



## **IAPO Information Paper: Universal health coverage**

**6th Global Patients Congress, 2014**

**International Alliance of Patients' Organizations (IAPO)**  
**March 2014**

# IAPO Information Paper: Universal health coverage

6<sup>th</sup> Global Patients Congress



## Contents

Introduction.....	2
How is universal health coverage defined? .....	2
Why is UHC considered important? .....	3
How can UHC ensure both quality and equity in healthcare? .....	5
How do WHO and Member States define progress and achievement in universal health coverage?.....	6
What next for a patient-centred approach to universal health coverage? .....	9
References .....	9

© [March, 2014] IAPO. All rights reserved.

IAPO is a Registered Charity in the UK

Company no. 8495711 and registered charity no. 1155577

This publication is the property of IAPO and no part may be reproduced without its prior permission. Opinions expressed by participants are their own and not necessarily those of IAPO.

# IAPO Information Paper: Universal health coverage 6<sup>th</sup> Global Patients Congress



## Introduction

*"I regard universal health coverage as the single most powerful concept that public health has to offer. It is inclusive. It unifies services and delivers them in a comprehensive and integrated way, based on primary health care." Dr Margaret Chan, Director-General, World Health Organization*

Universal Health coverage (UHC) has the potential to transform health systems and ensure access to healthcare for all. The theme of IAPO's 6<sup>th</sup> Global Patients Congress is 'Better access, better health: A patient-centred approach to universal health coverage'. The Congress will explore what universal health coverage means from a patient perspective and its potential to improve health for all. The Congress is a unique opportunity for patient representatives and other stakeholders to come together to look at how equality and quality in healthcare are defined, the future of patient empowerment and engagement and what patient-centred universal health coverage looks like.

This information paper aims to provide an introduction to universal health coverage, how it is currently defined and measured, and why it is considered so important. It also provides an overview of the work that will be undertaken at the Congress to develop patient defined principles of universal health coverage and the next steps after Congress. This paper should be read in conjunction with the 'Country examples of progress towards universal health coverage' document, which provides examples of six countries from around the world who are working towards universal health coverage. When reading both of these papers, it is important to consider what the role of the patient should be in universal health coverage. For example, readers may want to consider questions such as: who defines what is meant by quality and equity in healthcare? What role should patients have in the design and implementation of universal health coverage strategies? And, how can patients support the monitoring and evaluation of universal health coverage strategies? Both papers consist of referenced research material and have been developed to provide background information in the lead up to IAPO's 6<sup>th</sup> Global Patients Congress. Therefore, they do not constitute an IAPO position on UHC.

## How is universal health coverage defined?

Universal health coverage (UHC) ensures that all people get the health services they need without suffering financial hardship when paying for it. In particular, UHC revolves around three key aspects:

- Increasing the extent of the population covered by healthcare. Coverage needs to span across geographical, gender, ethnic and religious boundaries, with specific attention towards disadvantaged and excluded groups. At the state level, governments have an obligation to provide healthcare to all groups (1).

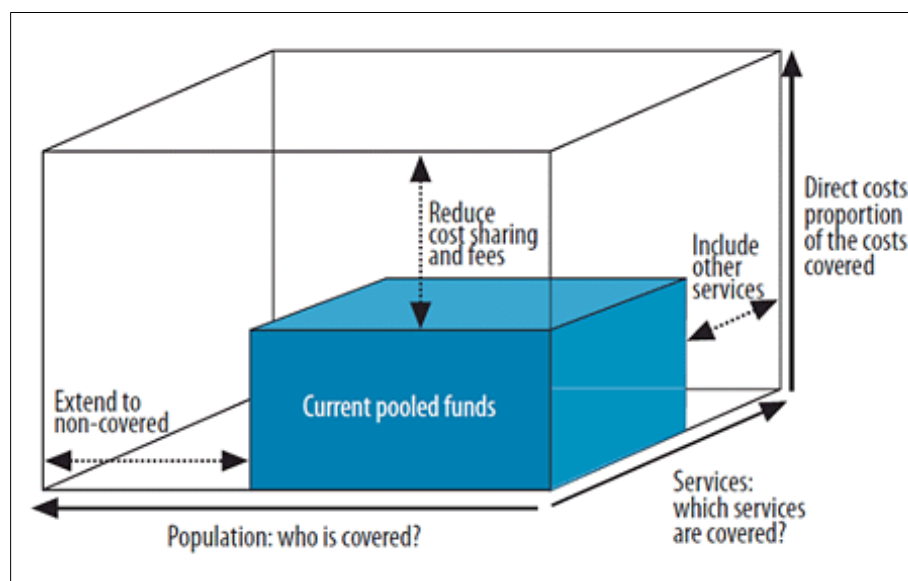
# IAPO Information Paper: Universal health coverage

