

Can people afford to pay for health care?

New evidence on financial protection in Lithuania

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WHO Barcelona Office for Health Systems Strengthening

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New evidence
on financial protection
in Lithuania

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Lithuania



Part of a series of 25 in-depth
country reports published by
WHO

Prepared by national and
international experts: lead author
Liuba Murauskienė

Data from Statistics Lithuania's
household budget survey:
2005, 2008, 2012

Leading to a regional analysis

Congratulations
on your 100th
anniversary!

Universal Health Coverage (UHC)



- ✓ **all people** should have
- ✓ **access** to needed health services of sufficient quality to be effective
- ✓ **without financial hardship**

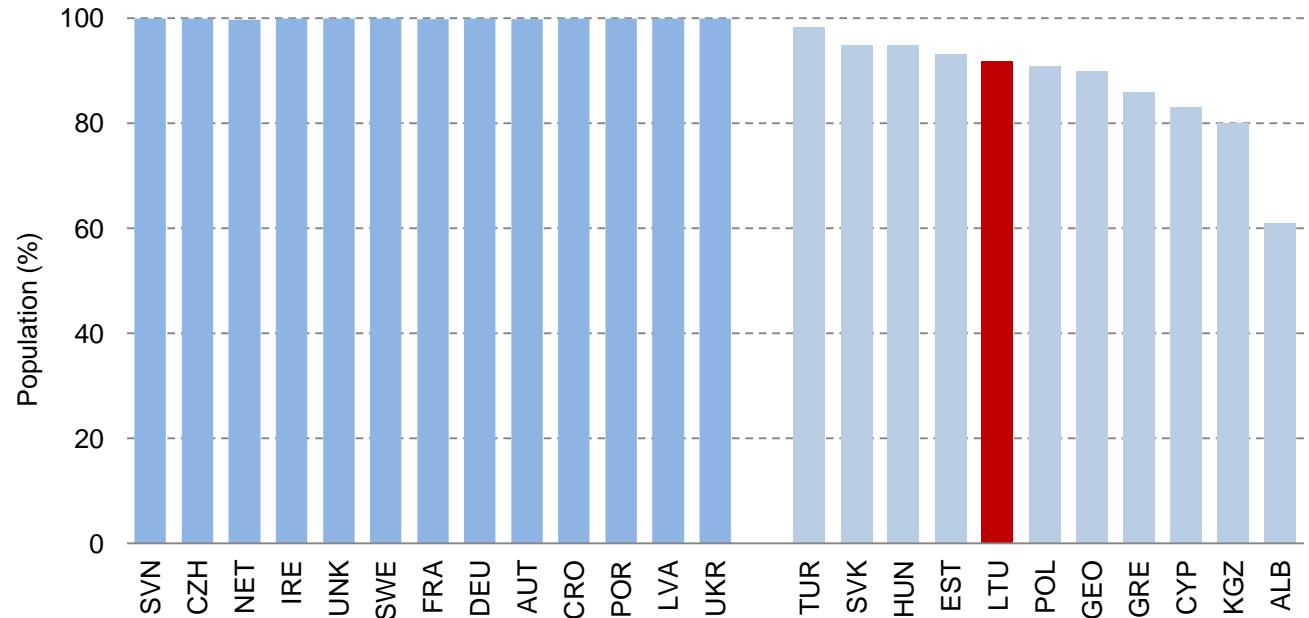
prevention
promotion
treatment
medicine
rehabilitation
palliative care

Leaving no one behind



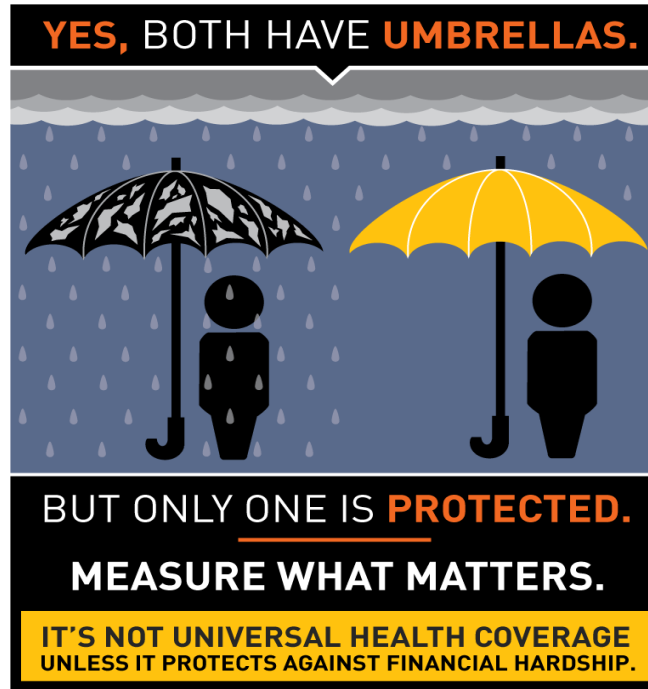
Time for universal population coverage in Lithuania

100%



Countries ranked by share of the population entitled to publicly financed health services

The umbrella needs to be watertight



Weak financial protection may lead to a choice between:

**Financial
hardship**

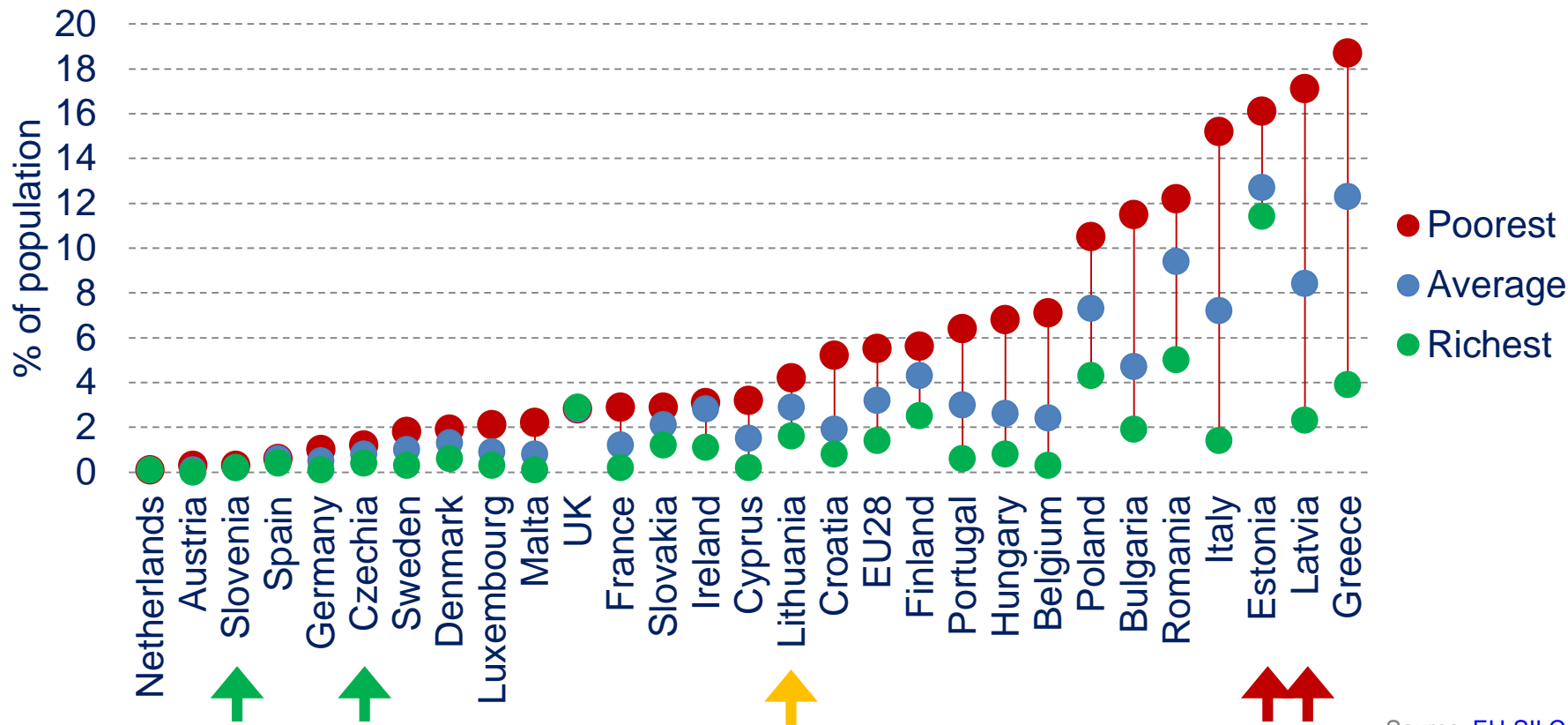


**Unmet
need**



Unmet need: much better than your neighbors

Unmet need for health care due to cost, distance or waiting time by income group in the EU in 2015



But unmet need has increased and inequality has grown since the crisis

Unmet need due to cost, distance or waiting time by income group, 2005-2015

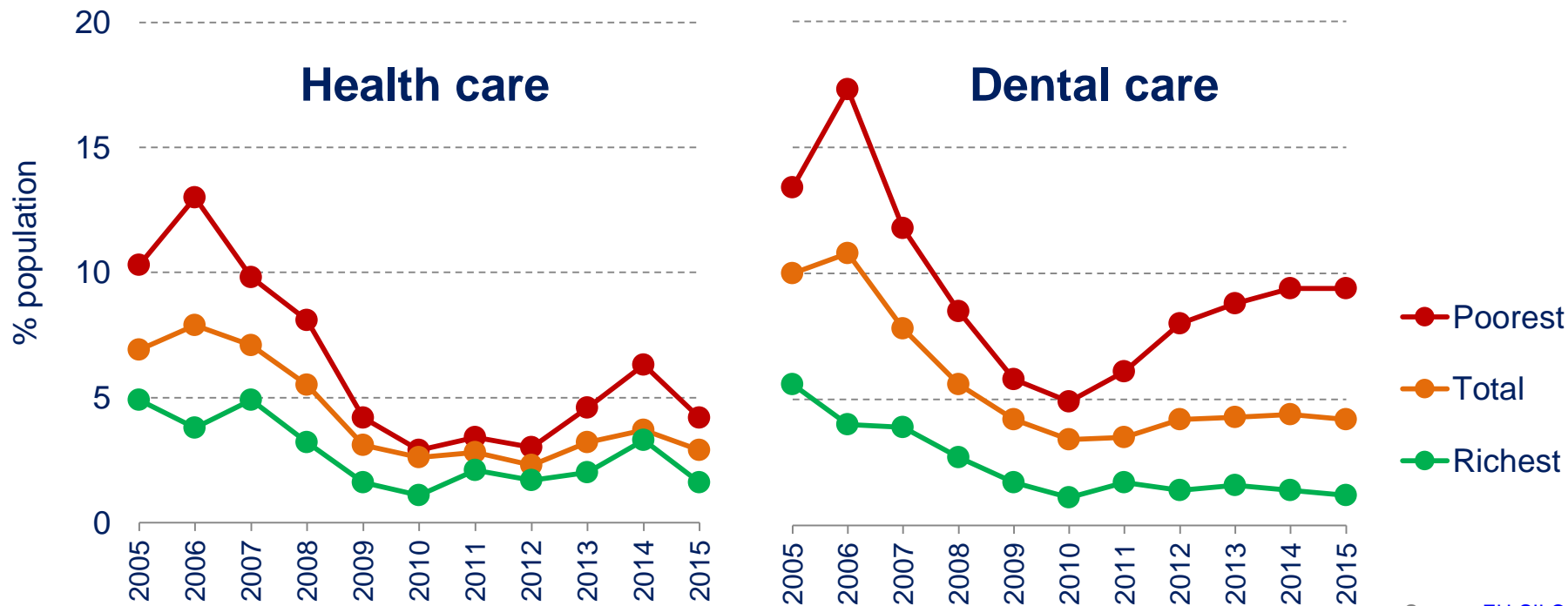




Photo: Chris Thomond, The Guardian

Financial hardship
is an outcome of
using health services
and medicines and
having to pay for them
out-of-pocket

