

Financial protection in health in Mozambique

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Context

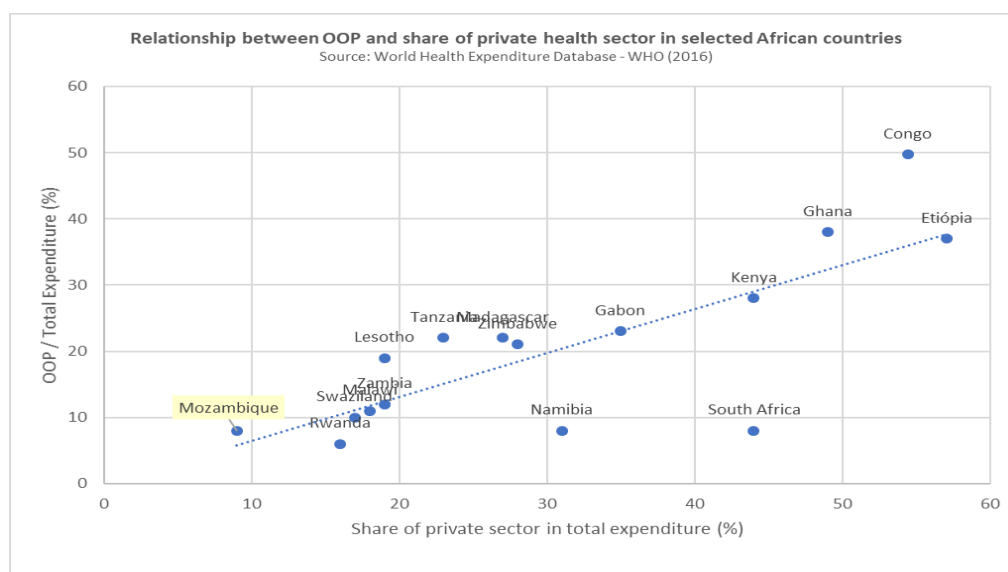
The Agenda 2030 of Sustainable Development includes a specific indicator (3.8.2) on Financial protection in the framework of Universal Health Coverage. In this context, financial protection is defined as the situation in which no household needs to spend more than 10% of its monthly consumption in health. This indicator can be measured in other complementary ways, such as looking at the financial effort only with non-food expenditure, or considering other higher thresholds.

Out-of-Pocket Payments (OOP)

The major driver of financial hardship is the existence of user fees in the health sector. The National Health Accounts 2015 show that Out-of-Pocket (OOP) payments doubled in a short period of time, from 6% of the Current Health Expenditure in 2012 to 12% in 2015. This fact is a warning on the increasing user fees at hospital level in public facilities, as well as on the developments in the private sector.

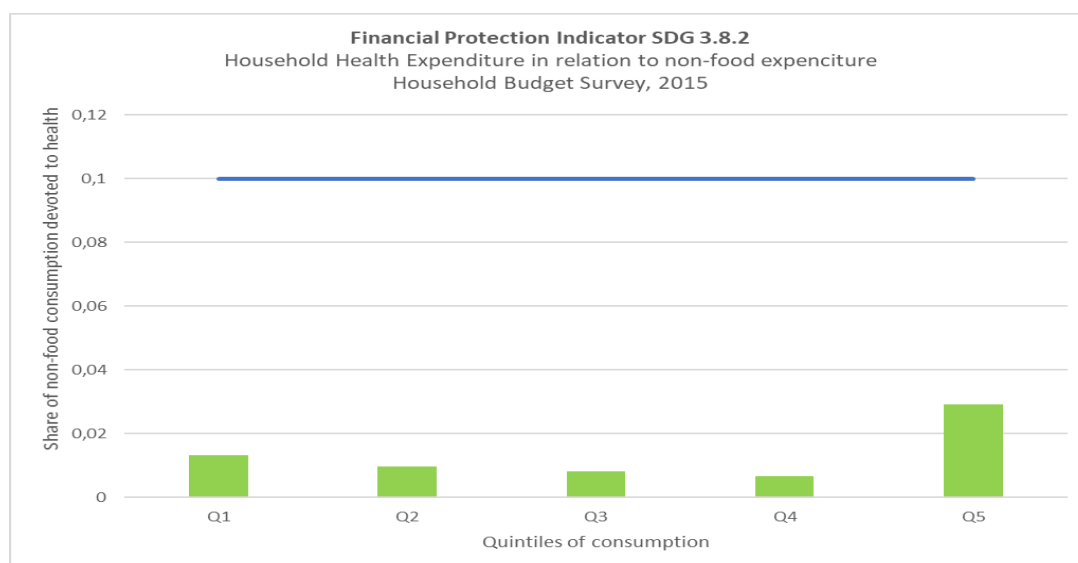
Mozambique has one of the lowest OOP rates in the world. This situation can be explained by several factors:

- Low level of user fees in primary health care, established in 1987 as “symbolic”, and not increased since then. The primary level is the most utilised.
- Underreporting of user fees by households in the Household Budget Survey
- Underreporting of user fees by institutions, as a means to use it locally
- Small size of the private sector in relative terms to the public provision. The relative relevance of the private sector is one of the drivers of OOP spending in Africa, as shown in the chart utilising WHO data.



Financial protection

Mozambique has reached financial protection for its population, as technically no household spends more than 10% of its consumption (in this case, non-food consumption), in health.



Besides the user fee underreporting already mentioned, it is necessary to reassess this result in relation to availability of services: Part of this financial protection is explained by the inexistence of services in rural areas, or its very limited human and technical resources.

Taking into consideration strictly the financial protection indicator, Mozambique compares well with other African countries. However, as Mozambique, Madagascar and South Africa are in very similar position, it is necessary to recall the prudence in the interpretation of these data, as unmet needs are the other essential part of the analysis, and are not showed here.

