

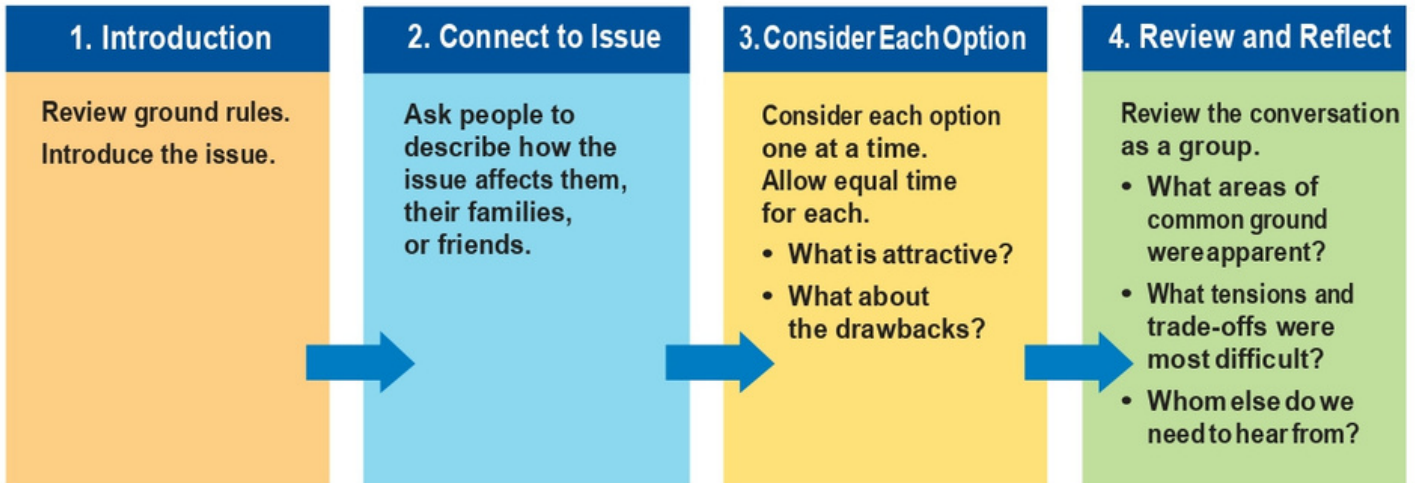
Health Equity

**How Can We Achieve
Accessible & Affordable
Healthcare?**



The issue guide has been adopted and redesigned from the [Issue Guides | NIFI](#)

Holding a Deliberative Forum



Ground Rules for a Forum

- Focus on the options and actions we can take nationally and in our communities.
- Consider all options fairly.
- Listening is just as important as speaking.
- No one or two individuals should dominate.
- Maintain an open and respectful atmosphere.
- Everyone is encouraged to participate.

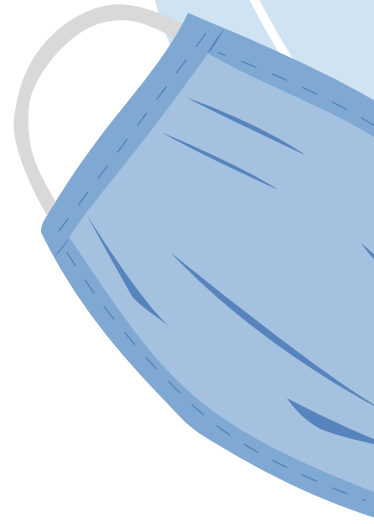
HOW CAN WE ACHIEVE ACCESSIBLE HEALTHCARE?


[The Cost of Healthcare: How To Make It Affordable - YouTube \(Video\)](#)

Health is a personal matter that affects each one of us in one way or the other. And the continued rise in healthcare costs on the global health level has created financial pressure by increasing out-of-pocket (OOP) spending which has seen a rise in health inequalities. The high OOP expenditure has left vulnerable populations without access to essential care and further impoverished them.

For example, in India, OOP payments account for 70% of healthcare services and are responsible for the impoverishment of 7% of the population (National Academies of Sciences & Medicine, 2018).


In other cases, low-income populations may receive healthcare services, but their inability to pay may lead to their detention in health facilities for weeks or even months afterward without any continued care, food, or a bed. For example, such has been reported in the Democratic Republic of Congo (DRC) where approximately 54% of mothers at one healthcare facility were detained after failing to pay medical fees for giving birth (National Academies of Sciences & Medicine, 2018).





This guide has been redesigned to help deliberate together how we might approach the delivery of accessible and affordable healthcare.

