Sustainable Universal Health Coverage in the context of population ageing

Leading Health Reforms in the 21st Century

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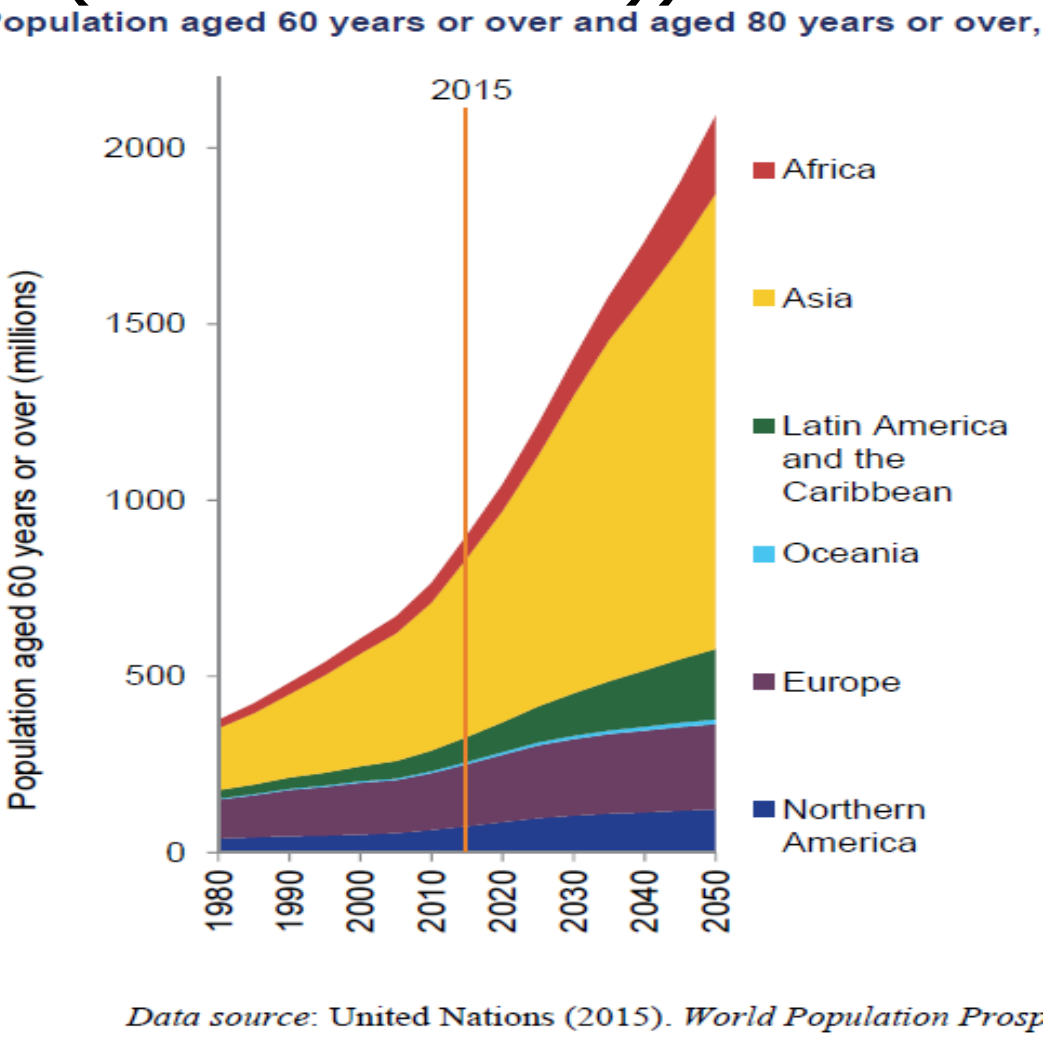
Overview

- Why population ageing is an important issue for ASEAN countries
- Health care as a human right: implications for the design of UHC
- Policy issues in moving towards progressive realization of UHC in light of population ageing

