

SITUATION ANALYSIS IN THE REGION

Economic and Social Trends

15. Over the past decade, the Region of the Americas has witnessed a series of economic, social, and demographic changes with potential impact on health.

16. After years of stagnation, economic growth in the Region resumed: as of 2007, nearly one-third of the countries had growth rates in excess of 6%. The per capita gross national income (GNI)¹ in the Region (2004 data) is among the highest in the world. While the average income in Latin America and the Caribbean (LAC) is \$7,811, in some of its subregions—notably the Latin Caribbean, the Andean Area, and Central America—the values are 20, 40, and 65% lower, respectively. The per capita GNI of the richest countries is up to 23 times that of the poorest countries. Economic crisis had a serious impact in 2002, especially in Argentina, Uruguay, and Venezuela, a situation that turned around in the majority of the countries by 2005. Notwithstanding economic growth, inequality in income distribution has increased. Income distribution in the Region (measured by the Gini coefficient) is one of the most unequal in the world and did not improve between 1990 (Gini of 0.383) and 2002 (Gini of 0.403). Inequalities drive poverty and are manifested in different segments of the population, such as households headed by women, certain ethnic groups, or rural populations. An estimated 41% of the population in LAC is poor and 17% is indigent.

17. Economic growth brought with it improvements in labor market conditions, helping to mitigate the difficult social situation in LAC. Despite this improvement, urban unemployment held at nearly 10% between 2001 and 2004.² Furthermore, in 2004 it ranged among countries from a low of 2.0% to a high of 18.4%. Although more women are employed, their conditions of employment and opportunities for growth are inferior to those of men. Despite the existence of national and international laws, child labor is a concern, particularly given the unsafe, risky conditions in which it occurs.

18. Natural and man-made disasters have had a devastating impact on countries' economies. In 2005 alone, hurricanes were responsible for more than \$205 billion in losses, with 7 million people affected.³ Damages in the small countries and economies of Central America and the Caribbean were estimated at more than \$2.22 billion, revealing their vulnerability and the need for prevention and mitigation plans and measures.

19. Population growth has slowed, although it ranges from 0.4% in the English-speaking Caribbean to 2.1% in Central America. Unequal socioeconomic development drives people to move to urban areas in search of jobs and a better life. Thus, the urban proportion of the population in LAC grew from 65% to 78% between 1980 and 2005, with a lesser rate in Central America (53.2%) and the Spanish-speaking Caribbean and Haiti (59.7%). Urbanization poses challenges for health in terms of the availability of resources and basic services, clean water, waste and refuse management, transportation, and violence prevention. Rural areas suffer from the ongoing problems of poverty, limited resources, and lack of access to health services. Factors such as the chaotic growth of cities, indiscriminate industrial development, the rapid increase in

¹ Pan American Health Organization (PAHO). Health Situation in the Americas: Basic Indicators 2006. PAHO: Washington, D.C., 2006

² Economic Commission for Latin America and the Caribbean (ECLAC). Social Panorama of Latin America 2005. Statistical Annex. ECLAC: Santiago, 2006

³ Economic Commission for Latin America and the Caribbean (ECLAC). Preliminary overview of the Economies of Latin America and the Caribbean. ECLAC: Santiago de Chile, 2005

the number of vehicles, and migration from rural to urban areas adversely impact the environment, health, and quality of life of the population, contributing to marginalization. This marginalization is characterized by makeshift housing, poverty, environmental pollution, and higher levels of disease and violence. Makeshift housing in urban areas in LAC increased by 14% between 1990 and 2001, affecting 127 million people. In response to this trend, efforts have been made to address health determinants by creating healthy and sustainable public policies, healthy spaces, and public-private partnerships; strengthening support networks; mobilizing the media; and encouraging action by local governments in health promotion and development.

Trends in Health Problems and Risk Factors

20. Thanks to improvements in living conditions, including education, access to water and sanitation and to primary maternal and child health care, average life expectancy in the countries of the Region increased to 74.6 years in 2005. Other important changes are related to environmental degradation and pollution, new lifestyles and behaviors, greater information dissemination, and the erosion of social and support structures in the population. These contribute to obesity, hypertension, increase in injuries—including road traffic injuries—and violence, problems related to smoking, alcoholism, drug abuse, and exposure to chemical substances.

