed a mixed-methods strategy, integrating both quantitative and qualitative approaches. This approach enabled the study to collect and analyze numerical data alongside in-depth qualitative insights. The quantitative aspect involved the use of questionnaires as the primary data collection tool (Dimoso and Andrew, 2021; Kitole and Sesabo, 2022, 2024). These questionnaires provided numerically based data on respondents' awareness and perceptions of Universal Health Insurance Coverage (UHC). The qualitative component included open-ended questions and structured interviews, which allowed for the exploration of more nuanced opinions and perceptions regarding the adoption of UHC in Tanzania.

A cross-sectional research design was employed, enabling the collection of data at a single point in time from a diverse sample of Dar es Salaam residents. This design facilitated the examination of data from individuals engaged in various economic activities, with varying levels of purchasing power for accessing health insurance services.

The study's sample size comprised 400 participants. Out of these, 390 respondents, representing 97.5% of the sample, were Dar es Salaam residents selected through simple random sampling. This group provided a broad representation of Tanzanian citizens with different capacities to pay for health insurance and diverse perspectives on the implementation of UHIC. The remaining 10 respondents were Municipal Council Officers from the three municipalities of Kinondoni, Temeke, and Ilala, selected through purposive sampling. These officers were chosen for their direct influence on the adoption of UHIC policies in Tanzania.

On the other hand, data collection involved both primary and secondary methods to ensure reliability and validity. Primary data were gathered through questionnaires distributed to the randomly selected Dar es Salaam residents, focusing on their awareness and perceptions of UHIC and the factors influencing their participation in health insurance schemes. Structured interviews were conducted with the 10 Municipal Council Health and Community Development Officers to obtain their in-depth views on community awareness programs, the capacity of both the government and residents to fund UHIC, and effective financial pooling mechanisms for financing UHIC.

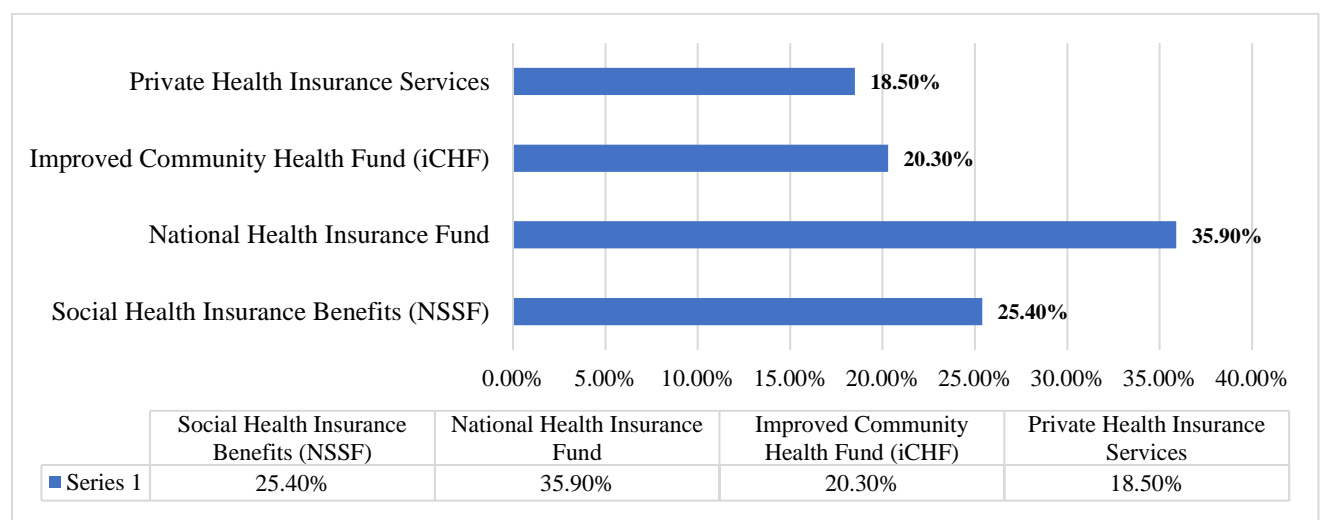
5. Results

Awareness plays the significant role in enhancing acceptability of the new idea in the community, citizens as the primary stakeholders of the health insurance programmes should be provided with sufficient level knowledge concerning the health financing systems and health insurance programmes. Results from the field indicates that majority of the respondents participated in the study were having sufficient level of understanding concerning the universal health programme in Tanzania. Also, majority of the respondents participated in the study were having sufficient level of understanding concerning the universal health financing system in Tanzania.