## 6<sup>th</sup> Global Patients Congress



- Expanding and improving the quality of services that are covered. This mandates the provision of promotative, preventive, curative and rehabilitative health interventions for all groups. Investments must also be made beyond the healthcare sector to provide the foundations for a healthy society (2), including targeted initiatives in education, transport, public finance and water and sanitation.
- Reducing out-of-pocket costs of healthcare. The establishment of sustainable healthcare funding systems, for instance through risk pooling initiatives, is seen as a necessary step in achieving UHC (3).

These three components can be summarised as equity, quality and financing and will be explored through the breakout streams of the Congress.



**Figure 1. This diagram outlines three dimensions to consider when moving towards universal health coverage (4)**

### Why is UHC considered important?

UHC is an important goal, first and foremost because health is a basic component of human rights<sup>1</sup>. Expansions in coverage, when well-managed, have been associated with improved access to necessary care and improved population health, with the largest access gains going to poorer people (5).

<sup>1</sup> As enshrined in the Universal Declaration of Human Rights (1948), the World Health Organisation's constitution, and the Alma Ata Declaration (1978).

# IAPO Information Paper: Universal health coverage 6<sup>th</sup> Global Patients Congress



The benefits of UHC extend beyond individual health outcomes. By improving health outcomes through a quality health system with universal access, countries can stimulate economic growth and reduce poverty. Moreover, strong healthcare systems improve social harmony, by assuring that health services for citizens are available where necessary (6). Strong healthcare financing systems reduce the financial barriers that households face and thereby increase access to healthcare services. This is seen as a strong form of social protection that works alongside other mechanisms, for example unemployment benefits. Reliance on out-of-pocket payments increases risks faced by households (5). Households may be affected by financial catastrophe<sup>2</sup>, be pushed into poverty because of healthcare payments<sup>3</sup> or forgo necessary treatment as they are unable to pay for it (6).

UHC is a vital target in all countries, as poor health brings about significant costs. Poor health can lead to premature and preventable morbidity (7) which has substantial costs for human and economic development. Additionally, poor health can have negative spill over effects between individuals and the community, and between high income and middle to low-income countries (8).

The United Nations General Assembly recognises UHC as a key instrument in “enhancing health, social cohesion and sustainable human and economic development” (9). In 2012, it adopted a resolution on universal health coverage (10), urging governments to move towards providing all people with access to affordable, quality healthcare services. The resolution calls on Member States to adopt a multisectoral approach and to work on the social, environmental and economic determinants of health to reduce inequities and enable sustainable development.<sup>4</sup> As well as ensuring a multisectoral approach, multi-stakeholder action is essential. All healthcare stakeholders, including those who receive healthcare services, patients, need to be involved in strategies to improve access to affordable, equitable and high quality healthcare services.

