

# Yasiru

## A Mutual Benefit Programme



### What is a mutual benefit program?

- For poor (est) people only
- Pooling resources of many to assist the needy:  
One for all. All for one.
- Reduces vulnerability
- Provides compensation for unexpected losses
- Not for all risks

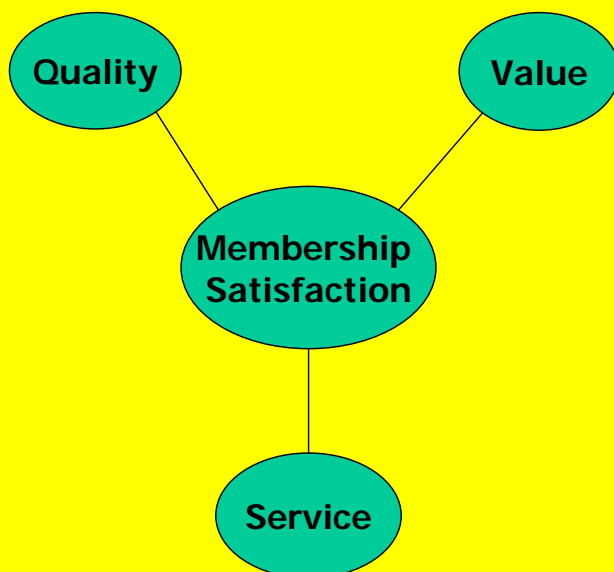


# Why poor not served by insurers?

- **Awareness issue:** poor don't understand insurance concept
- **Product design issues:** high transaction cost, adverse selection, moral hazard
- **Affordability issues:** too expensive for rural poor
- **Efficiency issues:** slow processing of application & claims



## Membership Satisfaction



- **Quality Product**
- **Value for money**
- **Service for all**



## Objectives of Yasiru



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- 1.To establish system of social security cover for the poor community,
- 2.To establish the necessary and effective environment for the development of mutual self-help activities of the community,
- 3.To create the mutual self-help capacities through a participatory development approach among the disadvantaged communities, by improving their knowledge levels and skills development,
- 4.To reduce the risk factors affecting their lives by identifying appropriate strategies, these been identified by the community themselves,
- 5.To strengthen the steps taken to reduce the risk factors affecting the lives of vulnerable communities with social security coverage's received from local and international patronage, collaboration and co-ordination.



*COOPERATION TOWARDS A BETTER FUTURE*

**Yasiru**

**Oase**

**Interpolis**

**Rabobank**

**MEMBERSHIP BENEFITS**



# RISK COVER FOR THE WHOLE FAMILY



- To the member
- To the spouse or husband of the member
- To children of the member 3 months > < 18 years
- To other persons from the age of 18 up to 75 years



## MEMBER

The person

- 1.who has taken the membership (called the member) of the Yasiru Mutual Provident Society Ltd.
- 2.and who is responsible for payment of the monthly fee
- 3.and is the beneficiary of all benefits.



## COVERED PERSONS

1. Member's children between 3 months and 18 years
2. Other persons between 18 and 75 years

Maximum of 3 persons between 65 and 75 years

3. Every covered person with name and birth date has to be mentioned in the application form.



## BENEFITS AWARDS

- Death due to an accident between 18 and 65 years
- Permanent (partial or total) disability due to an accident between 3 months and 65 years
- Death due to natural causes between 18 and 65 years
- Funeral assistance before 18 years
- Funeral assistance between 65 and 75 years
- Hospitalization (maximum 15 days/12 months)
- (Monthly) Fee: packages I up to V



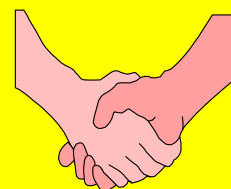
## Fee composition

- Risk coverage for benefits 50%  
(including reinsurance premium/benefits)
- PMU costs 25%
- Partner Agents' commission 25%



## Member Accounts

- 40 % Annual surplus goes to members' account
- Serves as liquidity reserves for Yasiru
- Earns annual interest (savings interest)
- Paid out to members after five years



## Some Procedures

- Proposal and Agreement (application) form
- Member Passbook
- Collection of (monthly) membership fees
- Nonpayment after three consecutive months
- Benefit claim form
- Weekly payments on Yasiru / PMU bank account of collected fees
- Monthly statements of the collected fees per customer and per animator and/or local agent by the Partner Agent



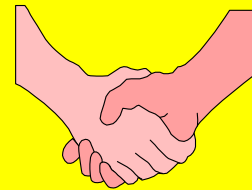
## OASE ADMINISTRATION

- Commercial Administration
- Policy Administration
- Debtor Administration !!!!!!!!!
- Member Administration
- Claims Administration
- Reinsurance Administration
- Financial Administration



## Supporting Mutual Benefit Program

- Frequency back-up's
- Monitoring receiving (control) files
- Conduct necessarily modifications
  - Corrections by update (email)
  - Recovery database (email)
  - Modifications instructions/handbook
- Checking system tables
- Reporting comments & actions
- "remote support" essential



## Summary & Conclusions

- Together with Development and/or Donor-organisation
- Co-operation with local NGO's / PO's / MFI's
- Start-up financial support
- Technical assistance from insurance experts
- Concrete concept
  - separate mutual identity
  - products
  - organization and administration
  - reinsurance



**Thank you**



**Gerard Pierik 19-10-2005**