

The Impact of the National Health Insurance Authority (NHIA) On Healthcare Access and Financial Protection: A Case Study of Taraba State, Nigeria

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ABSTRACT

This study explores the impact of the National Health Insurance Authority (NHIA) on healthcare access, affordability, and the role of Taraba State Government. Using a qualitative case study approach, data were drawn from policy reports, health agency publications, and secondary sources, including the Taraba State Contributory Health Insurance Agency (TASHIA) and the Federal Ministry of Health records. The findings show that the NHIA has improved healthcare access for some civil servants and vulnerable groups through TASHIA programs and partnerships with accredited facilities. However, challenges such as low coverage in the informal sector, weak funding mechanisms, poor awareness, and inadequate rural infrastructure limit its effectiveness. The study concludes that achieving Universal Health Coverage (UHC) in Taraba State requires stronger collaboration between NHIA, the State government, and local authorities, coupled with innovative community-based health insurance strategies.

Keywords: NHIA, Taraba State, Health Insurance, Universal Health Coverage, Financial Protection, TASHIA.

INTRODUCTION

Health insurance has emerged as a vital tool for achieving Universal Health Coverage (UHC) across developing nations. But the World Health Organization (2023) observed that in Nigeria, where over 70% of healthcare spending is still out-of-pocket, financial hardship from illness remains a leading cause of poverty. And it was found that the National Health Insurance Scheme (NHIS) which was established by an Act in 2024 to address these challenges, but because of its voluntary structure produced a limited national coverage about less than 10%.

In 2022, the Nigerian Government enacted the National Health Insurance Authority (NHIA) Act, transforming the NHIS into a stronger institution empowered to make health insurance mandatory for all citizens (Nigeria National Health Insurance Authority Act 2022)

The NHIA's objectives include expanding access to affordable care, protecting citizens from catastrophic medical expenses, and improving healthcare quality through regulation and accreditation. The new law signifies a shift towards a more inclusive and equitable healthcare system in Nigeria, with the ultimate goal of achieving Universal Health Coverage (UHC)

Impact and significance

The NHIA Act of 2022 which has repealed and replaced the old Act, is also criticized for its low coverage rates (less than 10% of the population).

Therefore this paper focuses on Taraba State, a largely rural state in Nigeria's North-East geopolitical zone, to assess the NHIA's impact on healthcare access and affordability. The State's response through the Taraba State Contributory Health Insurance Agency (TASHIA) provides a valuable microcosm for understanding NHIA's implementation in subnational context.

Objectives Of The Study

The specific objectives of this research are to:

- (i) Examine how the NHIA, through TASHIA, has influenced healthcare access in Taraba State.
- (ii) Evaluate the level of financial protection achieved among insured citizens.
- (iii) Identify the major challenges affecting NHIA/TASHIA implementation in the state.
- (iv) Recommend policy actions to improve healthcare insurance coverage and effectiveness.

METHODOLOGY

The Meaning and Essence of Qualitative Research

To gain an understanding of underlying reasons, opinions, and motivations. this paper adopts the qualitative research method. This method collects and interprets non-numerical data. by focusing on the thoughts, feelings, reasons, motivations, and values of a participant, to understand why people act in the way they do in a nature setting. We would examine the books and reports on the subject matter and where necessary lift quotations, symbols, images, and written testimonials. At the end of observation of the date we would make interpretation and conclusions to provide reasonable contextual explanations on the topic.

Research Design

This study employs a case study approach in other to have a deeper understanding of the phenomenon: the impact of NHIA. In this paper we focus on Taraba State as a representative subnational context. Data was mainly collected from Secondary sources the study of relevant literature as indicated in our reference section.

Method of Analysis

A thematic content analysis was applied to identify patterns in the data related to access, affordability, service quality, and implementation challenges. Necessary descriptive statistics and policy interpretation were used to complement the qualitative findings.