5.1 Community Preferences on Type of Health Insurances Schemes Currently Existing in Tanzania

There are the number of health insurance schemes in Tanzania with effective policies of accessing the wider community members, this section analyses the community preferences on the type of Health Insurance Schemes operating in Tanzania.

Figure 1 Community Preferences on Type of Health Insurance Schemes



Source: Authors' computation, 2023

Figure 1 indicates that majority of the respondents participated in the study equivalent to 140 (35.9%) mentioned that they prefer the National Health Insurance Fund (NHIF) over the other insurance funds and 99 (25.4%) mentioned that they prefer Social Health Insurance Benefits (SHIB) which is provided by the National Social Security Fund (NSSF). On the other hand, 79 (20.3%) mentioned that they prefer the improved Community Health Fund (iCHF) and the remaining 72 (18.5) mentioned that they prefer Private Health Insurance Services over the other health insurance schemes in Tanzania.

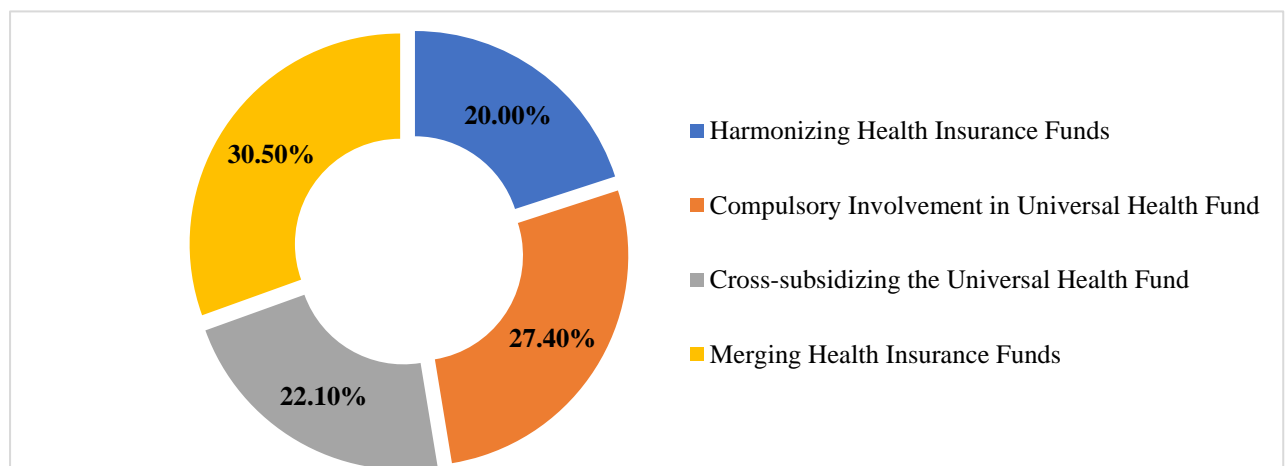
During the interview section with one of the Ilala Municipal Council Officers involved in the study it was revealed that National Health Insurance Fund (NHIF) is the most preferable health insurance scheme in the community. According to the opinions of the Ilala Municipal Council Officer, private owned health insurance schemes bring the sense of insecurity nevertheless the tends to be more expensive. During the interview section the respondent mentioned that:

“People prefer the NHIF Insurance scheme due to the guarantee of service, the fact that the scheme is owned by the government and operated as the public institution its packages are affordable and entails the good number of health services. Government involvement in the NHIF operation attracts trust from the community compared to the insurance schemes which are owned by the private sector” (Ilala Municipal Council Officers, 2023)

5.2 Community Perceptions on the Best Pooling Mechanisms

Community perceptions and attitudes are among of the areas which institutions should focus on shaping them to the right direction before implementing the development projects (Omotara, et al 2006) Among of the best mechanisms used in enhancing the sustainability of the health insurance funds is to have the right pooling mechanism, this section indicates the community perceptions on the best pooling mechanisms using universal health insurance coverage.

