

# Can people afford to pay for health care? New evidence on financial protection in Europe

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11<sup>th</sup> European Public Health Conference  
Ljubljana, Slovenia, 1 December 2018



Is Europe doing well in terms of UHC?

Why is health care not affordable?

What can countries do about it?

Keep your eye on what's happening  
to poor people

UHC means no one should experience

~~Unmet  
need~~

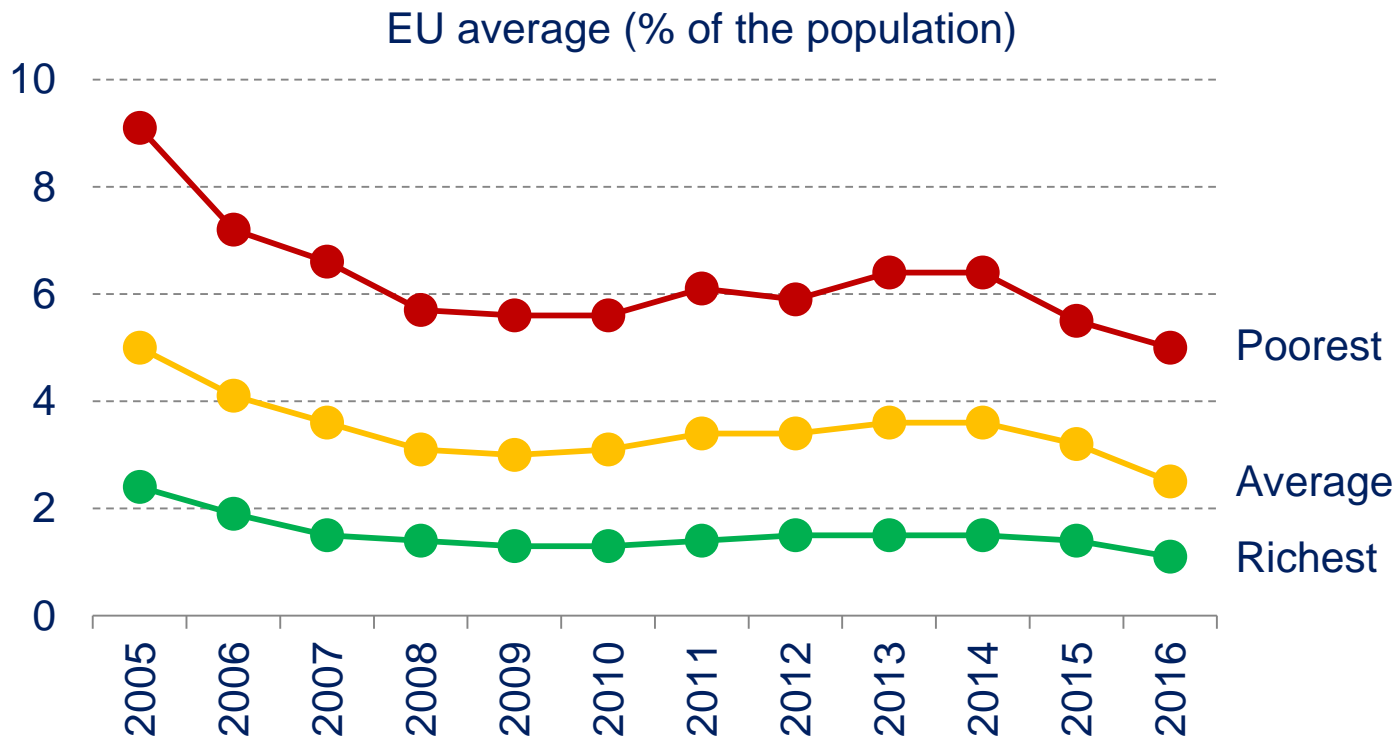
Access barriers due to  
cost, distance, waits