LITERATURE REVIEW

Coverage and Enrollment

Effiong et al (2025) in an empirical study that examined the determinants of enrollment reported low informal sector coverage in Nigeria compared with peers. The study used 6 states one from each of the geopolitical zones in Nigeria. They are Cross River representing the South-South, Enugu, South-East; Oyo, South-West; Kwara, North-Central; Sokoto, North-West; and Taraba, North-East. The result from this study showed that there was varied levels of coverage *the scheme was highest in Oyo State 73 (77.7%), but lowest in Cross River State 16 (32.7%). But generally it was Low coverage due to poor awareness, financial barriers, and enrollee dissatisfaction currently affect the SSHIS in Nigeria. To improve enrollment and sustainability, nationwide educational campaigns and consolidation of health insurance schemes are recommended.*

Similarly, Alawode et al. (2021) in Assessment of the design and implementation challenges of the National Health Insurance Scheme in Nigeria: a qualitative study among sub-national level actors, healthcare and insurance providers observed that Nigeria's National Health Insurance Scheme faces challenges such as poverty, low awareness, and weak administrative and supervisory capacity, requiring legal frameworks and effective platforms for enrollment

Odeyemi (2014) and Adewole (2016) also confirmed that there is persistently low population coverage under NHIS/NHIA programs, estimates generally place formal insurance coverage in the single digits nationally, with

especially low penetration of the informal sector. Low enrollment undermines pooling and financial protection objectives.

Furthermore, Aregbeshola et al. (2018) observed low enrollment even among productive age women Odeyemi (2014) in particular said Community Based Health Insurance (CBHI) models in Nigeria's National Health Insurance Scheme face challenges due to inadequate funding, lack of involvement of beneficiaries, and inequity in coverage.

Financial Protection and the Vulnerable Group Fund (VGF)

Legally, the institutional Reform through the NHIA Act (2022) transformed Nigeria's health insurance architecture by creating a centralized regulator with the power to mandate enrollment, standardize the benefits package, and establish financing mechanisms including the Vulnerable Group Fund (VGF). This legal reform is widely seen as a necessary but not sufficient condition for achieving Universal Health Coverage (UHC).

The VGF is a central policy mechanism introduced to subsidize or fully cover services for the poorest and most vulnerable (pregnant women, children, elderly, persons with disabilities). Early policy analysis suggests the VGF has strong equity intent but requires robust targeting, funding, and monitoring to deliver on its promise.

Similarly, Ilesanmi et al. (2023) and T. Ipinnimo et al. (2022) also observed that The National Health Insurance Authority Act, 2022, makes health insurance mandatory for all Nigerians and introduces vulnerable group funds, potentially ensuring safer and more equitable Universal Health Coverage.

Service Delivery and Supply-Side Constraints

The literature highlights supply-side barriers, weak primary health care infrastructure, human resource shortages, drug stock-outs, and inconsistent reimbursements, that reduce the attractiveness of insurance for both users and providers.

Governance, Financing Flows, and Subnational Variation

State-level heterogeneity is a dominant finding: successful scale-up correlates strongly with state political will, budgetary commitment, and administrative capacity. Delays in fund releases, weak claims management, and governance gaps are recurring problems that limit scheme credibility and reach. Okafor et al. (2019) acknowledged that The National Health Insurance Scheme in Nigeria faces challenges like inadequate funding and awareness, and suggests *diversification of funding sources and increased public awareness* to achieve Universal Healthcare Coverage by 2015

Uguru et al. (2024) on the other hand Observed that the Nigerian government's implementation of the National Health Insurance Scheme (NHIS) to address the issue of accessibility, affordability, and availability). They study which was a cross-sectional in design using mixed-methods, that is, qualitative and quantitative with Enugu state as a case study a randomly selected 296 enrollees and 6 purposely components, examined whether the NHIS was a viable pathway to sustained access to medicines in Nigeria. The quantitative result was that *94.9% of respondents sought medical help. ... "78.4% of the respondents indicated that the scheme improved their access to care (accessibility, affordability, and availability)." While qualitatively "the NHIS had marginally improved access to medicine over the years. It was also observed that most of the staff in NHIS-accredited facilities were not adequately trained on the scheme's requirements and that most times, essential drugs were not readily available at the accredited facilities."* In conclusion they said though the National Health Insurance Scheme (NHIS) has improved access to medicine in Nigeria, but *staff training* is needed to ensure sustainable access to healthcare services.

Gaps and Research Needs

Three major evidence gaps stand out: (1) rigorous quantitative impact evaluations measuring changes in catastrophic expenditure and health outcomes; (2) operational research on sustainable enrollment strategies for informal workers; and (3) empirical assessments of VGF targeting effectiveness and fiscal sustainability.