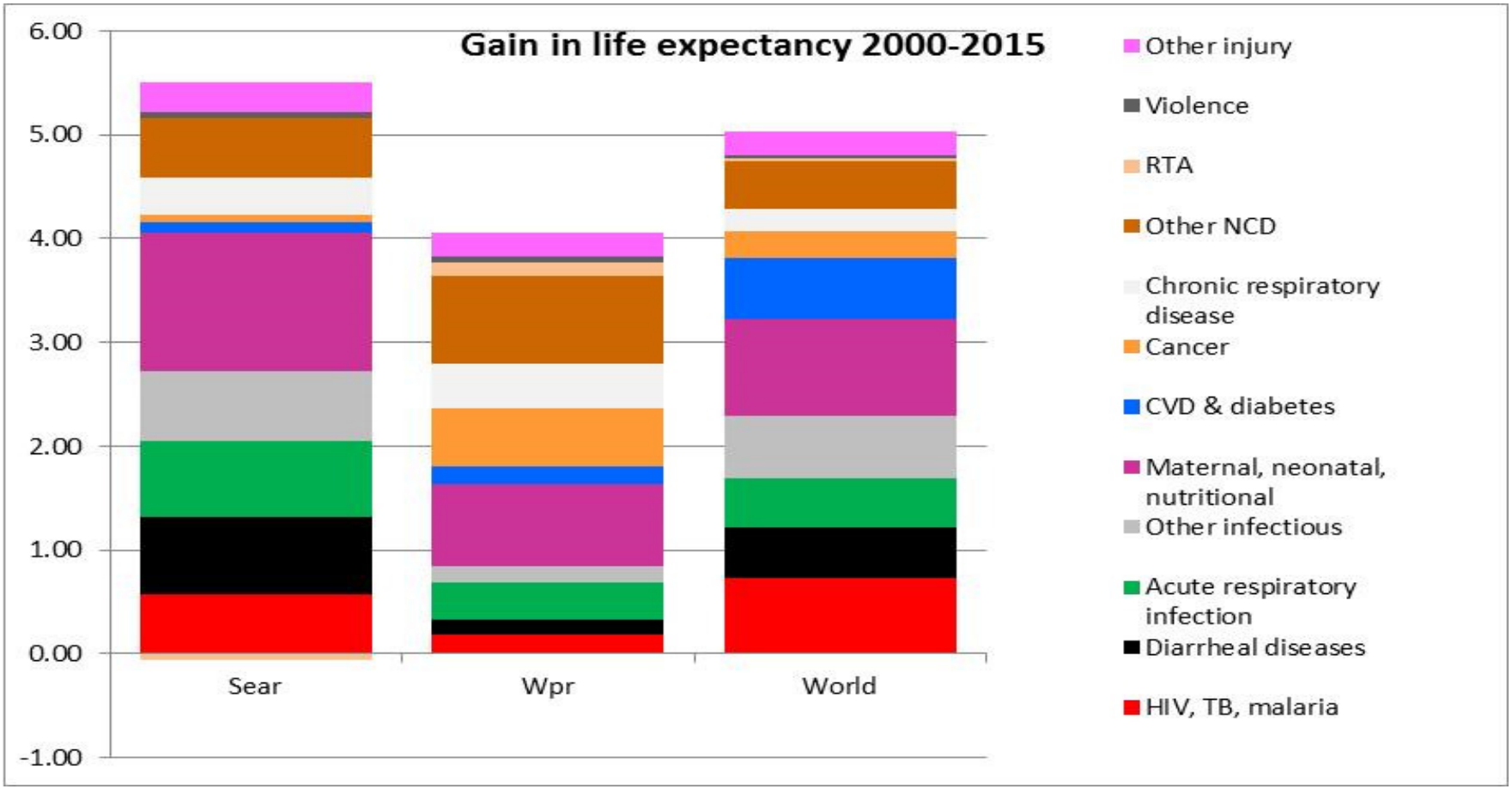
Ageing: most challenge facing health system of the future (UNDESA 2015))

- Between 2015 and 2050: share of >60 will increase from 12% to 22% of the population globally
- By 2050, 80% of older people will be living in low- and middle-income countries, mostly in Asia.

Sources: WHO Ageing and Health Factsheet #404 Sept 2015; UNDESA World Population Ageing Report 2015.

