

Increased Public Funding on Health leads to Universal Health Coverage (UHC) in Nepal

CONTEXT:

Two out of every three deaths in Nepal are due to Non-Communicable Diseases (NCDs), while a quarter of deaths are attributed to Communicable, Maternal, Neonatal and Nutritional (CMNN) diseases. Although there have been enormous improvements in maternal and child health outcomes over the last two decades, there is still important effort to be done to reduce the impact of CMNN diseases. Therefore, understanding the Burden of Diseases (BoD) (death and disabilities) is essential for having appropriate allocation of resources and achieving the best health outcomes of every sphere of human beings. Careful consideration of BoD and health financing options can provide an opportunity to improve the efficiency of the health systems at federal, provincial and local levels.

SITUATION:

Causes of Deaths in 2017	If all the efforts will remain same	Causes of Deaths in 2030
Two-thirds (66%) of deaths are due to NCDs indicating the leading causes of death.		Four-fifth (78%) of deaths will be due to NCDs
One-fourth (25%) of deaths are due to CMNN diseases		One-seventh (14%) of deaths will be due to CMNN diseases
One in eleven (9%) deaths are due to injuries.		One in twelve (8%) deaths will be due to injuries
(Figure 1)		(Figure 1)

Source: GBD data

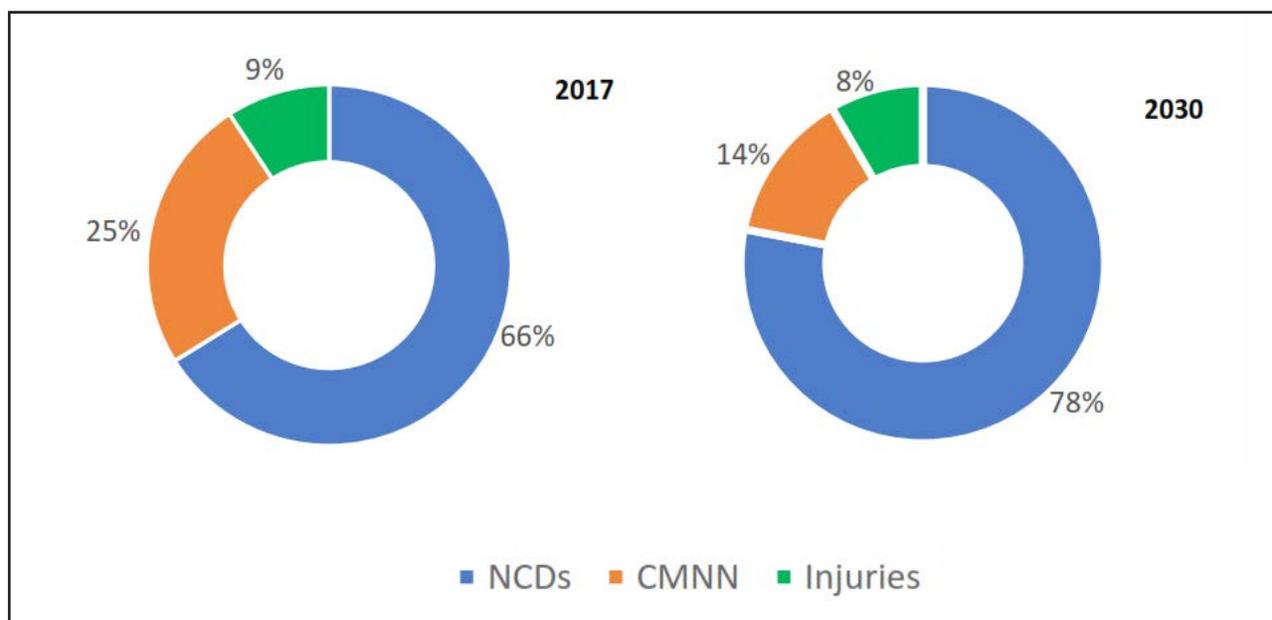


Figure1. Causes of deaths in 2017 & 2030



Prioritizing NCDs without deprioritizing CMNN conditions seem to be the major challenge as these conditions still contribute significant burden although the share in total burden of disease is declining.

Current health financing situation

- Around one-third (36%) of current health expenditure is due to NCDs
- One-fourth (27.4%) of population spend more than 10% of total expenditure on health.
- Slightly more than half of total Out of Pocket (OOP) expenditure goes for NCDs
- Approximately 6.4% of the total government expenditure on health goes for NCDs.
- Less than 1% of external development assistance for health in Nepal is for NCDs

Current health system (services) response situation

- Package of Essential NCD Interventions (PEN) has already been implemented in 16 districts of Nepal and is being planned to scale up in 30 districts of Nepal.
- Government of Nepal has been implementing health promotion activities for NCD control and prevention, such as tobacco control and control of alcohol consumption in Nepal. However, prevalence of tobacco and alcohol consumption has not been declined over the years in Nepal indicating urgency of more efforts in this regard.

