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Improving financial access to primary healthcare[1]

As a preliminary remark, Médecins du Monde wishes to emphasise that if the removal of financial barriers is an indispensable condition in improving access to healthcare, this can only have positive results if it is accompanied by parallel initiatives aimed at tackling geographical and cultural barriers as well.

Removing direct payments and promoting free access to basic healthcare at the point of use.

In many countries across the world, the obligation to pay to access health services still far too often represents an insurmountable barrier in the provision of care. When faced with illness, poorest households often have no other choice than to spend their savings, sell their assets, or even go into debt in order to pay the costs of consultation and the necessary treatment. Every year, more than a 100 million people are driven into poverty because of catastrophic healthcare expenditures[2] [3]. Hundreds of millions simply give up seeking care due to lack of money.

The right to social protection in the event of illness is yet an essential component of the right to health. It constitutes a fundamental human right recognised within the Universal Declaration of Human Rights (Article 25) and reaffirmed in Article 9 of the International Covenant on Economic, Social and Cultural Rights (ICESCR)[4]. In its General Comment 19 (2007), the United Nations Committee on Economic, Social and Cultural Rights (CESCR) states that "it is incumbent upon the State to ensure that all persons living within its territory have, without discrimination, the benefit of protection against […] excessive costs in access to healthcare"[5]. Nevertheless, it has to be said that only a minority of individuals effectively benefit from this right, particularly in low-income countries where nearly 90% of the population does not enjoy coverage against the risk of illness.

The introduction and widespread of user fees[6] as the main way of financing health systems, has largely contributed to this situation and increased social health inequalities in many developing countries. Imposed during the 1980s within the context of the Bamako Initiative[7] and structural adjustment programmes introduced by the World Bank and the IMF[8], user fees represent the most inequitable health-financing mechanism, causing the patient to bear directly all or most of the cost of care.

[1] This document relates to a first position paper endorsed by Médecins du Monde in 2008.
[2] WHO, *World Health Report 2010*, "Health Systems Financing. The path to universal coverage".
[3] According to WHO, catastrophic health expenditures occur when the household is spending out of pocket more than 40 % of its income after deducting expenses for food each year, see WHR 2010, p. 41.
[4] http://www2.ohchr.org/french/law/cescr.htm
[5] CDESC, General Comment 19: http://www2.ohchr.org/english/bodies/cescr/comments.htm
[6] "User fees" (or "Direct payment") is a way of funding the health system by making the patient pay at the point of use with the aim of recovering all or part of the costs of care provided.
[7] The Bamako Initiative, driven by WHO and UNICEF, was adopted by African Ministers of Health in 1987.
[8] International Monetary Fund

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Médecins du Monde, keen to support fair and accessible health systems for the most vulnerable, **calls for the removal of direct payments and the adoption of national policies introducing free access to primary healthcare at the point of use.** In order to guarantee greater equity in access to care, it is essential to replace direct payments with more equitable alternative financing mechanisms based on the principle of national solidarity between rich and poor, between the sick and the healthy, with the aim of eventually promoting the establishment of universal health coverage. In this respect, Médecins du Monde welcomes the adoption, by the World Health Assembly (on May 24, 2011) of the Resolution 64.9 inviting Member States to avoid significant direct payments and to promote instead risk-pooling mechanisms among the population[9]. Enabling everyone to benefit from a social health protection according to its needs and not to its financial means, is one of the pillars of the social contract that founds any human society.