21. The Region's morbidity and mortality profile is changing, with communicable diseases replaced by chronic diseases as their leading causes, a phenomenon attributable to advances in technology and the aging of the population. Communicable diseases are still a major cause of mortality, with 58 deaths per 100,000 population in 2000-2004,⁴ and are a heavy burden in poorer countries: for example, in Haiti the incidence of tuberculosis (TB) is seven times that of the Region. Added to this are challenges such as TB/HIV co-infection and multi- and extreme resistance to TB drugs. In 2006, 50% of dengue cases occurred in Brazil,⁵ while malaria is endemic in 21 countries. Neglected⁶ diseases cause anemia, malnutrition, memory loss and lower IQ, stigma and discrimination, permanent disability, and premature death. Several of these diseases often go hand in hand, multiplying their impact on health and the social and economic conditions of individuals and populations. The threat posed by potentially epidemic and pandemic diseases, such as pandemic influenza is a challenge, since maintaining governments' commitment to address a problem that has not yet materialized is a complex undertaking.

22. Human rabies transmitted by dogs decreased by 95% in the last 25 years of active control programs; however, few actions have been implemented for other zoonoses. Eradication of foot-and-mouth disease is important for food security and socioeconomic development, and the Region is moving toward this goal. Travel and trade allow the dissemination of infectious agents from their natural foci. Food safety is another public health and economic issue. Modernization of inspection services, strengthening of reference services, harmonization of legislation and *Codex Alimentarius* support, are occurring to address food safety issues.

23. Chronic diseases (CD) are major causes of death and disability in the Region, responsible for over 60% of all deaths and most health care costs. Their causes are hypertension, obesity, hyperglycemia and hyperlipidemia, caused by social factors, living conditions, and lifestyles. Trends forecast a two-fold or greater increase of ischemic heart disease, stroke and diabetes in LAC; mortality from lung, breast and prostate cancers is also increasing. Chronic diseases affect men and women differently; racial/ethnic minority groups and the poor are more likely to be

⁴ Health Situation in the Americas. Basic Indicators. Pan American Health Organization/World Health Organization. 2006

⁵ 2006: Number of Reported Cases of Dengue and Dengue Hemorrhagic Fever (DHF), Region of the Americas (by country and subregion)

⁶ PAHO Regional Program on Parasitic and Neglected Diseases

affected. Annual costs of CD are enormous; for diabetes, the estimated cost was \$65 billion for LAC in 2000.

24. The Region's population is aging, and older adults are demanding new services. At the same time, older adults manifest greater dependency on the economically active population. In 2006, over 50 million people in LAC were 60 years or older, a group growing 2.5 times faster than the overall population. Studies show that more than 50% of this elderly group report poor health, 20% report limitations in daily living activities, and 60% have a CD. Their access to health services is also limited and more than 30% report that their health needs are unmet. Nevertheless, few LAC countries have health promotion goals for older adults. Shifts in funding can result in large impacts, since cost-effective solutions exist, from promotion to prevention and disease management.

25. Smoking prevalence in the Americas varies by country, but exposure to second-hand smoke is both universal and high in most countries, implying a significant burden of mortality and morbidity for the Region. The WHO Framework Convention on Tobacco Control (FCTC) was developed to give countries an instrument to face the challenges that could not be solved solely through national legislation. It has been ratified by 60% of the Member States. There has been significant and relatively fast progress in recent years, notably in countries such as Brazil and Uruguay, and at the subnational level in the United States of America, Canada and Argentina. The future presents two clear challenges for the Region: on one hand, ratification of the FCTC by those Member States where it has not been ratified, and on the other hand, implementation of the measures contained in the Convention, especially the inclusion of strong health warnings on tobacco packages within three years of entry into force of the Convention in that country, development of smoke free environment policies, and a comprehensive ban on advertisement, promotion and sponsorship of tobacco products.

26. In LAC, comprehensive and integrated actions are needed to achieve the health-related Millennium Development Goals (MDGs) by 2015, particularly among vulnerable groups. Where governments and social systems fail to reach, families and communities often perform strategic health functions, and are a source of support and protection for the health and well-being of citizens. Such local mechanisms need to be empowered, supported and strengthened.

