

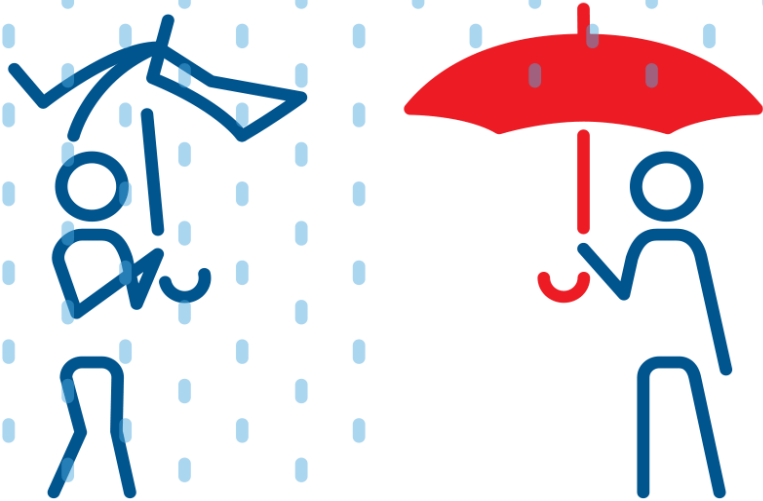
# 68TH SESSION OF THE WHO REGIONAL COMMITTEE FOR EUROPE

Rome, Italy, 17–20 September 2018

## Can people afford to pay for health care? New evidence on financial protection in Europe

Sarah Thomson, Jonathan Cylus, Tamás Evetovits





Everybody needs a strong umbrella

No one should experience

**Financial  
hardship**



**Unmet  
need**



# What is financial protection?

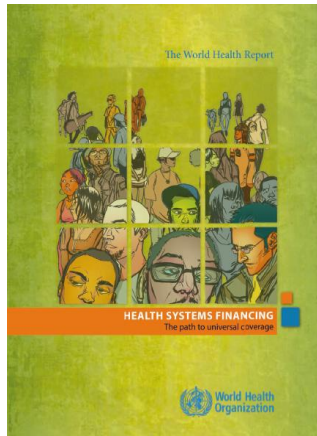
The degree to which people are protected from out-of-pocket payments when using health care

A health system goal highlighted in global and regional reports and commitments

2008



2010



2012



2015



2015



# Policy-relevant | Action-oriented | Pro-poor



## Filling a gap in evidence and relevance



Regional report using an advanced methodology for Europe

# Global report | EU & OECD reports | WHO Bulletin



**Bulletin** of the World Health Organization  
Volume 96, Issue 9, September 2018, 589-664

Special theme: health and the Sustainable Development Goals

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Special theme: health and the Sustainable Development Goals

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**Health and the Sustainable Development Goals:**  
Launch of a theme issue of the *Bulletin of the World Health Organization*



WHO Director-General Dr Tedros Adhanom Ghebreyesus will launch a theme issue of the *Bulletin of the World Health Organization* on health and the sustainable development goals.

The launch event will be open to all staff and will include a moderated panel discussion followed by a question and answer session. Lunch will be provided.

**Panellists:**

**Ilona Kickbusch (Moderator)**  
Director of the Global Health Centre at the Graduate Institute of International and Development Studies in Geneva



**Maria Nazareth Parani Azevêdo**  
Permanent Representative of Brazil to the UN and other International Organizations in Geneva and Chair of WHO Executive Board