Due to out-of-pocket payments, people may not spend enough on basic needs – food, housing, heating – or may delay seeking health care

Two measures of financial protection

**Catastrophic
out-of-pocket
payments:**

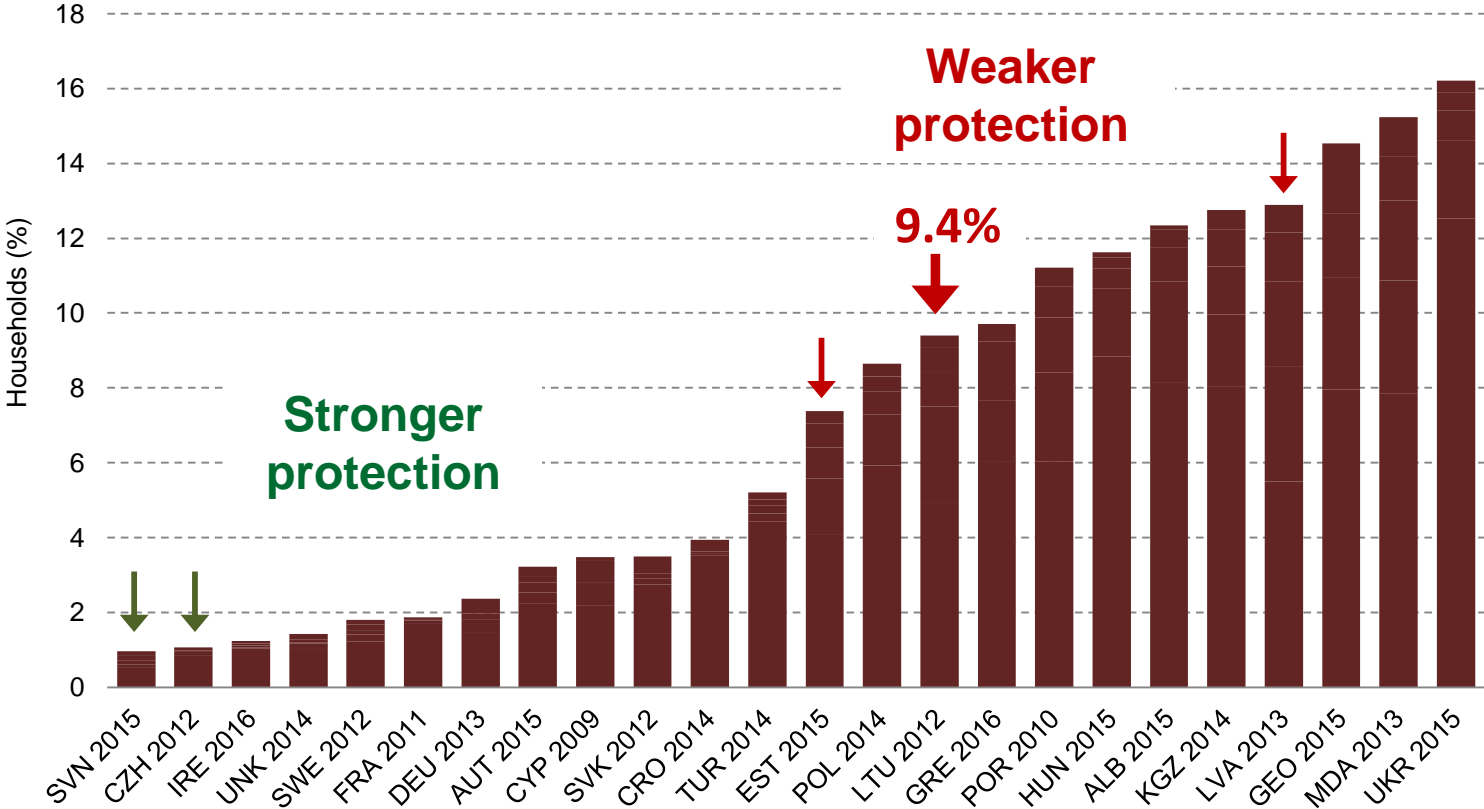
OOPs > 40% of a
household's capacity
to pay for health care