The World Health Organization (WHO) has a leading role in supporting countries in improving coverage, and has stated that all countries at all levels of income can work towards universal healthcare.<sup>5</sup> The 2010 World Health Report was themed “Health systems financing: the path to universal coverage”, and the following report in 2013 focussed on the need to enhance the knowledge base on UHC and to encourage further research on the issue. UHC is a key area of the WHO’s work, with a number of resolutions being passed at the World Health Assembly each year on access to essential medicines, health system strengthening and health technology assessment. Additionally, major WHO strategies such as the global

<sup>2</sup> The World Health Organisation (WHO) defines financial catastrophe as out-of-pocket expenditures exceeding 40% of a household’s non-subsistence income.

<sup>3</sup> WHO advises that out-of-pocket expenditures of more than 15-20% of total health expenditure may lead to impoverishment.

<sup>4</sup> As outlined in: Health: essential for sustainable development taken from WHO’s website [www.who.int/universal\\_health\\_coverage/un\\_resolution/en/](http://www.who.int/universal_health_coverage/un_resolution/en/)

<sup>5</sup> Taken from a speech by Margaret Chan: [www.who.int/whr/2010/10\\_message\\_summary\\_en.pdf](http://www.who.int/whr/2010/10_message_summary_en.pdf)

# **IAPO Information Paper: Universal health coverage**

## **6<sup>th</sup> Global Patients Congress**



action plan on non-communicable diseases and the sustainable development goals (SDGs)<sup>6</sup> have a strong emphasis on the importance of UHC. Indeed, according to Margaret Chan, Director General of WHO, UHC is the “single most powerful concept that public health has to offer” (11), and must be seen as an imperative for all countries.

### **How can UHC ensure both quality and equity in healthcare?**

UHC is a drive towards both increased equity in healthcare and improved quality and coverage of health services. However, it is not always the case that both these objectives can be achieved at the same time. There is a risk that countries on the path to universal coverage could leave poorer and more disadvantaged groups behind (12), for instance by prioritising health development in the urban sectors and neglecting the needs of the rural sectors. There is also the concern that expanding coverage to the poorest cannot be sustainably financed, which implies that it may affect service coverage for those already receiving it.

Many countries have implemented innovative policies to circumvent these trade-offs. Training community health workers has helped to provide access to geographically distant populations, thus improving both the equity of the system and the quality of healthcare received. In addition to this, some low income countries use a mix of funding sources to subsidise coverage for workers in the informal economy and the unemployed, thus improving the level of funding available for healthcare delivery. Many have also decentralised the collection of premiums, exploiting informational advantages by devolving authority to governments and officials who have better access to remote populations.

However, there remain challenges that need to be addressed in many countries. One such concern is how to control rising healthcare costs while ensuring that service quality remains at an ‘acceptable’ level. It is important to note here that the definition of ‘acceptable’ in relation to quality of care may differ across various stakeholder groups. Patients for example may have different expectations of what they consider is an acceptable level of quality compared to healthcare professionals or policy-makers. On the part of health system planners, maintaining quality care may mean incentivising healthcare providers to control their costs. This could also involve public research into health technologies and interventions, to determine cost-effective responses to existing and emerging problems. In high income countries which are already working towards UHC, the focus could be on meeting the changing demands of the population, perhaps by catering for an ageing population or by addressing specific non-communicable diseases.

---

<sup>6</sup> The SDGs are currently under development and due to replace the millennium development goals (MDGs).

# IAPO Information Paper: Universal health coverage 6<sup>th</sup> Global Patients Congress



Expanding health insurance coverage to the entire population is a worthy target, but in isolation, may not necessarily ensure UHC. Insurance coverage does not imply full financial risk protection<sup>7</sup>. Health insurance may only cover a minimum set of services, and thus does not guarantee full financial risk protection. Those who are insured may still be required to make out-of-pocket payments, including informal cash payments. Moreover, coverage may not be uniform across the population, and in particular may privilege the financially able over the poor and unemployed. There needs to be continued attention towards expanding service coverage to deal with epidemiological conditions in countries and addressing discrepancies that exist between insurance coverage schemes.