**Maria Luisa Silva**  
Director of the United Nations Development Programme Office in Geneva



**Jos Verbeek**  
Special Representative of the World Bank to the United Nations and World Trade Organization in Geneva



**Martin Strebel**  
Director of the Network Medicus Mundi Switzerland

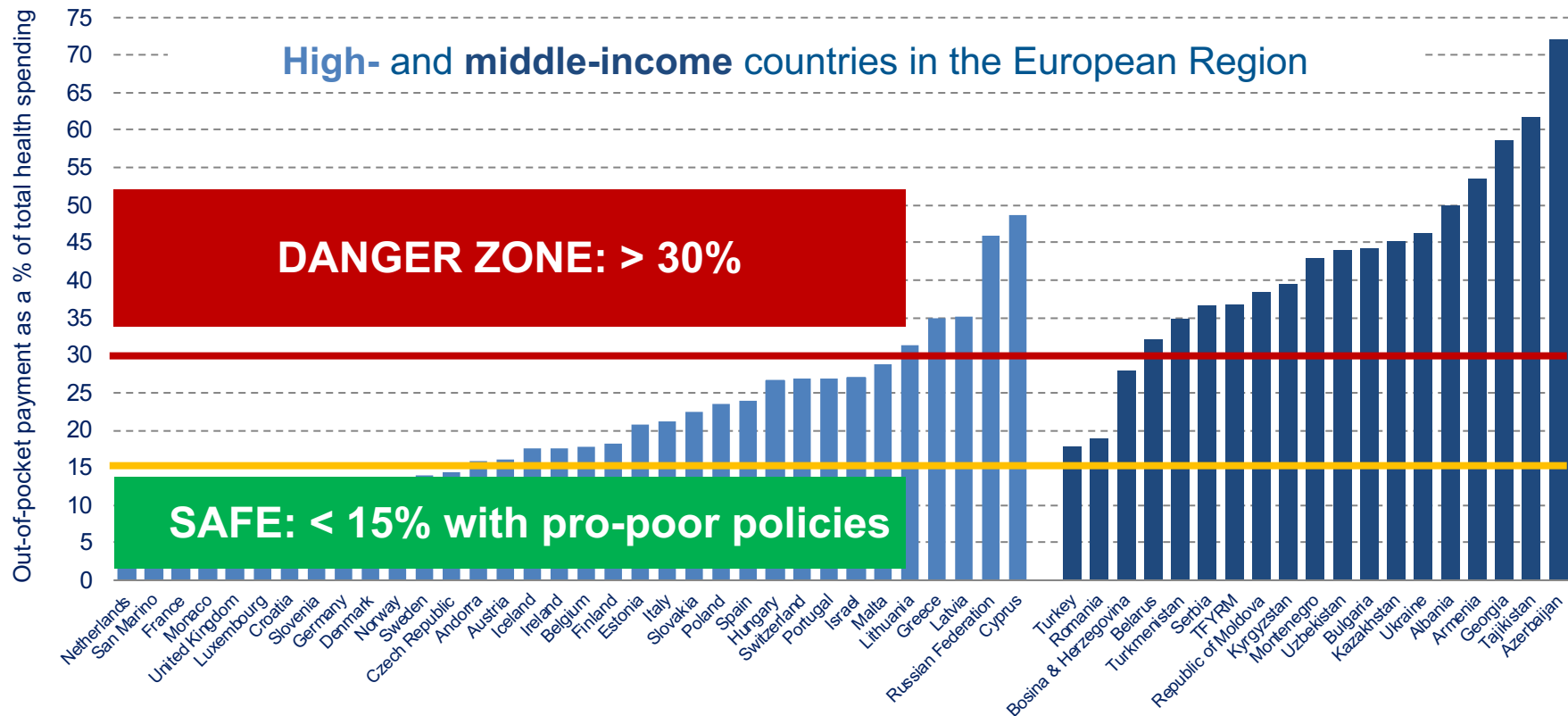


**11:30 – 13:00 Friday 31 August 2018**  
Executive Board Room

Abstracts In 中文, Français, Русский and Español

[www.who.int/bulletin](http://www.who.int/bulletin)

# Out-of-pocket payments as a % of total spending on health is a good proxy for financial protection



- ✓ Who experiences financial hardship
- ✓ What services drive financial hardship
- ✓ Which coverage policies work



# Policy-relevant | Action-oriented | Pro-poor

Regional report based on country-level analysis that goes beyond the numbers



ALB | AUT | CRO | CYP | CZH | DEU | EST | FRA | GEO | GRE | HUN | IRE | KGZ  
LVA | LTU | NLD | POL | POR | MDA | SVK | SVN | SWE | TUR | UKR | UNK

# Lise's story: exempt from co-payments



households

using health services  
without financial hardship

# Can people afford to pay for health care?

all formal & informal  
out-of-pocket payments

for any health service from  
prevention to palliative care

Two indicators of financial protection:  
both use national household budget survey data

**Catastrophic  
out-of-pocket  
payments:**

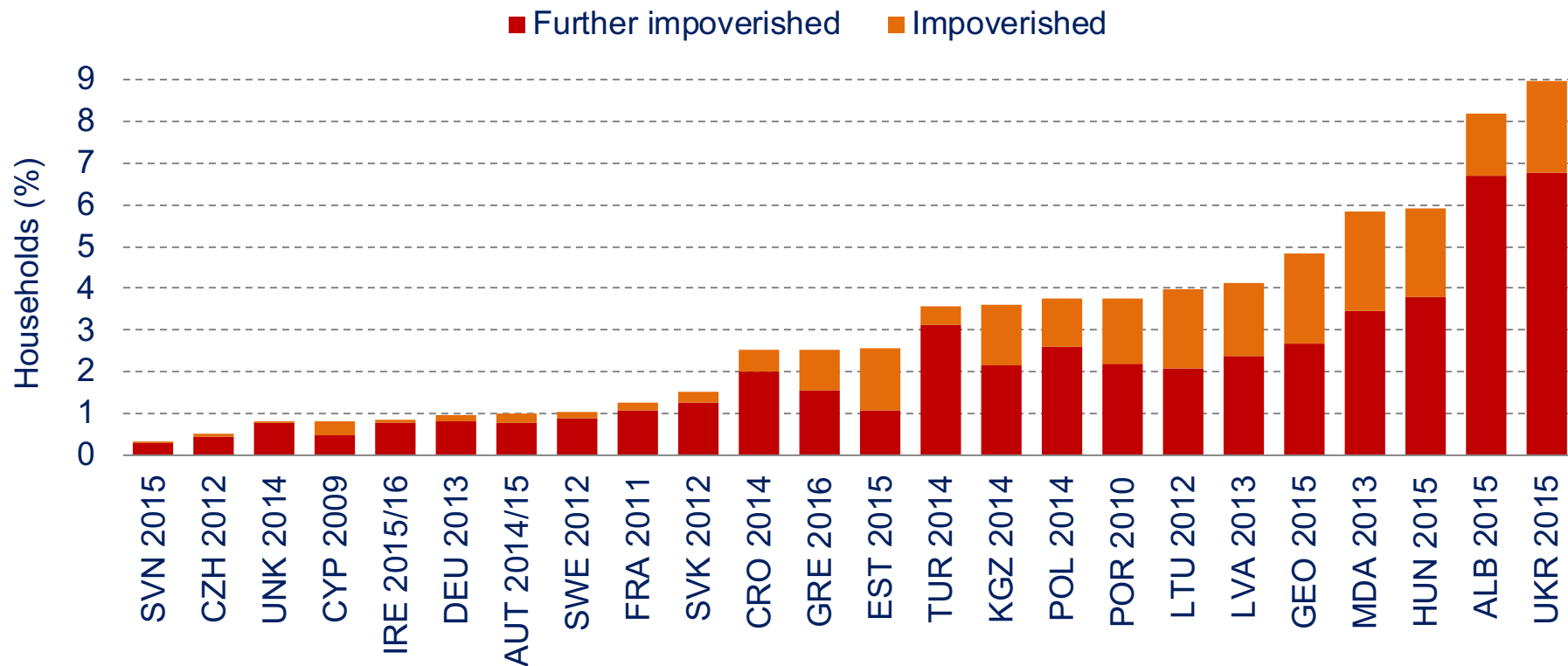
OOPs that are  
>40% of  
a household's  
capacity to pay