~~Financial  
hardship~~

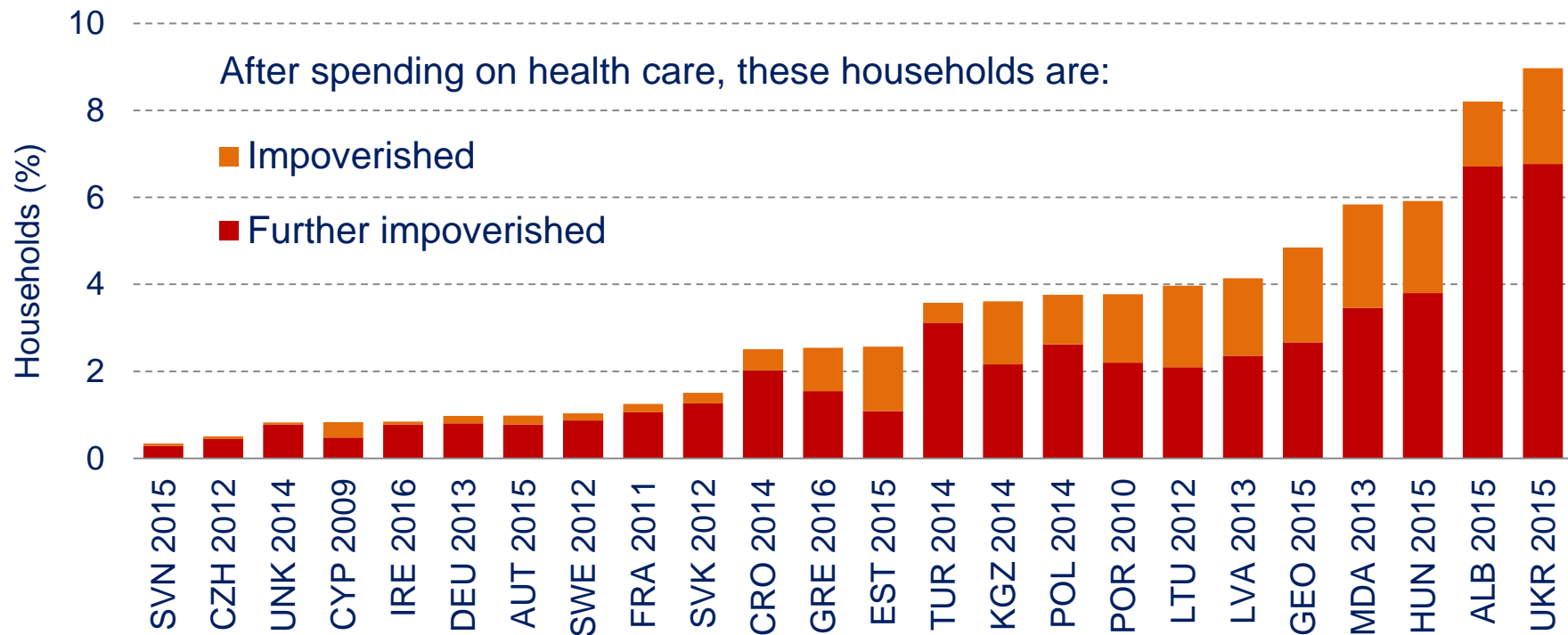
Impoverishing or catastrophic  
out-of-pocket payments (OOPs)

How well is Europe doing?

