



A Review of the Lagos State Social Health Insurance Scheme's Impact on Catastrophic Health Expenditure for Informal Sector Traders in Alimosho Local Government Area, 2014

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Abstract

Catastrophic health expenditure (CHE) remains a major barrier to healthcare access for informal sector workers. The Lagos State Social Health Insurance Scheme (LSSHIS) was established to offer financial risk protection. This review examines its specific effect on CHE among informal sector traders in Alimosho Local Government Area, a densely populated urban region with a substantial informal economy. This review aims to synthesise and critically analyse existing evidence on the impact of the LSSHIS on the incidence of catastrophic health expenditure for informal sector traders in Alimosho LGA. Its primary objective is to determine whether scheme enrolment has reduced the financial burden of healthcare for this population. A systematic review of published and grey literature was performed. Databases were searched for studies, reports, and evaluations related to the LSSHIS, catastrophic health expenditure, and informal sector workers in Lagos State, with a focus on Alimosho LGA. Relevant studies were screened and selected. Thematic analysis synthesised qualitative findings, while available quantitative data were summarised descriptively. The evidence presents a mixed impact. The scheme has afforded some financial protection for a portion of enrolled traders. However, a significant proportion of the target population remains uncovered, with enrolment barriers including premium affordability and awareness gaps. Among the non-enrolled, out-of-pocket spending for health emergencies often surpassed 40% of non-food household expenditure, a common CHE threshold. Enrolled traders reported lower direct costs for covered services but encountered constraints such as limited provider networks and medicine stock-outs. The LSSHIS demonstrates potential to mitigate catastrophic health expenditure but has not attained broad, effective coverage among informal traders in Alimosho LGA. Its impact is limited by structural and operational challenges that hinder enrolment and service delivery. Policy efforts should prioritise reducing enrolment barriers through subsidised premiums and targeted awareness campaigns. The scheme's operational capacity requires strengthening, particularly in expanding provider networks and ensuring consistent medicine availability. Further research is needed to evaluate long-term financial protection outcomes. catastrophic health expenditure, social health insurance, informal sector, financial protection, Lagos State, Nigeria This review consolidates available evidence on the Lagos State Social Health Insurance Scheme's effect on financial risk protection for a vulnerable urban group, highlighting critical implementation gaps and informing policy adjustments for universal health coverage.

Keywords: *Catastrophic health expenditure, Social health insurance, Informal sector, Sub-Saharan Africa, Out-of-pocket payments, Healthcare financing, Universal health coverage*

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