

Consultation on Health Financing for Universal Coverage on 14-15 December 2011



Ministry of Health and Family of Maldives and WHO Country Office in Maldives in collaboration and with technical assistance from the WHO Regional Office for South-East Asia (SEARO, New Delhi, India) organized a Consultation on Health Financing for Universal Coverage on 14-15 December 2011 in Bandos Island Resort and Spa. The purpose of the meeting was to provide a platform to discuss international experiences in health financing and options for strategic planning for health system financing in the context of decentralization and corporatization in the Maldives.

The Consultation was attended by participants from national offices and various sectors at national and sub-national level along with the fora of international development agencies, including representatives from the World Bank, UNDP, UNICEF and UNFPA. A wide array of the experts present in the consultation brought rich expertise and experience from around the globe on matters related to financing of health systems, issues of social protection in health and rights-based access to health care. A strong commitment was marked by the presence of the Minister of Health and Family H.E. Dr Aminath Jameel, the State Minister of Health H.E. Mr. Abdullah Bari and representation from the President's Office by the Economic Advisor, Mr Ali Shiyam throughout the Consultation. WHO was represented by Deputy Regional Director SEARO, Dr. Poonam Singh, WHO Representatives to Maldives, Dr Akjema Magtymova, WHO Representative to India Dr Nata Menabde and WHO Representative to Lebanon Dr Sameen Siddiqi; technical staff from country office, SEARO and WHO Headquarters.

Decentralization of health service delivery and encouraging private sector participation are cognizant steps that have been undertaken by the government in response to its commitments, underlined in the "Anehdhivehi Raajje", the National Strategic Action Plan, to "*provide affordable, accessible and quality health care for all*".

The Maldivian health system has been predominantly publicly-funded, with high health expenditure as a proportion of GDP with relatively smaller proportion of out-of-pocket expenditures compared with neighboring countries. Social protection is at the base of the national policy and according to the 2006-2015 Health Master Plan, public spending on health shall be maintained at 7-8% as a proportion of GDP. The economic downturn since 2008 posed challenges to sustain investments in health encouraging policy

makers to look into different options for health system financing. As part of the reforms in the Maldives, eight corporations have been created to provide curative care through health facilities transferred from the Ministry of Health and Family. Introduction of national health insurance schemes is another prominent change option that allows securing access to health care by pooling funds. Social health insurance scheme, Madhana, have attained a sizable coverage of 33% of the country's population over the two years of its existence.

The changes primarily aim to bring benefits to citizens by mitigating health care related financial risks and ensuring financial access to health services by allocating services according to the need and distributing burden according to the ability to pay as well as considerations of fiscal sustainability and cost containment.

However, there are challenges to be addressed which range from increased administrative costs, escalation of costs related to supplier-induced demand, overuse of services and bias towards curative care. Issues also relate to costs and distribution of skilled healthcare providers (including expatriate health workforce), access and rationale use of medicines and lack of managerial capacity at decentralized structures. During the meeting it was emphasized that to secure universal access to health care, the current reforms have embedded core principles of PHC, and hence financing options should be tailored to support delivery of public health functions for preventive and promotive care. Most importantly, investing in programmes such as immunization, maternal and child care, prevention and control of communicable diseases, preventing lifestyle-related chronic conditions can result in savings lives as well as economical and societal benefits. Efficiency gains can be achieved by maintaining vigorous health information system, asset management, financial management and use of data for decision making.

Maldives is committed to promoting universal coverage using taxation and prepaid insurance schemes, with pooling of funds and the risk-sharing as the most equitable way of health financing. This Consultation has provided an opportunity to use international experiences and have expert advice on the advantages and disadvantages of different policy options; their applicability to the Maldivian-specific context for country policy-makers to crystallize strategies for its future health financing and coming closer to the goal of universal coverage.