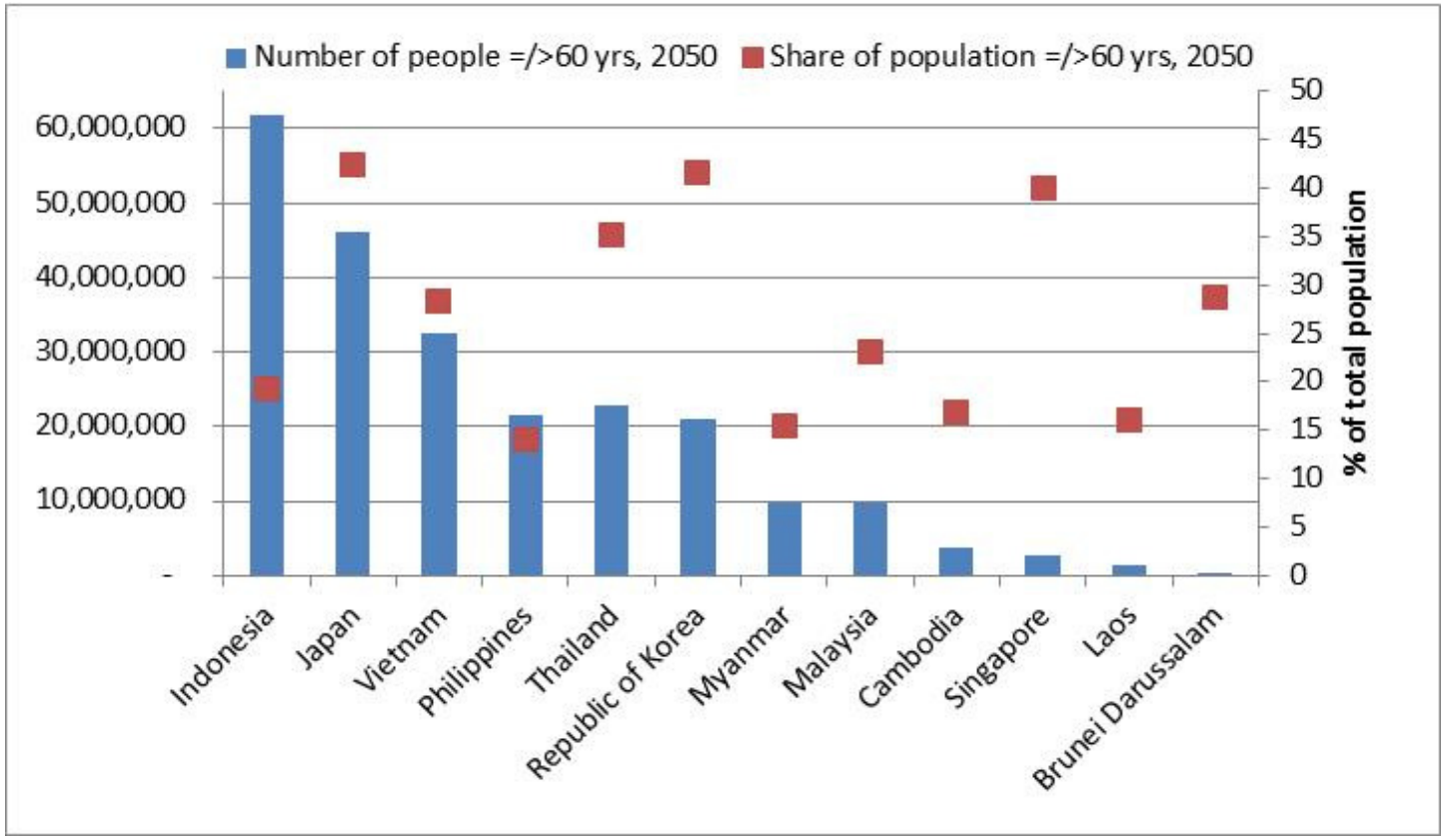


Change is happening quickly: Increases in LE of 4.1 years in WPR, 5.5 years in SEAR (2000-2015)



Source: Colin Matters, Somnath Chatterji, forthcoming 2017

Population 60 years or older: Number and share of total population, 2050



Sources: UNDESA database 2017

Universal health coverage under SDGs: renewing existing commitments

Universal Declaration of Human Rights, 1948, and embedded in national constitutions to promote social cohesion:

Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control

Health as a human right: implications for design of UHC

- Reflects the values of equity, fairness and social solidarity.
- Health care is not a commodity, employment perk or privilege, but it is a right for all.
- No single model of UHC – successful programs vary and the starting point is the country context.
- No country has fully "achieved" all UHC objectives, but many have embarked on an ongoing process of progressive realization.

Progressive realization of UHC

Relevant to all countries because similar problems exist

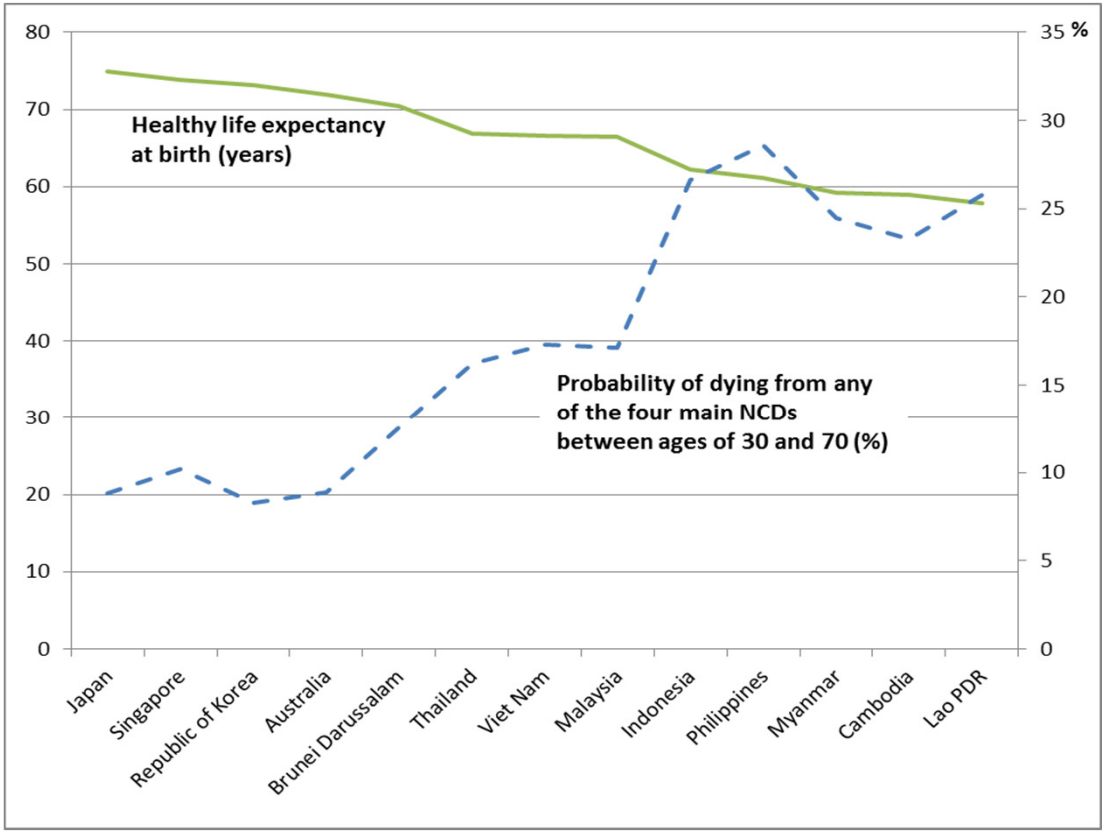
- Rapidly increasing health care costs
- Lack of protection from catastrophic health care payments
- Variations in technical quality
- Services not responsive to people's needs or expectations
- Lack of access to cost-effective health care
  - poverty, lack of insurance coverage, geography/rural or remotes are, age, sex, or discrimination, lack of incentives for the provision of essential cost-effective procedures

(Three) practical questions about moving towards "sustainable UHC"

- Are there sufficient resources?
- Are the service delivery models appropriate?
- What are the governance implications?

…*And how population ageing affects policy responses*

Will people be healthy as they age?

