

Can people afford to pay for health care?

Key findings from the new regional report on financial protection
in Europe

Sarah Thomson, Jon Cylus, Tamás Evetovits
& the WHO Barcelona Office team

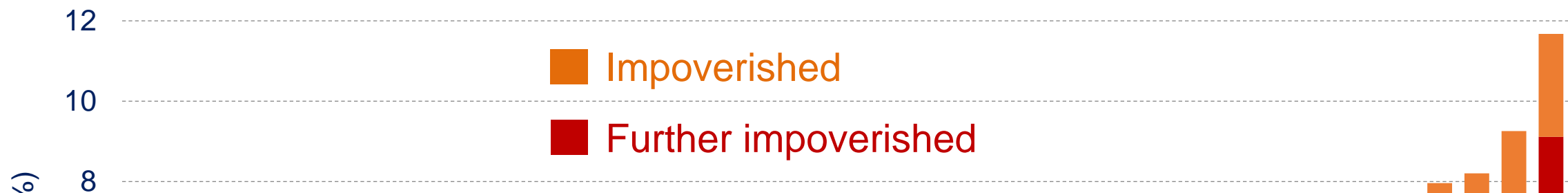
Gastein, 29 September 2023



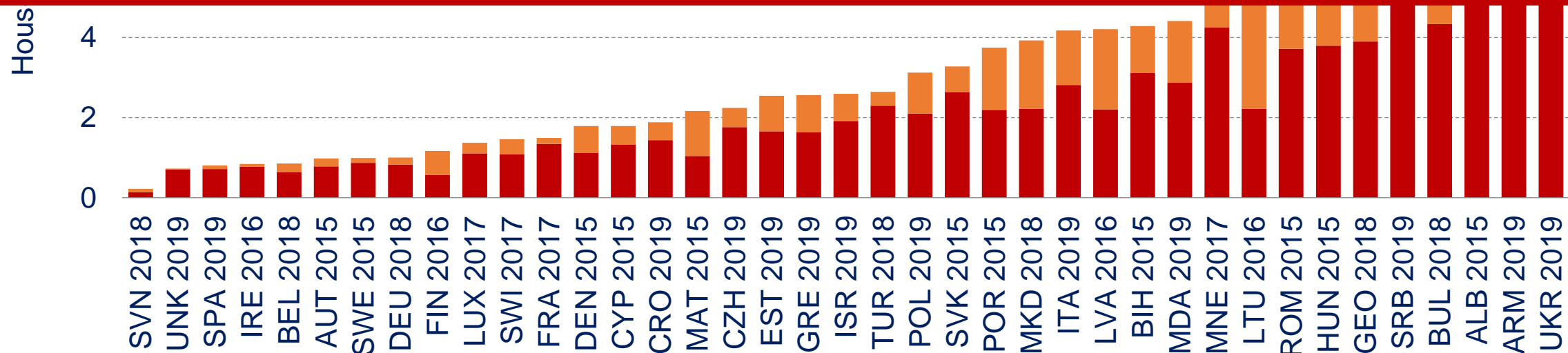
The numbers:

how many? who? what?

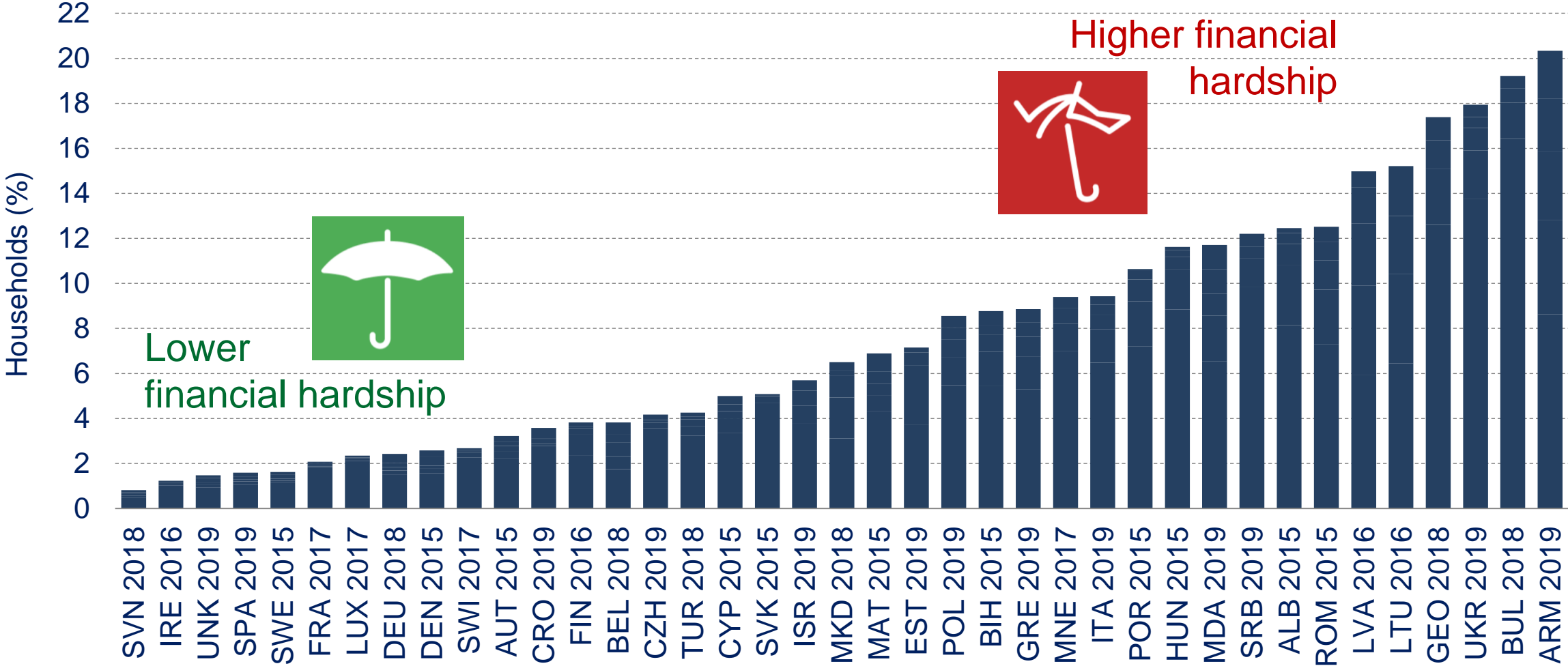
Out-of-pocket payments **lead to (or worsen) poverty** – even in Europe’s richest countries