**Impoverishing  
out-of-pocket  
payments:**

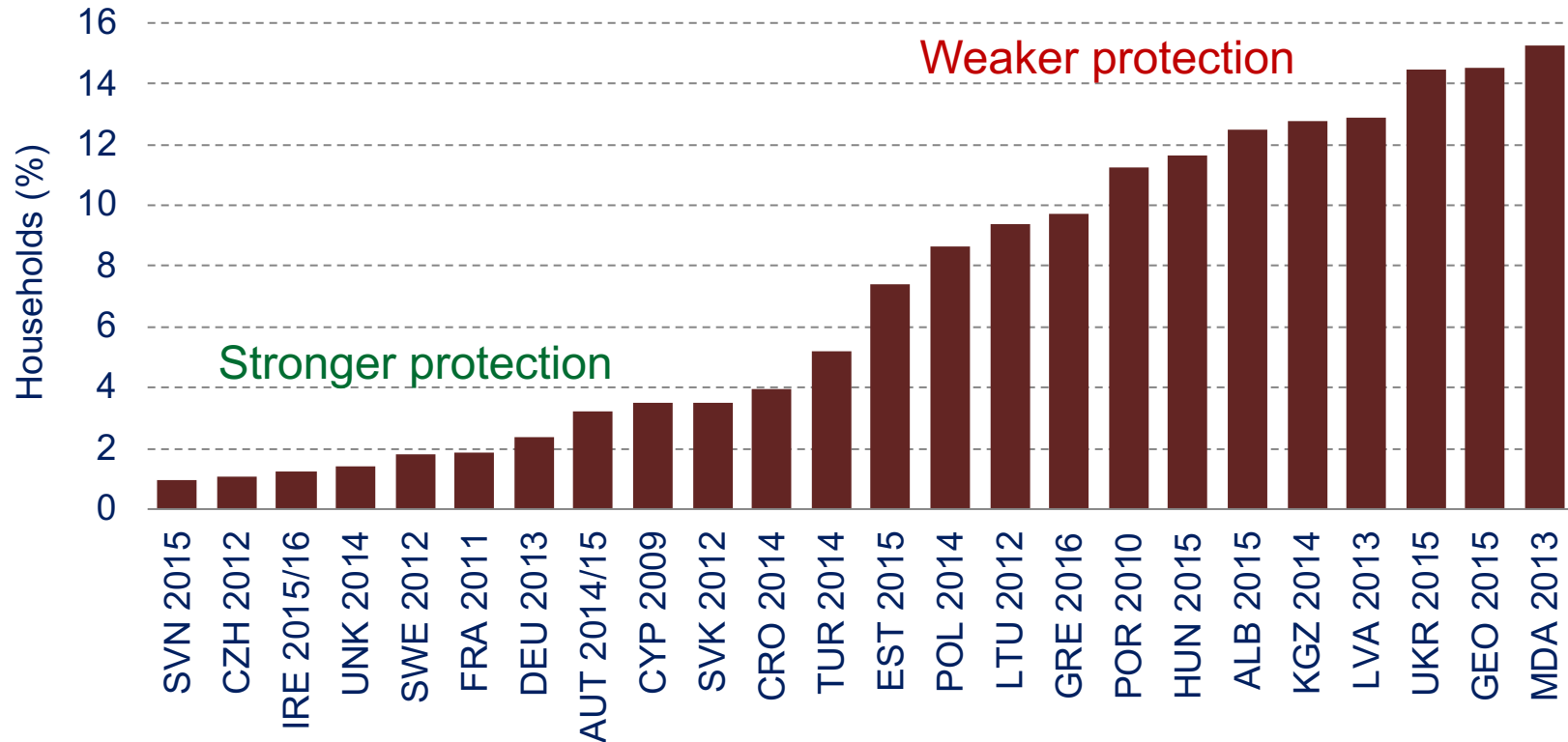
-----  
push households  
below  
the poverty line  
or further below it

What do the  
numbers tell us?

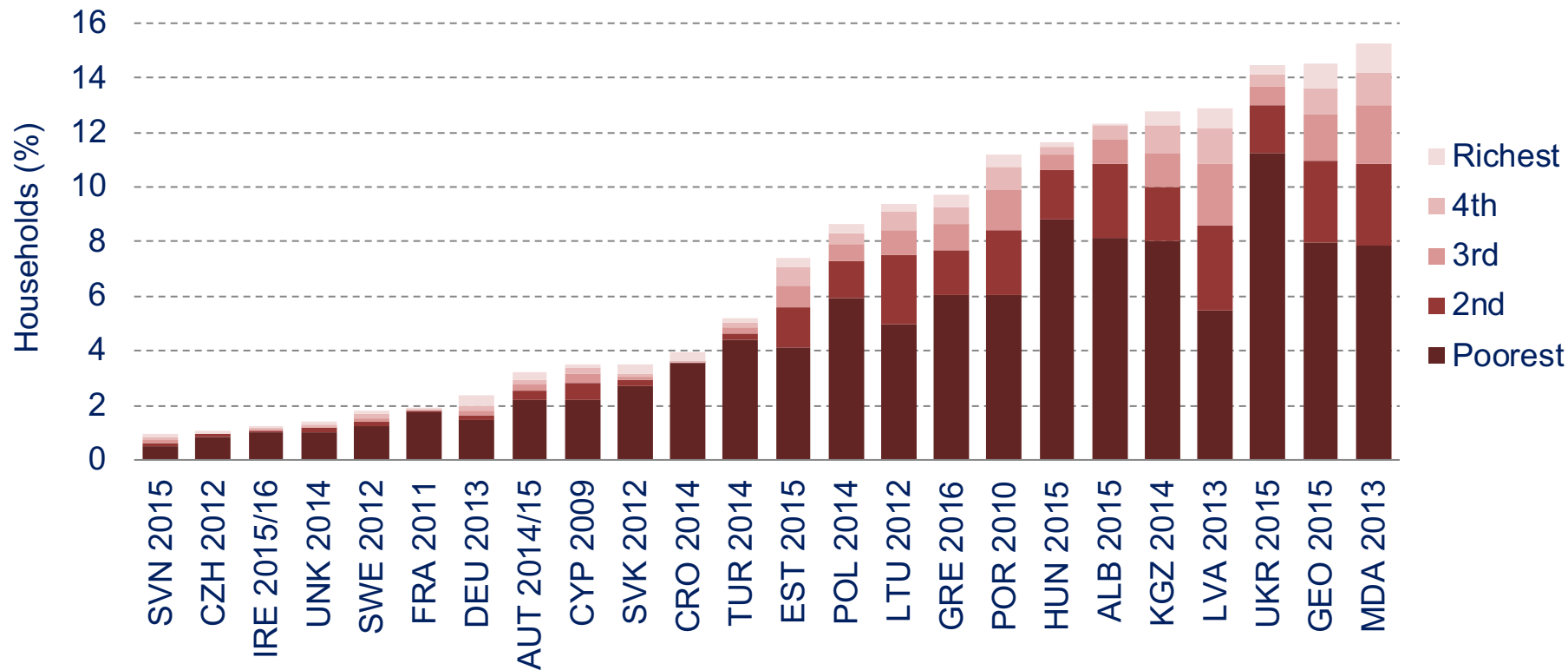
# How many households are impoverished after out-of-pocket payments