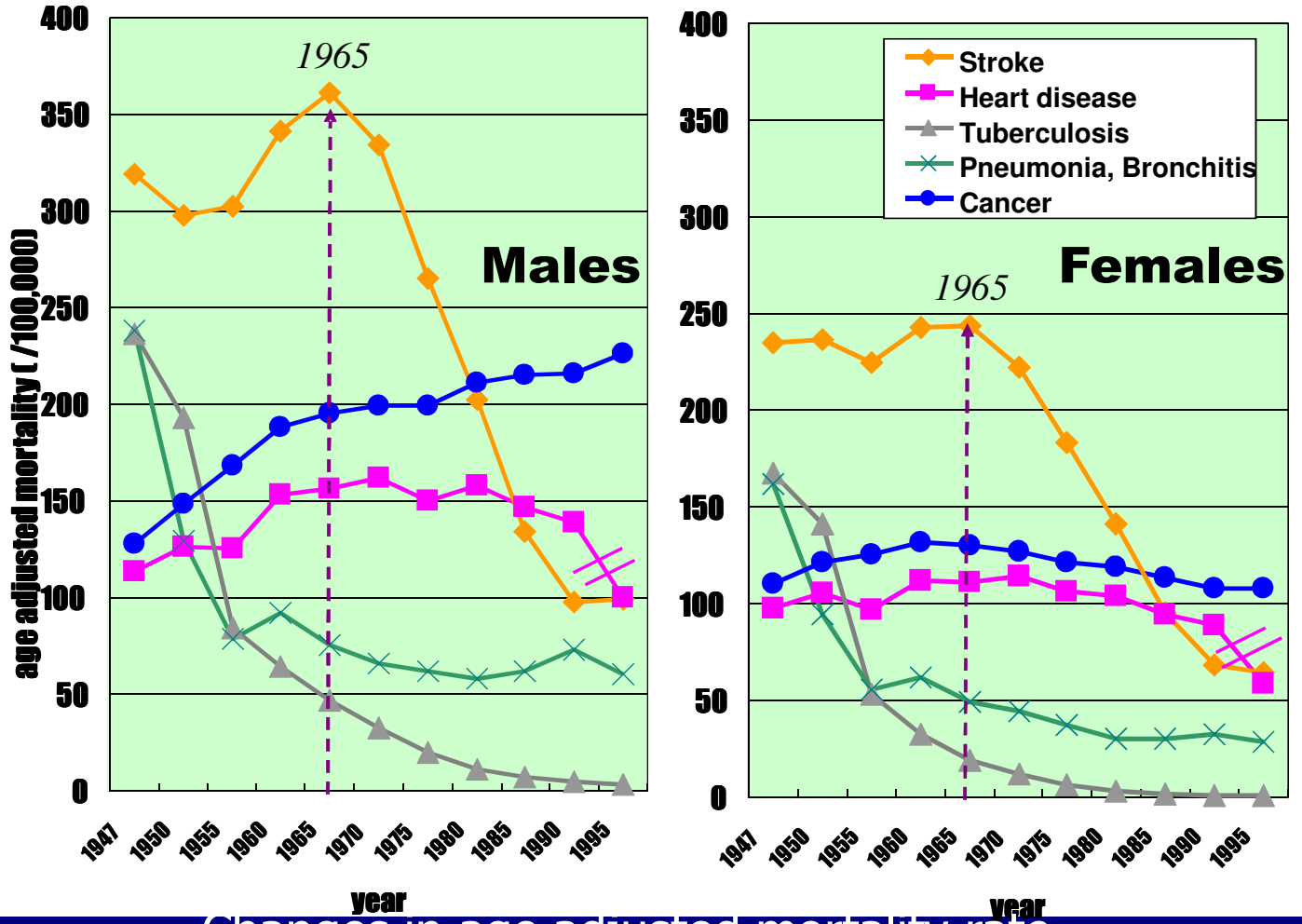


Healthy life expectancy at birth (years) and probability of premature death from any of cardiovascular disease, cancer, diabetes or chronic respiratory disease between age 30 and exact age 70, by country, 2015 (WHO 2017)

Longer LE without improvements in health status may increase demand for services over a longer lifetime –

resulting in higher overall health expenditures and lower quality of life.

Power of prevention: Health improvements are possible and change can be fast: stroke mortality reduction in Japan