It is an undeniable fact that every country has its own healthcare sector, and each sector operates slightly differently. This issue guide suggests two options for deliberation, along with the trade-offs of each option. Each option raises questions for which there are no easy answers.

- If we create a single government program to pay for everyone's health care, would taxes rise and quality suffer?
 - Should we take responsibility for our own choices in a more transparent and competitive marketplace even if that means those who make poor decisions will suffer the consequences?
 - Improving our healthcare systems routinely presents choices between holding the line on enormous costs, covering more people, and maintaining the choices and quality of care. Which should be our priority?
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INTRODUCTION

Healthcare is one of the costliest industries for all governments around the globe as it requires a significant portion of the Gross domestic product (GDP). For decades, these expenses have been rising due to economic and health crises, along with the rise of communicable and non-communicable diseases. This has put major constraints on governments' budgets leading to a systematic collapse in responding to health system crises. Response to health system crises is especially worrisome in developing countries in the Global South where public healthcare systems are severely constrained due to low-quality provision of critical medicine and insufficient infrastructure.

There are several policy solutions in place to increase the quality and access to healthcare, such as outsourcing critical healthcare services and subsidizing the private sector to provide healthcare to the population.

Universal health coverage (UHC) is about ensuring that people have access to the healthcare they need without suffering financial hardship. It is the key to ending extreme poverty and increasing equity and shared prosperity. UHC has been at the forefront of the global health agenda for several years, with renewed

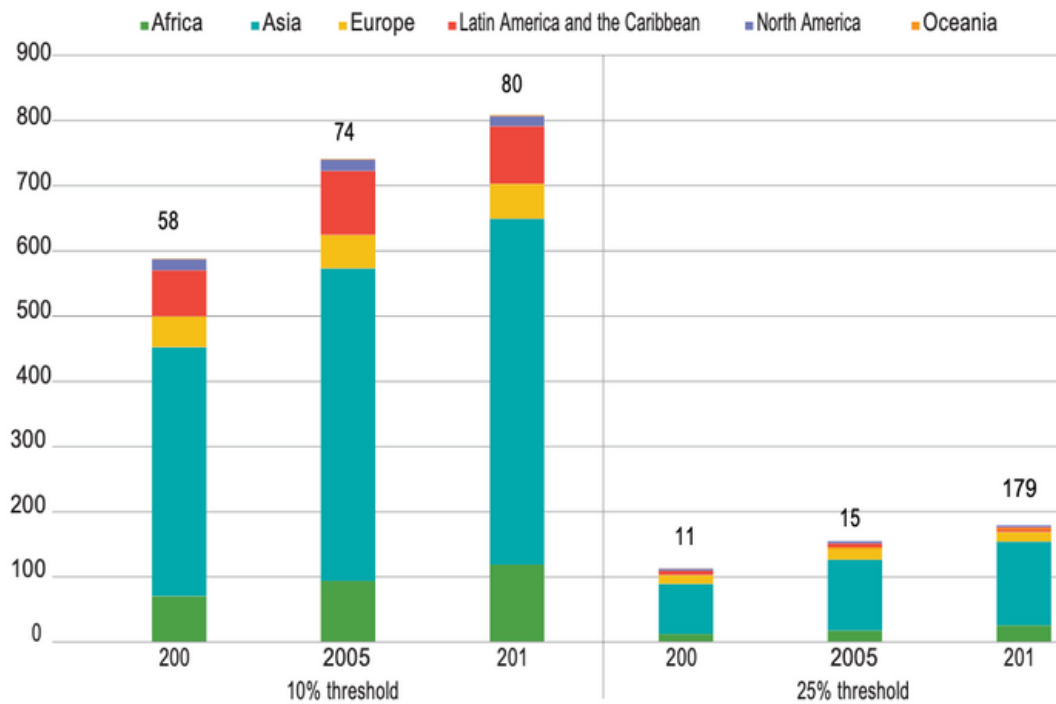
enthusiasm following the issuance of the 2030 Sustainable Development Goals in 2015.

Approaches to achieving UHC vary across different applications in different country settings, and the evidence is quite mixed on which approaches are most successful. It is worth noting that not all the approaches guarantee accessible healthcare that is of high quality, equitable, and affordable. The uncertainty of which approaches are best in ensuring equitable healthcare makes decisions about healthcare reform difficult for countries due to limited resources.

However, without UHC, payment systems are often cobbled together, imposing a burden that many citizens end up bearing through an OOP payment system. Experts agree that most successful systems employ both the public and private sectors, and often use a mix of incentives, structures, and cost-containment mechanisms that can be leveraged to assure and improve the quality of care provided.