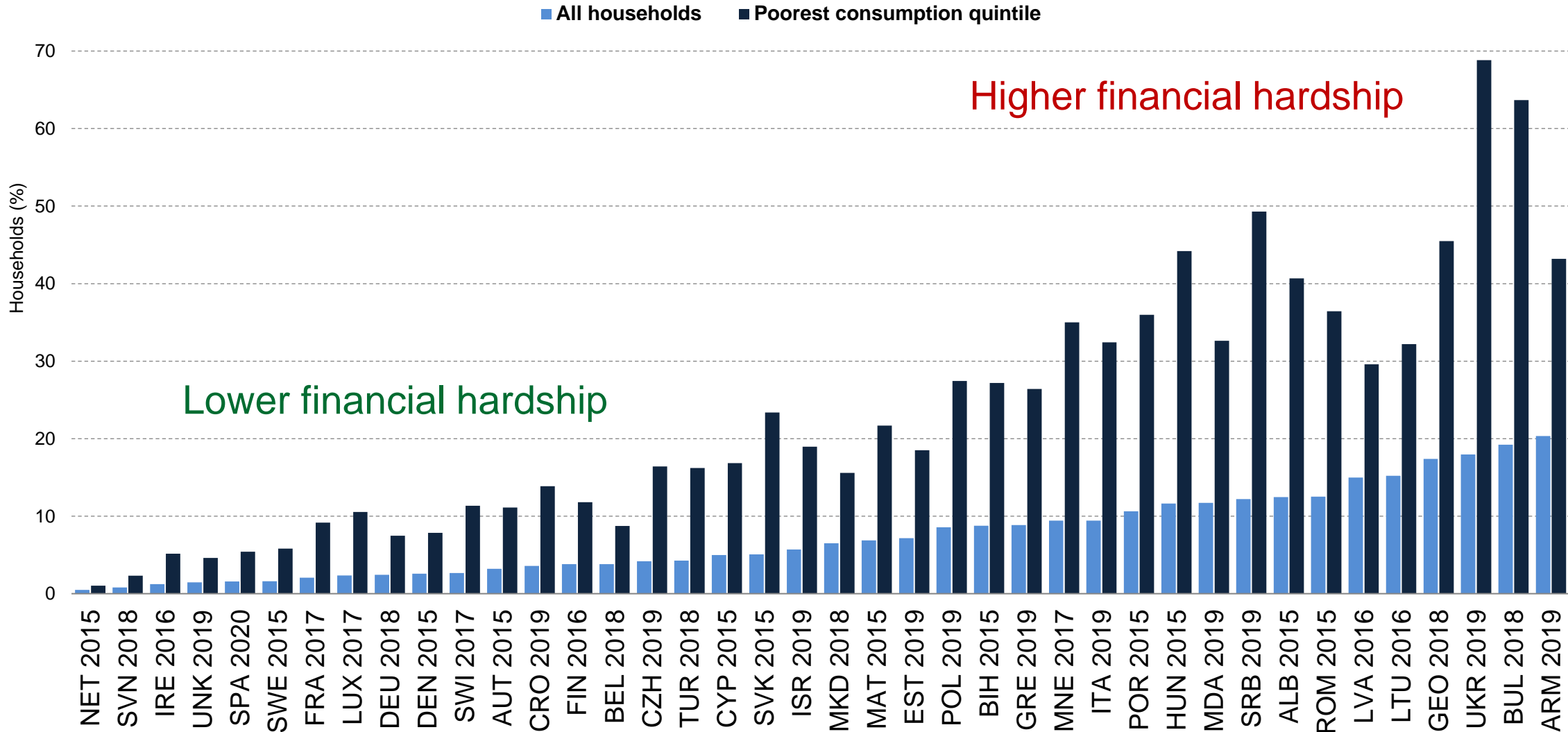
Health systems undermine social protection systems



