

REGIONAL WORKSHOP
HEALTH FOR ALL: CAN IT BE FINANCED?
“FISCAL SPACE AND THE FINANCING OF UNIVERSAL HEALTH CARE SYSTEMS:
ISSUES AND POLICIES”

NOVEMBER 29-30, 2007 - WASHINGTON, DC., USA



ACTIVITY BRIEF

Background¹

Around the world, public health expenditures in countries with national health care systems providing universal coverage comprise from 6% to 12% of the gross domestic product (GDP) and around 80% of overall national health care expenditures, regardless of the country's income level (middle-income or high-income countries) or of the way its national health care system is organized (national social health insurance systems or national health care services systems) or financed (taxes or contributions). In the Americas,² only Antigua and Barbuda, Aruba, Canada, Cuba, and the Netherlands Antilles have achieved health care systems providing universal or quasi-universal population coverage like those currently in place in most European countries. Public expenditures for health range from around 6% of the GDP in Antigua and Barbuda and Cuba, to around 7.3% in Canada, 9.5% in Aruba and 11% in the Netherlands Antilles. In most of these countries overall public expenditure surpasses 40% of the GDP.

For countries of Latin America and the Caribbean, public health expenditures are estimated at approximately 3.2% of the GDP, with public expenditure comprising around 45% of total national health care expenditures. On average, the percentage of the GDP spent on total public expenditures is around half of that spent in developed countries, or around 22% of the GDP, although there are large variations among countries. In countries with social health insurance systems providing access to health care to at least two thirds of the population (e.g., Chile, Costa Rica, and Uruguay) or providing quasi-universal coverage to children, the elderly, and the poor (e.g., the United States of America), public expenditures through social health insurance programs represent from 5% to 7.5% of the GDP. Overall public expenditures as a proportion of GDP in these countries stand at around 30%.

Recent studies on the fiscal burden in developing countries suggest that some countries of the Latin America and the Caribbean fall short of their revenue potential. Administrative inefficiencies in revenue collection, fiscal evasion, and fiscal elusion and corruption may account for the poor performance of the fiscal systems.

¹ Most of the information summarized in this section is taken from Health in the Americas, Edition 2006; Pan American Health Organization, Washington DC, September 2007. <http://www.paho.org/hia/homeing.html>

² The region of the Americas includes the countries of Latin America and the Caribbean, Bermuda, Canada, the United States United of America (US), from the North American Region, and the French, United Kingdom and US island territories in the Caribbean.

Throughout the Region of the Americas, the development of national health care systems providing universal access to health care services was a major thrust of health sector reform initiatives, and it is the main objective of proposed changes to the way national health care systems are financed. Universal access to health care services is the main thrust of proposed health financing initiatives based on developing comprehensive national social health insurance schemes, decentralizing health care systems, or developing unified national (public) health care systems. However, few such policy reform proposals have explored in depth the fiscal implications of ensuring the feasibility and sustainability of expanding coverage or of achieving universal health care systems.

Workshop Objective

The main objectives of the Regional Workshop are to present and discuss the fiscal issues involved in connection with the feasibility and sustainability of financing universal health care systems in countries of the Region of the Americas. Experts on the organization and financing of national health care systems and in the area of public finance and fiscal policies will present and discuss the fiscal implications of building and sustaining national health care systems providing universal access to health care services.

Venue of the Workshop

Inter-American Development Bank - IDB
Enrique V. Iglesias Conference Center
Room CR-2 (Annex Building)
1330 New York Avenue, NW
Washington D.C. 20577

Languages

English and Spanish (Simultaneous translation)

Agenda and Background Materials

(PAHO website, search Keyword: *FINFISC*)

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Additional Information

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