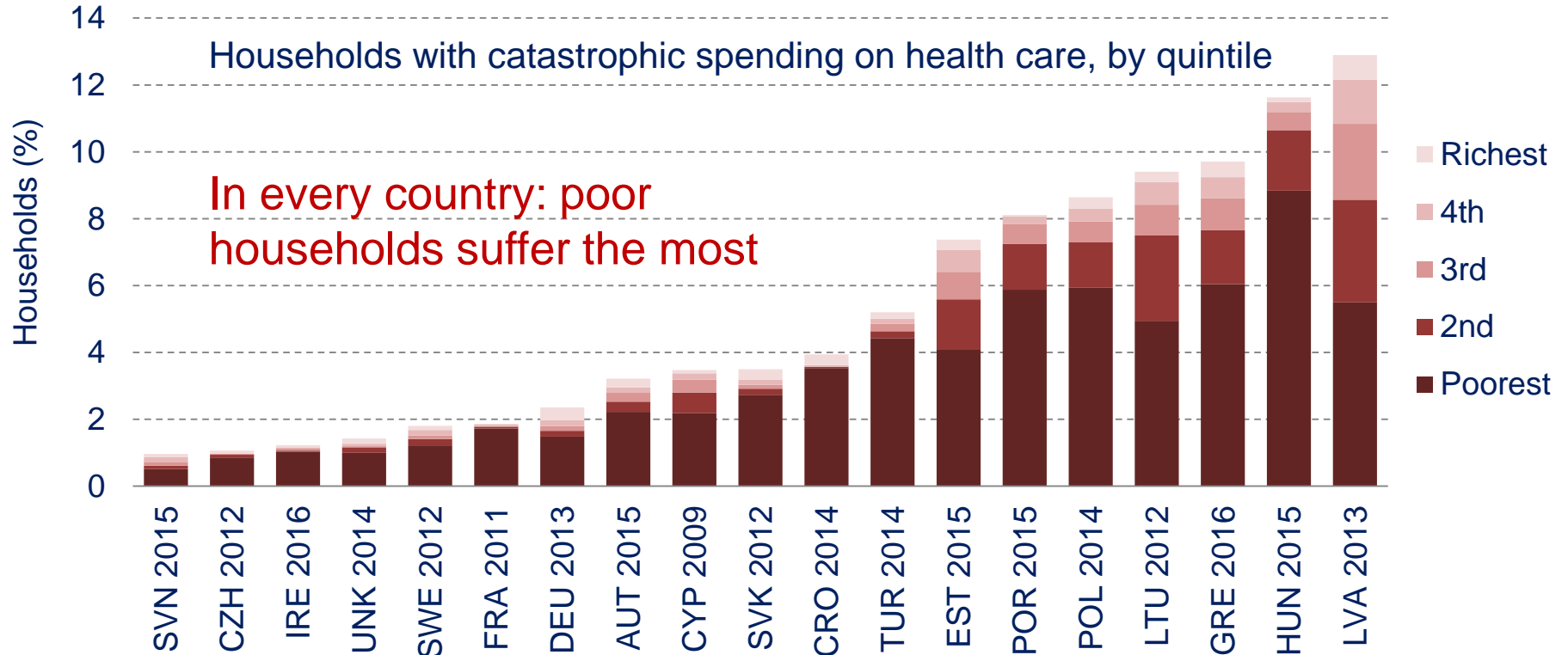
# Unmet need for health care is falling (but the crisis was a setback)