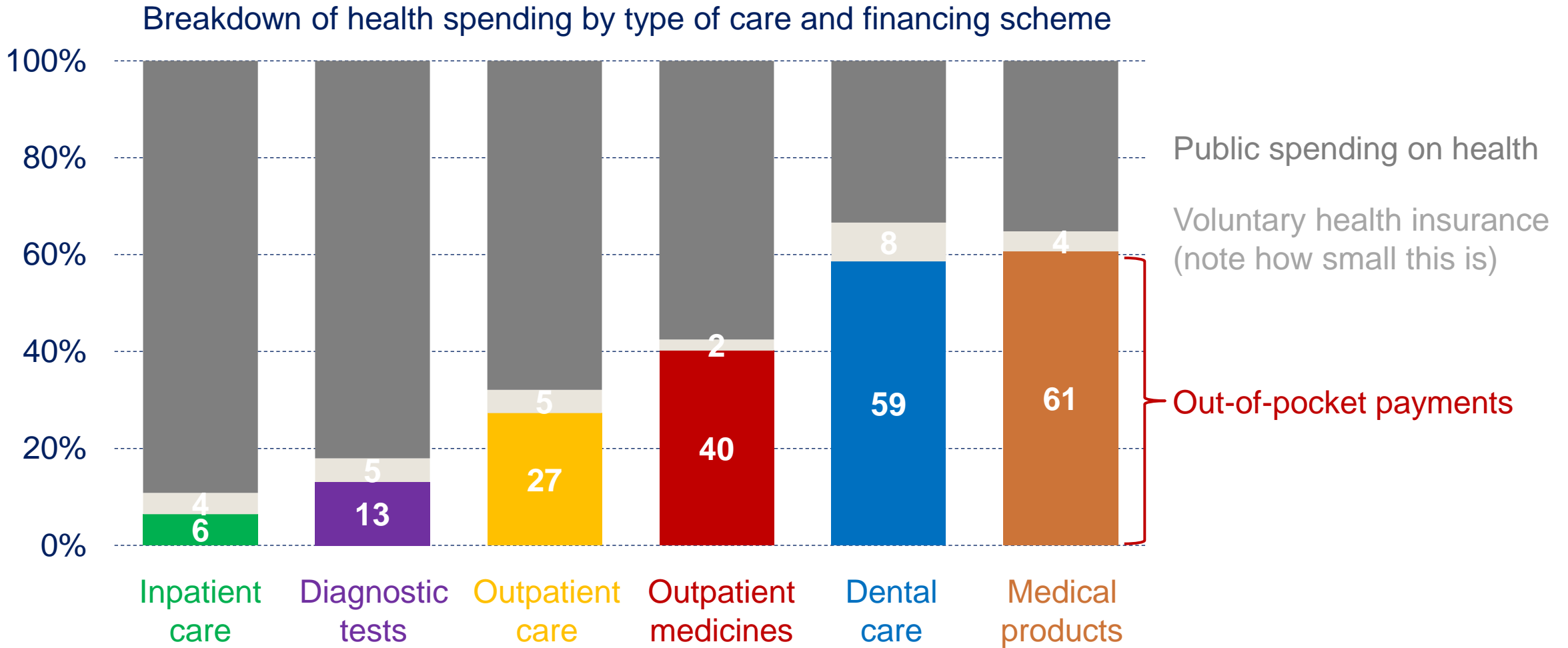
Incidence of catastrophic OOPs across Europe



The poorest households are most likely to experience catastrophic spending



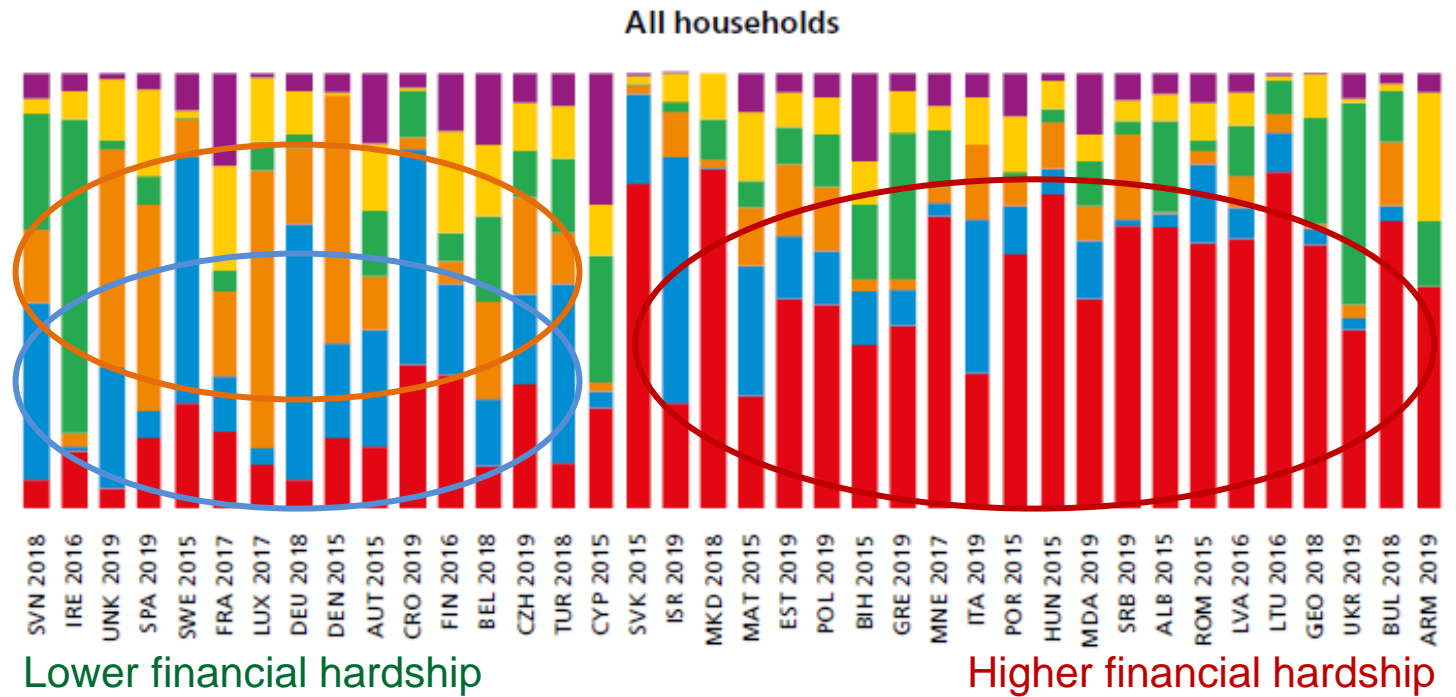
How much OOPs for different services in the EU?



