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Can we overcome the deficit in public health expenditure?

On June 11, 2024, the CSO Forum for Strengthening a Sustainable SRHR Ecosystem in Bangladesh, in collaboration with The Daily Star, organised a roundtable titled "Public Health Expenditure: A Critical Challenge in Ensuring Healthcare in Bangladesh." Here, we present a summary of the discussion.

Dr. Sayed Rubayet, *Convener, CSO Forum and Country Director, Ipas Bangladesh*

According to Article 15 of our Constitution, the fundamental responsibilities of the state under the provisions of necessities include food, clothing, shelter, education, and medical care. Article 18.1 states, "The state shall regard the raising of the level of nutrition and the improvement of public health as among its primary duties."

The revised budget for FY 2023-24 for health was Tk 29,783 crore, which is substantially lower than the proposed budget. This year's budget is Tk 41,407 crore which means that the per capita healthcare allocation is $20.6 through this budget.

Looking at the last 25 years, in 2000 the government per capita expenditure on health was $8, in 2010 it was $13.7, in 2021 it was $25.9, and this year it has been proposed to be $20.6. We have always seen that the allocation decreases in the revised budget for the health sector. The data for 2021 is used in this entire presentation as most countries' data is available up to 2021. The World Health Organization's (WHO) Global Health Expenditure database was updated on April 15 this year. According to this information, in Bangladesh, the government spent $26 per capita on health expenditures in 2021. In Myanmar, this expenditure was $48, positioning it just after Bangladesh. Following Myanmar are Pakistan, Nepal, India, Sri Lanka, and the Maldives.

The WHO included 192 member countries in the list, identifying the 20 countries with the lowest per-capita government health expenditures. Bangladesh is ranked 19th lowest in per-capita government health expenditure. The Asian country closest to Bangladesh is Afghanistan. The rest of the countries are either in Africa or in war zones.

In the year 2000, the percentage of GDP used for health expenditure was 0.51 percent, then a few fluctuations occurred. It has been observed that since 2017, it has been repeatedly declining, and in 2021 it became 0.4 percent in a linear trend.

I have compared three timeframes with our neighboring countries from 2000, 2010, and 2021 so we can understand the trend. For Bangladesh, the government health expenditure is going down. In Bhutan, it is also going down but is in a better condition in comparison to GDP. In India, it has gradually improved, being 2.5 times higher than Bangladesh. Even though Sri Lanka is battling its own challenges, the country's government health expenditure is 4 times higher than Bangladesh's. No country is near Bangladesh at 0.4 percent. Except for Pakistan and Bangladesh, no country has less than one percent in health expenditure. Currently, Bangladesh holds the lowest position in the region.

If we look at the data from 212 countries regarding the proportion of GDP allocated by the government for health expenditure, Benin has the lowest health expenditure, followed by Bangladesh in the second position, then Haiti, Cameroon, Nigeria, and Togo. This image is not a promising one.

Among developed countries, Cuba tops the list in terms of government healthcare spending as a proportion of its GDP. The top ten also include countries such as France, Austria, USA, Sweden, Germany, and the UK. These countries are spending 9.3 to 12.6 percent of their GDP on their health expenditure.

In our political priorities and discussions, the health sector is the most neglected one, even in the media as well. The out-of-pocket healthcare expenditure is increasing day by day. In 2000, the expense was Tk 6 out of Tk 10, which has increased to Tk 7.4, meaning now the out-of-pocket expenditure stands at 74 percent.

The list of countries with the highest out-of-pocket healthcare expenditure is topped by Armenia at 79 percent. Bangladesh holds the sixth position due to substantial medical costs, an insufficient government health budget, and a near absence of financial protection for health-related events. Among neighboring countries, Myanmar and Afghanistan are in similar positions.

However, Nepal, India, and Sri Lanka have progressed substantially Bhutan and the Maldives are far ahead of us, spending only 19 percent and 14 percent, respectively.

In Bangladesh, catastrophic health expenditure (CHE) is increasing day by day. The government has committed to reducing out-of-pocket expenditure to 32 percent by 2030, in line with universal health coverage and SDG commitments.

Catastrophic health expenditure in Bangladesh has serious consequences. 24.6 percent of the Bangladeshi population spends 10 percent of their total expenditure on health, and this proportion increases to 61.7 percent if at least one household member utilizes an inpatient service.

In Bangladesh, 52 percent of people with at least one household member utilizing a public facility spend more than 10 percent of their total expenditure on health. This proportion increases to 65 percent among those using private facilities. Additionally, 11 percent of people spend 40 percent of their income on health, excluding food costs. If a household has a chronically ill member, this figure rises to 18 percent of the population. For families using inpatient services, 29 percent of the population spends 40 percent of their income on health. For those using public facilities, the proportion is 25 percent, and for private facilities, it rises to 32.6 percent of the population. This is driving people into poverty.

According to the 2016 National Survey on Household Income and Expenditure, 4.5 percent of the population fell below the poverty line due to health expenditures. This affected 8.6 million people. Consequently, the government has to invest significantly more in poverty alleviation programmes to help these people rise above the poverty line.

Due to poor health investment, our health system is becoming unable to meet the needs of the people and provide quality health services, causing many to seek healthcare services abroad. In 2019, 54 percent of medical tourists to India came from other countries, with one-fourth from Bangladesh for medical treatment. In contrast, the Maldives has made constant investments in health. Comparatively, 57.5 percent of Maldivians visiting India did so for medical purposes, which has reduced to 7.3 percent. We must ask ourselves: Can our citizens escape this insufficient investment?