**Impoverishing
out-of-pocket
payments:**

OOPs that push
households below (or
further below) the
poverty line

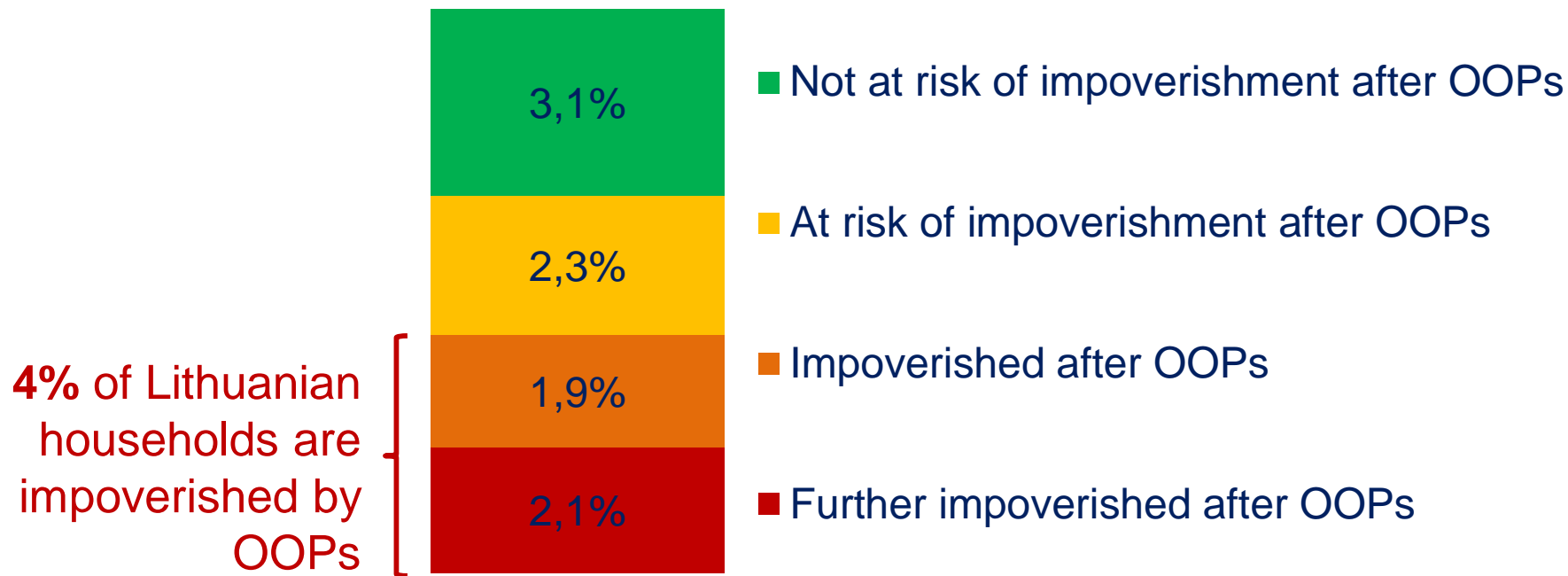
Calculated using routinely collected data on household spending

Households with catastrophic out-of-pocket payments



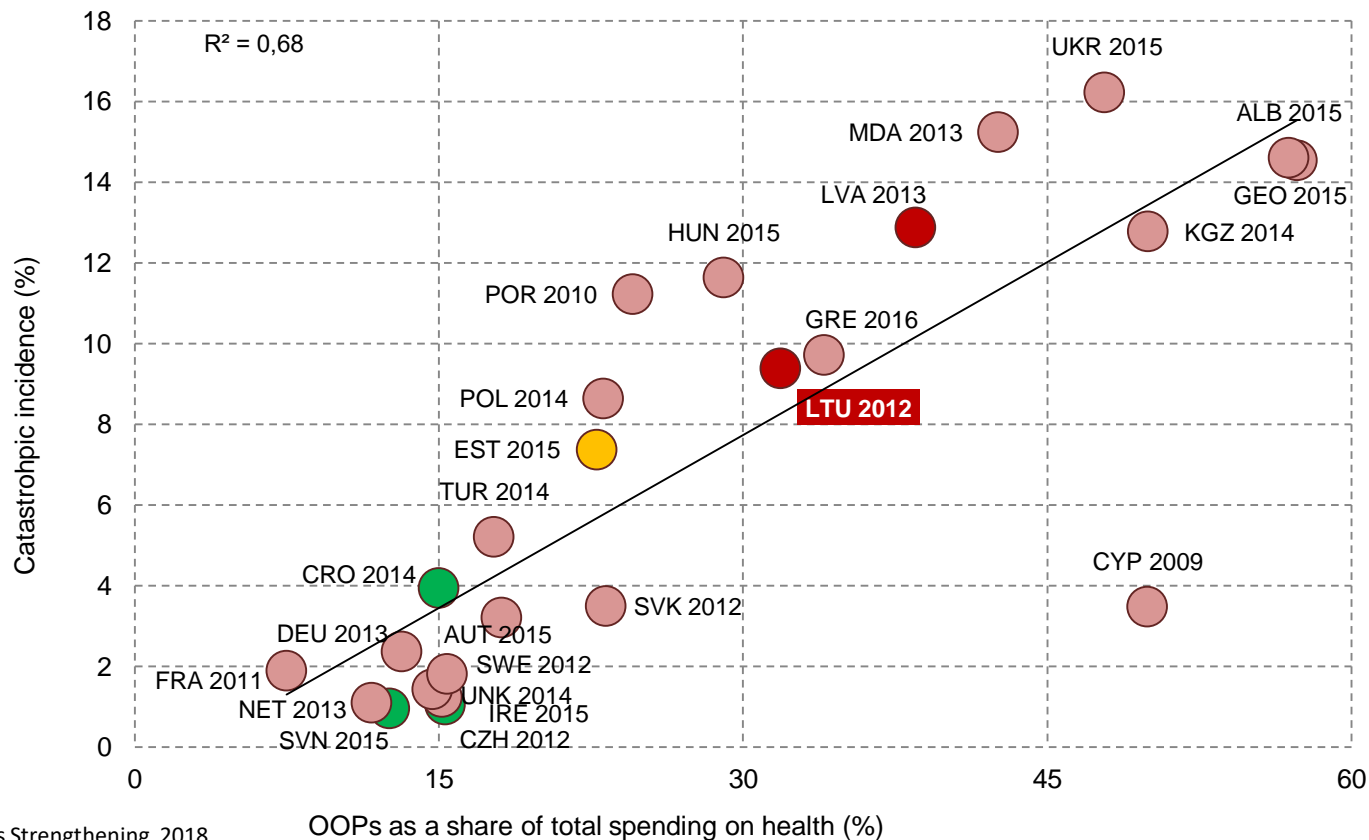
Source: WHO Barcelona Office for Health Systems Strengthening, 2018