There are several global efforts underway, but if these efforts are not broadened and applied to all settings, especially in low-and middle-income countries (LMICs), they will be less effective than they could be.

Fig. 1. Global And Regional Trends In Catastrophic Payments: SDG Indicator 3.8.2



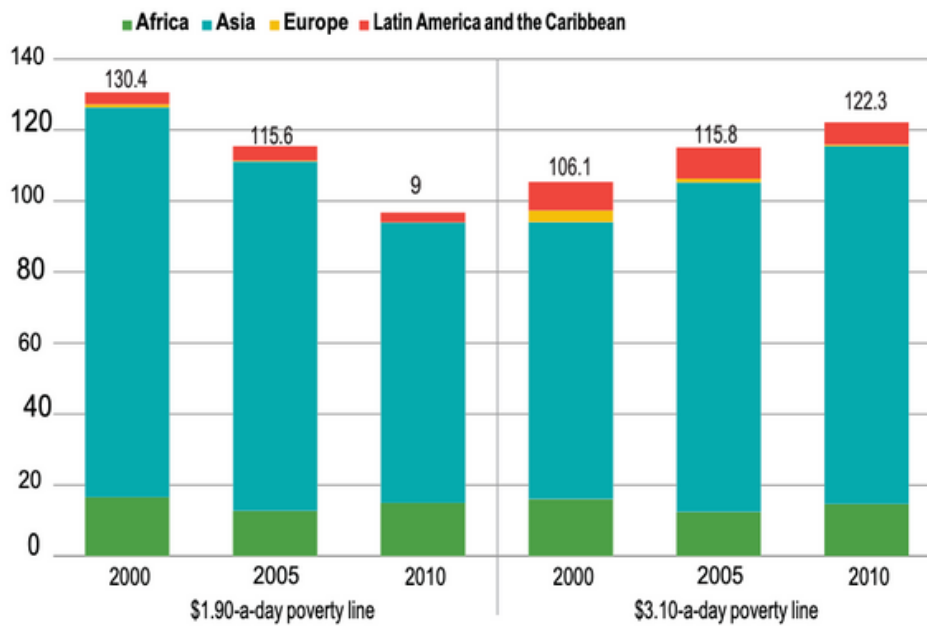
Source: World Health Organization (2017)

Many families worldwide suffer undue financial hardship because receiving the healthcare that they need often has catastrophic financial implications (OOP health expenditure exceeding 10% and 25% of household total income). This usually happens when a household is forced by an adverse health event to divert spending away from nonmedical budget items such as food, shelter, and clothing, to such an extent that it is spending on these items is reduced below the level indicated by the poverty line.

In 2010, Latin America and the Caribbean was the region with the highest rate of OOP health expenditure at the 10% threshold (14.8%) with Asia having the second-highest rate (12.8%) and was the region where most people facing catastrophic payments are concentrated (World Health Organization, 2017).

At the 10% threshold, the region with the fastest increase in a population facing catastrophic payments was Africa (5.9% per year on average) followed by Asia (+3.6%). Both percentages and the size of the global population facing catastrophic payments have increased at all thresholds since 2000.

Fig. 2. Global And Regional Trends In Impoverishment Due To Out-of-pocket Payments: \$1.90-a-day And \$3.10-a-day Poverty Lines (Using 2011 Purchasing Power Parity)



Source: World Health Organization (2017)

It is estimated that in 2010, 808 million people (11.7% of the population) incurred OOP health payments, exceeding 10% of household total consumption or income, and 179 million (2.6% of the population) incurred such payments at the 25% threshold.

An estimated 97 million people (1.4% of the world's population) were impoverished by healthcare at the 2011 purchasing power parity (PPP) \$1.90-a-day poverty line in 2010 (see figure 2). At the 2011 PPP \$3.10-a-day poverty line, the figure is 122 million (1.8%) of the world's population.

Using these two international poverty lines (\$1.90 and \$3.10), impoverishment due to healthcare payments in upper-middle-income countries and high-income countries is close to or equal to zero. However, these health systems are often similarly infiltrated with vast inequalities, such as in the United States where households are faced with catastrophic medical expenditures.

The case of Alec Smith from Rochester, Minnesota who did not just die because of diabetic ketoacidosis, but because of high healthcare costs, is one example of the impact of catastrophic health costs.

The 26-year-old had just moved out of his parent's home and did not have enough money to afford his insulin. Like millions of others around in the United States, he did not have any form of health insurance. He decided to ration his remaining supply until his next paycheck, but unfortunately, he was not able to make it as he died in his apartment from a condition that never should have occurred (Cutler, 2020).