Eze, et al (2024) acknowledge that there are challenges that frustrated the achievement of universal health coverage in Nigeria through the National Health Insurance Scheme (NHIS) in Nigeria, initiated in 2005. These challenges are

the scheme has struggled with low enrolment rates, fluctuating numbers of healthcare professionals, and substantial out-of-pocket expenditures for citizens. Current statistics indicate less than 5% of Nigerians are enrolled in NHIS, while 70% still finance their healthcare independently. Major issues include inefficient service delivery, inadequate healthcare infrastructure, and poor resource management, leading to substandard care quality. (Eze 2024)

CONCLUSION

The literature reviewed converges on the view that the NHIA Act and related policy instruments provide a solid framework for UHC, but translating legal reform into population-level impact requires coordinated supply-side investment, state fiscal commitment, governance strengthening, and targeted demand-generation, particularly for informal and rural populations. The Knowledge gap we now want to fill in this article is to what extent has Taraba State performed to translate the policy for the benefit of Tarabans

Overview Of Health Insurance Implementation In Taraba State

Taraba State established the Taraba State Contributory Health Insurance Agency (TASHIA) in 2019 under the State Health Insurance Law. The agency operates under NHIA supervision and aligns with the Basic Health Care Provision Fund (BHC PF) model to provide coverage for residents.

The function of the Taraba State Contributory Health Insurance Scheme, are

- (i) To provide health insurance to residents, including the formal sector, public service, and tertiary institution students.
- (ii) To operate a contributory funding model which requires contributions from various sources and
- (iii) To partner with other organizations like the National Health Insurance Authority (NHIA) to improve
 - (a) Healthcare access through enrollment campaigns and service delivery.
 - (b) By reduction of out-of-pocket expenses and
 - (c) By ensuring there are affordable, quality healthcare for the population.

Coverage Structure and Beneficiaries

TASHIA is to cover three main categories:

- (i) Formal Sector Program: For civil servants and public employees.
- (ii) Informal Sector Program: For traders, artisans, and farmers.
- (iii) Vulnerable Group Fund (VGF): For pregnant women, children under five, people with disabilities, and the elderly.

FINDINGS

Categories of Beneficiaries

Although the scheme has tried in providing for every category of Nigerians as planned and stated in section 4.1 above, this study has found that there are persons who have refused to enroll, as such are not enjoying subsidized care.

Initiatives and achievements

Notwithstanding the following initiatives and achievements were made:-

- (i) The Taraba State Government has launched the Scheme's management group that operates the Taraba State Contributory Health Insurance Scheme, similar to the national model, The Executive Secretary of TSCHIA, is Pharmacist Jacobs Akenzukupi,
- (ii) The state has started enrolling the formal sector workforce,
- (iii) The State has also started the Education sector enrollment: It has already enrolled students in tertiary institutions, starting with the College of Nursing and Midwifery, Jalingo, with plans to expand to other institutions.
- (iv) The State has gone into Partnerships: It collaborates with the NHIA and international organizations like USAID and UNICEF to promote enrollment and advance healthcare reforms.
- (v) Funding: It utilizes a contributory funding model supported by federal, state, and donor funds. The State Government is acknowledge for the payment of counterpart funds and unwavering support for healthcare reforms.
- (vi) Goal achievement:
 - (a) From its inception in 2019, the scheme, has grown from a single enrollee to 112,739 as at the second quarter of 2025. This reflects a growth rate of over 184 percent. (Meshioye (27 July 2025) <https://guardian.ng/news/over->).
 - (b) It is improving access to healthcare service, joying
 - (c) Providing affordable and quality healthcare services for the people of Taraba State and
 - (d) Enrollees are enjoying reduced poverty through a lower out-of-pocket health expenditures.
 - (e) For more impact the State Governor has directed the Agency to ensure coverage for both the formal and informal sectors, including hard-to-reach rural communities. Special focus, he said, has been placed on vulnerable groups such as children under five, the elderly (60 years and above), persons living with disabilities, and internally displaced persons (IDPs).
 - (f) There is a strategic partnerships with international organizations such as USAID (PRO-Health), UNICEF, and CEmONC/VVF to advance enrollment campaigns and service delivery.
 - (g) The Agency has concluded arrangements to commence further enrollment for the formal sector workforce, following negotiations with the Nigeria Labour Congress (NLC) and other organized labour unions and implementation would start as soon as the Governors approval is obtained.
 - (h) So far at the tertiary institutions about 565 students already enrolled at the College of Nursing and Midwifery, Jalingo. More tertiary institutions are expected to join very soon.