Breakdown of households with catastrophic OOPs by risk of impoverishment



Financial protection is stronger where out-of-pocket payments are low, but coverage policies also matter

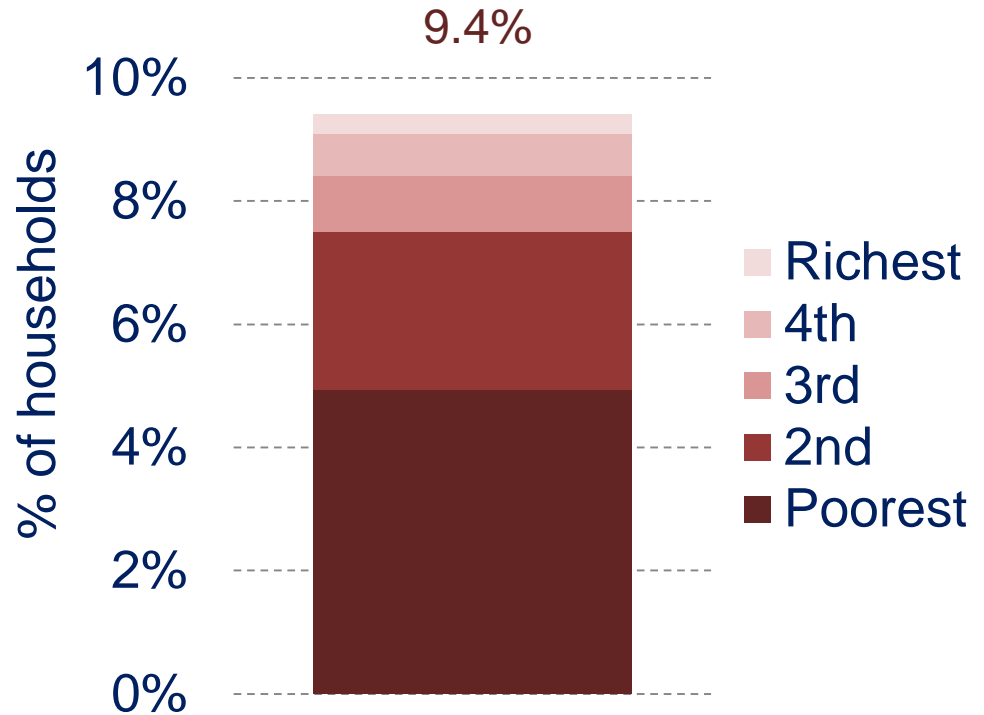
<15%
with pro-poor
policies



✓ Focus on poorer people

Breakdown of households with catastrophic OOPs by income quintile

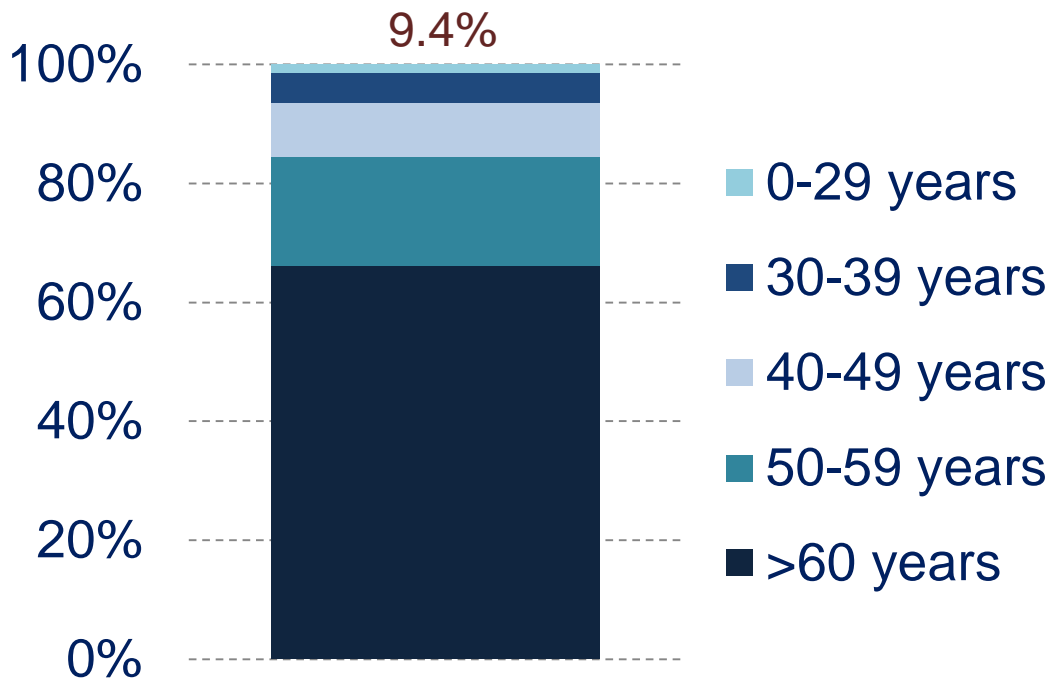
1 in 4 households
in the poorest
quintile has
catastrophic
OOPs