# Out-of-pocket payments push people into poverty or make them even poorer



# Out-of-pocket payments mean people may not be able to meet other basic needs



No one should have to choose between

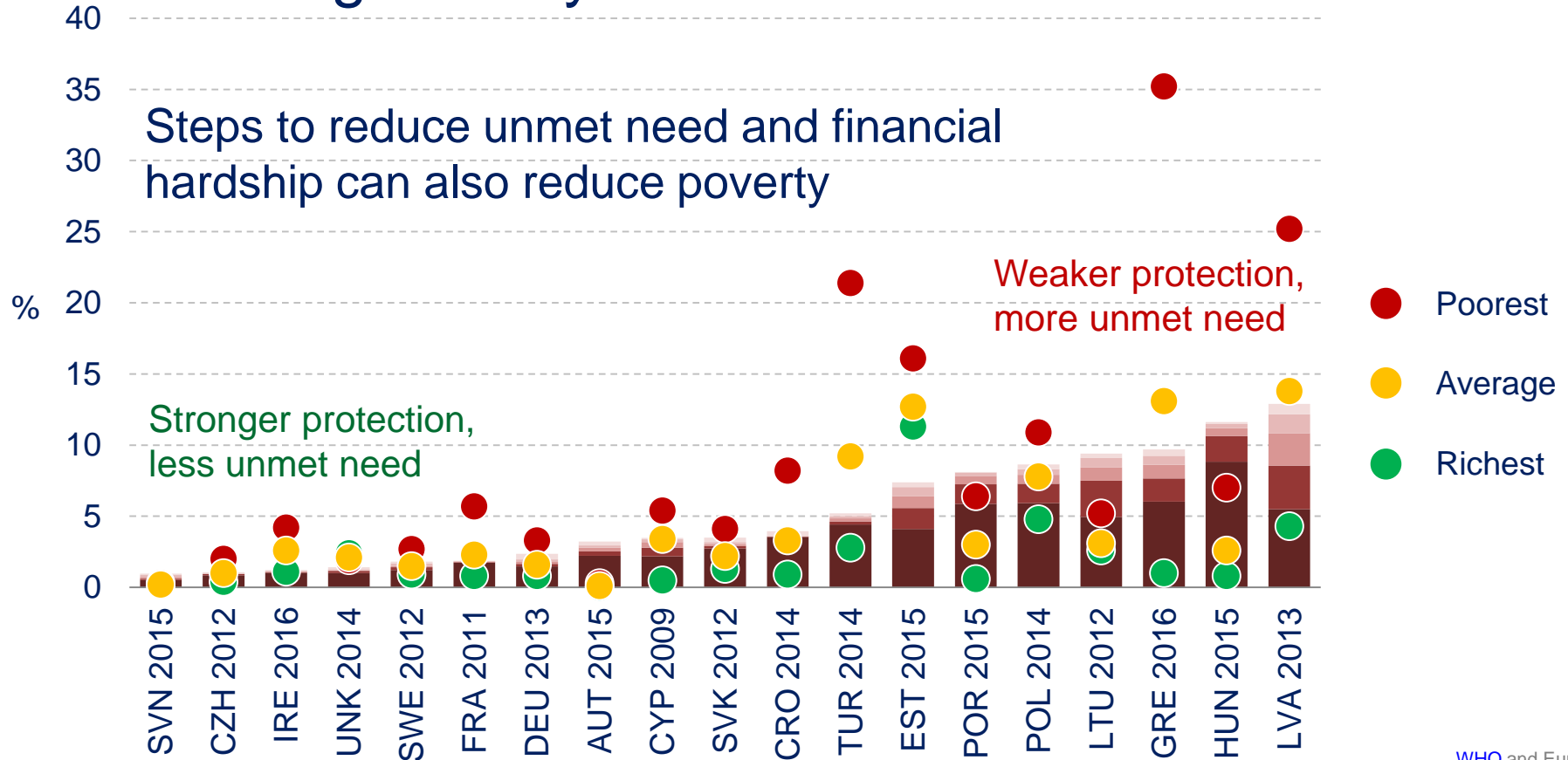
**Unmet  
need**

**Not using services  
due to cost barriers**

**Financial  
hardship**

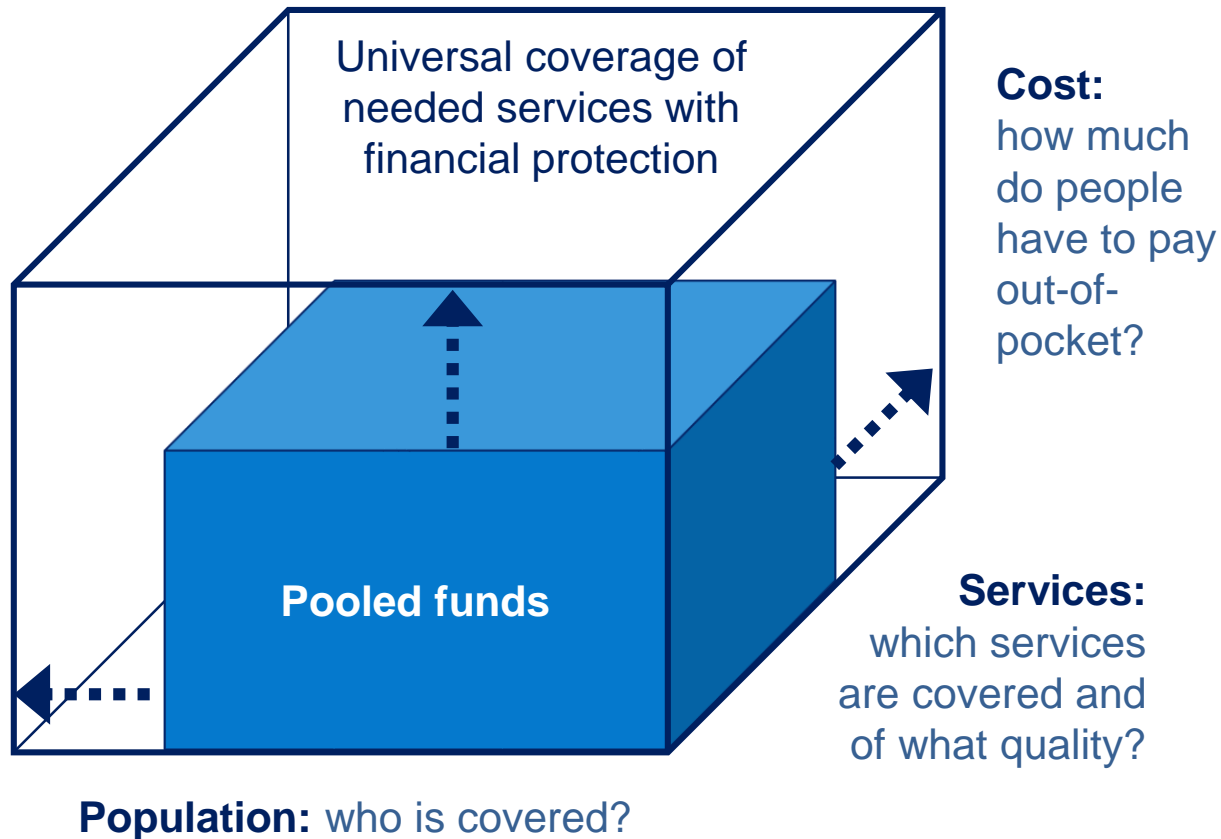
**Using services  
and paying out of pocket**

