

# UHC - Good outcomes @ low cost?

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# How much %GDP for UHC?

- Many experts suggest minimum 6% GDP required for UHC
- Good health outcomes possible for less
- Some "UHC stars" are commonwealth countries (Sri Lanka/Malaysia/Singapore)

# How to fund UHC?

## 1. Social health insurance

- Public insurance scheme for services from private providers

## 2. Tax funded model

- Taxation mainly pays for services delivered predominantly from public sector but private doctors also collect fees from government

## 3. Mixed model

- Less researched

# Government spending on health as % GDP for 2013

- Germany (Social Health Insurance)
  - 8.4%
  - IMR 3.2 / LE 81 y
- UK (Tax funded)
  - 7%
  - IMR 3.9 / LE 81 y
- Hong Kong (mixed)
  - 2.6%
  - IMR 1.8 / LE 84 y

# Some mixed funding models

Key indicators for selected mixed funding model systems (2013)<sup>18, 19</sup>

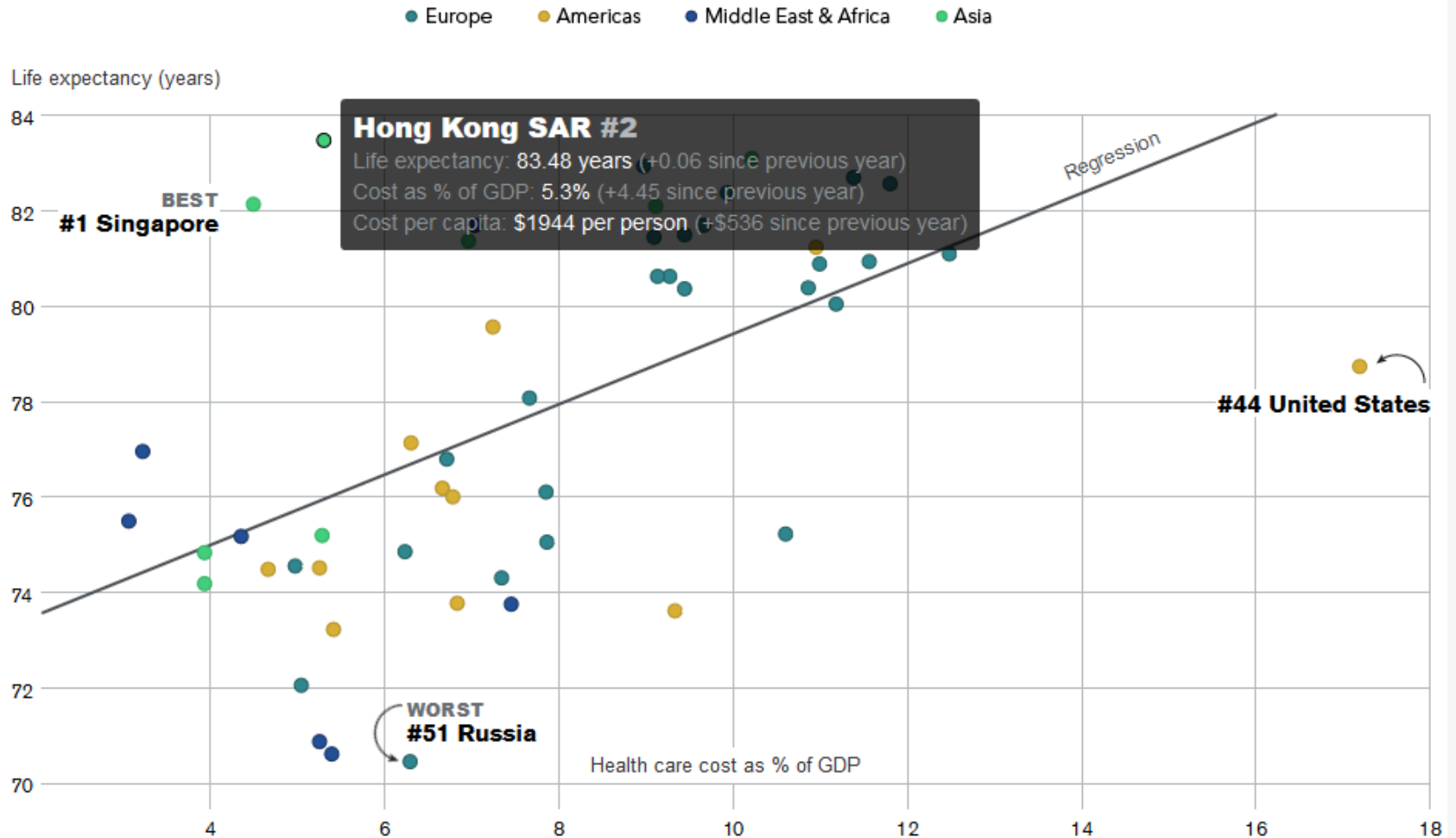
	Sri Lanka	Jamaica	Malaysia	Hong Kong
Income category	Lower-middle	Upper-middle	Upper-middle	High
GDP per capita (USD constant 2005)	1,977	4,094	7,052	33,639
Infant mortality rate (deaths/1,000 live births)	8.7	14.4	6.4	1.8
Life expectancy at birth (years)	74.7	75.5	74.6	83.8
Skilled birth attendance (%)	99	99	99	99
Government health spending (%GDP)	1.6	3.4	2.2	2.6
Out-of-pocket health spending (% of total health expenditure)	44	25	36	36