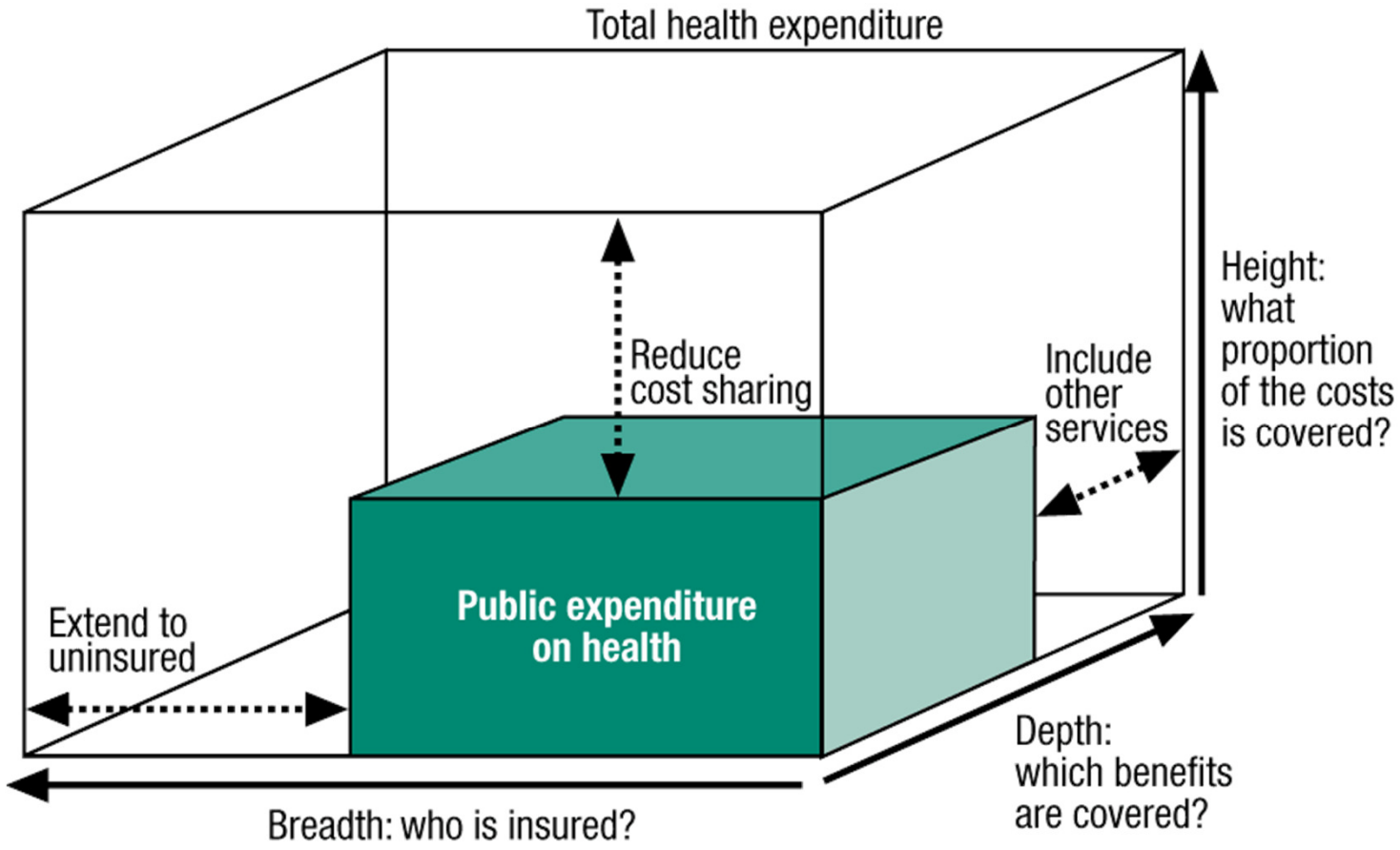


Changes in age adjusted mortality rate

Source: Slide from original by Dr Nobuo Yoshiike, from WHO NCD conference, Beijing China

Are there sufficient resources?

How much will the government pay for which populations and which services?



Implications: health as a human right

- Systems in place that cover the entire population
- Mandatory or automatic entitlement through public funding (mandatory wage-based contributions or general tax revenues)
- Mechanisms to fund coverage for people unable to contribute

A core challenge: settings with a small formal sector (Kutzin 2017)

Countries with large share of rural and informally employed tend to suffer from poor tax collection

Implications for health spending:

–More private; more out-of-pocket; more regressive

2014 data

Country income group	Total government spending as % GDP	OOP as % of total health spending
Low	26%	40%
Lower-mid	30%	43%
Upper-mid	36%	31%
High	42%	22%

Source: WHO Global Health Expenditure Database, countries w/ population > 600,000

Challenges (Kutzin 2017)