In spite of these concerns, countries which have focused on increasing health coverage have generally seen improvements in both healthcare equity and service quality. Many countries have learnt from previous successes or failures and tailored their systems to better meet the needs of the population. Indeed, with appropriate policy choices and learning through experience, both equity and quality can be achieved in the pursuit of UHC.

## How do WHO and Member States define progress and achievement in universal health coverage?

It is important to devise strategies, techniques and indicators to measure progress and achievement in UHC. This is for two reasons; at the country level, UHC monitoring focuses on two critical components of health system performance – the levels of coverage for health intervention, as well as financial risk protection (12). At the global level, indicators can be standardised so that they are comparable across borders, and over time. This also enables countries to learn from one another. The implication is that monitoring should be carried out both at the national and international level (12), as indicators that may reflect coverage in a country may be less pertinent in another context.

The World Health Report 2013 (4) identifies four dimensions along which UHC should be measured:

- the extent of financial risk protection
- coverage of health services
- equity
- quality of health services

It notes that each nation faces unique challenges with regard to health and financial protection, and thus recommends that each nation should determine its priority health problems, determine which services are required to address these problems, and investigate how these services can be provided. Recognising

---

<sup>7</sup> Despite the success of the Mexican insurance program Seguro Popular in expanding access to insurance coverage for a large percentage of the population, out-of-pocket payments remain high (13).

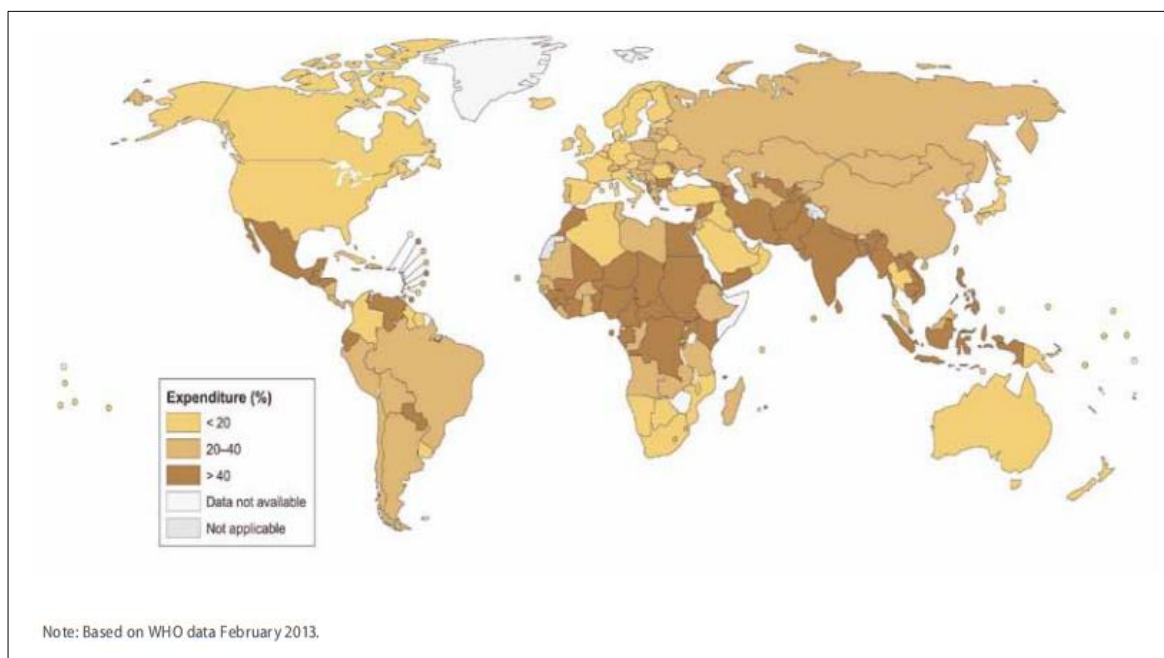
# IAPO Information Paper: Universal health coverage 6<sup>th</sup> Global Patients Congress



that it is not feasible to measure all aspects of coverage, WHO instead recommends defining a set of “tracer” conditions with associated indicators and targets for interventions, in order to track progress towards universal coverage. The tracers, when appropriately chosen, are representative of coverage and are robust to changes. Further research is required to determine which measures can adequately represent service coverage. Patients, as well as other healthcare stakeholders should be involved in determining how universal health coverage is defined and how progress is measured.