# Where Do You Get the Most for Your Health Care Dollar?

Singapore is best in Bloomberg's second annual ranking of countries with the most efficient health care while the U.S. remains near the bottom. The ranking evaluates health care costs as a share of GDP and per capita, as well as life expectancy and improvements from last year.

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# Hong Kong's Health Care System

- Outpatient

- Private doctors \* (USD 35 ) (~ 70%)
- Govt Hospital A&E \* (USD 23)
- Maternal & Child Health centres \* (free)
- Govt outpatient clinics (USD 6)

- Inpatient

- Govt HA Hospitals \* (USD 15 per D) (~ 70%)
- Private Hospitals (USD 650 per D)

\* Predominant outpatient & inpatient care



# Out-of-pocket payments & Impoverishing expenditure

- Out-of-pocket payment (OOP) = direct payments made by individuals to health care providers at time of service use
- Impoverishment = if OOP causes household to drop below poverty line



# OOP expenditures in Hong Kong

- Small % population have *private health insurance*
- High OOP for *primary care*
- Lower OOP for *secondary/tertiary care*
- OOP should NOT cause impoverishment

So why does everyone not use  
the public system?

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Focus

## Doctors deny condition critical at Hong Kong's public hospitals despite complaints and creaking system

Blunders have shaken faith in Hong Kong's public health care, but doctors say errors are few despite overcrowded hospitals, staff shortages and disgruntled patients