27. In LAC, poor nutrition, the underlying cause in 42% to 57% of deaths among children under five years of age, exacerbates the impact of illnesses. Stunting and anemia are the most prevalent problems affecting growth and nutrition with 25% and 70% of infants and young children affected, respectively. At the same time, overweight and obesity in the general population affect approximately 140 million people. Limited access to enough food to meet energy requirements affects about 53 million people in the Region. Maternal nutrition, breastfeeding, complementary feeding practices, and infectious diseases are also critical to infant and young children's health and nutrition. Reduced access and consumption of micronutrient-rich foods are responsible for the high prevalence of anemia in women and children. In rural and poor urban areas, overweight and obese parents, often suffering from specific deficiencies such as Vitamin A, iron, calcium, folate, and zinc, are frequently found to have stunted and anemic children. A dominant dietary pattern of over-consumption of high-energy foods, commonly associated with low micronutrient intake and a downward trend in the consumption of fruit, vegetables and whole grains, is increasingly common. The consumption of foods that are rich in saturated fats, sugar and salt is also increasing, and is linked to lower prices of processed foods, new marketing strategies and changes in diet from traditional to processed foods.

28. In 2005, 450,000 children under the age of five died in LAC. One third of the countries had under-5 mortality rates of 30 per 1,000 live births; these countries accounted for 60% of

deaths, with perinatal and infectious diseases accounting for more than 60% and 25% of them, respectively. Half of the mortality reduction between 1990 and 2000 is attributed to childhood immunization; thus, the use of new vaccines may expand gains, but vaccination coverage needs to be maintained. The lifetime maternal mortality risk of 1 in 160 translates into 22,000 annual deaths, 10% to 50% of them occurring among young women. Young women under the age of 20 are estimated to account for 18 out of every 100 births in the Region, with 34% being unplanned. Fertility rates among adolescents are greater than 100 per 1000 live births in Honduras, Nicaragua, Guatemala, El Salvador, and the Dominican Republic. Most maternal mortality results from preventable causes, but in some countries essential obstetric and neonatal services are of poor quality or not in place, or are under-used because of access barriers or a lack of skilled personnel. Notable urban-rural disparities exist: fewer rural women attend four or more antenatal consultations and large proportions do not have access to skilled birth care.

29. The HIV/AIDS epidemic remains a serious public health threat in the Americas. The most recent estimates on HIV show a slow increase in estimated cases from 2004 through 2006. At the end of 2006, it was estimated that 3,350,000 people were living with HIV in the Americas, 51% in Latin America, 42% in Canada and the United States, and 7% in the Caribbean. The Caribbean is the second most affected geographic area worldwide, with an estimated adult HIV prevalence of 1.2% and where HIV/AIDS is the leading cause of death among young adults. In this subregion, it is estimated that 1.6% of women and 0.7% of men between the ages of 15 and 24 are infected with HIV. North and Latin America present epidemics concentrated among the most vulnerable groups (e.g. men who have sex with men, sex workers, injecting drug users, ethnic minorities and migrants, among others) with estimated adult prevalence of 0.8 % and 0.5% respectively. In 2006 in LAC, 167,000 new HIV infections occurred and 84,000 people died of AIDS. Evidence suggests that around 80% of the transmission of HIV is through unprotected sex. Women are increasingly affected although men still account for a significant proportion of infections. Gender is a determinant factor for vulnerability, exposure to risk, and the ability to carry out health-seeking practices. Vulnerable and affected people face rejection, stigma and discrimination. The spread of sexually transmitted infections (STIs) increases the risk of HIV transmission. Each year it is estimated that there are 50 million new cases of STIs in the Region, but the true magnitude of the epidemic is difficult to measure due to deficient surveillance systems. Additionally, in LAC, 330,000 pregnant women are diagnosed with syphilis every year but are not treated adequately, resulting in 110,000 infants being born with congenital syphilis yearly.

30. Mental illness imposes a high burden on the countries of the Americas. In 2002 it accounted for an estimated 25% of the total disability-adjusted life years lost to all diseases, with unipolar depression being a significant component. Only a minority of people suffering from mental illness receive treatment, despite the impact of the problem. In 80% of the countries, the majority of beds are located in psychiatric—rather than general—hospitals, and 25% of the countries have yet to provide community care. Nevertheless, mental health is on the countries' agendas; there are successful local and national experiences, user and family associations are emerging, and advocacy is growing. Cost-efficient interventions exist, which can allow for an adequate response using limited resources.

31. Road traffic crashes are responsible for over 130,000 deaths and 1,200,000 injuries each year in the Region. The leading causes are driving under the influence of alcohol, speeding, poor road and vehicle maintenance, and failure to use seat belts and helmets. The increasing use of motorcycles, not only for private transportation but also as a means of transporting goods and delivery, is also contributing to the increasing trends in mortality and injuries in many countries. Countries such as Chile, Costa Rica, Colombia and Cuba, have implemented policies that have reduced mortality from road traffic crashes.