## *Financial risk protection*

As it is difficult to determine who is actually financially protected and to what extent, it is more straightforward and precise to measure the consequences for people who do not have financial risk protection. The World Health Report 2013 lists a number of direct and indirect indicators pertaining to this. The direct indicators listed include the incidence of catastrophic health expenditure due to out-of-pocket payments, the mean positive overshoot of catastrophic payments<sup>8</sup>, the incidence of impoverishment due to out-of-pocket payments<sup>9</sup> and the poverty gap due to out-of-pocket payments<sup>10</sup>. The indirect indicators, on the other hand, include the out-of-pocket payments as a share of total health expenditure, as well as government health expenditure as a share of GDP.



<sup>8</sup> The average amount by which households affected by catastrophic expenditures pay more than the threshold used to define catastrophic health spending.

<sup>9</sup> The proportion of the population pushed below the poverty line because of out-of-pocket payments.

<sup>10</sup> The extent to which out-of-pocket health payments worsen a household's pre-existing level of poverty.



**Figure 2. This map shows the out-of-pocket expenditure as a percentage of total expenditure on health in countries around the world, measured in 2013 (4)**

WHO has compiled data on the indicators described above, which are available on its Global Health Expenditure Database. To assess inequalities in terms of financial risk protection, the indicators can be measured for different segments of the population, depending on income or place of residence, for instance. However, questions remain as to how these indicators reflect the level of financial risk protection in a country. There is no broad agreement, for instance, as to which indicator should be more prominent in assessing the extent of protection in a country, or as to how targets should be set to achieve a sufficient level of protection. These are topics for further research and debate.

*Coverage of health services*

The Millennium Development Goals (MDGs) have played a crucial role in the drive for better health, and towards developing precisely-defined indicators to measure progress. However, health services cover a wide range of interventions at several levels, and it is infeasible to measure all aspects of coverage for all interventions. Inputs can also be investigated as a proxy for direct measures of coverage. For instance, the WHO compiles data from surveys of the availability and price of essential medicines. This provides a measurable and comparable statistic across countries, suitable for comparing the level of coverage across countries.

*Equity*

Universal coverage means that everyone receives equal access. Partial coverage may mean that certain groups get privileged access over others. To ensure that healthcare is distributed equitably, indicators should be disaggregated by individual characteristics, for instance income, sex, age or ethnic origin. This would indicate where further efforts could be targeted, in order to increase coverage.

*Quality of services*

The Organisation for Economic Co-operation and Development (OECD) has developed measures of quality for certain interventions. These measures relate to cancer and mental health, aspects of prevention and health promotion, patient safety and patient experiences. An example of this is the proportion of people who die within 30 days of admission, following ischaemic stroke. However, statistics on the quality of care may not be precisely comparable across countries. For instance, in some countries, case-fatality rates are not tracked for patients moving between hospitals, or going in and out of hospitals, and could thus be understated. Further research is required to select and agree on internationally comparable indicators of quality.

# IAPO Information Paper: Universal health coverage

## 6<sup>th</sup> Global Patients Congress



### What next for a patient-centred approach to universal health coverage?

Ensuring affordable, equitable, high quality healthcare globally is ambitious, but essential to ensuring the health and continued development of nations. Without all of these three key elements; namely sustainable financing, equity and quality, healthcare systems cannot consider themselves to be truly universal. When moving towards universal health coverage, it is essential that patients are involved in the design and delivery of strategies that improve access to health to ensure that systems meet their needs.