Partner facilities

In Taraba State, partner facilities include

- (i) Federal Medical Centre Jalingo,
- (ii) Specialist Hospital Jalingo, and
- (iii) General hospitals in Wukari, Takum, Bali, and Karim Lamido.

- (iv) All 168 political wards in the state, with enrollees receiving care through their local Primary Healthcare Centers (PHCs)

Improved Access to Healthcare Services

TASHIA has expanded healthcare access among civil servants and select vulnerable populations. Many enrollees now access routine checkups, laboratory tests, and drug prescriptions with reduced costs. Hospitals report an increase in patient attendance for antenatal and child health services, especially under the VGF. However, access disparities persist in rural areas such as Kurmi, Lau, and Donga LGAs, where low literacy and distance to facilities hinder enrollment.

Financial Risk Protection

One of the most significant outcomes of NHIA/TASHIA implementation in Taraba is reduced financial vulnerability among beneficiaries. The scheme minimizes out-of-pocket spending for enrolled families and protects low-income households from catastrophic health expenses. For example, the average cost of delivery services for insured women dropped by more than 60% in participating facilities (TASHIA, 2024).

Nevertheless, informal sector workers, who make up over 70% of the state's labor force, remain largely uninsured, continuing to rely on self-payment for medical care.

Service Quality and Health Facility Improvements

NHIA and TASHIA accreditation processes have compelled health facilities to upgrade infrastructure and improve drug availability. Staff training programs and the adoption of digital claim processing systems have enhanced efficiency. However, persistent issues such as shortages of qualified personnel, inconsistent electricity, and poor record-keeping still undermine quality service delivery in rural hospitals. There is an upward review of capitation fee for service delivery e.g. at the Federal Medical center from N1200 to N1,450

Institutional Collaboration and Implementation Challenges

The partnership between NHIA and TASHIA demonstrates strong potential but faces bureaucratic and financial barriers. Delayed release of counterpart funds from the state government and slow reimbursement from NHIA affect service continuity. Furthermore, weak data management systems hinder monitoring and evaluation of performance indicators.

Public Awareness and Participation

Many Taraba residents, particularly in rural communities, remain unaware of the benefits of NHIA and TASHIA programs. There is also misconceptions that health insurance is only for federal workers persist, this has resulted in reducing enrollment rates. Awareness campaigns have been mostly limited to the capital city, Jalingo.

DISCUSSION

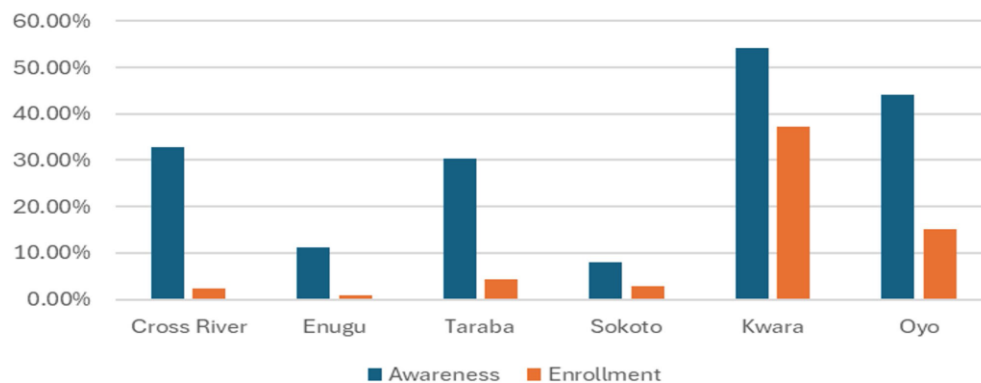
The Taraba State case study reflects broader national trends in health insurance implementation. While the NHIA has provided a legal and institutional framework for universal coverage, achieving meaningful results requires addressing systemic barriers at the state level. This barriers include:-

- (i) Delay in the payment of claims to facilities due to inefficient claim processing in spite of training
- (ii) Limited access to health Care facility
- (iii) Poor customer service
- (iv) Inadequate funding in spite of increase in fee for services

- (v) Limited infrastructure
- (vi) Lack of awareness to NHIA benefits

Comparative evidence from states Fig 1 below shows that a combination of the above factors is responsible for low enrollment while intensive community engagement and digital premium collection systems is responsible for improved participation rates e.g. in Kwara state. Taraba’s rural context demands a hybrid model combining NHIA’s centralized policy oversight with local community-based health insurance (CBHI) structures.