Figure 2 Community Perceptions on the Best Pooling Mechanisms



Source: Authors' computation, 2023

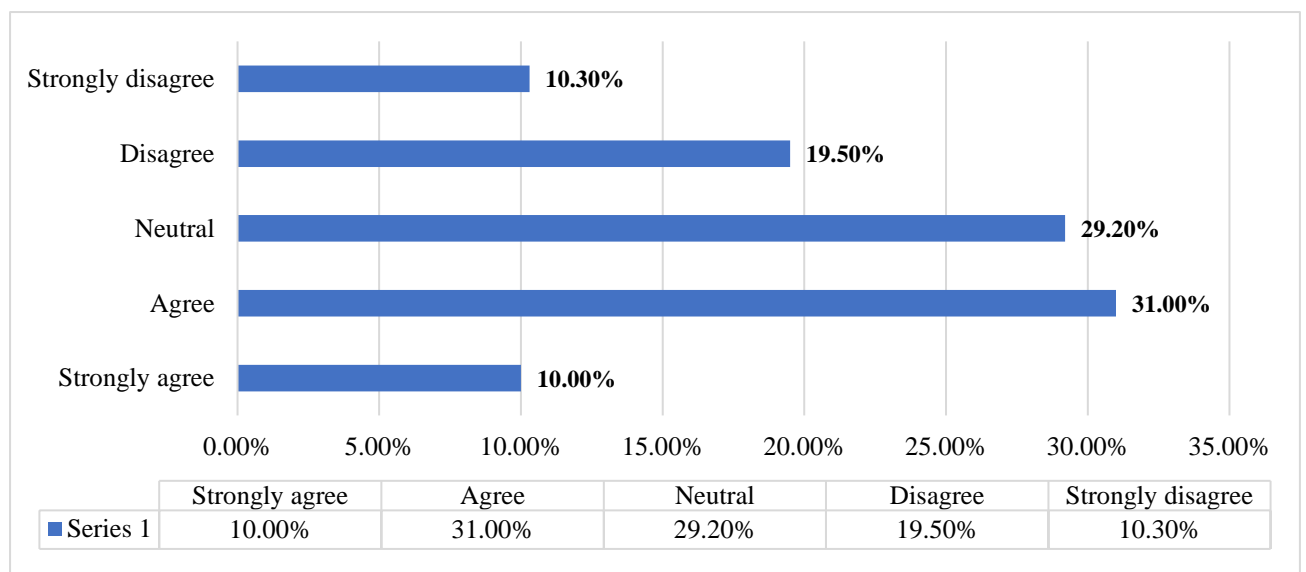
Figure 2 indicates that majority of the respondents equivalent to 119 (30.05%) mentioned that the best pooling mechanism which can guarantee the sustainability UHIC is merging the health insurance funds operating in Tanzania and 107 (27.4) suggested establishing the rule which makes compulsory involvement in Universal Health Fund. On the other hand, 86 (22.1%)

mentioned establishing the rule of cross- subsidizing Universal Health Fund is the best pooling mechanism which can guarantee the sustainability UHIC and the remaining 78 (20.0%) mentioned harmonizing the Health Insurance Funds to operate through the same directories, policies and guidelines is the best pooling mechanism which can guarantee the sustainability UHIC.

5.3 Community perceptions on compulsory involvement of citizens

Compulsory involvement in the Universal Health Insurance Fund (UHIF) entails establishing rules and regulations which forces citizens to have active engagement and membership in the UHIF so as to enhance the sustainability of UHIC in Tanzania. this section analyses community perceptions on compulsory involvement of citizens in Universal Health Fund.

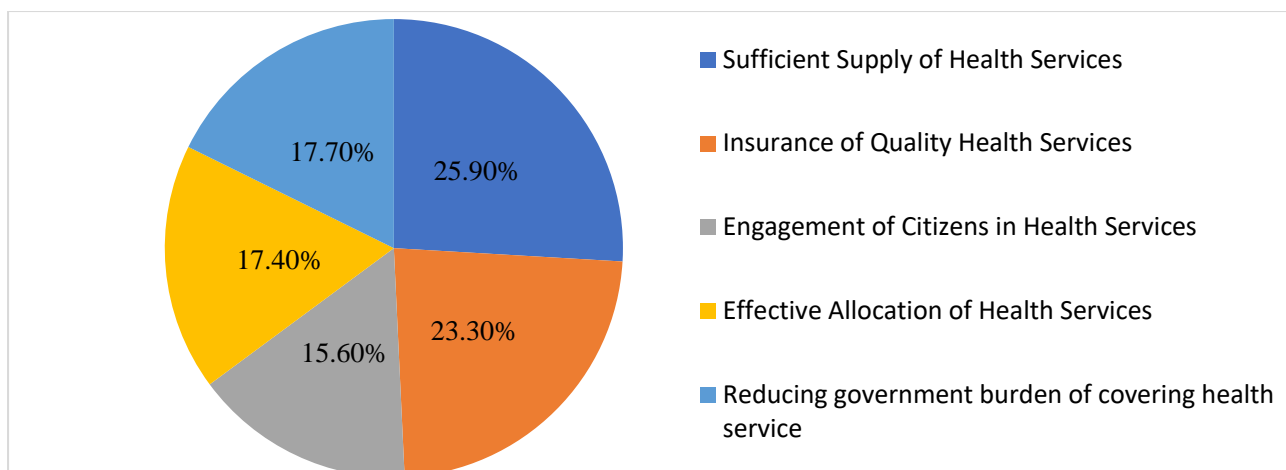
Figure 3 Community perceptions on compulsory involvement of citizens in UHIF