# Countries with stronger financial protection generally have less unmet need



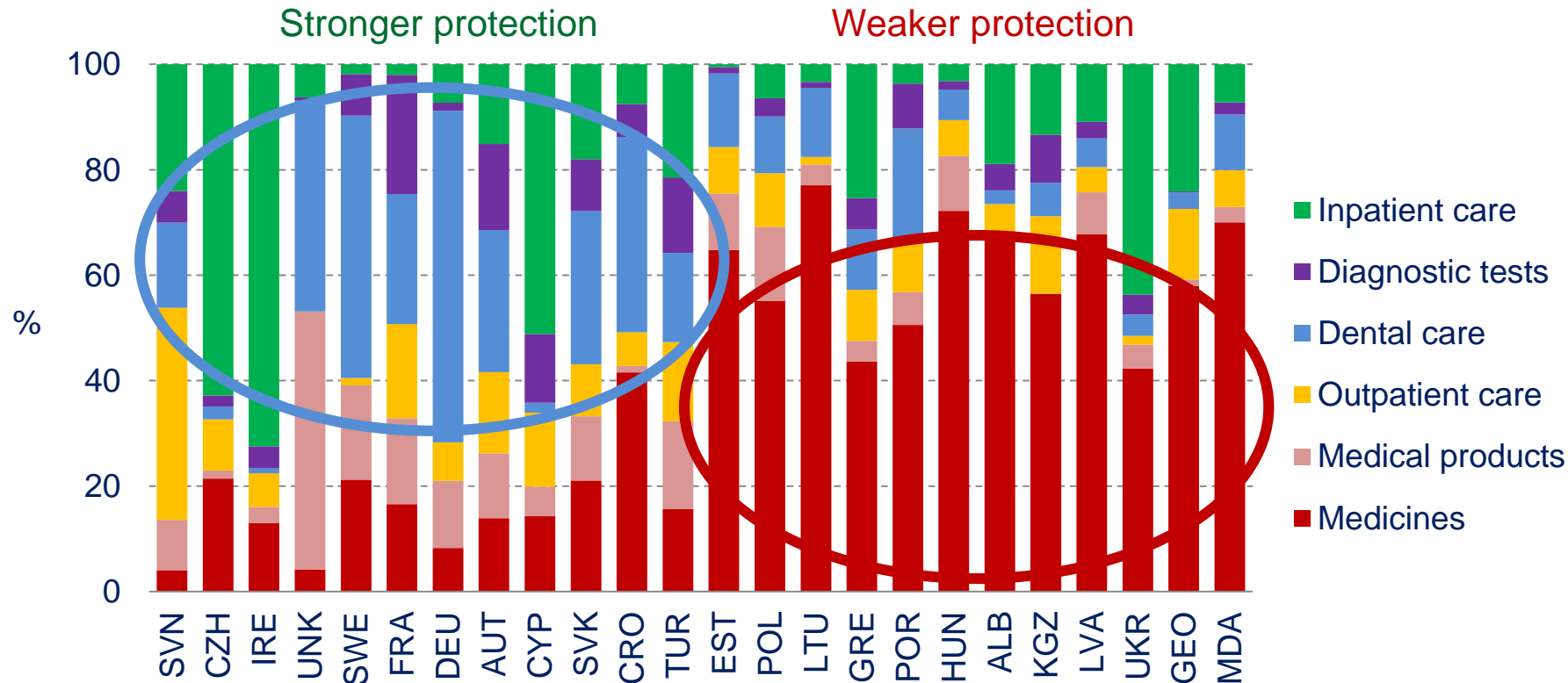