# How many households experience catastrophic out-of-pocket payments

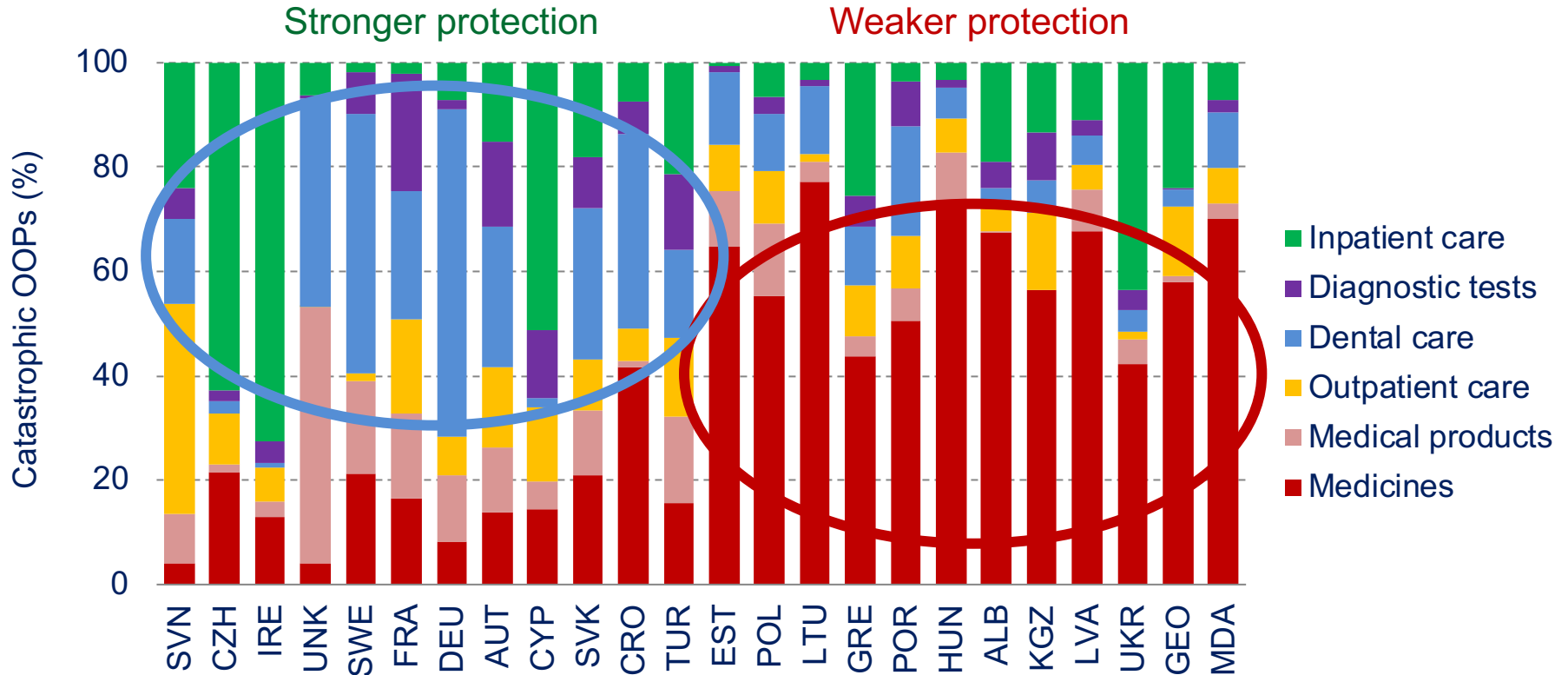


# Who experiences catastrophic health spending: poor people suffer the