32. Violence remains a critical problem for populations in some countries of the Region, notwithstanding the interest of governments and society to deal with it; laws, when enacted, are not always enforced. Measuring and assessing the impact of legislation is a challenge. Homicides increased in several countries, with men under 35 years of age being the most affected group; in Colombia, however, homicides decreased by 40% between 2001 and 2006. The percentage of women suffering violence from their partners during their lifetime ranges from 10% to 60% across countries. Juvenile gang violence spread in the Region, especially in El Salvador, Honduras, Guatemala, Jamaica, Brazil, Colombia, Mexico and the United States. Urban violence is endemic in Latin America and the Caribbean, and impacts diverse sectors. Health is critically affected by insecurity. The incorporation of human security in the planning and implementation of projects has had an added value for the success of violence prevention, road safety and health promotion interventions. There is a need to increase human security as part of public policies aimed at reducing violence and crime and at improving road safety and human health.

33. Toxic chemical exposure is a serious public health problem in the Region. The use of chemicals in different phases of industrial and agricultural production processes puts not only the workers, but the entire population at risk, especially vulnerable groups such as children, pregnant women, older adults, and the population with limited education and access to information about the toxicity of certain products. The volume of these substances has increased, and per capita exposure to some of them, such as pesticides, is three times higher than the global average according to WHO. Although surveillance quality is improving, the reporting of morbidity and mortality from acute and chronic poisoning does not reflect the magnitude of the problem. Efforts should be centered on: toxic surveillance; strengthening of legislation, rigor in the registration of chemicals, prevention of illegal trafficking in toxic and hazardous substances; civil society participation in chemical surveillance and control mechanisms; the adoption of chemical safety as part of sustainable development policies; and expanding alternatives to pesticides, such as integrated pest management and organic agriculture.

34. In 2004, the economically active population was estimated at 414 million workers, or 46% of the Region's population. According to WHO (2005), 60% of workers are exposed to hazardous and unhealthy working conditions that entail a variety of risks that impact health. It is estimated that accidents in the workplace, which account for 8% of global accidents, result in 312,000 deaths and 10 million disability-adjusted years of life lost. Activities such as agriculture, construction, and mining are the most dangerous. Informal employment is associated with greater occupational risk and unstable working conditions with no legal protection (especially at the national level), worker's compensation, or health benefits. Women, children, and older adults are the least protected groups working in this informal sector.

35. The epidemiological profile of the majority of the approximately 45 million indigenous peoples in the Region is strongly shaped by the effects of socioeconomic and environmental determinants such as poverty, unemployment, illiteracy, migration, marginalization, discrimination, inequalities, lack of ownership of their territories and lands, destruction of the ecosystem, and geographical isolation. This disadvantageous situation also affects their capacity to access and utilize needed health care services, which results in health indicators worse than the national average. For example, maternal and infant mortality rates are 2 to 3 times higher than the national averages, and diseases such as trachoma, onchocerciasis, Chagas disease and plague, which have been controlled for other population groups, are still present in areas populated by indigenous peoples.

Trends in the Health System Response

36. Overall, an estimated 20% to 25% of the population in LAC (200 million people) do not have regular and timely access to the health system.

37. The architecture of health systems in the Region, with their un-integrated arrangement of subsystems serving different population groups and strata, has led to segregation, segmentation and fragmentation. The health service delivery networks created followed the pattern of the subsystems, with limited integration and communication among health units, and within and among subsystems at different levels. In many countries, service delivery tended to be concentrated in more affluent urban areas and among the salaried population, resulting in inefficient resource utilization and leaving the economically and socially marginalized population unprotected. Countries reformed their health systems to increase cost-effectiveness and achieve financing sustainability, giving the private sector an important role. These reforms were centered on financial and management changes, deregulation of the labor market, and decentralization, not always considering countries' geographic, social, demographic, and political structure, or the degree of institutional development in the health sector.

38. These reforms resulted in the creation of insurance and health service delivery markets that in some cases were not well-regulated, and in the proliferation of intermediaries in health service delivery, accentuating the fragmentation of health systems. Thus, multiple, uncoordinated and competing agents operate, often creating overlap and duplication of service delivery networks, without complementarity of services or continuity of care. This situation tends to hinder comprehensive care and in some cases resulted in low quality health services. Although the goal was to achieve greater pluralism, efficiency, and quality in health service delivery, in some cases the national health authority lost its steering capacity, health system operations were undermined, and public health issues were neglected. Segmentation in the financing of the health services accentuated segregation, with the emergence of benefits plans that differed in quality and quantity among population groups, depending on financial circumstances. This situation has contributed to increased out-of-pocket expenditures and catastrophic risks for the financial security of families.