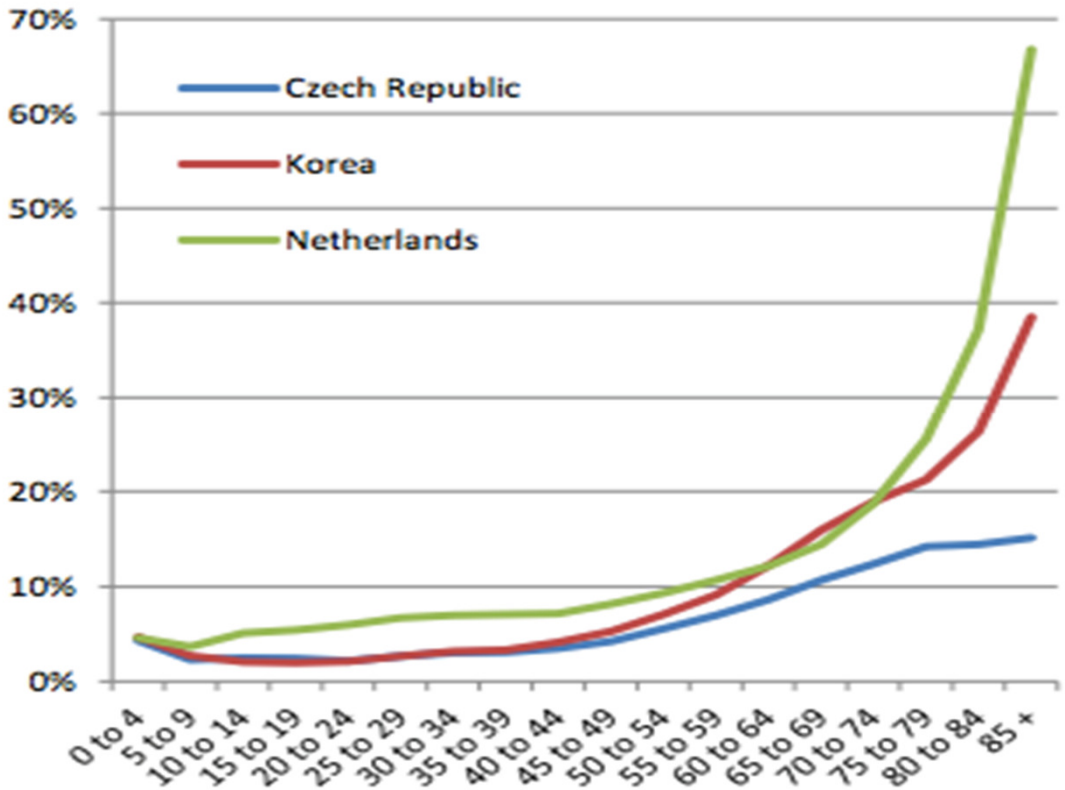
Small formal labor force

- Major challenge to mobilize wage-based contributions
- Given this, the main domestic source of public funding must be general budget revenues (mainly indirect taxes)
- Requires strong engagement with Finance ministries on allocations from public budgets

Larger share of formally employed

- Major challenge is changing age composition, reducing share of economically active population in total
- Given this, countries need to consider (further) diversification of public funding sources
- Requires strong engagement with Finance ministries on allocations from public budgets

What is the contribution of ageing to health care spending?

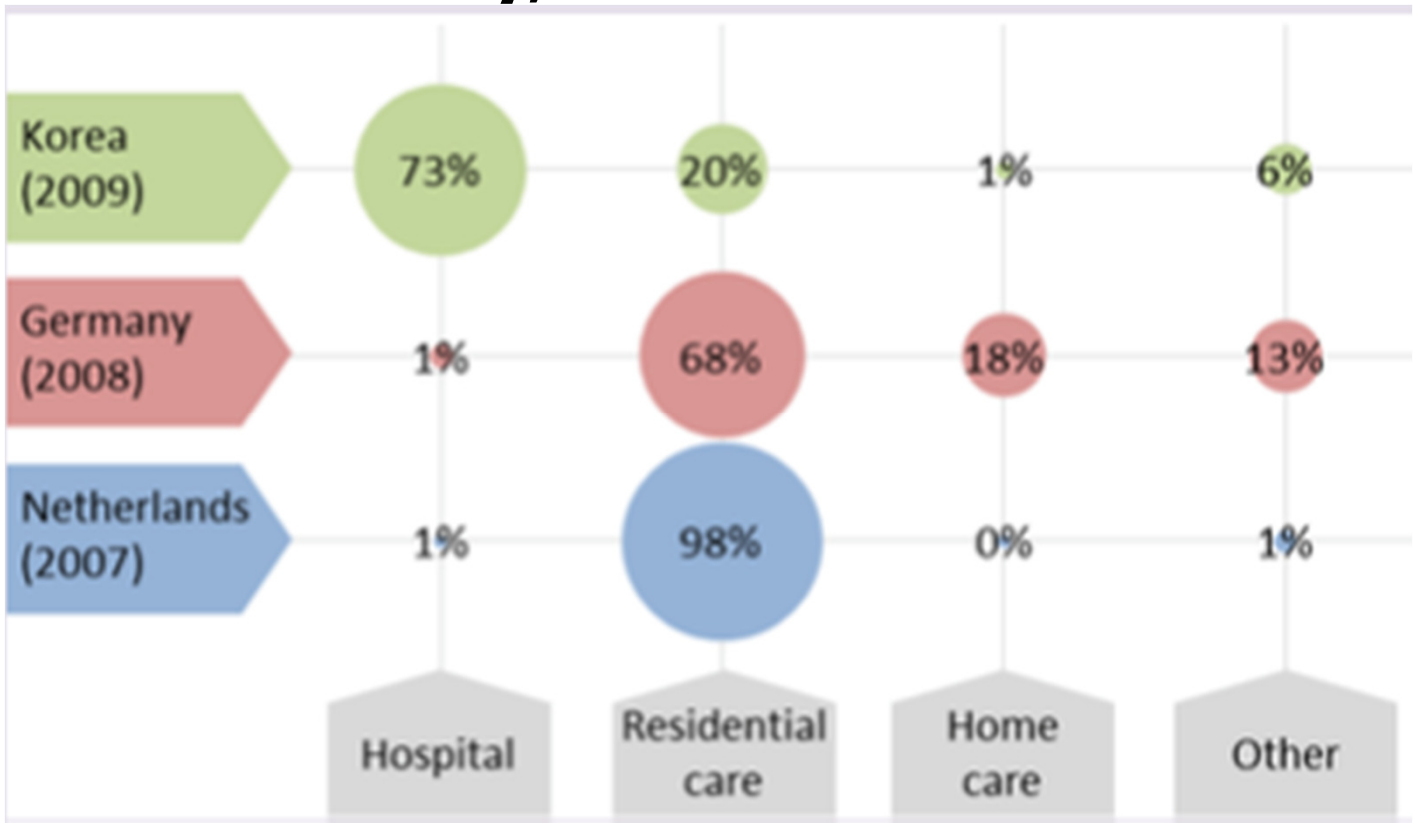


Per capita health spending by age group as share of per capita GDP

Source: OECD 2016 health statistics

The service delivery model matters:

Spending on dementia by delivery setting, Korea, Germany, and the Netherlands



Source: OECD Health Statistics Database, in Spending by Disease, Age, and Gender April 2016