It is up to the State to choose amongst the different options available (tax-based system, Social health insurance, Community-based health insurance…), and to adopt the social protection scheme most suitable to the situation in each country. Nevertheless, if each of these funding mechanisms is able to play a part in the progressive introduction of a social health protection at the national level, it is important to make sure that the introduction of insurance systems does not lead, for the most disadvantaged, to simply moving the financial barrier further down the line. The requirement to pay an insurance premium or contribution to a CBHI scheme can quickly reveal themselves as a financial barrier of significant proportions for people with very limited incomes. **Médecins du Monde strongly reiterates that, whatever the social health protection scheme adopted, a significant part of public financing is absolutely critical in order to subsidize access to care for vulnerable groups and thus define the path towards a truly universal healthcare coverage.**
This should inevitably lead to increases in public health expenditure. While the proportion of national budget allocated to health does not exceed 9% on average in low-income countries[10], it is essential that in the forthcoming years, health becomes a key priority for governments and that public spending for health benefits from a massive increase.
Moreover, because of tight budgetary constraints in many countries, the use of additional domestic resources must also be considered through the development of "innovative financing" mechanisms which could be dedicated to the health sector.
Finally, we are convinced **that international aid should play an important part in supporting the efforts of those States wishing to remove financial barriers to healthcare**. Whilst guarding against increasing dependence on external aid, the provision of long term technical and financial support, in a predictable way, remains an essential element especially in those countries where the level of internal resources does not permit, in the foreseeable future, 100% national funding. To do so, donor countries must fulfil their general commitment to dedicate 0.7% of GDP to ODA and must accept to allocate 0.1% of GDP for health systems strengthening in developing countries.

[9] http://apps.who.int/gb/ebwha/pdf_files/WHA64/A64_R9-fr.pdf
[10] Source: World Health Statistics 2011. 2008 figure.

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For a real implementation of free healthcare policies.

Aware of the strong financial barriers caused by the user fees, a growing number of countries have in the last decade chosen to introduce exemption policies financed by the State[11]. This wealth of experience has demonstrated the relevance of such measures and the positive impact as regards utilisation of services and fairness in access to healthcare. **Médecins du monde clearly supports these so called "free" healthcare policies[12] which can play an active role in the move toward universal access to a minimum package of basic healthcare services**. Our organisation will make every effort to contribute, as far as it can, to their effective implementation in the countries where we work.

However, we also want to emphasise that **the introduction of these exemption policies should in no way be detrimental to the quality of care**. In many countries, due to lack of preparation and/or any genuine political will, the decision to provide free access to healthcare has soon come up against huge difficulties in implementation with the only final result being the further destabilisation of health systems that are already largely failing. Initially made to improve access to healthcare, the hasty introduction of payment exemption has sometimes ended in the opposite situation by increasing drug shortages and/or de-motivation of health workers.
Médecins du Monde wishes to reiterate that the move to "free" healthcare is a structural reform which demands serious planning in advance and the adoption of indispensable accompanying measures to maintain or strengthen the quality of care.

1. What accompanying measures?

Having regard to recent experience observed in several countries, it emerges that the success of these policies largely depends on taking into account the following elements:

➔ *Planning and anticipating the changes*

It is above all essential to **anticipate the changes the new policy will bring about**. The public authorities must be given the means to correctly estimate the effects of "free" use of healthcare services and thus be able to best anticipate the expected impact both in respect of the supply of medicines and on the activity, availability and motivation of healthcare staff. Precise assessment of the cost of free healthcare is also an important precondition.
Within the context of good planning, having on board those health personnel involved with the implementation of the exemptions must also be watched out for. This in particular assumes that the Department of Health and its staff are directly involved in the preparation of policies rather than be confronted with a *fait accompli* once the policy has passed into law.

[11] Since 2006, full or partial payment exemption policies have been introduced in more than fifteen countries, including Benin, Burkina Faso, Burundi, Ivory Coast, Ghana, Jamaica, Kenya, Laos, Lesotho, Liberia, Malawi, Nepal, Senegal, and Sierra Leone.
[12] The expression "free healthcare policies" is sometimes considered as an abuse of language in the sense that the provision of healthcare always represents a cost that someone has to take responsibility for. Nevertheless, this expression effectively conveys the fact that the user is in a position to access healthcare without having to pay before, during or after using the health services.

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➔ *Telling people about their right to free access to healthcare*

Considerable effort should be put into clearly informing people of the existence of these policies and the right they have to freely access certain healthcare services. This is one of the most important factors in the success of these policies. Médecins du Monde is fully convinced that **enabling people not only to be well informed but also capable of demanding for themselves respect for their rights is the best and most legitimate way of achieving an effective implementation of free healthcare**. This is an aspect that Médecins du Monde intends to emphasize within its programs.

