

## **Healthcare without walls: expanding NHIS access to Nigeria's informal sector**

### **Nigeria's informal workforce: addressing the coverage gap**

Around 90% of Nigeria's workforce operates within the informal sector, which includes a diverse range of individuals such as market women, artisans, small-scale traders, and other non-salaried workers. This extensive segment plays a crucial role in the nation's economy, yet it remains largely marginalized from the benefits of the National Health Insurance Scheme (NHIS) (Aregbeshola & Khan, 2023). Although the NHIS was established with the objective of promoting universal health coverage (UHC) for all Nigerians, its initial focus on formal sector employees has inadvertently excluded the majority of citizens, particularly those engaged in informal employment, from accessing essential health services and financial protection against healthcare emergencies (Okuzu et al., 2022).

### **Key barriers to NHIS enrollment for informal workers**

A myriad of persistent barriers inhibits informal sector workers from enrolling in the NHIS:

- Lack of information and awareness: Research reveals that despite more than half of women in the informal sector being aware of the NHIS, a mere 10% are actually registered for the program. This is primarily due to a reliance on out-of-pocket payments for healthcare services, which can result in financial strain (Okiche et al., 2021). Furthermore, widespread misinformation and limited understanding of how health insurance functions, such as misunderstandings of risk pooling and unrealistic expectations for refunds on unused premiums, significantly impede enrollment (Ogben & Ilesanmi, 2018).
- Complex registration processes: The NHIS registration process is frequently perceived as overly complicated and cumbersome. This is especially true for individuals with limited

literacy skills or restricted access to digital platforms (Okuzu et al., 2022). The bureaucratic nature of the process can discourage potential enrollees from pursuing registration altogether.

- **Mistrust in government and the health insurance scheme:** A substantial portion of informal workers express skepticism regarding the government's commitment to fulfilling NHIS promises, often referencing past failures and erratic service quality (Adewole et al., 2021). This pervasive mistrust leads to reluctance in both enrolling in the scheme and remaining engaged with it.

- **Affordability and payment flexibility:** The irregular income patterns characteristic of many informal workers pose a barrier to committing to fixed premium schedules. Many struggle with fluctuating earnings, making it difficult to maintain consistent payments (Olatunde, 2025). The uncertainties surrounding payment mechanisms and the potential inability to afford premiums further deter enrollment (Ogben & Ilesanmi, 2018).

### **Approaches used to expand coverage**

To tackle these pressing challenges, several innovative models have emerged as potential solutions:

- **Community-Based Health Insurance (CBHIS):** In Nigeria, the Community-Based Health Insurance Scheme (CBHIS) is a government-supported initiative aimed at improving access to affordable healthcare for low-income populations, particularly those in the informal sector, such as traders, farmers, and artisans. Given that a large portion of Nigeria's workforce operates outside the formal employment system and lacks access to conventional health insurance, CBHIS serves as a vital solution to bridge this gap. CBHIS allows communities to organize themselves, pool financial contributions, and access basic health services at designated primary healthcare centres (PHCs). These schemes are typically

structured around local communities or occupational groups, which enhances enrollment rates due to the high level of trust and social cohesion within these groups. The model is not only affordable but also provides financial protection against catastrophic health expenditures, which often push families further into poverty (Okuzu et al., 2022). However, their sustained success is contingent upon effective awareness campaigns and the active incorporation of community preferences into scheme design.

- Mobile and digital NHIS registration drives: The implementation of digital health insurance

management systems and mobile registration initiatives has shown potential in simplifying enrollment processes and reaching remote or underserved populations (Okuzu et al., 2022).

Such initiatives reduce bureaucratic delays and create adaptive solutions for informal sector workers, particularly when paired with local outreach efforts.

- State-level innovations: The decentralization of the NHIS and the establishment of State Social Health Insurance Agencies (SSHIA) have introduced more flexible, context-sensitive approaches to coverage. This includes leveraging Vulnerable Group Funds to subsidize premiums for the most disadvantaged populations (Okuzu et al., 2022).

### **GivingSphere's Role: acting as a solution broker and catalyst**

GivingSphere occupies a unique position as a solution broker, effectively bridging the gap between policy and practical application by:

- Educating informal workers: Leading targeted awareness campaigns aimed at demystifying health insurance, building trust, and elucidating the benefits and mechanics of the NHIS and CBHIS. This will involve leveraging trusted channels to foster understanding (Ogben & Ilesanmi, 2018).

- Advocacy and policy engagement: Utilizing data and hands-on experience to advocate for streamlined registration processes, increased transparency, and the incorporation of the specific realities faced by informal sector workers into NHIS reforms (Olatunde, 2025).
- Building trust: Facilitating partnerships between communities, healthcare providers, and government agencies to cultivate trust and accountability in the delivery of health insurance schemes (Adewole et al., 2021).

### **Future direction of GivingSphere**

By positioning itself as a solution broker, GivingSphere aims to:

- Demonstrate scalable models for extending NHIS to Nigeria's most vulnerable populations.
- Establish itself as a credible partner for the government and donors working toward the goal of universal health coverage.
- Drive sustainable change that ensures health insurance is accessible, comprehensible, and reliable for the majority of informal workers.

### **Conclusion**

Expanding NHIS access to Nigeria's informal sector is pivotal in achieving universal health coverage. Overcoming barriers related to information, trust, and the complexity of registration requires innovative, community-driven solutions, along with credible intermediaries like GivingSphere to pilot initiatives, educate the public, and advocate for inclusive health insurance reforms. Ensuring that informal workers have access to health insurance not only enhances their well-being but also strengthens the overall healthcare system and economic resilience of the country.

## References

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