39. Public health expenditure is a basic public policy instrument for improving health status, reducing inequalities in the population's access to health services, and protecting people from the adverse effects of disease. Public health expenditure as a percentage of GDP in LAC rose from 2.6% in the 1980s to 3.6% in 2005-2006, below the figures of 7.3% to 8.6%, respectively, in developed countries of the Organization for Economic Cooperation and Development (OECD). In 2005-2006 public health expenditure as a percentage of GDP in the LAC region ranged from 1.3% to 4.5%. In OECD countries with health systems that provide universal coverage it ranged from 7.5% to 10%. Part of the growth of public expenditure in health has been for insurance systems, but with modest gains in coverage. Public expenditures in health through social health insurance schemes increased from \$14.7 billion in 1990 to \$27.7 billion in 2004-2005 (in constant year 2000 dollars). Average expenditure per (potential) beneficiary of social health insurance programs increased from \$129 in 1990 to \$209 in 2004-2005 (in constant year 2000 dollars). The total population covered under social health insurance schemes increased from 114.7 million people in 1990 to 132.7 million in 2004-2005; however, as a percentage of the total population, this entailed a decline from 26% in 1990 to 24% in 2004-2005. Critical measures for improving health status and reducing inequalities in access to health services include: greater public expenditure on health, including public health and health care; improvements in the distributive impact of that expenditure; and expansion of the coverage of public health insurance and social protection programs.

40. Health systems are based on the availability and competency of personnel who offer accessible, quality services. Numerous studies and WHO's World Health Report 2006 indicate the need for an optimal number and high quality of health workers to meet public health targets. In the year 2000, WHO estimates the total health workforce in the Americas—defined as all people engaged in actions whose primary intent is to enhance health—at 21.7 million people, approximately 2.6% of the total population of the Region. Of these, 57% (12.5 million) are classified as health services providers, directly involved in the delivery of personal and non-personal services, while 43% (9.2 million) are health management and support workers. In the year 2000, there were 1,771,200 physicians and 3,426,000 nurses in the Region; the United States had 68% (over 3.5 million) of the total number of physicians and nurses. Great differences exist in the distribution of health care providers between countries, as well as within countries, in proportion to population. The range of physician-population ratios was 59.6 per 10,000 in Cuba, while seven countries of the Region recorded ratios of 5 per 10,000 or less. With respect to nurses, in 2000 North America recorded a ratio of 95 nurses per 10,000 population, more than double the figure for the Americas as a whole. Physician supply in urban areas is eight to ten times higher than it is in rural areas. Women constitute almost 70 percent of the health workforce and represent a disproportionately high percentage of unemployed health workers in a sample of two-thirds of the countries in the Region. Over 163 million people in the Americas resided in areas where the human resources density (doctors and nurses per 10,000 population) was below the optimal target level of 25, identified by WHO as a threshold to ensure 80% coverage of basic public health interventions. No information is currently available on the public health workforce regionally, or on administrative and support staff.

41. Access to health services continues to be an important challenge for all Member States. Profound inequities in access exist among and within the different countries of the Region. It is estimated that 125 million people in Latin America and the Caribbean do not have access to basic health services (about 27% of the population). Cultural, social, economic, organizational, and geographical barriers impede access to health services by a large proportion of the population.

42. There are also inequalities in access to essential health technologies and services in the Region. Many countries have inadequate or deteriorating physical infrastructures, lack of adequate specifications for purchasing new technologies, inappropriate organization of health services and insufficient qualified health personnel. As a result, there are many areas with nonfunctioning technologies, under-used services, minimally trained staff, insufficient prevention policies, ineffective diagnostic and therapeutic protocols, and unsafe conditions for patients. For many technologies, it is critical to ensure that their incorporation and use be undertaken with supervision by regulatory authorities, guided by national legislation. National policies are needed to cover all aspects of health technologies and services, but will be successful only if supported by regulatory mechanisms. While the advantages of health technologies and services are many, they can represent an unnecessary cost if the quality and management of services provided are unacceptable. For health care to have the greatest impact, particularly where resources are limited, priority should be given to the selection, establishment and procurement of essential health technologies and services. Control of health problems and achievement of health-related MDGs will depend on the correct use of technologies and services.