



Health care financing in the Asia Pacific region

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Our paper

- Four categories for 30 selected countries in the region: low income; middle income; small island; and fragile states
- Analysis:
 - Socio-economic, demographic and disease burden trends
 - Trends in domestic and donor financing for health
 - Implications of these trends for donors and partners

Demographic and Epidemiological shifts

- Demographic transition.
- Population growth slowing, fall in fertility rates (with rising incomes and family planning)
- Life expectancy increasing, more older people
- Trends influence burden of disease
- Reduced communicable diseases, strong rise in non communicable diseases (NCDs)
- Changing disease pattern – needs shift in priorities and health services offered

A time of opportunity

- Rising incomes per capita
- For short to medium term - rising working age population and falling dependency ratios
- Gives scope for domestic funding of health care including raising public funds / risk sharing mechanisms (social health insurance and tax funding)
- Could reduce reliance on out of pocket payments (OOP) and donors to finance health care
- But will be a challenge to sustain over time once the proportion of population working falls
- Development assistance to health (DAH) has risen rapidly but is levelling off, may decline

Major transformation needed: huge challenge

- These shifts require major transformation of health system financing and delivery arrangements
- Importance of technical expertise and experience sharing, to learn from (and share) different experiences
- Donor roles and relationships need to adapt to these trends and encourage cross-regional learning, stronger focus on building regional technical and institutional networks

Roles for aid / donors

- Enable TA and regional experience sharing to support reforms to health systems
- Review aid allocation to focus more on emerging epidemiology (esp non communicable diseases and reproductive health); target where most needed
 - Pacific islands with little scope for income growth, neglected groups within countries; technical challenges
- Better coordination and partnerships to make efficient use of resources
- Each donor to identify comparative advantage and how to maximise its use