What drives financial hardship?

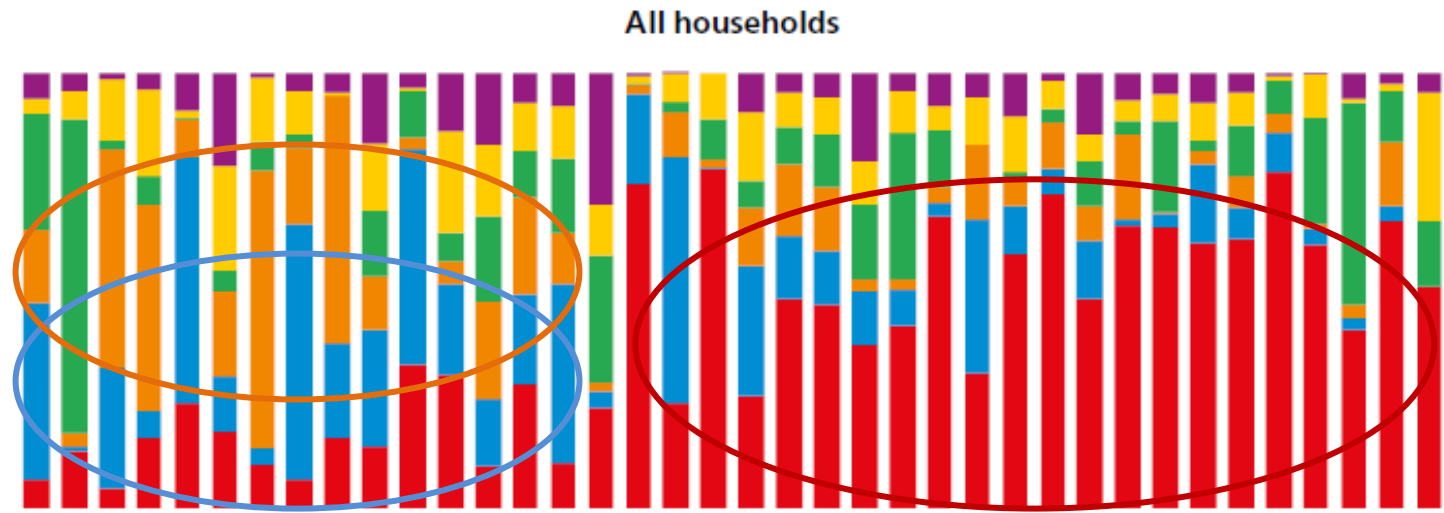
On **average**, households with catastrophic spending are mainly paying for **medicines** - also **dental care** & **medical products**

- Diagnostic tests
- Inpatient care
- Outpatient care
- Dental care
- Medical products
- Medicines