Alec's story is extreme in its outcomes, but not in its outlines. It has been reported that people who face higher costs for medical care are diagnosed with cancer at later stages of the disease due to unaffordability (Cutler, 2020). Even very sick people use less care when their OOP costs rise.

Achieving an effective UHC can help reduce the financial burden of healthcare. However, what do you think the best way is to do so?

Option 1:

**Ensure Health
Care for All**



A Primary Drawback of This Option:

This option says that healthcare is a basic human right, and the fairest way to ensure its fulfillment is to create a government health insurance program like Medicare in the USA, National Health Insurance in South Africa, or the National Health Service in the UK. The coverage ensures health coverage regardless of job, income, or medical history.

This is essentially a nationalized option where the population contributes to a single pool and the government acts as the single beneficiary of the health system. This eliminates competition while allowing every citizen to access healthcare on a 'free' basis. This option says that a single government insurance program would be more cost-effective, easier to navigate, and fairer to all.

A Primary Drawback of This Option:

This is a drastic OVERHAUL of the health system that would eliminate PRIVATE, job-based insurance. It would create a huge new GOVERNMENT bureaucracy responsible for our health care.

Trade-Offs and Downsides

There is a possibility of higher taxes and the quality of healthcare services could be threatened if governments push hospitals and doctors to reduce costs.


- Eliminating private insurance would leave privately insured people no choice but to join a public health plan whether they want to or not.
- Using government power to force prices down interferes with the market place and hinders new drug development and innovation in medicine.
- There is generally poor trust in governments to deliver effective and efficient healthcare due to conflicting political interests, national priorities, power, and corruption. For example, in Cameroon, although there is a cost implication, citizens tend not to use government facilities due to poor management which results in long waiting times for vaccinations and contraceptives.

Questions for deliberation . . .

1. This option gives the government more responsibility for the healthcare system. Do you think that government would do a better job than private insurers do now? Why or why not?
2. Moving from our current system, which includes government and private insurance, to a single government-managed insurance system would be a major change. For instance, many jobs in the insurance industry would be lost. What other kinds of unintended consequences should we worry about?
3. Would this option be efficient for the delivery of specialized care? If not, why?

Option 2:

Let People Make Their Own Choices

A central illustration features a large, light blue hand holding a teal caduceus. Surrounding this central figure are several smaller caducei in various colors: yellow, green, pink, red, orange, and gold. The caducei are arranged in a circular pattern around the hand, with some overlapping. The background is white.

This option says that the most important way to improve our health system is to bring health prices down. And the best way to do that is to give citizens the responsibility for making their own choices about their health. Therefore, no one should be compelled to pay for coverage that they do not want or that they do not think they will need.

The government should be kept out of health care. Therefore, everyone should be able to choose the health plan that is best and most affordable for them or not have health insurance at all if they choose to.

Furthermore, this option suggests that making prices publicly available and easily understandable would drive competition among health providers thus bringing prices for health services down. This allows consumers to make their own choices about what is best for them.

This option says the most important way to improve our system is to bring down prices. And the best way to do that is to give citizens the responsibility for making their own choices. No one should have to pay for coverage they don't want or don't think they will need.

Some people want just enough insurance to cover a medical catastrophe. This option says that no-frills plans, which cost less and offer few benefits, should be made available without restrictions.

This option says that making prices publicly available and easily understandable would bring down costs by allowing healthcare consumers to make their own choices, thus driving competition among providers.

People who cannot afford private healthcare can still fall back on the safety net of public hospitals or emergency rooms.

This option argues that the best way to bring about high-quality care at affordable prices is to give people the freedom and the information to choose what is best for them.

A Primary Drawback of This Option:

Many people with little or no insurance will DEVELOP health problems or die of diseases that could be treated if caught early. Neglect leads to higher costs in emergency rooms and public hospitals, for which we all end up paying. And this option does not directly address OVERALL costs.

Trade-Offs and Downsides

Stripped-down plans may not catch health problems early or cover unexpected illnesses and injuries. People could end up with more complicated, expensive conditions that their plans won't cover.

□ People who are sick or injured do not have time or inclination to 'shop' for treatments. Posting prices could also drive prices higher once some providers realize they are charging less than their competitors.