During the Global Patients Congress, with the input of member patient representatives, IAPO aims to develop a draft set of patient defined principles of universal health coverage. Following the Congress these principles will be finalised and used to develop an IAPO policy position on universal health coverage, with further input from IAPO members. This will be used as part of IAPO's international advocacy at the World Health Organization's (WHO) World Health Assembly in May 2014. Following the Assembly, IAPO will continue to advocate for patient-centred universal health coverage in international and regional forums, such as the WHO regional committees. We hope that IAPO members will also use this policy position in their own advocacy work.

Following the Congress, IAPO will be working with members to assess their needs in relation to access to healthcare and universal health coverage. This will then inform what IAPO will do to continue to support the capacity and policy development needs of members on the topic of universal health coverage.



# IAPO Information Paper: Universal health coverage

## 6<sup>th</sup> Global Patients Congress



### References

1. O'Connell, T., Rasanathan, & K., Chopra, M., (2014). What does universal health coverage mean? *The Lancet*, 383, 277-279. doi:10.1016/S0140-6736(13)60955-1
2. Kim, J. Y. (2013, December 6). Speech by World Bank Group President Jim Yong Kim at the Government of Japan-World Bank Conference on Universal Health Coverage. Retrieved from: [www.worldbank.org/en/news/speech/2013/12/06/speech-world-bank-group-president-jim-yong-kim-government-japan-conference-universal-health-coverage](http://www.worldbank.org/en/news/speech/2013/12/06/speech-world-bank-group-president-jim-yong-kim-government-japan-conference-universal-health-coverage)
3. Savedoff, W.D., de Ferranti, D., Smith, & A.L., Fan, V (2012). Political and economic aspects of the transition to universal health coverage. *The Lancet*, 380, 924-932. doi:10.1016/S0140-6736(12)61083-6
4. World Health Organisation (2013). *The World Health Report 2013: Research for Universal Health Coverage*. Geneva, World Health Organisation
5. Moreno-Serra, R. & Smith, P.C. (2012). Does progress towards universal health coverage improve population health? *The Lancet*, 380, 917-923. doi:10.1016/S0140-6736(12)61039-3
6. Evans, B.D., Marten, R., & Etienne, C. (2012). Universal health coverage is a development issue. *The Lancet*, 380, 864-865. doi:10.1016/S0140-6736(12)61483-4
7. Anand, S., Desmond, C., Fuje, H., & Marques, N. (2012). *The cost of inaction: Case studies from Rwanda and Angola*. Cambridge, Massachusetts: FXB Center for Health and Human Rights.
8. Sachs, J. (2012). Achieving universal health coverage in low-income settings. *The Lancet*, 380, 944-947. doi:10.1016/S0140-6736(12)61149-0
9. General Assembly Resolution 66/288, *The Future We Want*, A/RES/66/288 (27 July 2012). Retrieved from: <http://undocs.org/A/RES/66/288>
10. United Nations, General Assembly, *Global Health and Foreign Policy*, A/67/L.36 (6 December 2012). Retrieved from: <http://undocs.org/A/67/L.36>
11. The Lancet. (2012). The struggle for universal health coverage. *The Lancet*, 380, 859. doi:10.1016/S0140-6736(12)61485-8
12. World Health Organisation & World Bank (2013). *Monitoring Progress towards Universal Health Coverage at Country and Global Levels: A Framework*. Retrieved from: [www.who.int/healthinfo/country\\_monitoring\\_evaluation/UHC\\_WBG\\_DiscussionPaper\\_Dec2013.pdf](http://www.who.int/healthinfo/country_monitoring_evaluation/UHC_WBG_DiscussionPaper_Dec2013.pdf)
13. Knaul, F.M., González-Pier, E., Gómez-Dantés, O., Garcia-Junco, D, Arreola-Ornelas, H., Barraza-Lloréns, M., Frenk, J. (2012). The quest for universal health coverage: achieving social protection for all in Mexico. *The Lancet*, 380, 1259-1279. doi:10.1016/S0140-6736(12)61068-X