

53rd DIRECTING COUNCIL

66th SESSION OF THE REGIONAL COMMITTEE OF WHO FOR THE AMERICAS

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**OPENING REMARKS BY MR. FERDINANDO REGALIA
CHIEF OF THE SOCIAL PROTECTION AND HEALTH DIVISION
OF THE INTER-AMERICAN DEVELOPMENT BANK (IDB)**

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Ministers and Secretaries of Health,
Delegates of the Member States,
Assistant Director-General of the World Health Organization,
Director of the Pan American Health Organization,
Invited Agency Representatives,
Ladies and Gentlemen:

In the majority Latin American and Caribbean countries, the health sector must be prepared to deal with the phenomenon of diminishing returns and rising expectations.

Diminishing returns are a product of the growing difficulty maintaining the progress of recent decades. Between 1990 and 2013, the Region's infant mortality rate plummeted from 43 to 15 deaths per 1,000 live births. Reducing that rate by another 10 points, down to a level of 5 deaths per 1,000, will undoubtedly be more difficult.

Rising expectations are related to the aspirations of an emerging middle class that is demanding more and, above all, better services. Over the past few years, that message has come across loud and clear during public demonstrations in several countries of the Region.

In addition, nearly all of Latin America and the Caribbean is going through a period of decelerating economic growth. As a result, increasing public expenditure in health—though necessary in many countries—will be a more complex undertaking.

This scenario could be considered the “perfect storm.” However, during the international financial crisis of 2007–2008, some significant examples of how service coverage and quality can indeed be safeguarded were offered by some of the high-income countries—despite budgetary constraints. And the key to achieving that objective, in conjunction with political commitment, is boosting efficiency in health service management.

There is plenty of room for improving service management and organization in Latin America and the Caribbean. Two examples illustrate this:

- One-third of all health expenditure in the Region comes directly out-of-pocket—indicating that neither public nor private insurance is sufficient to provide financial coverage for families; and
- On average, 20% of all hospitalizations in Latin America and the Caribbean could have been avoided through primary care—pointing to a major gap in access to timely, high-quality preventive services.

In this context, boosting efficiency in health service management is essential for attaining the much-desired goal of equitable and sustainable universal coverage.

While it is unlikely that any approach will lead to lower health costs, greater emphasis on preventive care and strengthening the care continuum could result in better health outcomes in the population—thus cutting expenditure growth.

Achieving equitable and sustainable universal health coverage while ensuring financial protection will require a combination of very specific strategies that include:

- 1) Strengthening health service organization networks geared to primary care in order to ensure an integrated system at all levels and guarantee the continuity of patient care.
- 2) Training the health workforce to respond a changing disease burden.
- 3) Utilizing the full potential of the public and private sectors to improve service delivery under an adequate regulatory framework with guaranteed universal access.
- 4) Ensuring greater efficiency in mobilizing, pooling, and utilizing health sector resources based on epidemiological priorities and cost-effectiveness criteria.

The IDB is committed to supporting the countries in their commitment to advance towards universal health service coverage, fostering the comprehensive improvement of health systems, multisectoral efforts, and an approach that addresses the social and environmental determinants of health, while promoting innovation and efficiency in the use of financial resources.

In this effort, we consider our partnership with PAHO essential for responding in the timeliest possible manner to the urgent questions in the countries of the Region on how to implement effective strategies and policies to advance towards universal

coverage. The rising expectations of millions of people in Latin America and the Caribbean are both just and desirable and must serve as an incentive for us to continue improving our work to assist the countries of the Region.

Thank you.

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