✓ Focus on older people

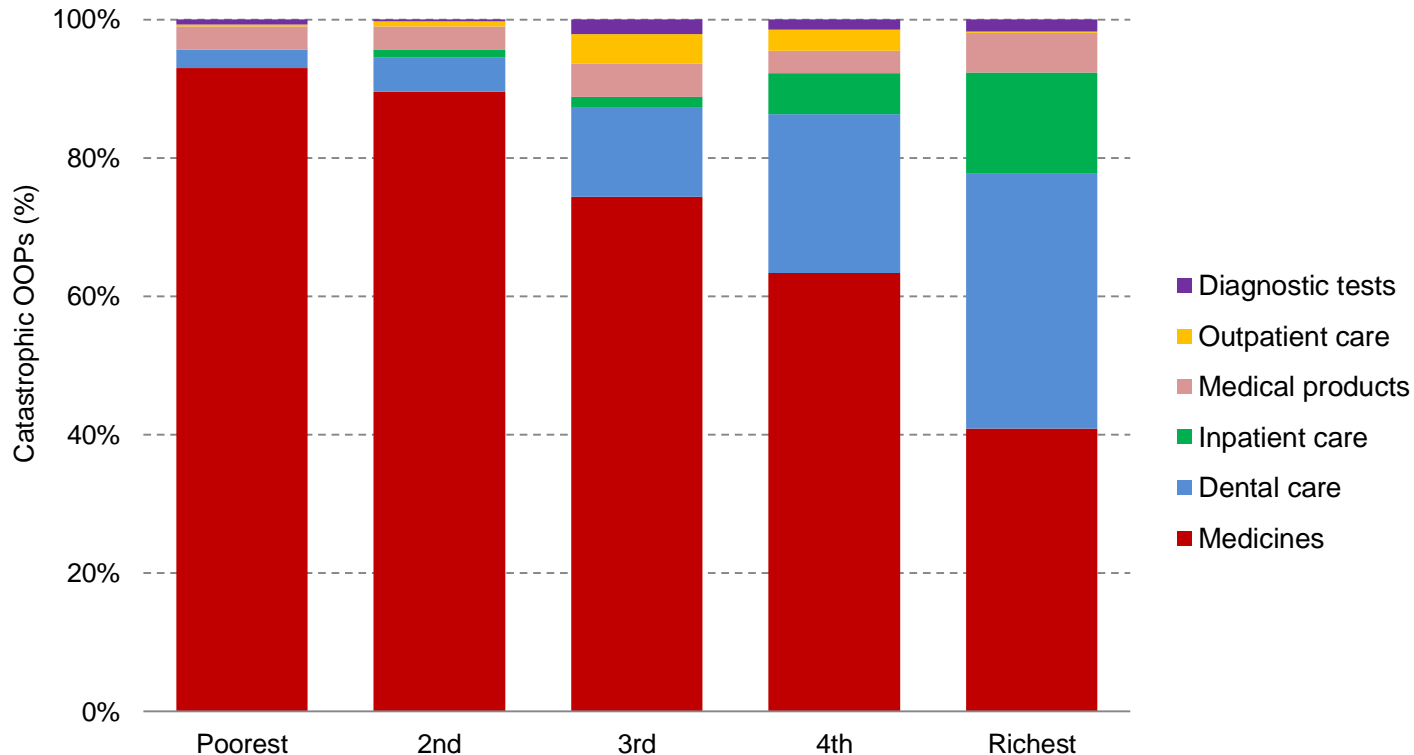
Breakdown of households with catastrophic OOPs by age

66% of households with catastrophic OOPs is headed by an older person



✓ Focus on medicines and dental care

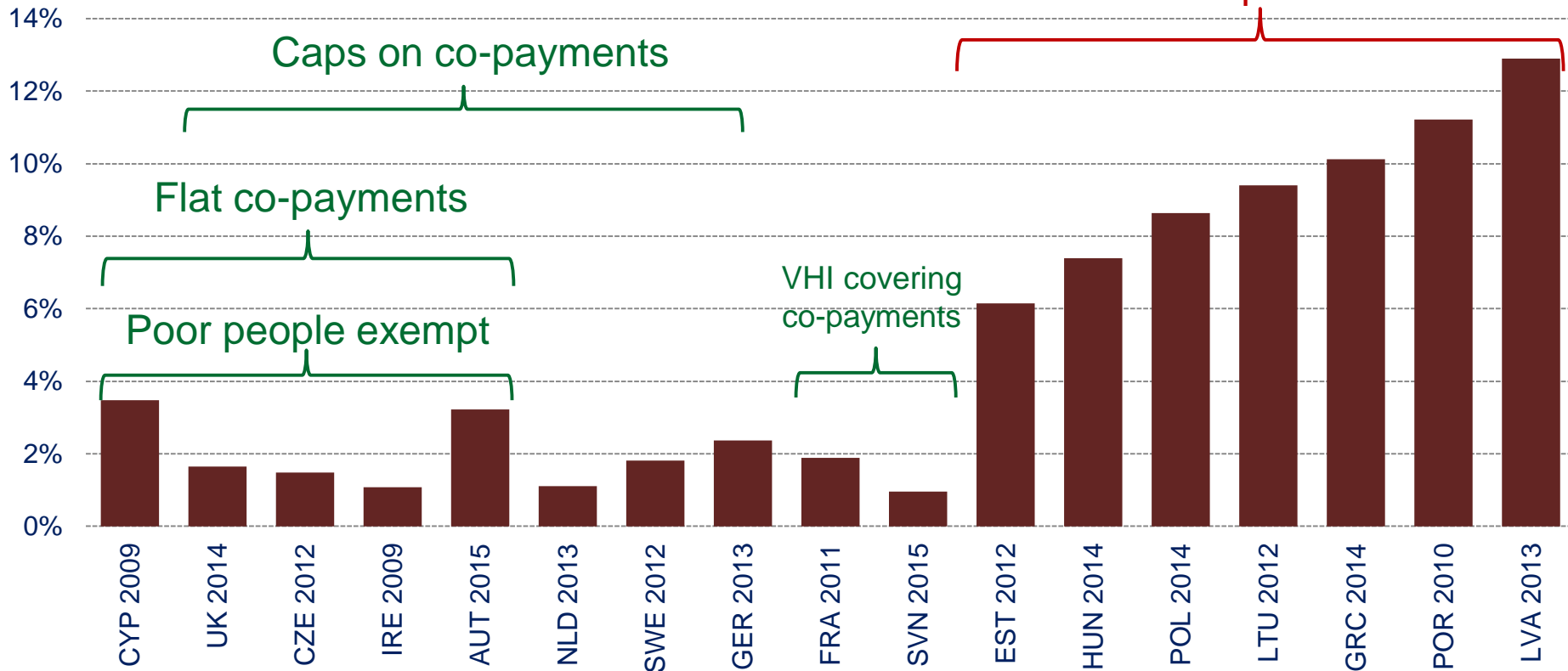
Breakdown of catastrophic OOPs by type of health care and by quintile