➔ *Introducing effective management procedures*

The move to free healthcare should also be supported by simple and effective management procedures and tools. On this issue, special attention should be given to **the introduction of fast and efficient reimbursing mechanisms for the health structures providing free healthcare services**. Substantial delays in the reimbursement experienced by many health facilities in several countries, particularly in sub-Saharan Africa, are a real concern.

The implementation of an efficient control and monitoring system for the policy is another indispensable tool for guaranteeing a rational and non-abusive application of the free healthcare policy.

➔ *Mobilising additional financing*

Finally, although within the context of exemption policies, access to care is free to the user, the provision of care services still remains an expense that has to be met. It therefore falls upon the State, as the third party that makes payment, to act in the place of the patient and take on the cost of treatment. As emphasised above, **the implementation of exemption policies implies making available in advance additional public resources allocated to the funding of healthcare**. In addition, faced with chronic cash flow difficulties in many countries, protecting the budget specifically dedicated to the funding of "free" healthcare and the reimbursement of health organisations is a desirable measure.

2. Supporting free healthcare policies for pregnant women and children under 5

Taking into account the limited budget resources and the fragility of health systems, free access to care for all, although desirable, can only be foreseen for the medium or long term in most low income countries. A progressive approach starting with the introduction of exemption measures for the benefit of certain categories of the population which are vulnerable can be seen as a reasonable first step toward universal healthcare coverage. From this perspective, **Médecins du Monde particularly wishes to support free healthcare policies for pregnant women and children under five years of age**. This strategy, adopted by a growing number of States should enable an active contribution to the achievement of the health Millennium Development Goals (MDGs) and more particularly to MDG 5 (reduction in maternal mortality) which is currently identified as the most worryingly slow to improve[13]. If historical reasons can explain this decision to target pregnant women and children under 5 (some maternal and child health services being already provided for free in many countries, for instance immunization or prenatal consultations), it is also important to

[13] The eight Millennium Development Goals were adopted in the year 2000 at the Millennium Summit of the United Nations. MDG 4 aims to reduce by two-thirds under-5 mortality between 1990 and 2015. MDG 5a) aims to reduce the maternal mortality ratio by three quarters between 1990 and 2015. MDG 5b) aims to achieve, by 2015, universal access to reproductive health.

underline that this choice is particularly relevant as it covers vulnerable groups of the population who are usually facing a lack of autonomy regarding the use of the financial resources of the household. Free access to basic healthcare is freeing up women from financial constraints and enables them to have a better control over the decision to use or not health services for themselves or for their children.

3. Offering the most complete package possible

No matter what categories of the population are involved, **Médecins du Monde favours free healthcare policies offering the most complete package possible**. Free access, when limited to certain diseases (for example Malaria for children under 5s) or certain costs (for example the cost of medicines but not the cost for the consultation), makes up further layers of complexity in the implementation of exemptions that can limit significantly the use of the services by those people who benefit from "free" healthcare. **On issues of sexual and reproductive health, Médecins du Monde invites States to consider the application of free healthcare policies which cover all aspects of the continuum of care**, from family planning to the treatment of obstetric complications at the secondary care level. It is particularly important to take into account the possibility of referral between the different levels of the health system.

Finally, even if the patient no longer has to pay the cost of medical treatment and prescriptions, it must not be forgotten that indirect costs also exist which count for a great deal amongst the financial barriers to healthcare. The opportunity costs associated with having to have care, the costs of transport, the food for those potentially accompanying the patient, are also items which strongly discourage someone who is ill from making use of the health system. This is the reason why **Médecins du Monde strongly recommends that indirect costs are taken into consideration within the framework of national free healthcare policies**. Certain arrangements such as Vouchers or Conditional Cash Transfers (CCTs) can be tools adapted for protecting from these type of financial barriers. In the absence of such arrangements, micro-finance or micro-insurance health initiatives can possibly play a part.

