

# **Universal Health Coverage in Africa**

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# Introduction

- Health status in Africa has improved over the last two decades.
  - Life expectancy in 2011 was 56 years, an increase of 6 since 1990s;
  - Maternal mortality has fallen from 800 deaths per 100, 000 in 1990s to around 500 in 2010.

# Introduction...

- However, Africa has the worst indicators in the world for:
  - General health;
  - Maternal health;
  - Newborn health.
- *Health service delivery systems, and health financing policies are partly responsible for this situation.*

# Health Service Delivery Systems in Africa

- In 1960-970, African governments expanded health service infrastructure considerably;
- Governments established or strengthened a pyramid of health facilities (health posts, dispensaries, general hospitals, and *referral* hospitals);
- In principle, people could access service at any level of the pyramid through referrals;
- The pyramid was funded by taxpayers, communities, and donors;
- Services were free or highly subsidized.

# Service Delivery Systems...

- A small private sector (in some countries) and traditional healers (in all countries) complemented or replaced the pyramid.
- The pyramid is still the dominant system of *service delivery* in public sectors in Africa.

# Service delivery systems...

- *Disadvantages* of the pyramid:
  - The poor are excluded from quality services – referrals are negligible;
  - General & referral hospitals are in urban areas (85% of the population is rural);
  - Travel costs of accessing free or subsidized care are high.
  - Hospitals take largest shares of budgets.

# Service coverage and health status

- Given a service delivery structure, coverage is determined by the financing method;
  - In a pyramid, quality services provided in *hospitals* are used by people with insurance or high ability to pay;
  - People without insurance are excluded from sources of quality services.

# Service coverage and health...

## Notes:

Note #1: UC (universal service coverage) is a means to *health* (but not the only one);

Note #2: Social determinants of health (WHO, 2008) should be part of universal coverage;

Note #3: Health insurance is a means to UC, but not the only means;

Note #4: *Non-financial* barriers to UC need to be addressed (e.g., transport & staff shortages, behavioral and cultural factors...).



# Progress in Social Health Insurance in Africa

- 1970s and 1980s, National Hospital insurance fund (NHIF) in Kenya covered 11% of population (coverage was restricted to formal sector employees);
- In Egypt, Health Insurance Organization (HIO) covered 35% (benefited employees).

# Social health Insurance...

- In Ethiopia, coverage was  $<.1\%$ .
- In 1970s and 1980s, social health insurance schemes or laws establishing them were limited.

# Social health insurance...

- In 2000-2013 period, social health insurance landscape in Africa changed;
- Practically all countries embraced social health insurance as a concept;
- The concept is yet to be implemented; only a few countries have tried it.

## Why social insurance in Africa now?

- Democratic reforms in 1990s seem to be correlated with enthusiasm for social insurance in Africa;
  - In Kenya, one party system was abolished; Nigeria returned to civilian rule; South Africa abolished apartheid;
  - More recently, major spontaneous political changes occurred in North Africa.

# Why reforms now?...

- ❑ People are expressing preferences for *inclusive* health policies through *competitive* politics, and leaders are listening.
- ❑ However, *capacity* to implement good policies is lacking.

# Expectations and further progress

- Universal coverage will improve health status and health equity in Africa & strength economies because good health is a key factor of production.
- Proposals for achieving universal health coverage in Africa (to African governments & partners):
  - Reform the pyramid of service delivery;
  - Implement policies that address financial and non-financial barriers that prevent the poor from accessing quality services.

# Service delivery reforms

- Compress the pyramid and move hospital-type services closer to people; an example:
  - In Kenya, development interventions are being shifted to the county level (away from national and provincial levels).
  - Institutions to support this transformation are still being developed under the new constitution.
  - *Several* smaller hospitals can be constructed in counties (small administrative units), and existing large hospitals can remain as teaching and research centers. This is possible in all African countries.

# Financing reforms

- Health services in Africa are financed mainly by out-of-pocket payments (OOP);
- In 2010 private health expenditure accounted for 52% of total health expenditure (THE) on the continent;
- OOP in THE in Africa is high, ranging from **5%** in Seychelles and **7%** in Botswana to **80%** (in Guinea and **91%** (in Sierra Leone).
- Expenditure levels are low relative to other regions.



# Financing reforms...

- ❑ In 2010, per capita private health expenditure in Africa was US \$ 89 and per capita public spending \$ 43.
- ❑ In South East Asia, per capita spending was US \$ **58** and public spending \$ **21**;
- ❑ In the Americas and Europe per capita private spending ranged from \$**2,217** to **3,373** and public spending was **\$1679-1682**.
- ❑ The above patterns show the need to increase both the level and **productivity** of health expenditure in Africa.

# Financing reforms...

- The high OOP indicate the need to implement service *payment* and *complementary* mechanisms that promote service utilization by the poor.
- *Social* health insurance is an important mechanism for increasing service utilization.

# UHC Challenges in Africa

- The challenges facing UHC in Africa can be classified into three categories:
  - ❑ Delays in policy implementation;
  - ❑ Weak service provision & management infrastructure;
  - ❑ Non-integration of social determinants of health into national health systems.

# Conclusion

- ❑ Service coverage is a means to better health and health equity;
- ❑ Universal coverage can be accelerated through social insurance and investment in *decentralized* health infrastructure;
- ❑ Health system-wide investments are needed before implementation of social health insurance policies.

THANK YOU VERY MUCH