

OPINION

To achieve universal healthcare, countries need to strengthen their public sector

Globally there is enough evidence to show that countries with a strong public sector have more successful health systems and better outcomes.

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Rupak De Chowdhuri/Reuters

Universal health coverage has dominated the global health discourse over the last decade. The political declaration of the United Nations High Level Meeting on universal health coverage that has emerged out of intensive negotiations between countries and advocacy by civil society, illustrates the global political commitment towards it.

A [significant omission](#) in the political declaration is the lack of commitment to strengthening delivery of public sector health services, which reflects the dominant discourse on universal health coverage. The emphasis continues to be on healthcare financing, with less emphasis on how provisioning of services should be organised.

While there has always been an emphasis on public financing for financial protection under universal health coverage, in provisioning it is influenced by '[new universalism](#)' – that is, it does not matter whether the providers are public or private as long as they adhere to certain quality standards and managerial flexibility. The role assigned under this for governments is in funding, stewardship and in setting up mechanisms to 'purchase' services from private providers. Even for regulation, 'purchasing' or contracts are seen as the way forward for low-and middle-income countries.

'Purchasing' of healthcare not only conveys an ethos of market, it also carries the danger of commodifying health in its practice. Though the market failure in healthcare is well-acknowledged, 'strategic purchasing' has been promoted as a key tool for achieving universal health coverage.

[Strategic purchasing](#) seeks to mitigate the market failure. However, the assumption that markets can be tweaked to work for people's health, goes counter to the overwhelming evidence. One must not forget that Thailand, which is often cited as a 'strategic purchasing' success story, does not actually rely on private provisioning, nor is it based on principles of competition and choice.

The pitfalls of private sector

In many other contexts, universal health coverage is interpreted as [favouring public funding for private provisioning](#). Relying on for-profit private sector in provisioning of health care with public funding, undermines the public health system, exacerbates health inequities and increases financial hardship. The publicly-funded health insurance schemes which are promoted as a vehicle of universal health coverage in low-and middle-income countries and other forms of private sector contracting for clinical care are prime examples of this.

The publicly-funded health insurance schemes in low-and middle-income countries, such as India and Philippines, where provision is mainly through for-profit private providers, fail to ensure equity in access and financial protection. [Problems](#) of unnecessary procedures, collusion between public and private sector providers, provider capture and funding imbalances with most funds going to private have been well documented. There is severe [geographical inequity](#), with hardly any services available from private sector in rural and remote areas.

The evidence on publicly-funded health insurance schemes in low-and middle-income countries, therefore, is at best mixed and better examples often belong to countries with a substantial share of the public sector (for example, Brazil, Costa Rica) or the not-for-profit sector (for example, Ghana) in provisioning.





that funds are scarce, instead of diverting them to private sector, it would be wise to strengthen public provisioning.

The public health system should be strengthened through the framework of comprehensive primary health care, to provide the whole range of preventive, promotive, curative and rehabilitative care. Availability of free health services, free generic drugs and diagnostics and human resources for health has to be improved.

Much work is needed on the social determinants of health and the structural causes of ill-health. Equity has to be the core driver of policy decisions if a meaningful progress towards universal health coverage has to be charted.

Universal health coverage can gain much by moving away from market-based interpretations to a clear policy towards strengthening [publicly-funded and publicly-provided](#) healthcare. The leaders gathering at the UN High Level Meeting and civil society need to commit to such a path for attaining universal health coverage.

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