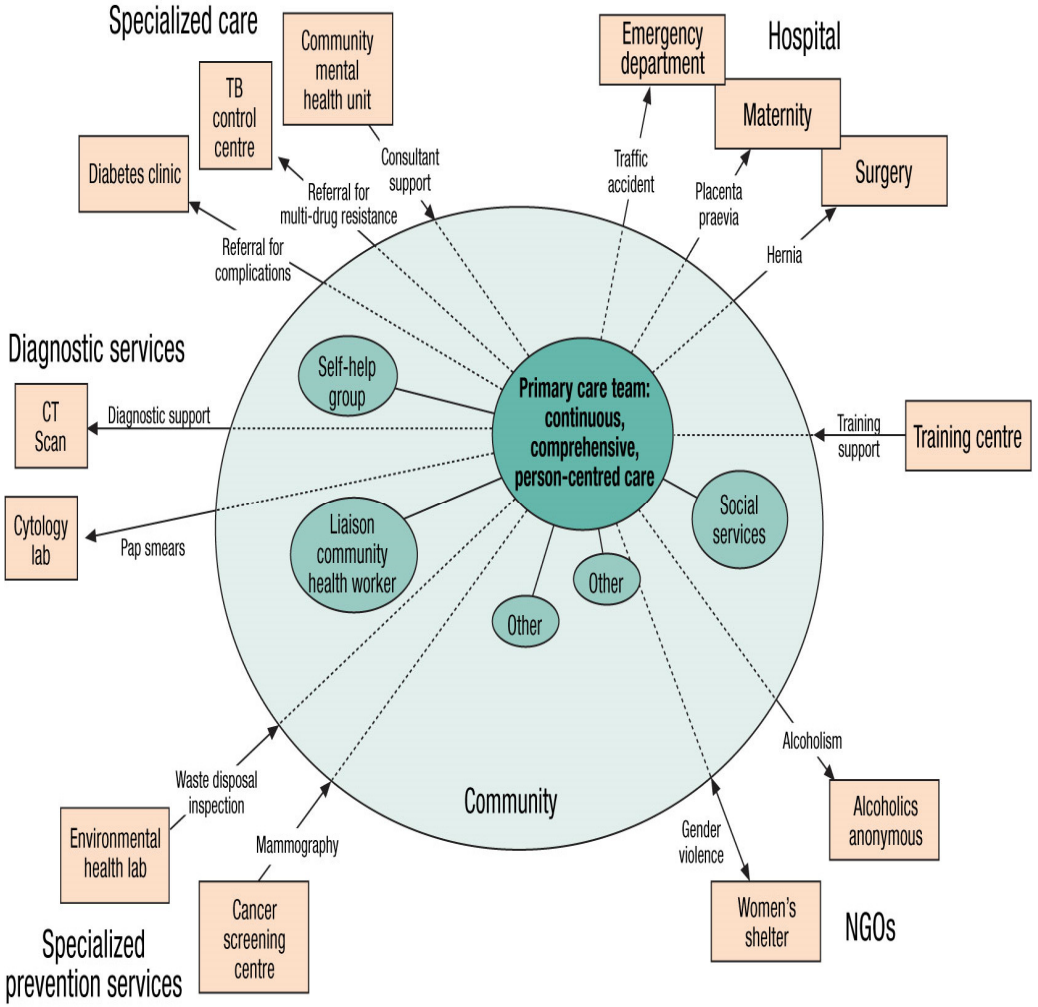
Key drivers of cost escalation (and quality) globally

a) **Reliance on hospital-based care** for common conditions, which is more costly and inefficient in comparison with primary care, and may not respond to patient needs.

b) **Fee for service payments** to health care providers and hospitals that reward volume rather than health outcomes, quality of care, and quality of life.

c) **Introduction of new technologies, medicines, diagnostics -** without sufficient knowledge about whether they are better than what is currently used.