Source: Authors' computation, 2023

Figure 3 indicates that majority of the respondents supplied with questionnaires agreed with the statement suggesting that it should be compulsory to be enrolled in the UHIF as the best pooling mechanism of insuring sustainable UHIC, 121 (31.0%) agreed, 39 (10.0%) strongly agreed while 114 (29.2%) remained neutral on the statement. On the other hand, 76 (19.5%) disagreed on the statement suggesting that it should be compulsory to be enrolled in the UHIF as the best pooling mechanism of insuring sustainable UHIC and the remaining 40 (10.3%) strongly disagreed on the statement.

Figure 4 Advantages of Making the Health Insurance Legally Compulsory



Source: Authors' computation, 2023

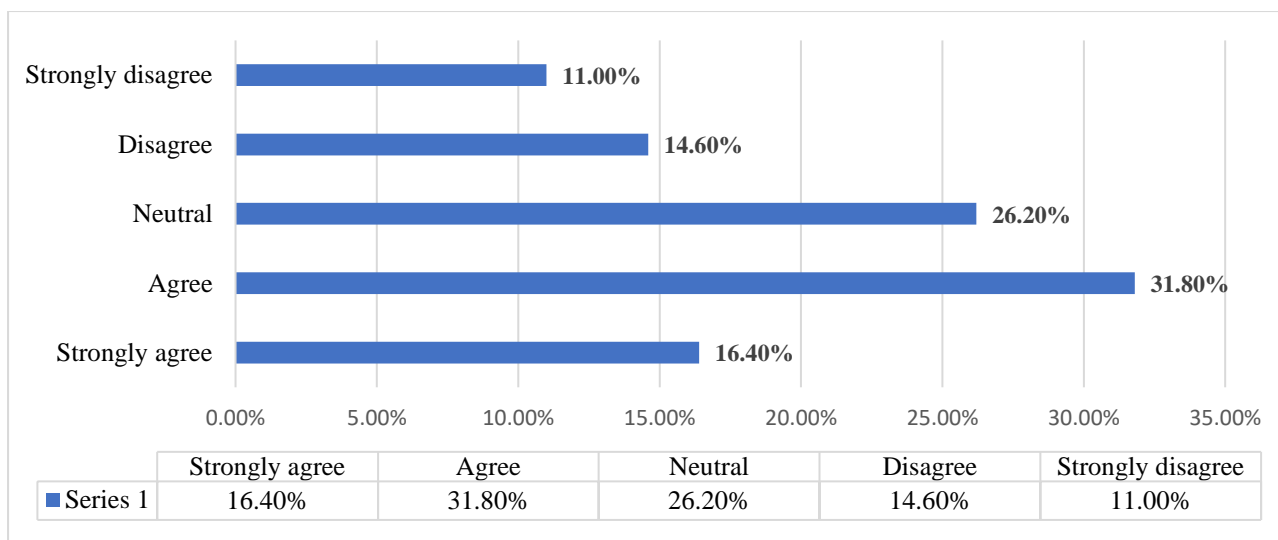
Results from the field indicates that majority of the respondents equivalent to 101 (25.9) mentioned that the major advantage of making the health insurance legally compulsory is insurance of sufficient supply of health services in the community and 91 (23.3%) mentioned the major advantages is insurance of quality health services in the community. 69 (17.75) of the total number of respondents supplied with questionnaires mentioned that making the health insurance legally compulsory plays the significant role in reducing government burden of covering health service and 68 (17.4%) mentioned that making the health insurance legally compulsory plays the significant role in insuring effective allocation of health services in the community. The remaining 61 (15.6%) mentioned that making the health insurance legally compulsory plays the significant role unengaging citizens in health services development programmes. During the interview section with the KMC Officers it was revealed that the compulsory payment plays the significant role in enhancing the ability of the insurance scheme to cover the health insurance costs. During the interview section the respondent said that:

“Sometimes health insurance schemes need to made mandatory to the citizens, this plays the significant role in making sure that every citizen who is economically active contribute to the health insurance without living the huge burden to the government or people in formal sector who can be deducted their incomes” (KMC Officer 2023)

5.4 Community perceptions on Merging Health Insurance Funds

Despite of the hardship of merging Health Insurance Funds due to the fact that every fund is having its own policies and directories, merging health insurance funds can be the best pooling mechanism to achieve sustainable UHIC in Tanzanian Communities. This section analyses the respondents' opinions on merging health insurance funds as the best pooling mechanism of achieving sustainable UHIC.

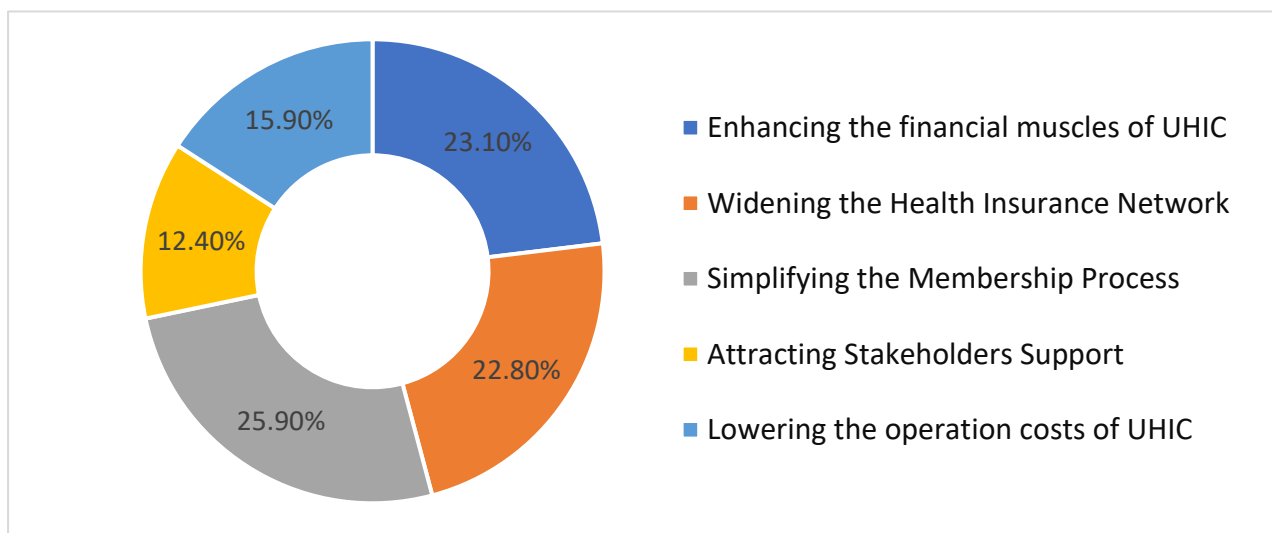
Figure 5 Community perceptions on Merging Health Insurance Funds



Source: Authors' computation, 2023

Figure 5 indicates that majority of the respondents supplied with questionnaires agreed with the statement suggesting that merging Health Insurance Funds is the best pooling mechanism of insuring sustainable UHIC, 124 (31.8%) agreed, 64 (16.4%) strongly agreed while 102 (26.2%) remained neutral on the statement. On the other hand, 57 (14.6%) disagreed on the statement suggesting that merging Health Insurance Funds is the best pooling mechanism of insuring sustainable UHIC and the remaining 43 (11.0%) strongly disagreed on the statement.

Figure 6 Advantage of Merging Health Insurance Schemes as Financial Pool for UHIC



Source: Authors' computation, 2023

Table 6 indicates that majority of the respondents provided with questionnaires equivalent to 101 (25.9%) believes that merging health insurance schemes will simplify the membership process of UHIC, 90 (23.1%) believe that merging health insurance schemes will enhance the financial muscles of the UHIC while 89 (22.8%) mentioned wide health insurance services. On the other hand, 62 (15.9%) believes that merging health insurance schemes will lower the operations costs while the remaining 48 (12.4%) believes that merging health insurance schemes will attract stakeholder's support.