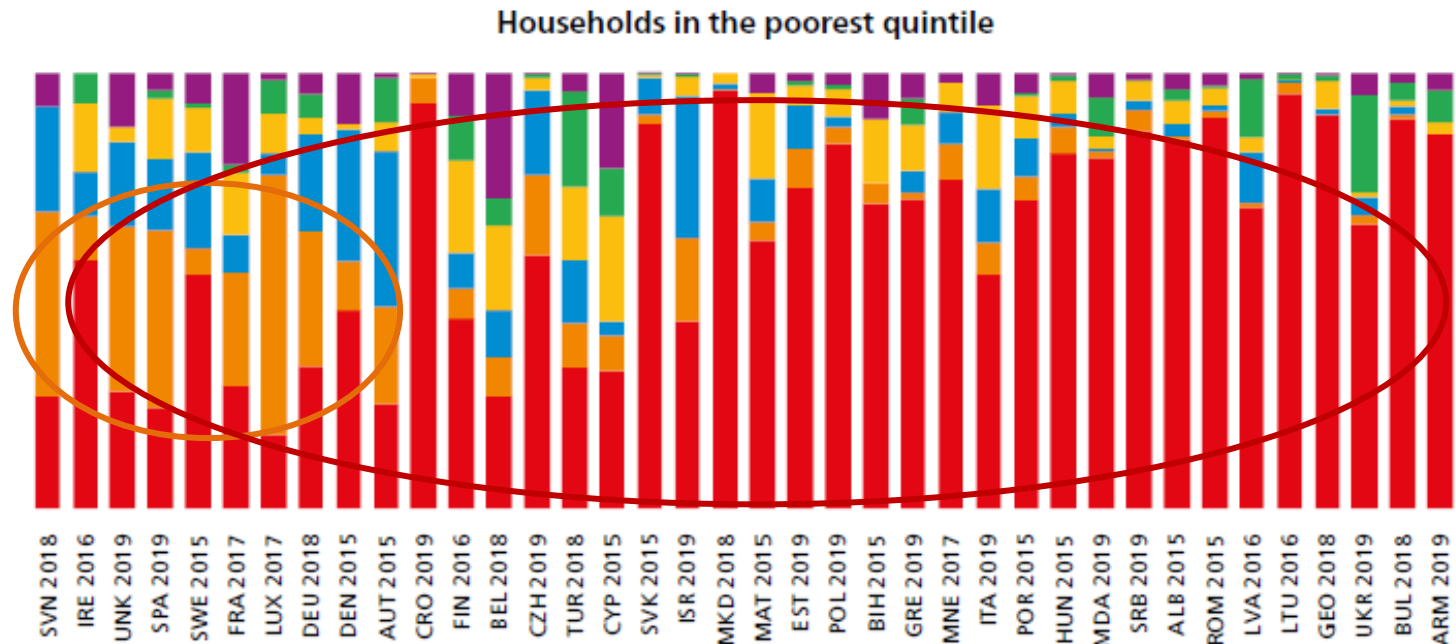


- Diagnostic tests
- Inpatient care
- Outpatient care
- Dental care
- Medical products
- Medicines



Financial hardship is driven by OOPs mainly for treatment in primary care

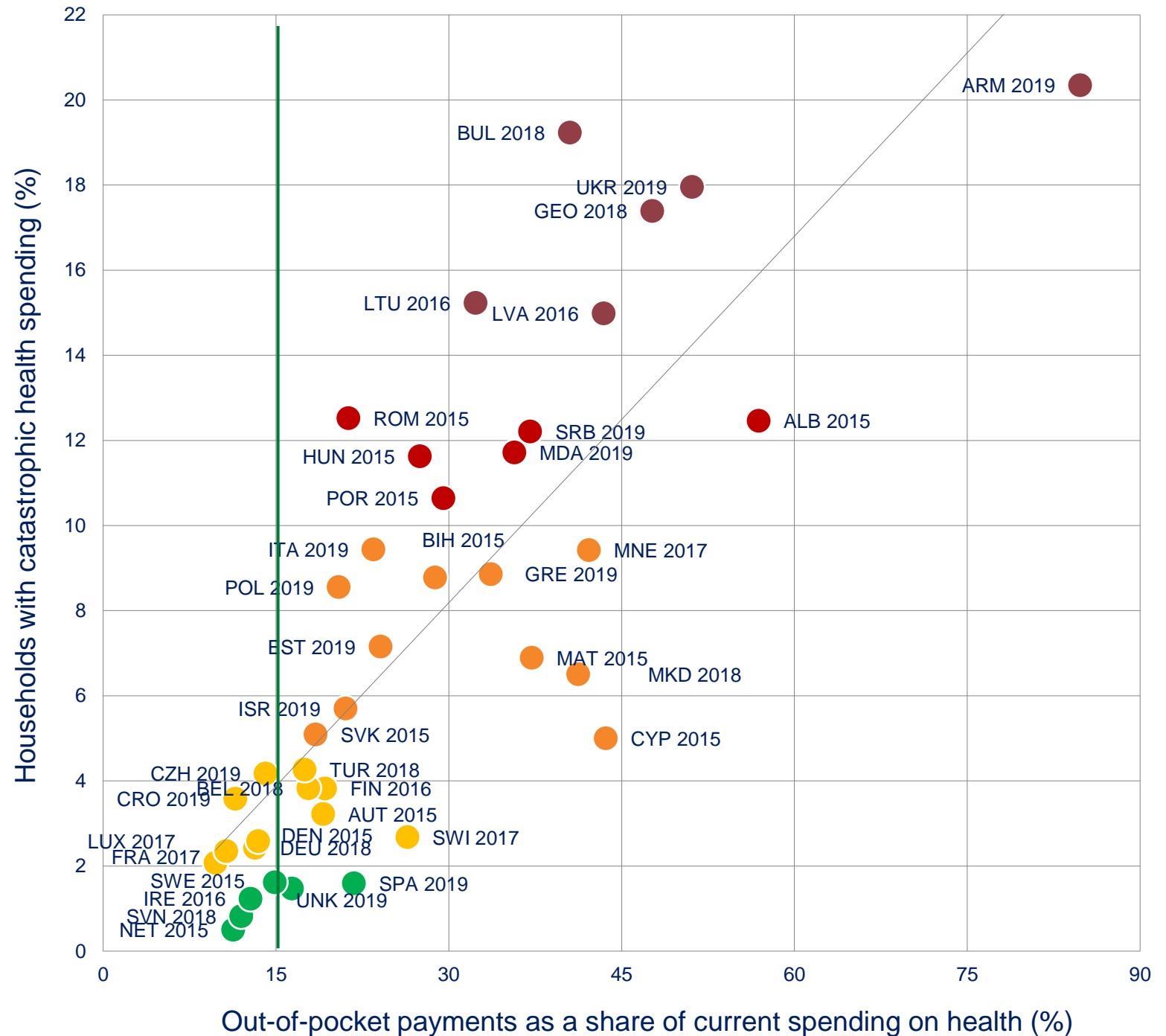
The **poorest** households with catastrophic health spending are mainly paying for **medicines** – also **medical products**