most

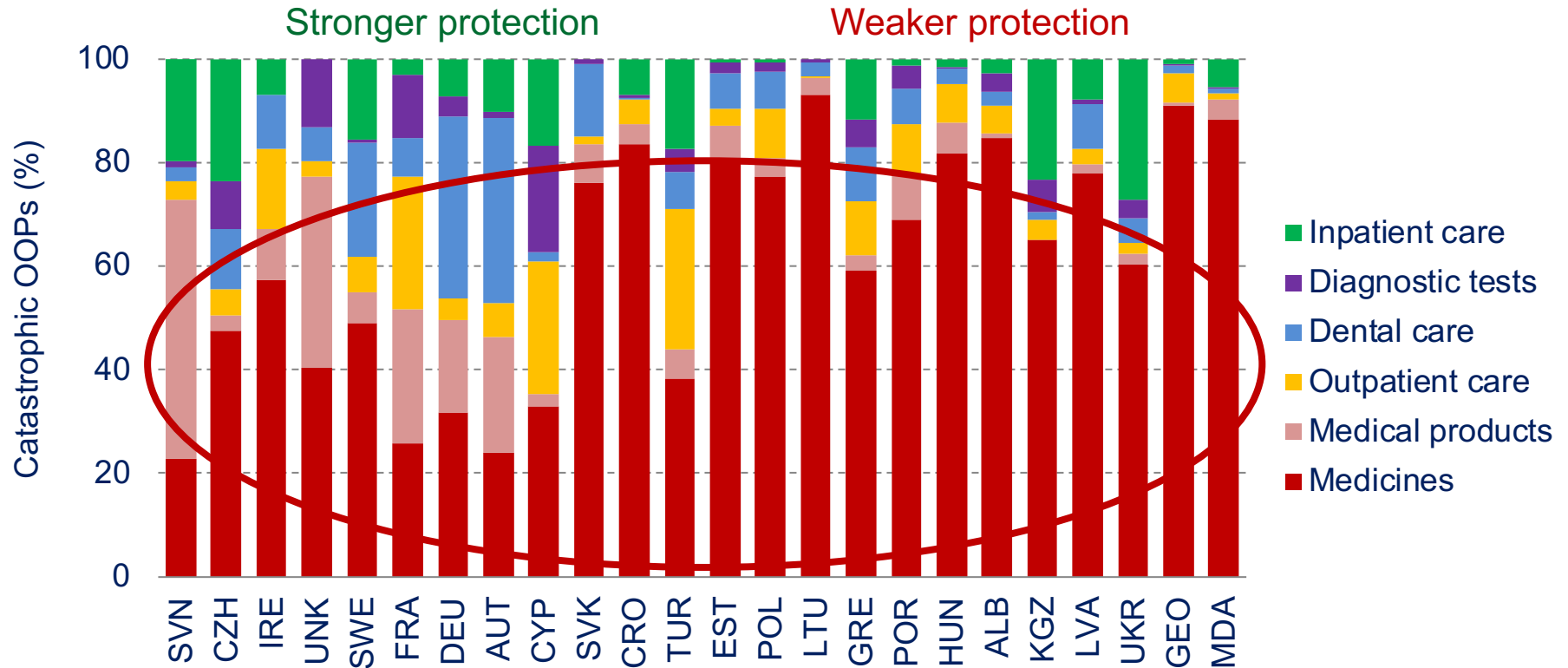




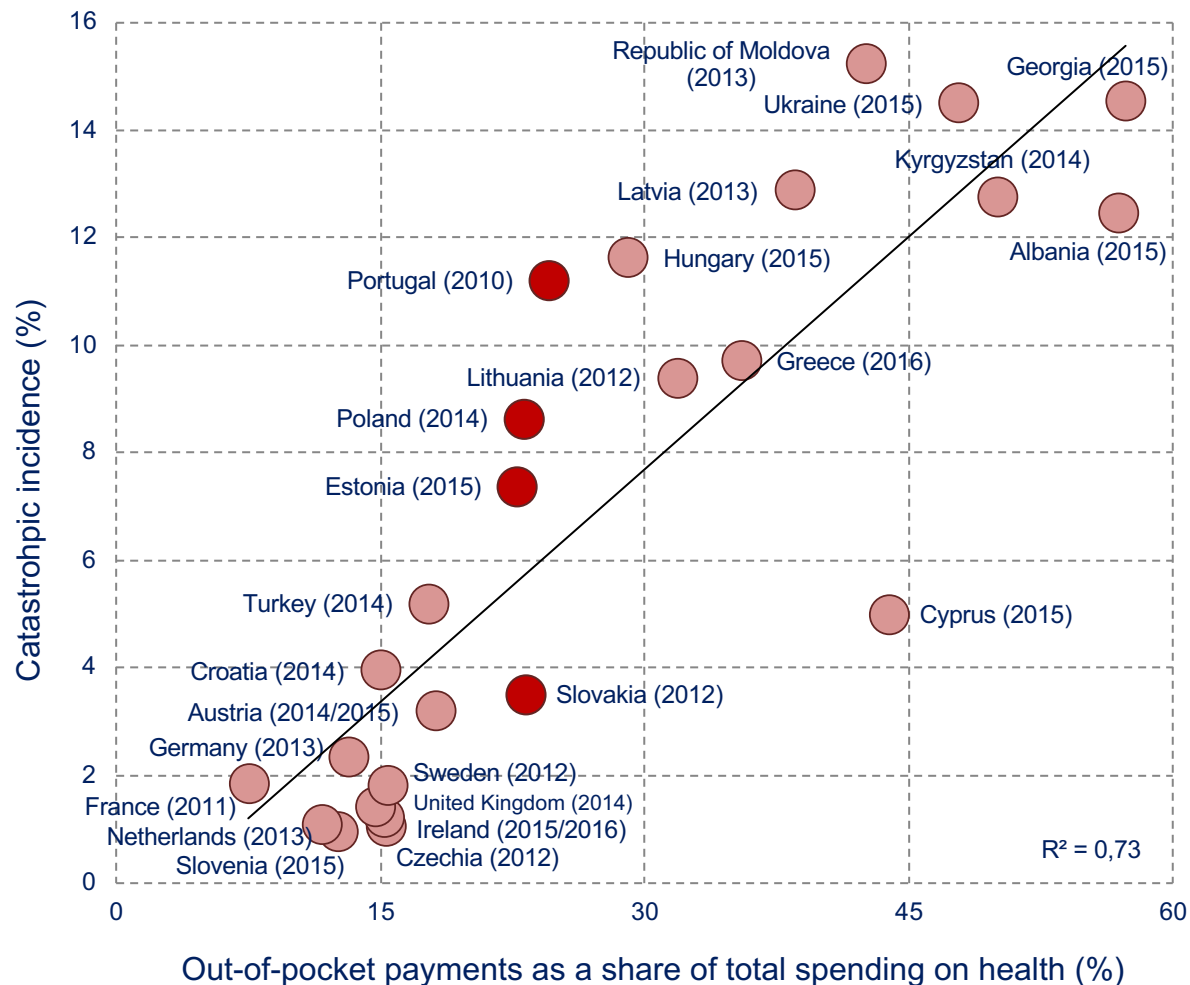
# Which health services are responsible for catastrophic spending among all households