Golam Mortaza, *Editor, The Daily Star Bangla*

In a recent newspaper article, I read about a significant shortage of medical technologists. While we need around 84,000 technologists, we currently have only about 24,000, with over 31 percent of government positions in this field remaining vacant. For the past 15 years, there has been no recruitment. Recently, around 800 people were hired , but due to severe financial constraints, they have not received any salary for the past 1 to 2 years, according to the Directorate General of Health Services (DGHS).

Health and healthcare budgets are absent from the election manifestos of our country's political parties. Additionally, the mass media and civil society have failed to take an adequate critical stand against our policymakers seeking medical treatment abroad. As a result, this practice has become accepted as normal, despite its implications for our healthcare system. The national budgetary allocation for our healthcare sector decreases annually. This decline is partly due to our policymakers not taking this issue seriously, as they themselves do not use the health facilities within our country.. Instead of addressing the root causes, we often blame doctors for the shortcomings in our health sector. While we have excellent doctors, we lack proper medical management and infrastructure. It's crucial that we focus on improving these areas. We must continue to discuss these issues to influence our policymakers. The mass media should take a much more critical stance on such matters to drive necessary changes in our healthcare system.

Dr. Mohammad Mainul Islam, *Professor, Population Science, University of Dhaka.*

I would like to discuss the Perspective Plan (2021-2041), where the government aims to invest 2 percent of GDP in the health sector and 4 percent in the education sector by 2041. However, I believe investing now will bring us greater benefits sooner specifically before 2036-2037. Health and education are sectors that need major investment to turn the unskilled population into human capital benefiting the entire country.

Over time we see the money allocated for specific demographics gradually reducing proportionately. We have not even reached 1 percent growth and are currently at 0.7 percent. This is not being addressed according to the rising number of children, adolescents and older population.

Upon reviewing the budget, I found a lack of useful or in-depth data regarding these issues. If we look at public health, we see a demographic shift and an epidemiological transition where chronic diseases are overtaking and infectious diseases increasing personal expenditures. As time passes, the elderly population grows and many die from chronic illnesses. The degrading climate affects the quality of life and health of the population. Health indicators are deteriorating day by day with child mortality rising and maternal death rates not decreasing as expected. Data collection on these issues is also less effective than before.

The budget's ineffectiveness in the health sector stems from several issues: inadequate financial management, a complex procurement system and tendering process, delays in disbursing the last quarter of the budget, lack of leadership, absence of need-based budgeting practices, insufficient training for health workers, lack of educated health staff, and disparate procurement processes for capital expenditure.

Systematic improvement in the budget allocation, procurement and actualisation of government projects is crucial. The investment ratio in health and education should increase sooner to achieve faster benefits. We need to enhance managerial efficiency, delegate financial power, and reduce the complexity of the procurement process. Health should be viewed as human capital.

Kishwar Imdad, *Country Director, Marie Stopes Bangladesh*

I worked at a renowned private hospital for some time, and there I witnessed the staggering extent of out-of-pocket expenditure and the lengths to which people will go, regardless of their socioeconomic background. To lessen the suffering of these people and ensure equitable healthcare for everyone, there was supposed to be a pilot project focused on health insurance, which the health secretary also mentioned. However, it ultimately did not come to fruition. Countries like Canada have implemented healthcare programmes that deduct a certain portion from the paychecks of every job holder, which then funds healthcare for them and the masses. Taxpayers also contribute a portion of their taxes allocated specifically to the healthcare system. This model could be adapted in Bangladesh as well.

I firmly believe that a broader approach to tackling these challenges might not be as effective as focusing on specific facets of the problem one at a time and diligently addressing them.

I have worked at Marie Stopes, and I have firsthand experience with issues regarding reproductive rights and the benefits received by women. We have observed that the under utilisation of funds can occur due to protracted and complex procurement and tendering processes. We collected relevant data, submitted comprehensive reports, and made recommendations on how to tackle these situations. However, the lengthy evaluation process hindered the effectiveness of these initiatives. There are many factors to consider, but these two should be our foremost priority in ensuring a brighter future for the population: transforming the populace into human capital, and providing quality healthcare for all.

Dr. Ahmed Ehsanur Rahman, *Scientist, icddr,b*

Major portion of the out of pocket expenditure is spent for drugs; this is extremely difficult for the poor people particularly for chronic diseases like diabetes. There are instances where poor people ration medicine instead of taking regularly for chronic illness. While public hospitals handle deliveries and operations, private hospitals significantly outnumber them in service provision; 2.5-3 times more deliveries, 4 times antenatal care, and 12 times more operations take place in private hospitals in contrast to public facilities. The government faces challenges in regulating and supervising the vast number of private facilities. There is an urgent need to increase budget allocation not only for public healthcare facilities but also to collaborate effectively with private providers to ensure accessible and quality healthcare for all. Ministers, political leaders, and senior government officials should utilize the country's public health facilities for their own healthcare needs. This may help improve the quality of services at these facilities.

Ikhtiar Uddin Khandakar, *Director, Health and Nutrition, CARE Bangladesh*

A major underlying problem is a lack of trust in the healthcare system, particularly in public healthcare. New positions need to be created and existing vacancies need to be filled to ensure adequate human resources. Investment in technology is paramount.

One such area is improving service quality. Another pressing shift is the rising prevalence of non-communicable diseases, each imposing significant financial burdens on patients and their families due to required operations and medications. It is essential to identify specific areas where investment can yield optimal results. Primary healthcare must be a focal point, emphasizing family planning, nutrition, WASH, and other related services, which require systemic investment to meet local healthcare needs and reduce out-of-pocket expenses.

Developing accountability mechanisms through public representatives, in parallel with a centralized system, will enhance service quality.