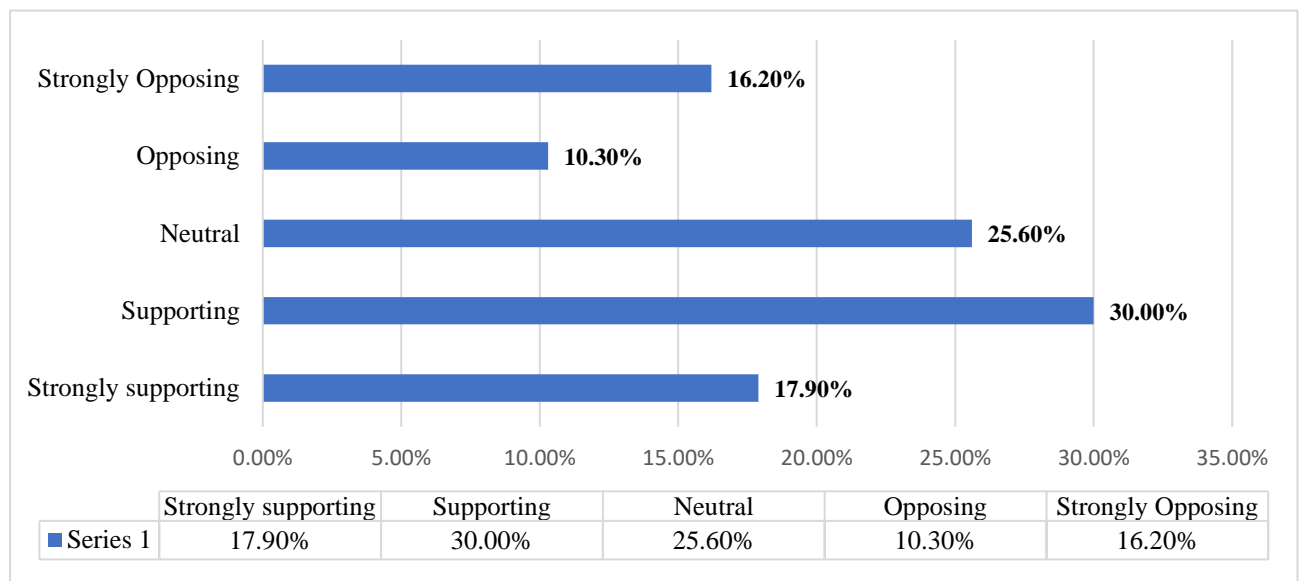
During the interview section with one of the Ilala Municipal Council Officer it was revealed that among of the simple way of introducing the UHIC in the community is through merging the exiting health insurance schemes. The merging processes should be effectively administered since the insurance funds are having different policies and payment mechanism such as service packages. During the interview section the respondent mentioned that:

“Merging the existing health insurance schemes and remaining with one scheme which meets the community criteria in term of accessibility, value for money and affordability is the best option towards achieving UHIC in Tanzania. There must be challenges such as different policies and regulation among the insurance schemes but if the process of merging will be held effectively to protect the interests of the stakeholders, the process can be smoothly implemented” (Ilala Municipal Council Officer 2023)

5.5 Community perceptions on Cross-subsidizing the Universal Health Fund

Cross-subsidizing is the financial pooling mechanism to support quality delivery of service in the community by charging higher costs to some community members with capacity of paying higher service charges and charging less or giving free service to the community living in hard conditions. This section analyses the Community perceptions on Cross-subsidizing the Universal Health Fund as the best financial pool mechanism to support sustainable UHIC.

Figure 7 Community perceptions on Cross-subsidizing the Universal Health Fund



Source: Authors' computation, 2023

Figure 7 indicates the majority of the respondents participated in the study are supporting cross-subsidizing the Universal Health Fund whereby 117 (30.0%) support and 70 (17.9%) strongly support the statement suggesting that cross-subsidizing the Universal Health Fund is the best financial pool mechanism to insure sustainable coverage of UHIC. On the other hand, 100 (25.6%) remained neutral on the statement while 40 (10.3%) opposed and 63 (16.2%) strongly opposed the statement suggesting that cross subsidizing the Universal Health Fund is the best financial pool mechanism to insure sustainable coverage of UHIC.