Fig 1 Level of enrollment in 6 states representing the 6 geopolitical zones of Nigeria



Source: Fffiong et al 2025

Furthermore, the integration of NHIA with the Primary Health Care Under One Roof (PHCUOR) initiative could streamline resource allocation and ensure equity in service delivery across Taraba’s 16 Local Government Areas and the two Special Development Areas.

Financial Implications For Taraba State

Taraba State's contributory scheme (TSCHIA/ TASHIA) and its 2024 revenue and expenditure budget performance Table 1.1 and Table 1.2 below show nascent state-level commitment, Taraba State Government Budget Performance Report 2024 Q4 for TSHIA - Total revenue performance was 1% while Expenditure performance 0.% by the TSHIA.

Table 1.1: Total Revenue by Administrative Classification

Code: 052112000100 **Administrative Unit:** Taraba State Contributory Health Insurance Agency

ITEM	AMOUNT
2024 Original Budget	778,869,101.26
2024 Final Budget	778,869,101.26
2024 Q4 Performance	NiL
2024 Performance Year to Date (Q1-Q4)	560,000.00 0
% Performance Year to Date against 2024 Final Budget	1%
Balance (against Final Budget)	778,309,101.26

Source: Taraba State Government Budget Performance Report 2024 Q4 =

Table 1.2: Total Revenue by Administrative Classification

Code: 052112000100 **Administrative Unit:** Taraba State Contributory Health Insurance Agency

2024 Original Budget	71,203,381,101.00
2024 Final Budget	1,203,381,101.00
2024 Q4 Performance	Nil
2024 Performance Year to Date (Q1-Q4)	5600,000.00
% Performance Year to Date against 2024 Final Budget	0.0%
Balance (against Final Budget)	1,202,781,101.00

Source: Taraba State Government Budget Performance Report 2024 Q4

Evidence suggests implementation constraints common across Nigeria (awareness, logistics, funding delays, and rural inclusion). A focused research agenda in Taraba should combine household surveys, facility readiness assessments, and process-tracing of fund flows

CONCLUSION

The National Health Insurance Authority has contributed significantly to improving healthcare access and financial protection in Taraba State. Through its collaboration with TASHIA, many public sector workers and vulnerable citizens have started to enjoy improved access to essential services. However, limited coverage among informal workers, inadequate funding, and low public awareness hinder the attainment of Universal Health Coverage.

For the NHIA to achieve its vision in Taraba and similar states, it must prioritize inclusivity, local partnership, and efficient resource management. A community-driven, technology-supported health insurance model will be crucial for realizing equitable healthcare for all Nigerians by 2030.

POLICY RECOMMENDATIONS

- (i) **Expand Enrollment Strategies:** NHIA and TASHIA should also partner with local cooperatives, farmers' unions, and religious institutions to reach informal sector workers.
- (ii) **Increase Funding and State Commitment:** The Taraba State Government should raise its contribution to the Vulnerable Group Fund to enhance coverage for the poor.
- (iii) **Enhance Human Resource Capacity Building:** Invest in training healthcare workers and deploying more staff to underserved wards of the LGAs.
- (iv) **Digitalize Claims processing and other Data Management services:** Implement electronic health insurance systems for transparency and efficiency.
- (v) **Strengthen Local Government Involvement:** Empower LGA health departments to coordinate community-based insurance drives.
- (vi) **Sustain Public Awareness Campaigns:** Use local radio, market outreaches, and schools to educate citizens on the benefits of NHIA/TASHIA enrollment.

Supplementary Information

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Data availability

The datasets used and/or analyzed during this study are available from the author upon reasonable request.

Competing interests

No competing interests.

Publishers Note

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