WHO PHC service delivery model: PHC, integration, and continuity

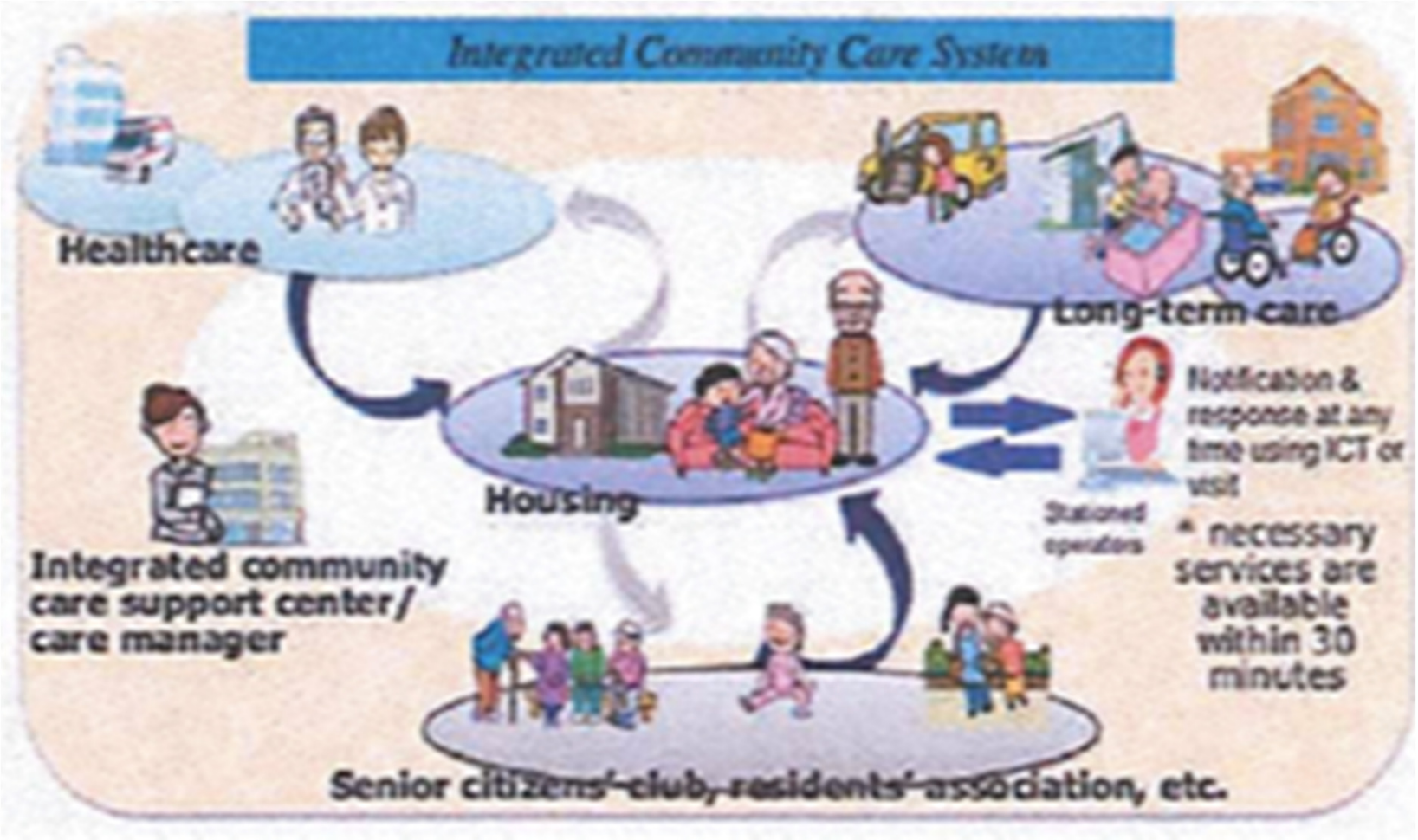


With population ageing comes stronger emphasis on quality of life, functional ability, and social interaction.

Reducing mortality and prolonging life is not always the appropriate goal.

During the last years of life, health needs are often interlinked with social needs.

Japan's integrated community care model



Optimize human resources for healthy ageing

"Right sizing" the health workforce

- Care coordinator
- Allied health workers vs specialized support

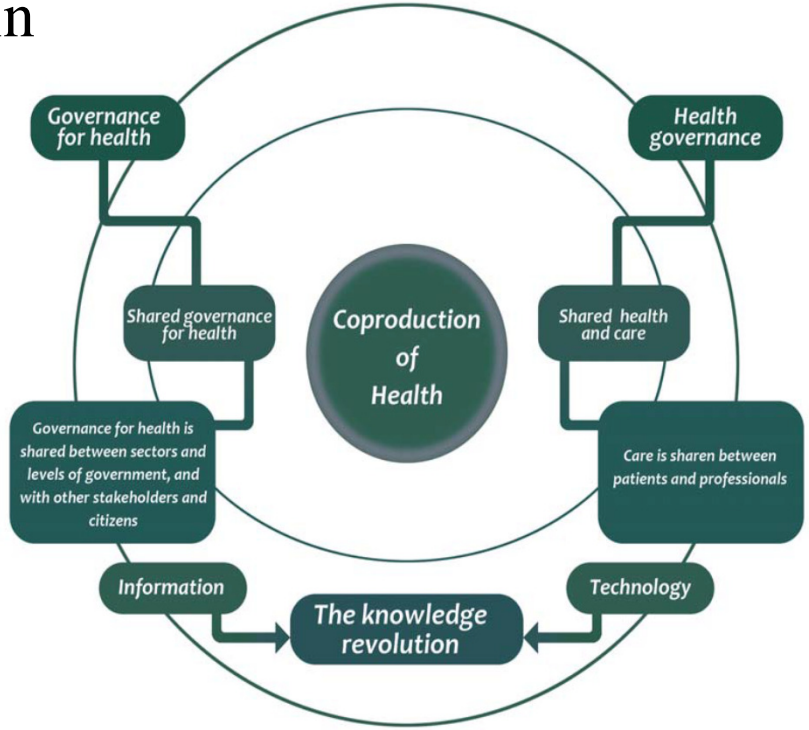
Empowering people, families and communities

- Chronic care largely relies on patients: information and innovations to enable millions of people to become active and involved in self-management.

Governing for health and health governing

Source: WHO EURO, 2014

Governance for health: investing in health as an integral part of health and economic development; working across sectors in creating environments that encourage individuals to make healthy choices



Health governance: increasing capacities across a wide range of organizations, communities and individuals so that they can participate in health decision-making towards better health and social welfare.

Maximizing innovations and technologies: leapfrog progress to UHC

Delivering better quality at lower cost

•i.e., electronic medical records, establishing a medical home and care plans, payment reforms.

Extending the reach of the health system

•Telemedicine, reminders for medication adherence

Empowering individuals, families and communities

•Apps to promote self management, sensor technology to monitor falls, providing support to housework and cooking

Conclusions

- **Early intervention is critical.** Population ageing is occurring much faster than in the past. Risk factor prevention and NCD management and control can promote healthy ageing.
- **More public funding is important –** but need to consider funding in the context of the service delivery models that promote efficiency.
- **Health systems need to adapt**. Greater numbers of older person increases demand, and require integrated, coordinated care with the goal of better quality of life.
- **Governance for health** involves many stakeholders, to mobilize all resources towards better health.
- **Innovations can leapfrog progress** in achieving UHC: improving efficiency, empowering people, and extending the reach of the health system.

Thank you!