

Time to re-think health services delivery system

Can a poor country with a GDP per capita of less than \$800 have an efficient health services delivery system meeting the expectations of her population?

It depends on the way the healthcare system is designed. Obviously such a system should be one that discards traditional cosmetic approaches of pretending to offer adequate health services when the reality is that the resources at our disposal can never offer the efficient healthcare our population is increasingly yearning for.

Despite the challenges we face as a country, we have made progress. Reducing infant and maternal mortality to less than 40/1,000 and 330/100,000 live births respectively is no mean achievement.

With Malaria burden at less than 19%, over 90% immunisation coverage against most of the killer diseases and reducing the HIV prevalence rate to less than 7% resulting in average life expectancy crossing the 60 year mark, Government should be credited for her preventive approach stance that has been pursued for the past 25 years or so.

By all standards these are monumental achievements given our paltry per capita health budget of less than \$15. With our increasing population, expected to cross a 50 million mark in the next 10 years, coupled with increasing disease burden of the so called life style diseases, and health problems

associated with longevity, there is no conceivable budget allocation increase that can manage the health services delivery deficit we are facing today.

Some countries in Africa like Rwanda have made reasonable health care achievements. Rwanda credits herself with the highest penetration of health insurance in Africa. With per capita incomes of less than \$680, this poor country has showcased that a poor country can revolutionise her health services through the untraditional delivery approaches like community health insurance.

The last time I heard of a proposed health insurance scheme for Uganda was some seven years back, what happened? Are we about again to lose this very promising financing mechanism for our healthcare system. It will be very unfortunate.

I remember nostalgically how populist rhetoric of the Opposition made us abandon cost sharing in health centers.

Singapore, according to Bloomberg rating, has the most efficient healthcare system in the world. This is not surprising given that Singapore's per capita income is close to \$59,000, spending slightly above \$10b on healthcare, that is, a per capita health budget of \$1,750.

But despite these enormous resources spent on health services, Singaporean health system is financed through a mixed financing framework including a national life insurance scheme and deductions from compulsory savings scheme.



I know no successful health system in the world which depends on budgetary resources only – most health systems are driven by insurance schemes and a mixture of other financing mechanisms.

Even in countries like Sweden where close to 12% of GDP is spent on health, the patients meet some nominal fees related to examination and some related costs, but fees to the user are capped at around 2,200 Kr (\$18,000) per annum above which the government pays for the drugs for the remaining part of the year.

Yes, Sweden is a welfare state with most of her people employed in the formal sector, but this kind of approach of transferring some nominal burden to the patient is very instructive and we can learn a lot from it, of course with the necessary adjustments to capture our own socio-economic realities.

For example, as a beginning, the newly refurbished and re-equipped Mulago National Referral Hospital should be run on a user pays basis with the Government putting in resources to cover the viability gap, equipment, basic salary for medical workers and subsidising means tested individual citizens who may be found financially incapable of paying the subsidized rates.

A business model built on the outlines of operations and maintenance cost recovery should be seriously considered, otherwise in less than a few years this refurbished facility will go back to the dogs if we leave it at the behest of the Government budget support alone.

I have sniffed this well intentioned financing framework proposal from some quarters of corridors of power – but again, I hear some overzealous stakeholders spreading populist rhetoric guising themselves under the mistaken belief that nominal user pays will disfranchise the poor.

Actually user pays approach, if well managed and designed, (especially if a small percentage for purposes of universal reach is inbuilt in the charges paid by those who can afford) can help the poor more than the cosmetic free medical services that will never be.

Like the saying goes, prices and costs do not lie. Offering good health service is costly. We need to benchmark success stories.

The idea of health insurance should now be put on the national priority agenda. We have dilly dallied with this good idea for a long time

–we must start now. Ugandans are known for killing good ideas; it is nearly becoming part of our culture to argue that our people cannot afford to contribute dismally to the financing of our health system. This kind of argument is not backed by facts.

If one tries to understand how the poor people are fleeced in private unregistered medical clinics, and medical workers in public health centers and hospitals; we will appreciate that our poor, if well mobilised and sensitised, will be willing to contribute.

The government has removed a lot of financial burden from the poor – free primary and secondary education, removal of graduated tax and other local taxes on informal business (Gonja-muchomo-cassava roasters), students loans for tertiary education etcetera.

This should be the basis of introducing some nominal financial burden in meeting our health needs. Of course every good idea will have to have a start that may not be as good as the intention, but there must be a start.

A phased approach with some well worked out pilot schemes in areas where poverty levels are lowest like in the Ankole, Kigezi and Buganda regions, is the way to kick start this.

**** These are my personal reflections. Nothing in this article should be interpreted to mean some kind of government thinking on the matter.**