✓ Improve co-payment design

Stronger financial protection

Percentage co-payments + limited protection



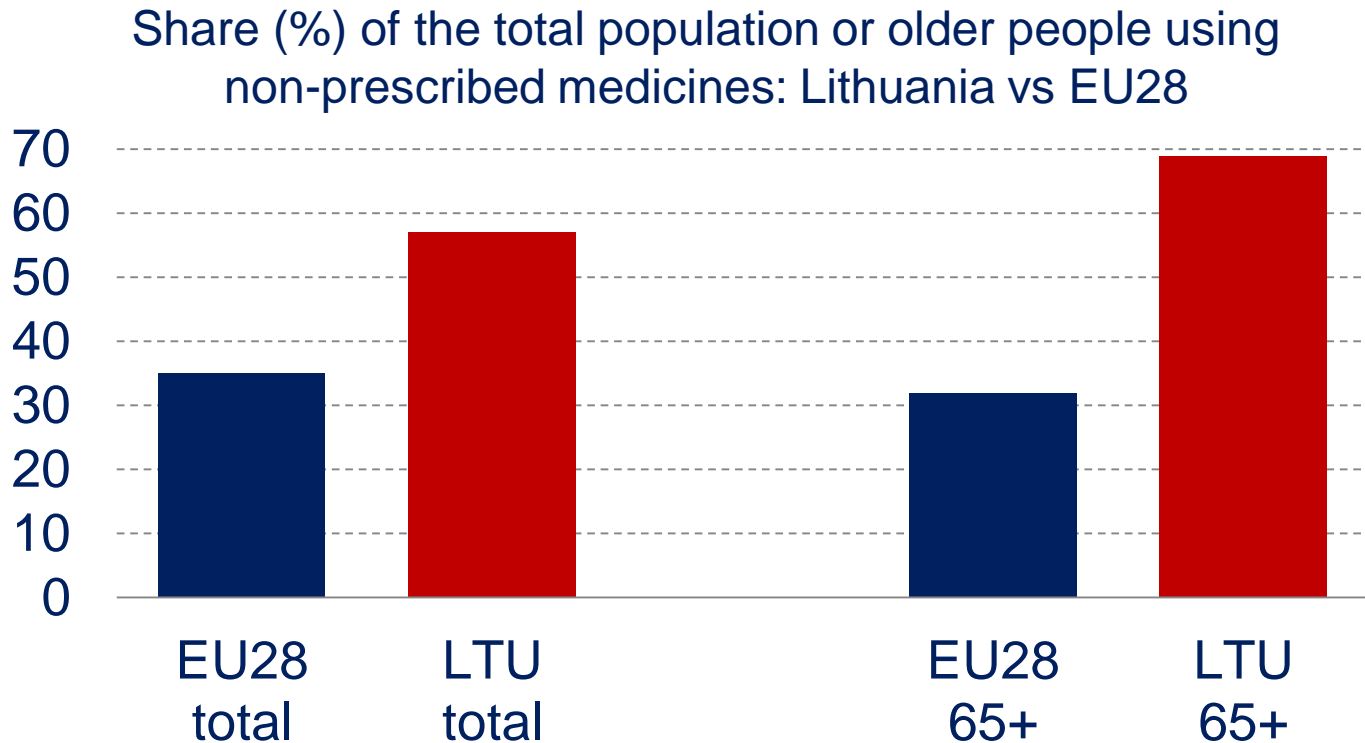
✓ Learn from strong performers

There is a lot to be learnt from co-payment design in countries with stronger financial protection:

- ✓ avoid percentage co-payments
- ✓ exempt poor and regular users
- ✓ cap co-payments for patients per year