UHC Situation:

World Health Organization (WHO) uses 16 tracer indicators from four service coverage categories namely: reproductive, maternal, newborn and child health, infectious diseases, NCDs, and service capacity, access and health security to track the progress towards UHC.

Situation of UHC in 2017		Situation of UHC in 2030
UHC coverage is 46% (Figure 2)	If all the efforts will remain same	UHC coverage will only be 57% although the SDG target for 2030 is 80% (Figure 2)

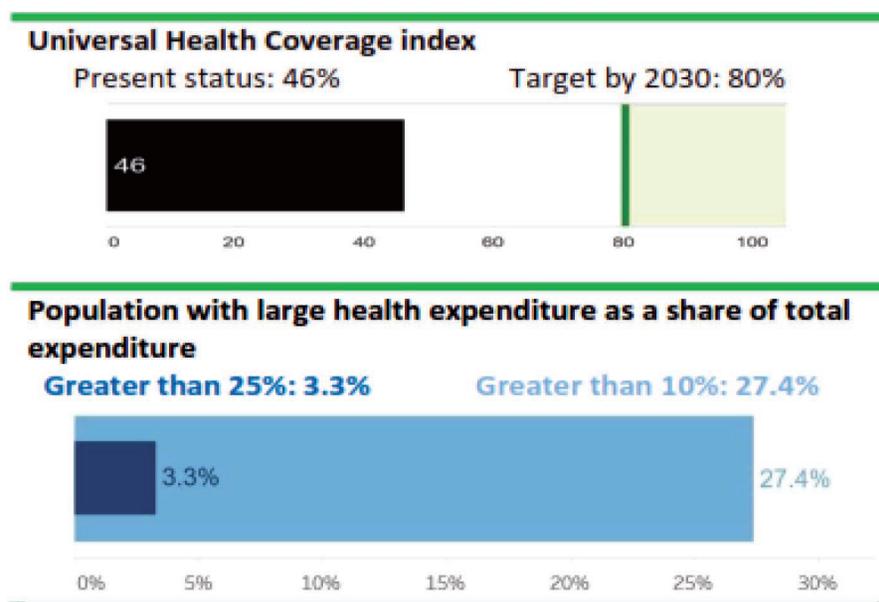


Figure 2. UHC index and share of health expenses within the total expenditure.

For achieving UHC, financial hardship people face during utilization of health services need to be reduced to negligible which requires reduction in OOP expenditure. One fourth of population (27.4%) shared more than 10% of their health expenditure out of total expenditure, but few people (3 in 100) shared one-fourth of their total expenditure for health related matters (Figure 2). NCDs is the major part of these expenditures. Appropriate strategy for reducing financial hardship will increase NCD service utilization and accelerate the UHC. Thus, achieving UHC without reduction of financial hardship relating to NCD service utilization does not seem feasible and realistic.

Gap for reducing financial hardship:

There is still a gap in accessing basic health care services, essential and quality medicines including diagnostic facilities without exposing the users to financial hardship.

WAY FORWARD:

- Conduct economic evaluations like cost effectiveness analysis which can guide the resource allocation and help in achieving efficiency, and implement WHO best buys for NCDs that relate to reduction in tobacco use, harmful use of alcohol, unhealthy diet and physical inactivity, and improving counselling and treatment of cardiovascular disease and diabetes, Hepatitis B immunization, screening and precancerous treatment. As per which, investment of US\$ 8 is projected to save US\$ 25.
- Implement interventions suggested by Nepal Non-communicable diseases and Injuries (NCDI) poverty Commission, which would help to achieve UHC by 2030. As per which, 9,680 premature deaths might have been prevented every year by the year 2030.
- Expand Social Health Insurance (SHI) along with improving quality of health care services as a strategy to reach UHC by 2030 as envisioned in Sustainable Development Goals (SDG). It is also necessary to ensure that SHI is harmonized with the social security program as well as insurance schemes of different agencies through Inter-ministerial collaboration in Nepal. Furthermore, reaching UHC through SHI will require high level geographical, population and service coverage. Having strategic balance between sustainability and coverage through careful consideration of premium amount, service coverage and population coverage is desirable, that need to reflect the changing BoD, willingness and capacity of population to pay for the coverage.
- Promote basic health service package including emergency health services
- Current investment in the health sector is inadequate so evidence based investment is the need to achieve UHC.

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Published by:

Government of Nepal

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