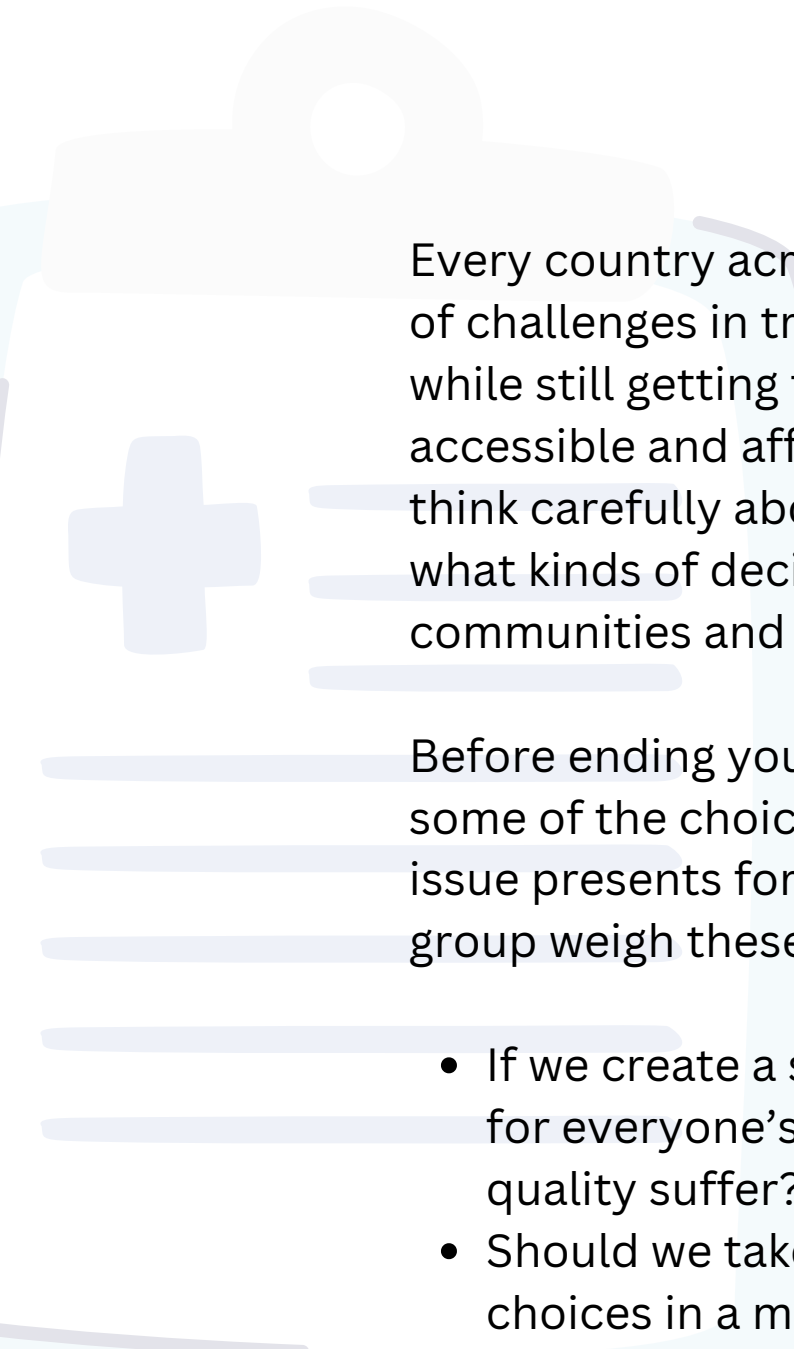
□ Health becomes a commodity and profit-making and not for the well-being of society. There is also an assumption that health is an individual quest/choice and excludes the importance of the health of the population.

□ This option is not applicable in LMICs plagued by poverty and health system constraints where one billion people are unable to access critical health services because of affordability.

Questions for deliberation . . .

1. How realistic is it to expect people to shop around for insurance plans? Are most insurers clear about what they will cover? What should happen if they aren't?
2. Do people have the knowledge to choose wisely among doctors and hospitals? Is it fair to ask this of people facing life-threatening situations like contraceptives in the case of Cameroon?
3. This option argues that people who don't need many healthcare services shouldn't have to pay for them. But experts say costs will rise for older and sicker people if healthier people aren't in the pool. Is it fair to require healthy people to buy coverage they don't see a need for?

Closing Reflection



Every country across the world faces a daunting set of challenges in trying to lower healthcare costs while still getting the needed healthcare in the most accessible and affordable way. It is important to think carefully about what matters most to us and what kinds of decisions and actions will enable our communities and countries to thrive.

Before ending your forum, take some time to revisit some of the choices and tensions the healthcare issue presents for us. For example, how does your group weigh these choices?

- If we create a single government program to pay for everyone's health care, would taxes rise and quality suffer?
- Should we take responsibility for our own choices in a more transparent and competitive marketplace even if that means those who make poor decisions will suffer the consequences?
- Some important questions to consider are: What do we agree on? What do we need to talk more about? Whom else should we hear from? What more do we need to know?

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