Financial hardship is higher in health systems that rely more heavily on out-of-pocket payments

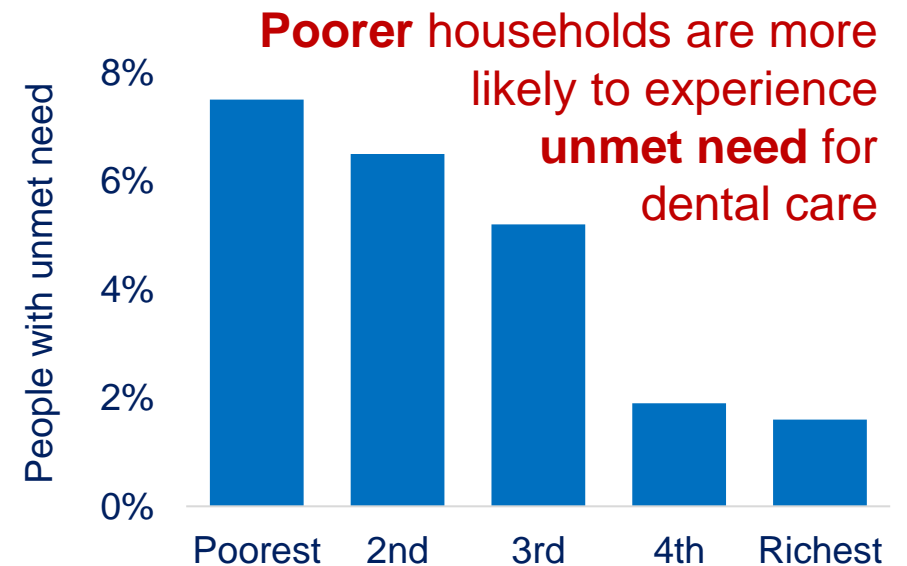
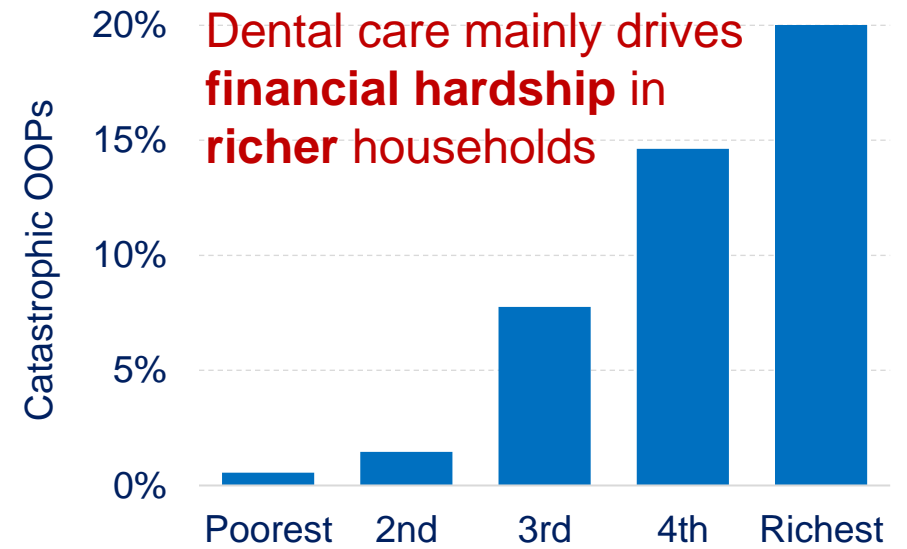
but policy matters!

15%



The (very short)
story behind the
numbers:

gaps in coverage
affect people
differently



Many health systems are addicted to bad ideas

Coverage policy is full of them (thanks to path dependency)