Gaps in coverage expose people to out-of-pocket payments

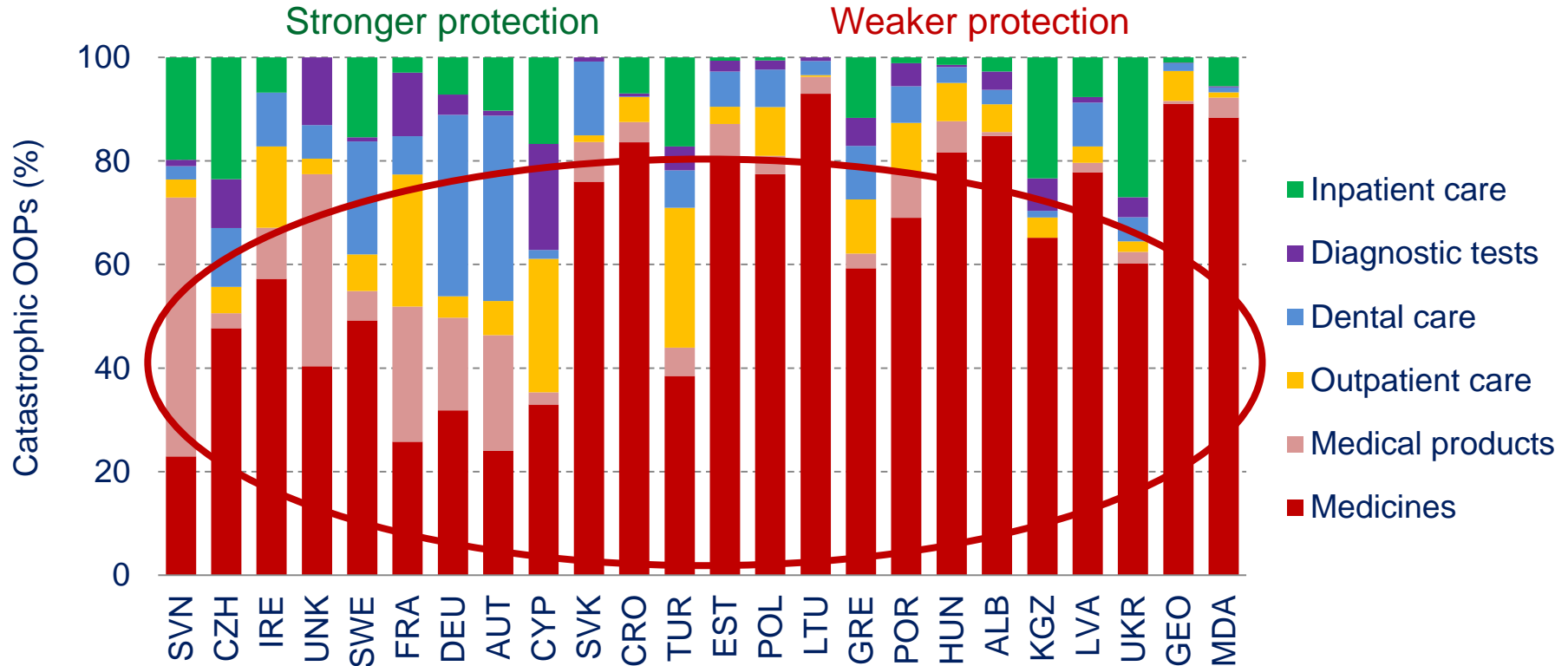


Where are the coverage gaps in Europe?