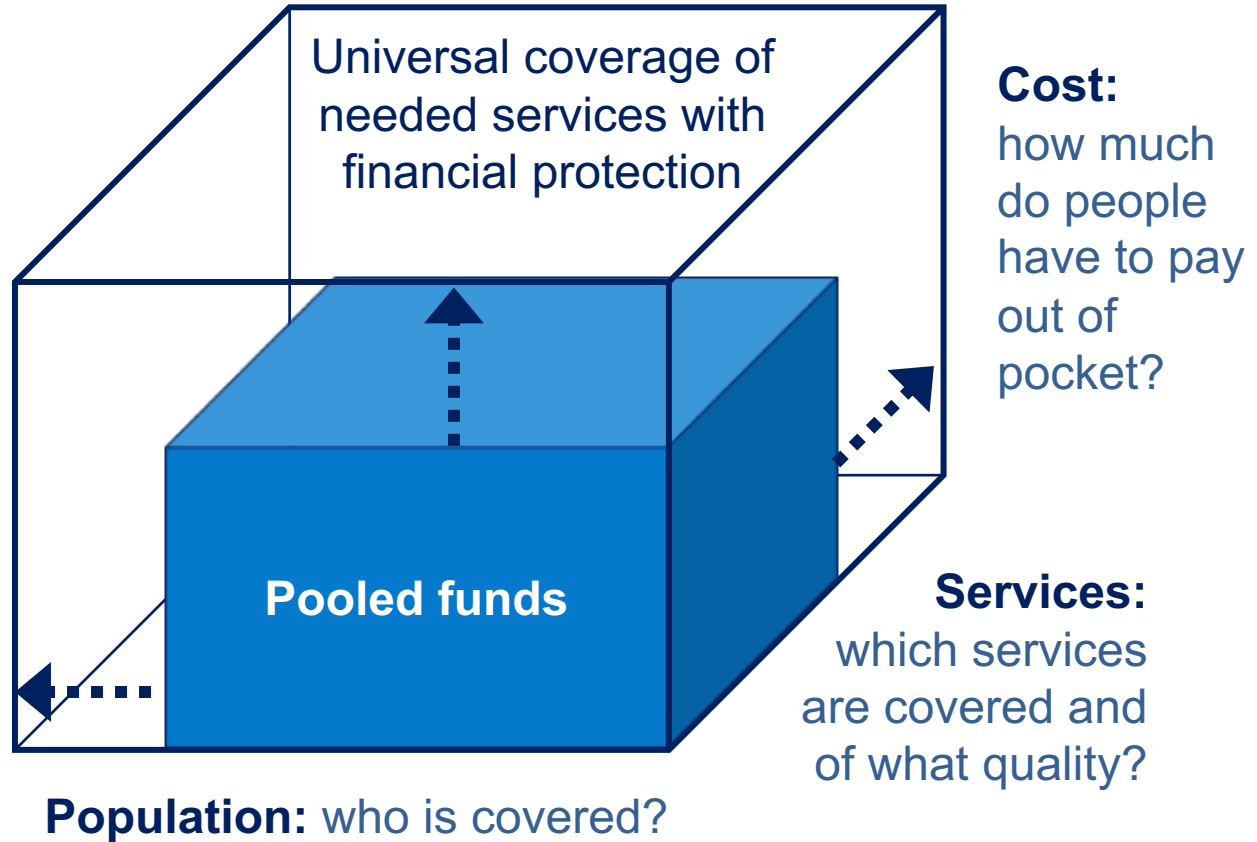
# Which health services are responsible for catastrophic spending among poor households



Financial protection is stronger where out-of-pocket payments are low as a share of total spending on health

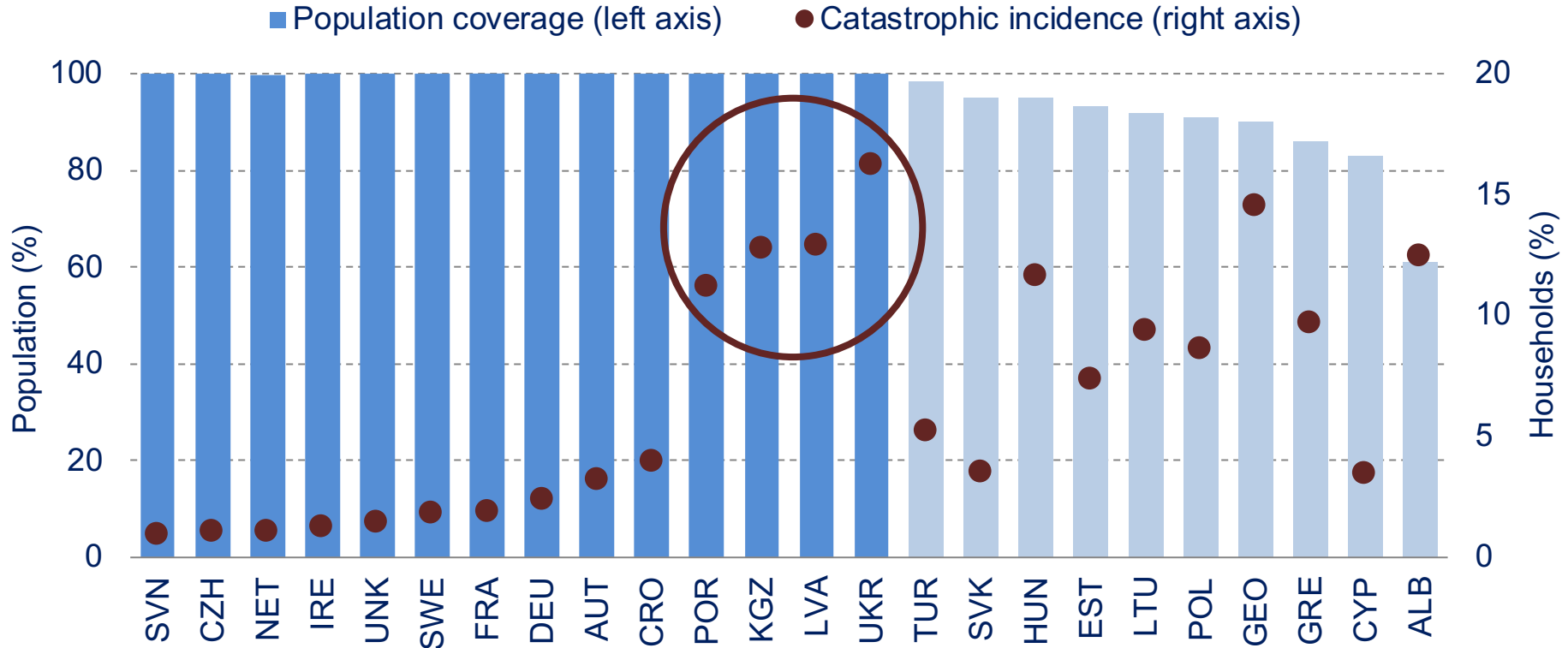


Coverage policy is the primary mechanism through which people are exposed to out-of-pocket payments



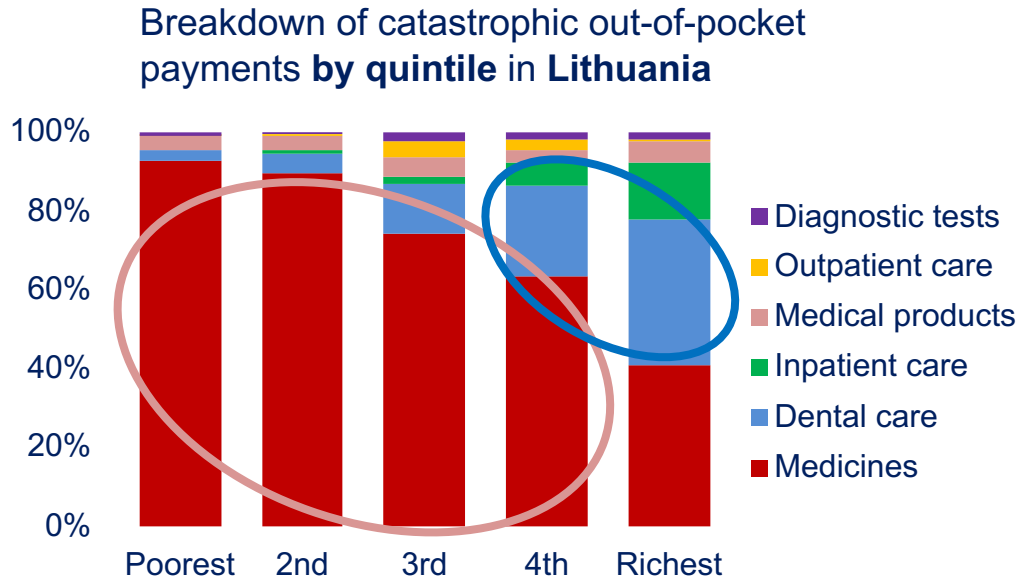
What's the **story**  
behind the numbers?