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11

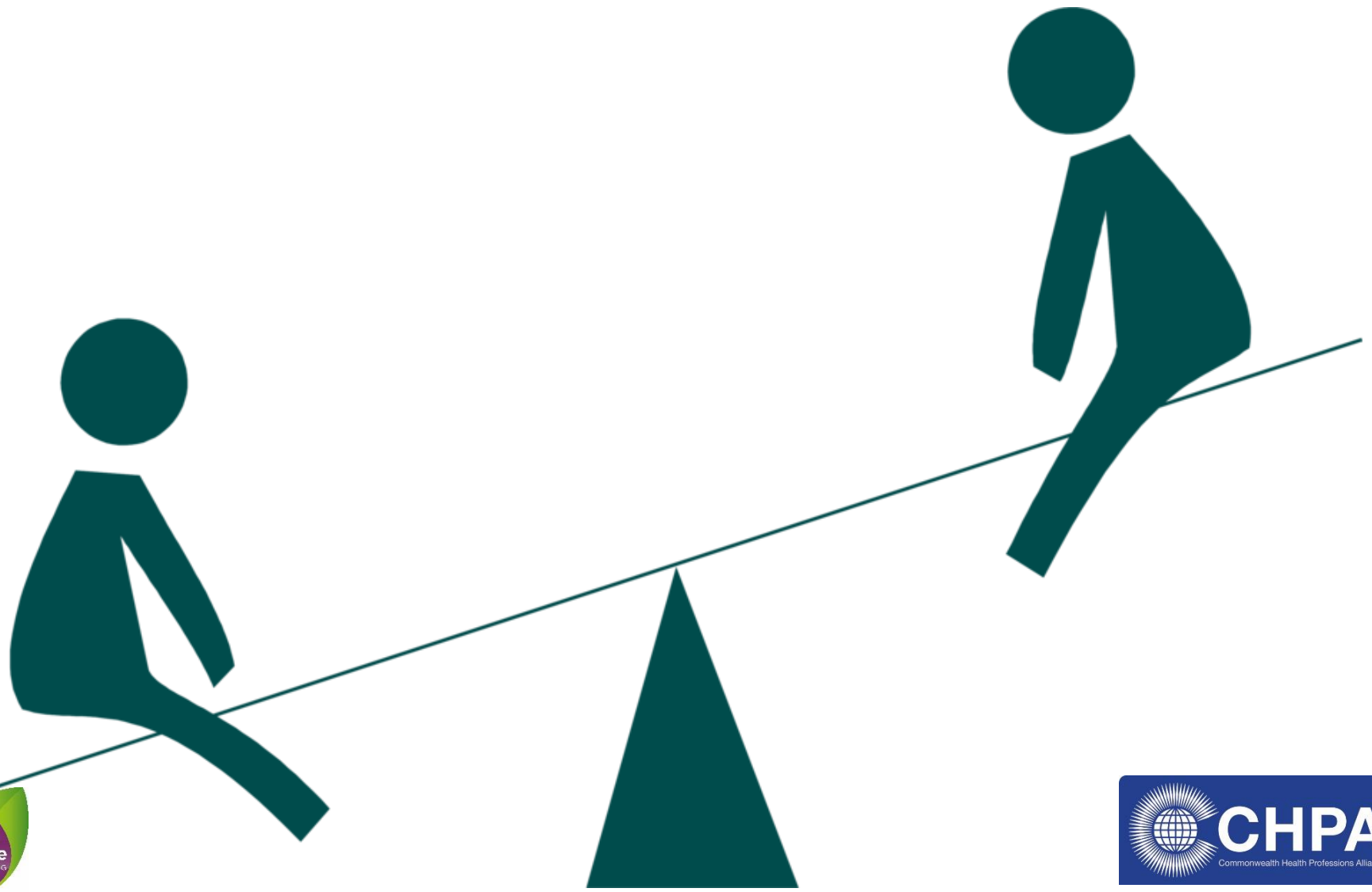
# Consumer quality in public system

- Consumer quality
  - Long waiting times for non-urgent
  - Congested wards
  - Limited choice of doctors
  - Lower quality of amenities (waiting areas, wash-rooms, wards, less privacy)
- Clinical effectiveness
  - Very good in public system
  - Independent of consumer quality
  - Difficult for patients to assess
- Dissatisfaction with public services
  - increases with income

# Risks & problems

1. Disaffected middle-class want better consumer quality ~ political pressure
2. Poor may opt to use private care ~ risk impoverishment
3. Private clinical care ~ variable quality
4. Health care workers ~ move from public to private sector

# Consumer Quality Vs Clinical Care



# UHC Financing recommendations

# Recommendation 1

- By 2020, all Commonwealth governments have developed national UHC plans, with community-inclusive multi-stakeholder input
- Define & publicly communicate publicly funded 'high priority' health services (outcome and cost-effectiveness)



# Recommendation 2

By 2020, all Commonwealth governments have developed mechanisms to monitor their UHC plans by, but not limited to, the following measures:

- usage of 'high priority' health services by income group (public/private)
- area of residence (urban/rural etc)
- household expenditure on health as % total household expenditure and income
- % GDP spent on health (public/private)
- health outcomes e.g. infant mortality / life expectancy
- measures of financial risk such as out of pocket expenditures on both inpatient & outpatient care by income group (public/private)



Thank you



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# Median Household Income

- HKD 24,900 (USD 3,175) (2016)
- Private GP visit ~ 1%
- Public Hospital stay / D = 0.5%
- Safety Net : No fees for public care for those on income support