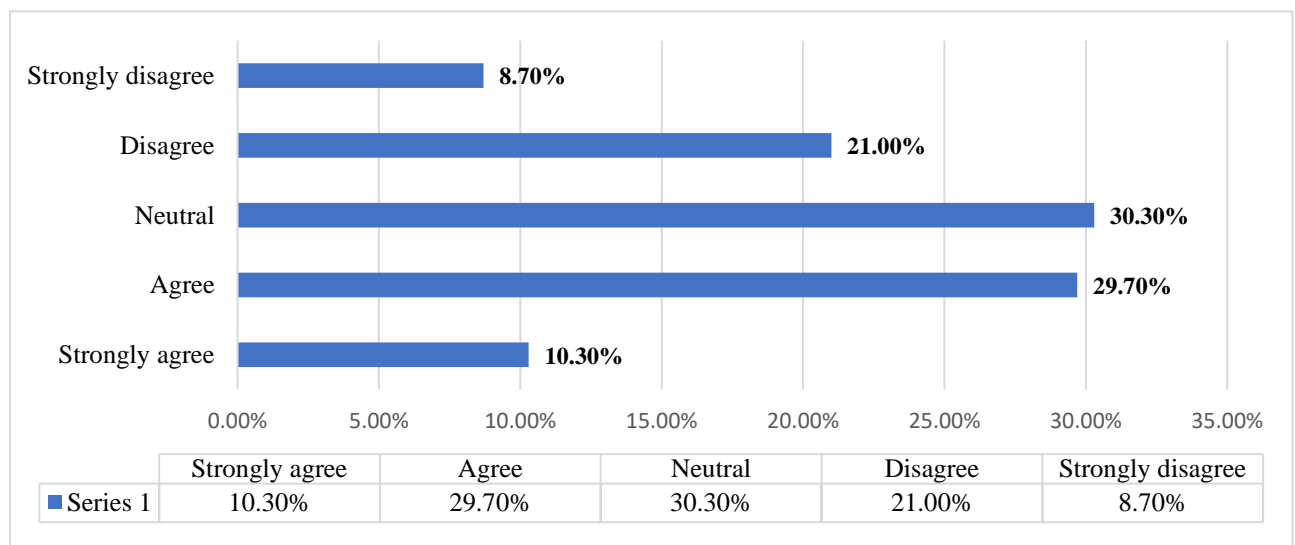
During the interview section with one of the Kinondoni Municipal Council Officer it was revealed that there is no need of having merged the health insurance schemes to achieve the UHIC. The government should introduce the cross-subsidization policy of supporting the public health insurance scheme which is NHIF, during the interview section the respondent said that:

“Since we already have the public health insurance, which is NHIF, citizens with certain level of income per month should be required to finance NHIF through financial contributions every month and the government should also provide financial support from the government, the goal is to allow poor people to access health insurance service free of charge” (KMC Officer, 2023).

5.6 Community perception on harmonizing the Health Insurance Funds to support sustainable growth of UHIC

Harmonization of the social security fund entails standardization of the security funds operation, policies and payment structures so as to have the universal health insurance service which use similar systems, the goal is to protect the consumers interests of access quality health service at an affordable insurance payment package. This section analyses community perceptions on harmonizing the Health Insurance Funds to support sustainable growth of UHIC.

Figure 8 Community perception on harmonizing the Health Insurance Funds to support sustainable growth of UHIC



Source: Authors’ computation, 2023

Figure 8 indicates that majority of the respondents supplied with questionnaires agreed with the statement suggesting that harmonizing the Health Insurance Funds is the best pooling mechanism of insuring sustainable UHIC, 116 (31.8%) agreed, 40 (10.3%) strongly agreed while 118 (30,3%) remained neutral on the statement. On the other hand, 82 (21.0%) disagreed on the statement suggesting that harmonizing the Health Insurance Funds is the best pooling mechanism of insuring sustainable UHIC and the remaining 34 (8.7%) strongly disagreed on the statement.

6. Discussion

The findings from the study reveal that while the majority of respondents in Dar es Salaam have a general awareness of health insurance schemes and universal health insurance financing, their understanding varies significantly. Despite this awareness, it is not sufficient to ensure widespread acceptance of the Universal Health Insurance Coverage (UHIC) among Dar es Salaam residents. As the economic hub of Tanzania, Dar es Salaam hosts numerous government-initiated health programs. Therefore, it was anticipated that its residents would possess comprehensive knowledge of health insurance schemes and financing systems.