# Population coverage is a prerequisite for financial protection – but not a guarantee



# Gaps in **service coverage** can lead to financial hardship for the rich and unmet need for the poor

Everyone uses outpatient medicines – but the poor suffer the most



Poor people are not using dental care – unmet need for dental care is nine times higher among poor people

This pattern is even more likely to occur when preventive services are not fully covered

**User charges** shift the burden of paying for health care onto those least able to afford it



Lise experiences financial hardship because she has to pay out of pocket for **medicines** to treat her diabetes and heart disease



# Countries can improve financial protection by carefully redesigning co-payment policy

## **STRONG**

- ✓ exemptions
- ✓ protective caps
- ✓ low fixed co-payments

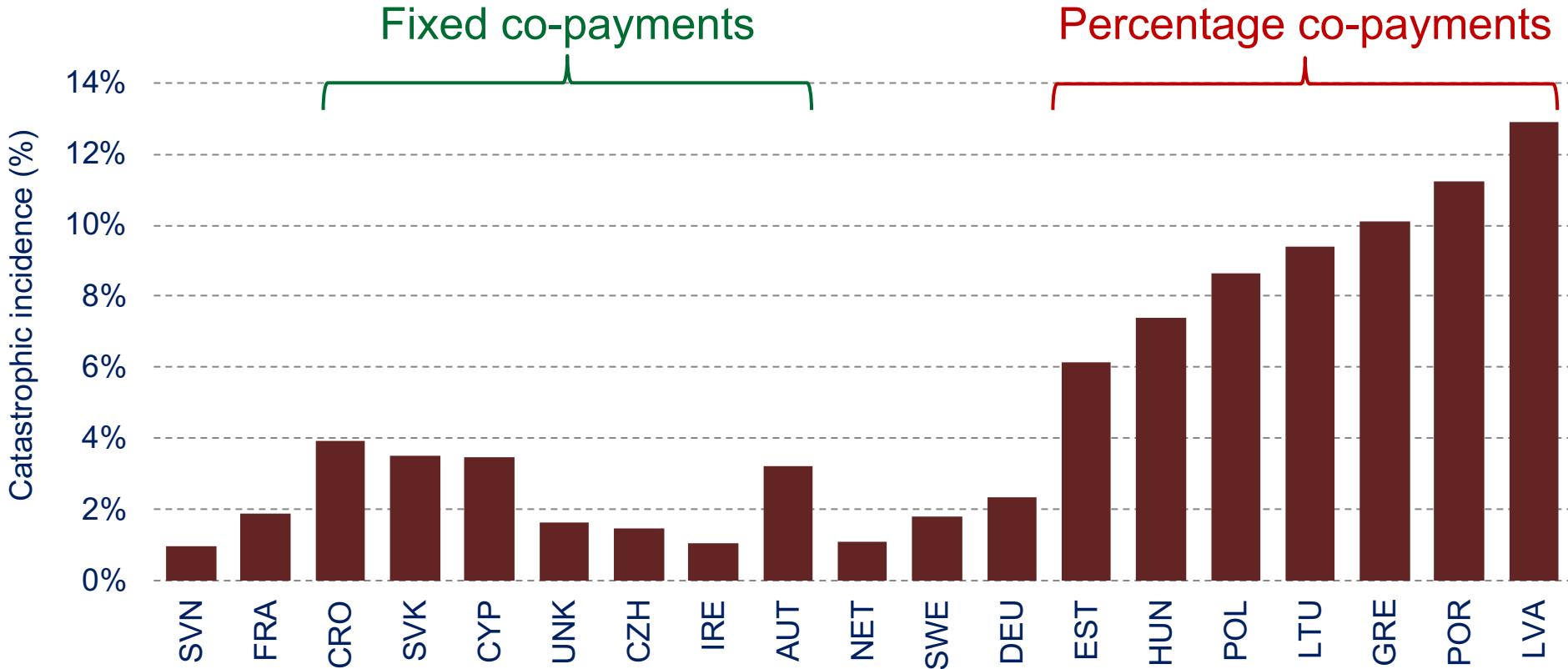
protects against  
system failures

## **WEAK**

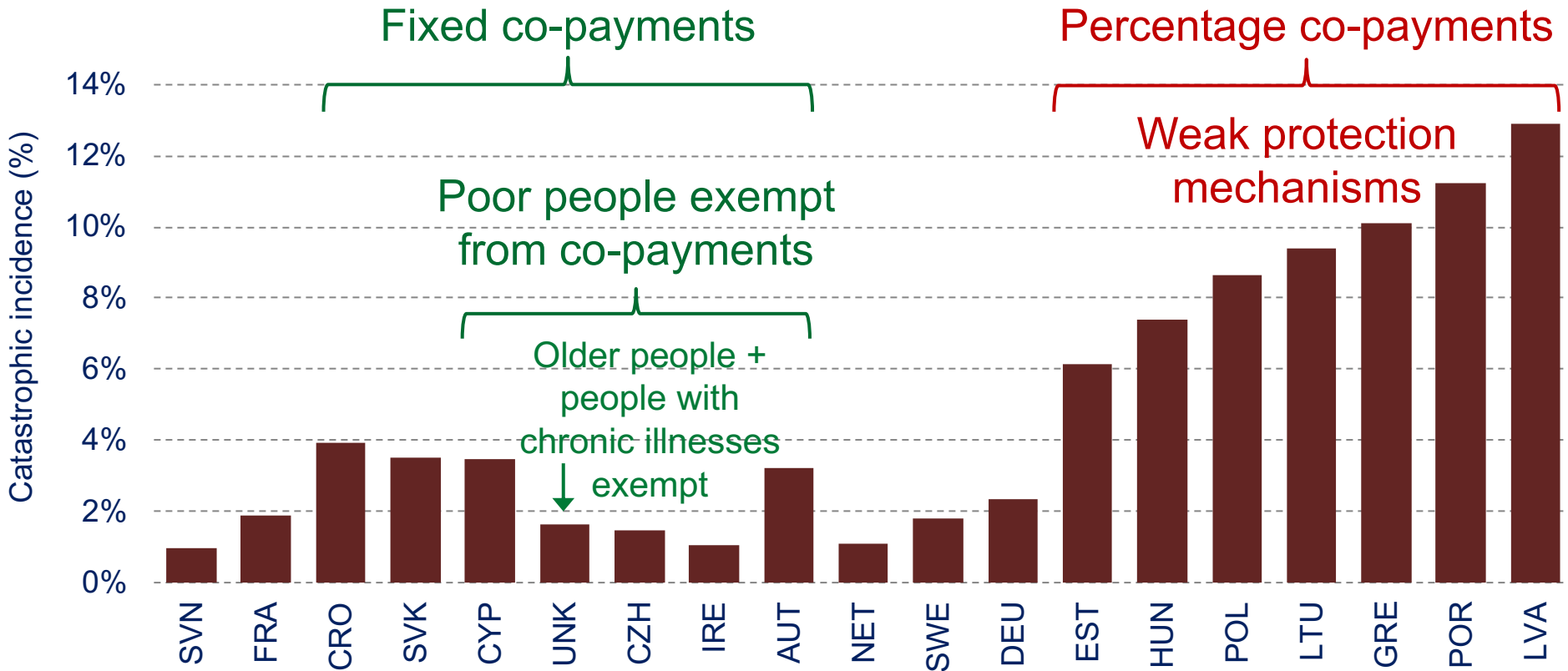
- x no exemptions
- x no caps
- x percentage co-payments