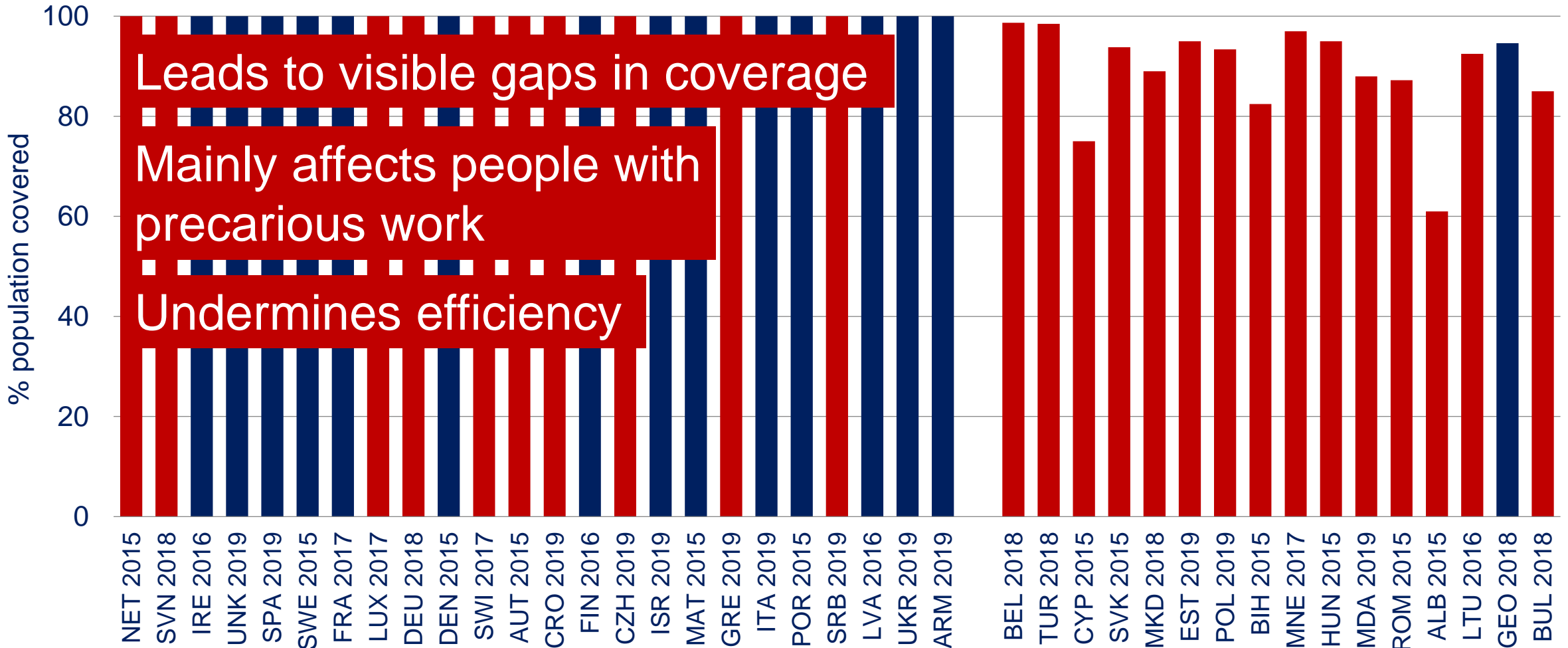
Inequalities are a problem: bad ideas hit people with low incomes the hardest (and economic shocks add to the pain)



Inequalities are part of the solution: progress is possible if countries can overcome path dependency and adopt 'progressive universalism' – this builds resilience too

Addiction to a bad idea #1: linking entitlement to payment of contributions

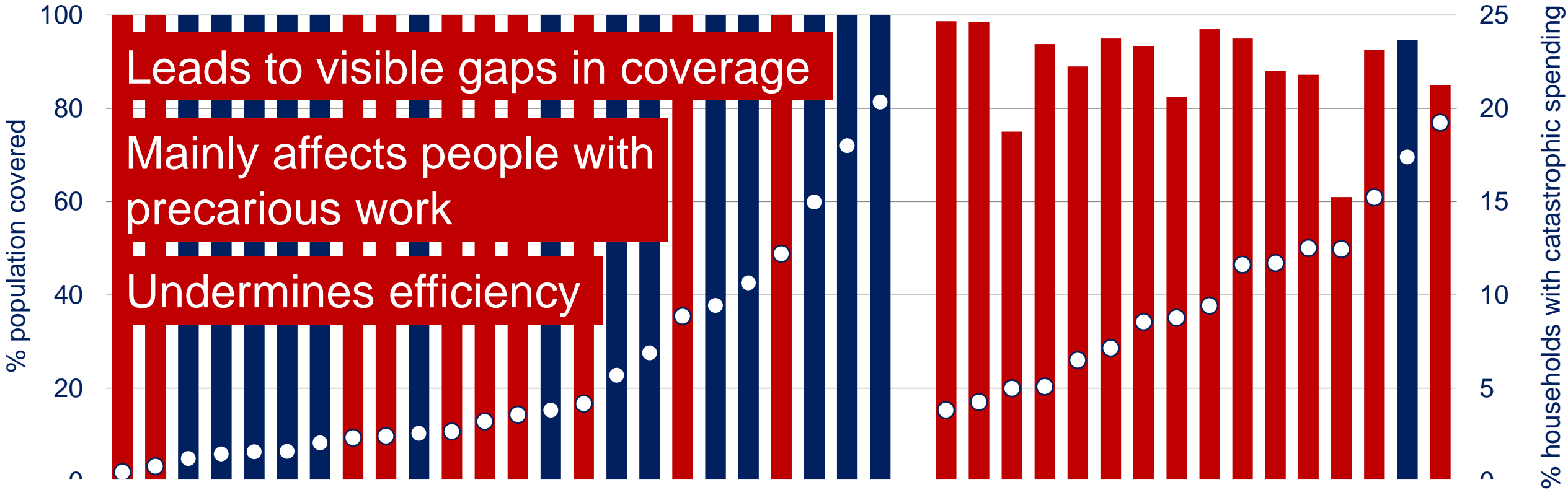
■ Legal residence ■ Payment of social health insurance (SHI) contributions



WHO Barcelona Office for Health Systems Financing (2023); data on population coverage from the OECD health database

