



SERIES: SPOTLIGHTING HEALTH FINANCING  
INNOVATIONS ACROSS THE CONTINENT

**ZANZIBAR'S MANDATORY TOURIST  
HEALTH INSURANCE:  
AN INNOVATIVE MODEL FOR GLOBAL  
HEALTH FINANCING INNOVATION  
LEAVING NO ONE BEHIND**

## SUMMARY OF INTERVENTION

**Zanzibar's inbound travel health insurance, introduced in October 2024, marked a major leap forward for sustainable health financing in Africa.** All foreign non-resident arrivals must purchase a comprehensive policy for \$44 (children pay \$22), providing coverage for up to 92 days.<sup>1</sup>

**This reform not only protects tourists but also channels important fiscal and technical resources into Zanzibar's health system.**

### Scheme Design and Coverage

The insurance is managed by the Zanzibar Insurance Corporation (ZIC), a government-owned entity, with private sector and digital partners supporting distribution and claims processing. The policy covers expenses including medical, repatriation, personal accident, legal expenses for baggage delay or loss, personal liabilities, etc., for a maximum of 92 days. Policies can be easily purchased online or upon arrival at Zanzibar airport, with QR-coded evidence for immigration and hospital use.

### Innovative Health Financing Features

**Zanzibar's model features a unique revenue-raising mechanism that offers clear benefits to the payers (tourists), while allowing the government to mobilize substantial resources for the health sector.** In its first six months, the scheme raised over \$20 million in premiums, far exceeding the \$1.6 million paid out in claims.<sup>2</sup> This surplus provides an essential source of public health investment, funding health system upgrades, digital infrastructure, and improvements to service quality, which benefit all Zanzibarians, not just foreign visitors.

**The scheme is anchored to the thriving tourism sector, a strategy that broadens and diversifies government health revenues, reducing reliance on unpredictable donor aid and public funds.** Remarkably, Zanzibar's visitor numbers increased by 17% during the month following the implementation, surpassing figures from the same period in the previous year, indicating that the fee was not detrimental to the tourism sector and new growth potential in the tourism sector.<sup>3</sup>

**A cornerstone of Zanzibar's approach is its robust partnership model that includes the private sector.** The government operates ZIC, but contracts private insurers, digital service firms, and international technical partners to implement and improve administration, claims,

and technology solutions. Airlines, hotels, and travel agencies incorporate insurance sales into their booking processes, streamlining compliance and boosting sector-wide revenue. Accredited private clinics and hospitals receive reliable reimbursement for treating insured tourists, encouraging new investments in clinical standards and medical technology.

**Digital technology has been fundamental to the seamless rollout and scaling of the tourist insurance initiative.** With a user-friendly online portal, tourists can quickly obtain their insurance and receive a digital QR code for proof of coverage for travel. This digitization has streamlined verification upon arrival at airports and seaports, enabled efficient tracking for authorities, and ensured that both claims processing and access to emergency services are responsive, secure, and transparent for all parties involved.

## **Benefits for Zanzibarians and the Local Health Sector**

**Reliable payment from insurance claims has alleviated financial pressures on local hospitals, supporting better resource planning and reducing administrative burdens.** With the new system in place, hospitals no longer face the risk of uncompensated care for uninsured visitors, as claims are settled promptly through the Zanzibar Insurance Corporation. This enhances financial stability for facilities, allowing them to allocate resources more effectively towards quality clinical care and essential services for residents.

**The modernization of claims management, ambulance services, and digital patient records, initially developed for foreign visitors, is now available to Zanzibarian patients, elevating standards across the island.** Investments in digital infrastructure and process innovation, which are partly necessary for administering international insurance, are leading to broader system improvements. Local patients now benefit from streamlined admissions, more efficient emergency responses, and improved record-keeping, which enhances both outcomes and patient experiences.

**The scheme stimulates local employment and skills development, with growing demand for health professionals, administrators, and digital support staff as tourism and insurance volumes increase.** As the sector expands, opportunities are created for Zanzibarians in medical practice, hospital administration, and ancillary services. These new jobs contribute to economic growth and capacity-building in the health sector, reflecting the multiplier effect of innovative health financing tied to tourism.

**The insurance also plays a critical role in Zanzibar's pandemic preparedness and emergency response, providing flexible and rapid investment for surge capacity and crisis interventions.** By guaranteeing funding for essential services and enabling the swift scaling of

health resources, Zanzibar is better equipped to protect both locals and tourists when facing health threats, such as infectious disease outbreaks. This proactive approach builds community resilience and assures international visitors of immediate support in emergencies.

**Finally, the insurance surplus is earmarked for health infrastructure, equipment, and service quality improvements, enabling sustained upgrades that benefit both locals and tourists alike.** While this is an area where the government can offer more structure and clarity, for example, by ring-fencing a portion of the surplus for specific health interventions, the availability of more resources for hospital construction, diagnostics, and workforce training means that continuous improvements in care quality can be realized.

## Lessons for Other Countries

Countries seeking health financing innovation can borrow key elements:

- Leverage technology to achieve scale and seamless revenue generation and service delivery
- Harness the private sector for service delivery, digital integration, and financial planning.
- Incorporate cross-sectoral coordination with tourism, migration, and consular sectors, ensuring coverage is holistic and seamless.
- For countries with robust tourism sectors this could be an option?

## Conclusion

Zanzibar's mandatory tourist health insurance has redefined health financing possibilities by merging population protection, private sector efficiency, and local sector investment. It not only boosts visitors' safety and fiscal sustainability but also delivers direct benefits to Zanzibarians, making it a blueprint for innovative, inclusive, and resilient health financing on scale. As global tourism grows, Zanzibar's approach offers a scalable and replicable template for countries seeking new solutions to longstanding health sector challenges.