people pay for  
system failures

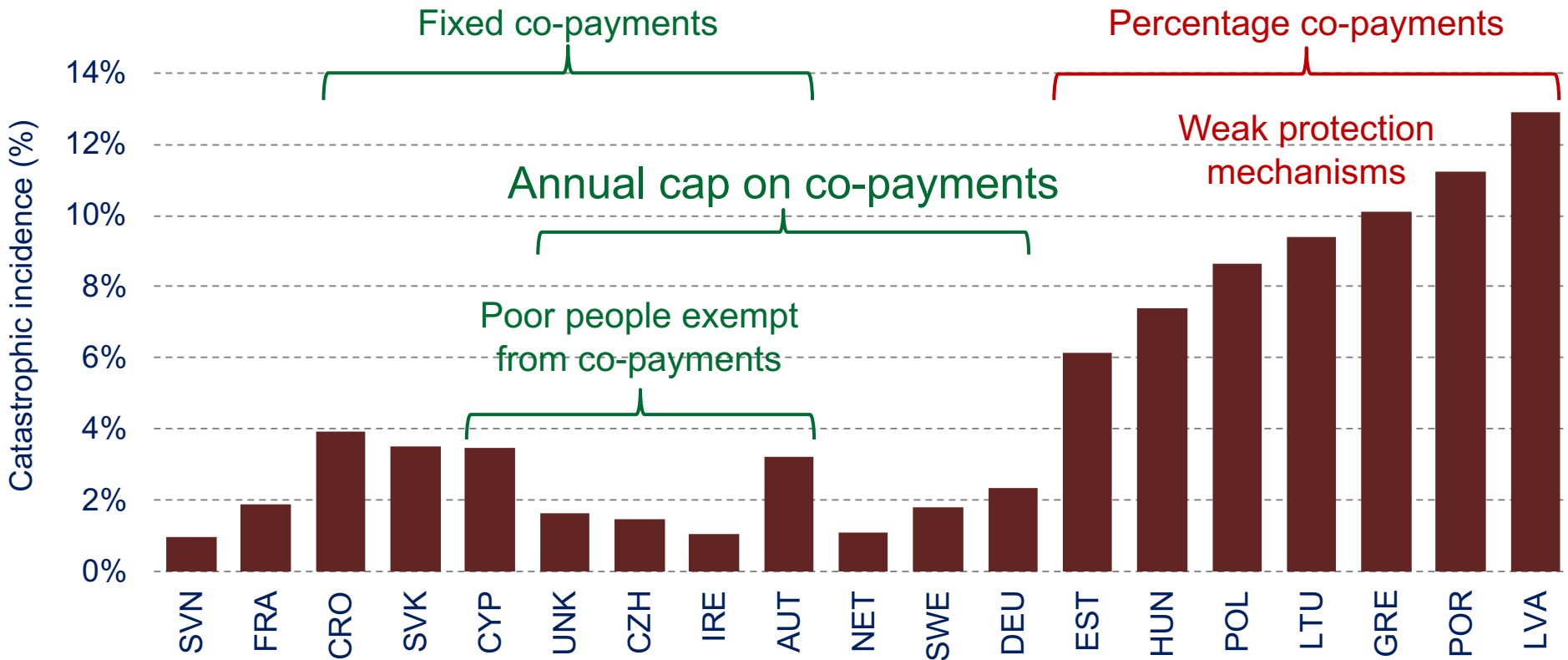
# 1. Percentage co-payments have disadvantages – especially for medicines



## 2. Exemptions protect those who need it most



### 3. Caps protect everyone



# Simple & people-centred co-payment design works best for everyone

1

Replace  
percentage  
co-payments  
with low fixed  
co-payments

2

Exempt poor  
people and  
regular  
service users

3

Cap all  
co-payments  
per person

The numbers tell us: protect poor people  
and improve coverage of medicines

The stories behind the numbers reveal  
a wealth of good practice in Europe

But this is not yet widely applied



**To improve  
financial protection  
put people first**



# Thank you

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World Health  
Organization  
REGIONAL OFFICE FOR  
Europe



Organisation  
mondiale de la Santé  
BUREAU REGIONAL DE L'  
Europe



Weltgesundheitsorganisation  
REGIONALBUREAU FÜR  
Europa



Всемирная организация  
здравоохранения  
Европейское региональное бюро