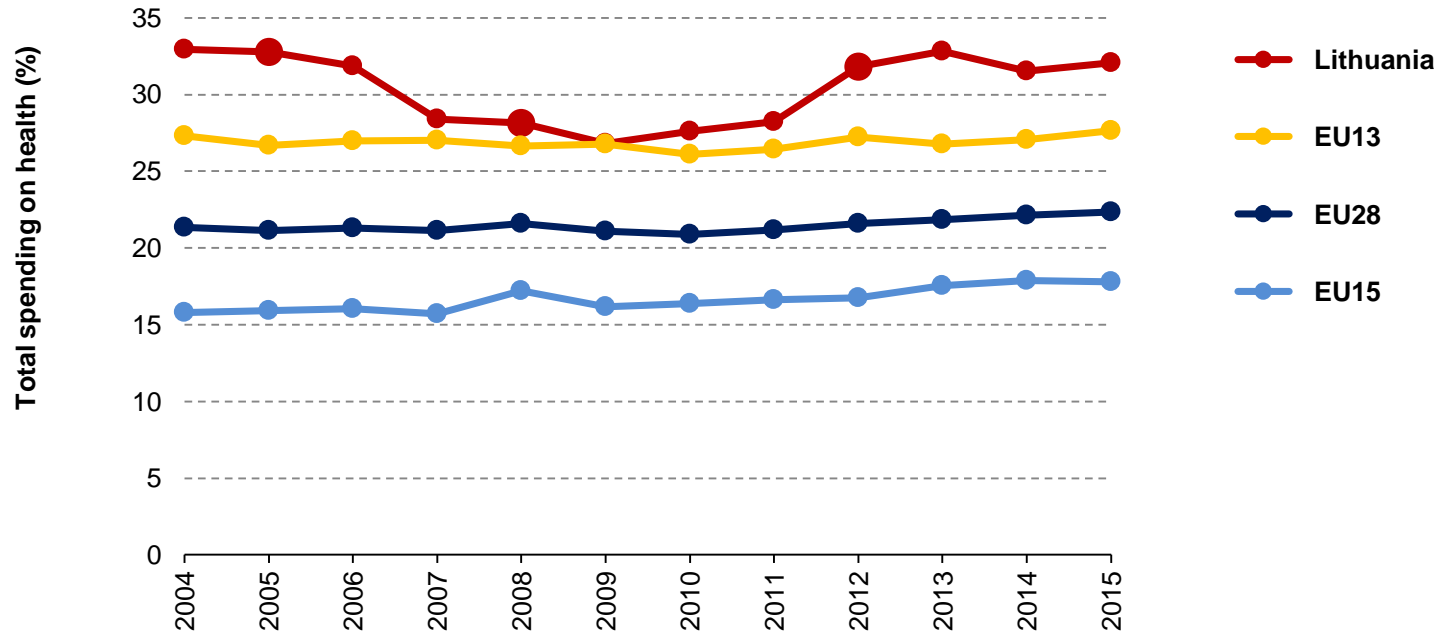
Stronger coverage design would improve access, financial protection – and efficiency

✓ Focus on all medicines, not just prescription

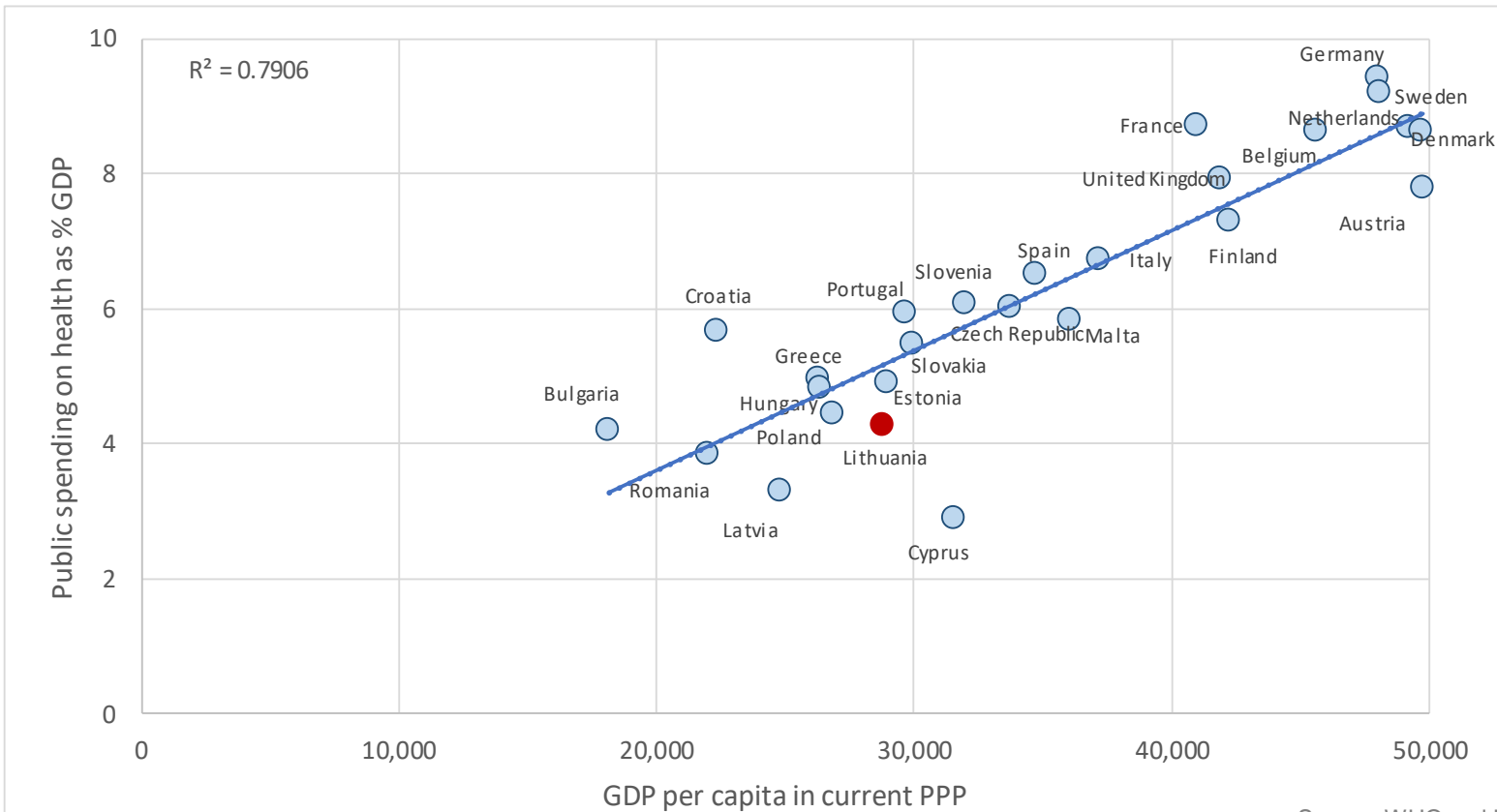


✓ Reduce the OOP share of total spending on health

The OOP share of total health spending is high and has been rising



✓ Increase public spending on health – it is a political choice



Use additional public funding for pro-poor coverage policies



On your 100th anniversary,
make a commitment to
improve financial
protection.
Everybody needs a strong
umbrella