Addiction to a bad idea #1: linking entitlement to payment of contributions

■ Legal residence ■ Payment of SHI contributions ○ Catastrophic incidence



Population coverage is not a good indicator of financial protection:
a prerequisite for financial protection – but not a guarantee

Addiction to a bad idea #1: linking entitlement to payment of contributions



People lose coverage when they need it most,
undermining household & health system resilience



There is no evidence that using the health system
to address a tax problem is effective



Progress is possible: SHI in France & Israel have
broken this link & base entitlement on residence

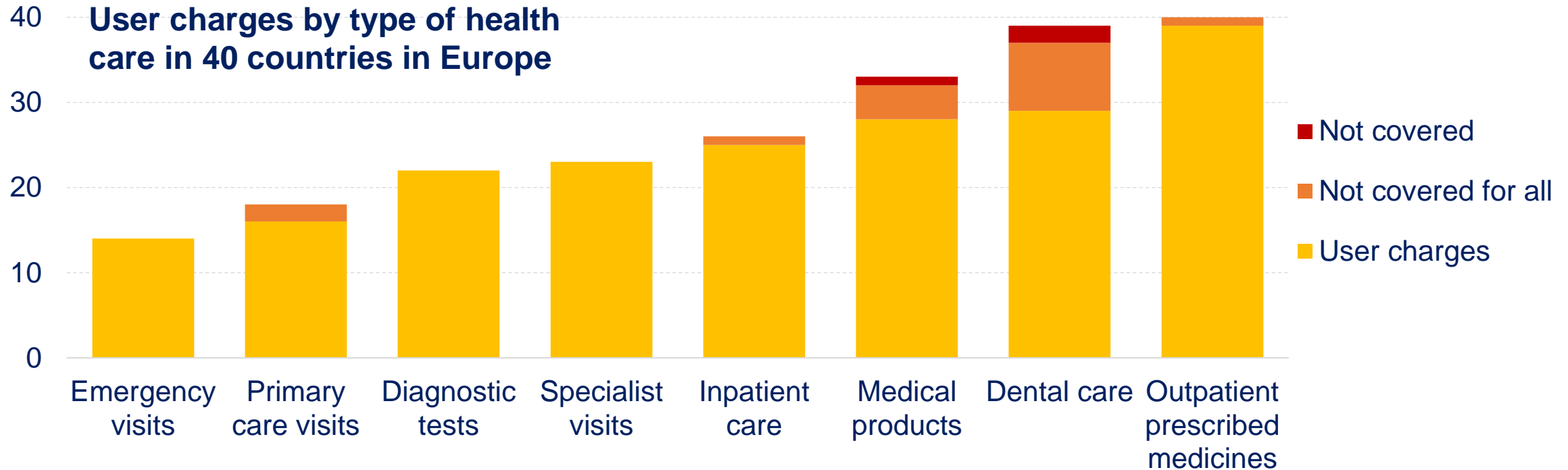
Addiction to a bad idea #2: user charges



Large body of evidence shows user charges are inefficient



Countries try to protect some services from user charges



User charges most commonly applied to treatment in primary care settings

Addiction to a bad idea #2: user charges



Countries try to protect people from user charges

Limited exemptions and no cap

Percentage co-payments



But protection is not always adequate or effective

Catastrophic incidence (%)

22
20
18
16
14
12
10
8
6
4
2
0

Exemptions or caps based on income

Low fixed co-payments

Voluntary health insurance covers co-payments for most people

Co-payment design matters

Remove admin barriers

Monitor & adjust



Tackling addiction to bad ideas: what makes progress possible?



Evidence & analysis



Progressive universalism



Overcoming path dependency

Look out for our new online platform in December 2023:

UHC watch

Tracking progress on affordable access to health care in Europe and central Asia

The screenshot shows the WHO Barcelona Office for Health Systems Financing website. At the top, there is a navigation bar with 'WHO Barcelona Office for Health Systems Financing', 'Glossary', and 'Search'. Below this is the WHO logo and 'European Region'. The main navigation menu includes 'Indicator explorer', 'Policy explorer', 'Countries', 'Regions', 'Methods', 'Resources', and 'About us'. The central feature is a map of Europe and Central Asia with colored dots representing different countries. The text 'UHC watch' is prominently displayed, followed by the subtitle 'Tracking progress on affordable access to health care in Europe'. Below the map, there are three circular icons: a green umbrella for 'Stronger financial protection', an orange umbrella for 'Weaker financial protection', and a red umbrella with a slash for 'Weaker financial protection'. The bottom section is titled 'Explorers' and includes the text 'Assess the current situation, monitor trends, compare countries'. There are two main panels: 'Indicator explorer' (orange background) with a bar chart icon and 'Policy explorer' (blue background) with a target icon. Both panels have an 'Explore data' button.

WHO Barcelona Office for Health Systems Financing

Glossary Search

World Health Organization
European Region

Indicator explorer Policy explorer Countries Regions Methods Resources About us

UHC watch

Tracking progress on affordable access to health care in Europe

Stronger financial protection Weaker financial protection

Explorers

Assess the current situation, monitor trends, compare countries

Indicator explorer

Over 50 indicators of financial hardship, unmet need for health care and spending on health

Explore data

Policy explorer

Information on population coverage, service coverage, user charges and voluntary health insurance

Explore data