However, the results show that residents overwhelmingly support the compulsory involvement in the Universal Health Insurance Fund (UHIF) for all economically active individuals. This compulsory involvement would entail the establishment of rules and regulations requiring citizens to actively participate and maintain membership in the UHIF, thereby bolstering the sustainability of UHIC in Tanzania. The residents believe that mandatory engagement in the UHIF would enhance the fund's financial power and make it more affordable for the majority, as it would distribute the burden of healthcare costs more evenly among the population. As noted by Hossain and Salman (2019), implementing mandatory insurance schemes can significantly enhance the capacity of health insurance funds to cover healthcare delivery costs and bills, although their success depends on effective regulation and policies ensuring that economically active citizens pay for insurance services.

To achieve Universal Health Coverage (UHC), effective mechanisms for financing UHC initiatives and attracting members to join UHIC programs are essential. Pooling is a core function of health financing policy in the country, as funding health projects requires policies that can distribute risks across the population, preventing individuals from bearing the full burden of healthcare costs (Martha et al., 2021).

The study also indicates strong support among Dar es Salaam residents for merging the various Health Insurance Funds operating in Tanzania into a single entity to implement UHIC. Borghi (2022) suggest that merging health insurance funds can expedite the establishment of UHIC by simplifying the process of enrolling new members. However, this process must be carefully managed due to the differing policies and payment mechanisms, such as service packages, among the existing funds. Despite these challenges, merging these funds could provide a robust pooling mechanism to achieve sustainable UHIC in Tanzanian communities (Kitole et al., 2022; 2023).

According to respondents, the community believes that harmonizing the operations of health insurance funds is crucial for ensuring that health insurance packages offered by various institutions are consistent. This harmonization would allow citizens to switch between service providers without being affected by differences in price, quality, and coverage levels. Additionally, respondents view the harmonization of insurance fund policies under a unified UHIC system as a simpler alternative to creating a new fund and mandating citizen participation.

Harmonizing social security funds involves standardizing operations, policies, and payment structures to offer a universal health insurance service using similar systems. The goal is to protect consumer interests by providing access to quality health services at affordable rates. This process includes setting price ceilings and floors for health insurance packages to balance the interests of both the community and insurance institutions (Amu et al., 2020).

The study also highlights the importance of cross-subsidization in enabling access to quality healthcare for low-income individuals. The findings suggest that many respondents are willing to contribute to health insurance coverage to support those with lower incomes. Cross-subsidization helps ensure that the community is protected from communicable and non-communicable diseases by reducing financial barriers to healthcare access. Additionally, a significant portion of Dar es Salaam residents view cross-subsidization as an effective mechanism for enhancing the capacity of the National Health Insurance Fund (NHIF) to provide services to economically disadvantaged individuals. By charging higher fees to those who can afford them and offering reduced or free services to those in need, cross-subsidization supports the equitable delivery of quality healthcare in the community (Alexander et al., 2021).

7. Conclusion and recommendations

The difficulty in accessing quality healthcare services is a significant concern for many people, making Universal Health Insurance Coverage (UHIC) an attractive solution. Despite a good understanding of health insurance schemes and trust in UHIC's potential to improve healthcare access, there is still a need to broaden community awareness programs, especially in remote areas.

To implement UHIC effectively in Tanzania, several strategies are crucial. These include merging existing health insurance schemes, harmonizing their operations, incorporating cross-subsidization, and making health insurance compulsory for all citizens. However, a careful analysis is necessary to ensure that these measures are integrated seamlessly into the country's healthcare system without causing confusion. To encourage widespread participation in UHIC, it is essential that the services offered are accessible, affordable, and provide good value for money.

The researcher identified several areas for improvement to ensure the successful implementation and effectiveness of UHIC in both urban and rural areas. Firstly, the National Health Insurance Fund (NHIF) should be transformed into the Universal Health Insurance Fund (UHIF) to administer and implement UHIC. Consolidating all public insurance schemes into the UHIF will streamline the process and enhance efficiency. Secondly, there is a need to expand community awareness programs to reach a larger audience. Increasing the availability of accurate information about UHIC will help manage community expectations and promote informed decision-making.

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