List of acronyms

CCT : Conditional Cash Transfer

CESCR: Committee on Economic, Social and Cultural Rights

ICESCR: International Covenant on Economic, Social and Cultural Rights

IMF : International Monetary Fund

MDG : Millenium Development Goal

ODA : Aide Publique au Développement

WHO: World Health Organisation

GDP: Gross Domestic Product

WHR: World Health Report

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The Right to Social Health Protection

Some references :

- **Universal Declaration on Human Rights, *art. 25* :**

« 1. Toute personne a droit à un niveau de vie suffisant pour assurer sa santé, son bien-être et ceux de sa famille, notamment pour l'alimentation, l'habillement, le logement, les soins médicaux ainsi que pour les services sociaux nécessaires ; ***elle a droit à la sécurité en cas*** de chômage, ***de maladie***, d'invalidité, de veuvage, de vieillesse ou dans les autres cas de perte de ses moyens de subsistance par suite de circonstances indépendantes de sa volonté. »

- **International Covenant on Economic, Social and Cultural Rights (ICESCR), *art. 9* : the Right to Social Security**

« Les Etats parties au présent Pacte reconnaissent le droit de toute personne à la sécurité sociale, y compris les assurances sociales. »

- **UN Committee on Economic, Social and Cultural Rights (CESCR), *General Comment n° 19* (art. 9 du Pacte)**

Art. 2 : « Le droit à la sécurité sociale englobe le droit d'avoir accès à des prestations, en espèces ou en nature, et de continuer à en bénéficier, sans discrimination, afin de ***garantir une protection***, entre autres, ***contre***: a) la perte du revenu lié à l'emploi, pour cause de maladie, de maternité, d'accident du travail, de chômage, de vieillesse ou de décès d'un membre de la famille; ***b) le coût démesuré de l'accès aux soins de santé***; c) l'insuffisance des prestations familiales, en particulier au titre des enfants et des adultes à charge. »

- **World Health Assembly Resolution 64.9, May 24, 2011** :

« 1. INVITE INSTAMMENT les États Membres :
1) à veiller à ce que les systèmes de financement de la santé évoluent de telle sorte qu'ils permettent ***d'éviter les paiements directs importants au point de prestation*** et comportent une méthode de prépaiement des cotisations financières pour les soins et services de santé, ainsi qu'un mécanisme de répartition des risques sur l'ensemble de la population pour éviter les dépenses de santé catastrophiques et l'appauvrissement des personnes ayant eu à se faire soigner ; »

- **ILO, Recommandation n°202 concernant les socles nationaux de protection sociale, 14 juin 2012** (extrait) :

5. Les socles de protection sociale visés au paragraphe 4 devraient comporter au moins les garanties élémentaires de sécurité sociale suivantes:

> *a)* ***accès à un ensemble de biens et services définis à l'échelle nationale comme étant des soins de santé essentiels***, y compris les soins de maternité, qui réponde aux critères de disponibilité, d'accessibilité, d'acceptabilité et de qualité;[…]

8. Lorsqu'ils définissent les garanties élémentaires de sécurité sociale, les Membres devraient dûment tenir compte de ce qui suit:

a) ***les personnes ayant besoin de soins de santé ne devraient pas être confrontées à une charge trop lourde ni à un risque accru de pauvreté résultant des conséquences financières de l'accès aux soins de santé essentiels***. La gratuité des soins médicaux prénatals et postnatals devrait également être envisagée pour les personnes les plus vulnérables;

- **European Social Charter, Article 13 : the right to social and medical assistance**

"With a view to ensuring the effective exercise of the right to social and medical assistance, the Contracting Parties undertake:

to ensure that ***any person who is without adequate resources*** and who is unable to secure such resources either by his own efforts or from other sources, in particular by benefits under a social security scheme, ***be granted adequate assistance, and, in case of sickness, the care necessitated by his condition***;"

- **European Social Charter, Article, Article 17 : the right of mothers and children to social and economic protection**

"With a view to ensuring the effective exercise of ***the right of mothers and children to social and economic protection***, the Contracting Parties will take all appropriate and necessary measures to that end, including the establishment or maintenance of appropriate institutions or services."