# Households with catastrophic OOPs are paying for dental care and medicines

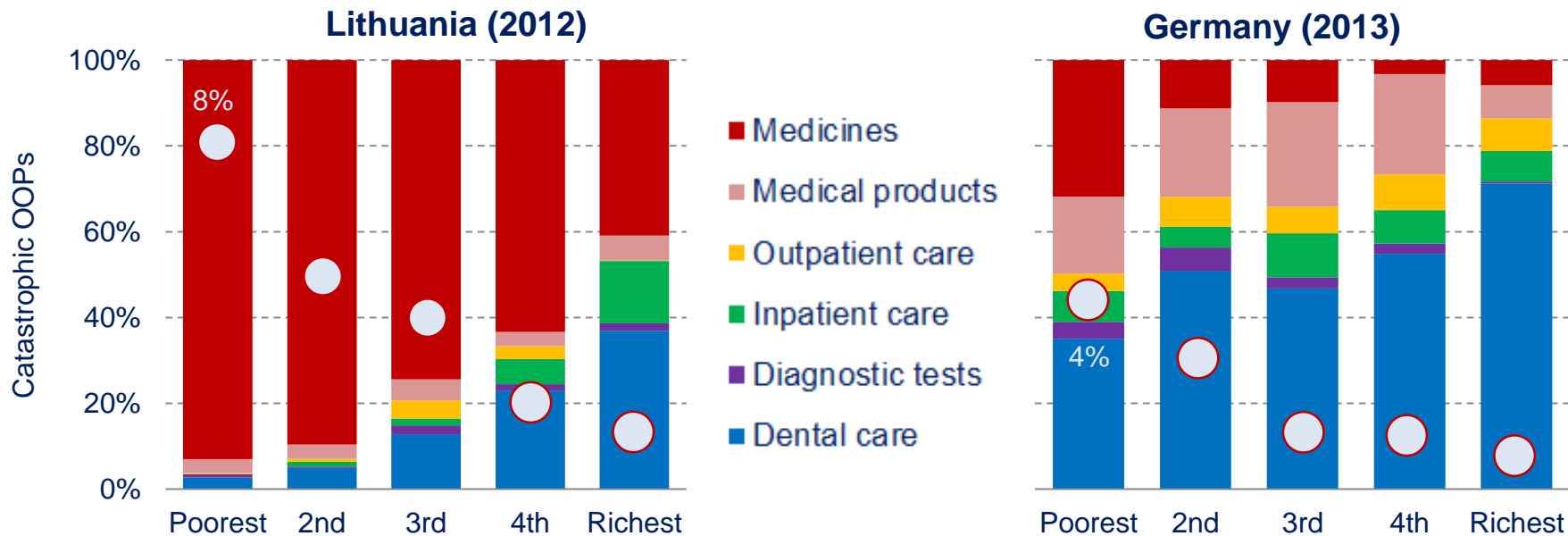


# Poor households with catastrophic OOPs are paying for **medicines**

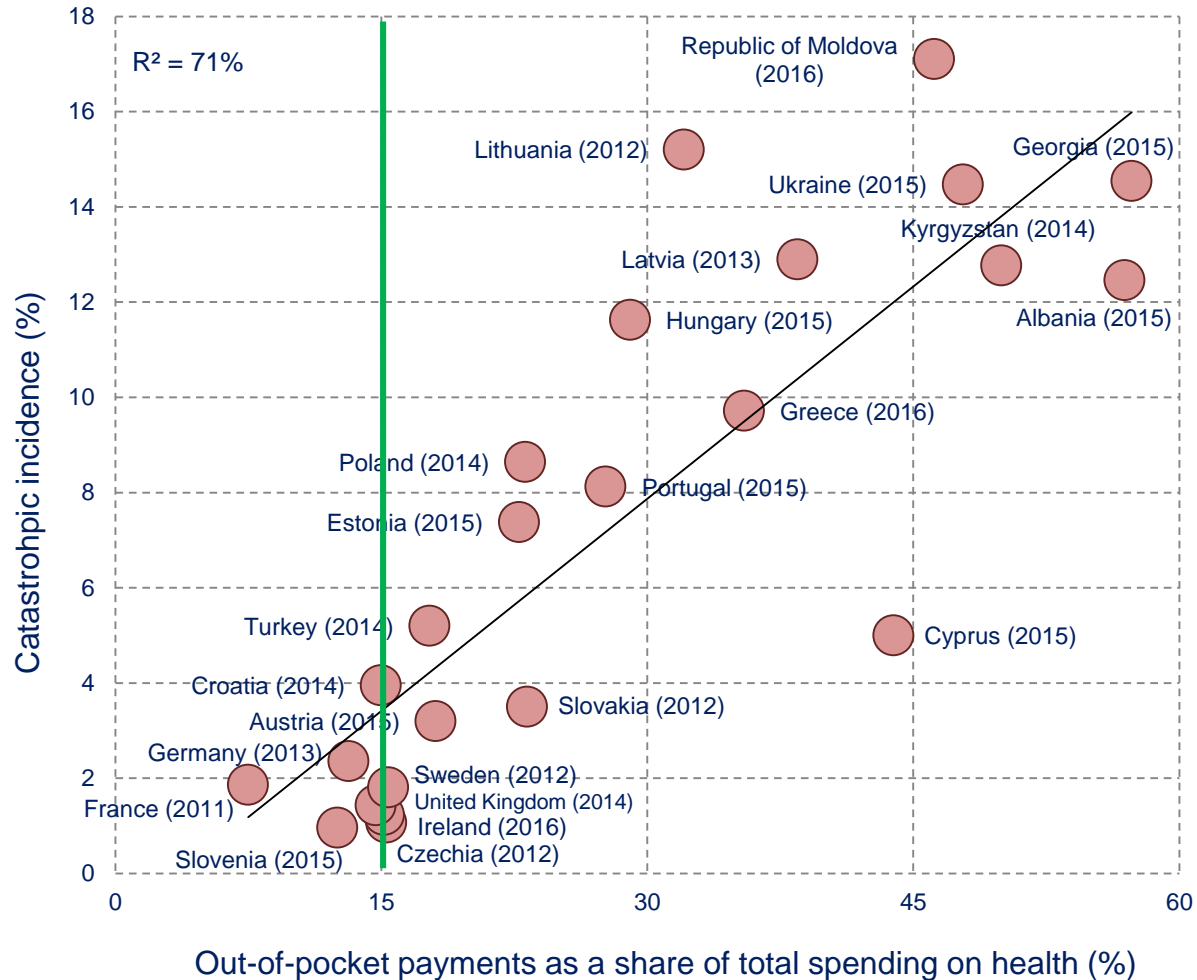


# The absence of financial hardship is sometimes due to unmet need

Breakdown of OOPs among households with catastrophic spending by quintile and % of population with ○ unmet need for dental care by quintile



Financial protection is stronger where OOPs are low as a % of total spending – and where coverage policy is designed with care



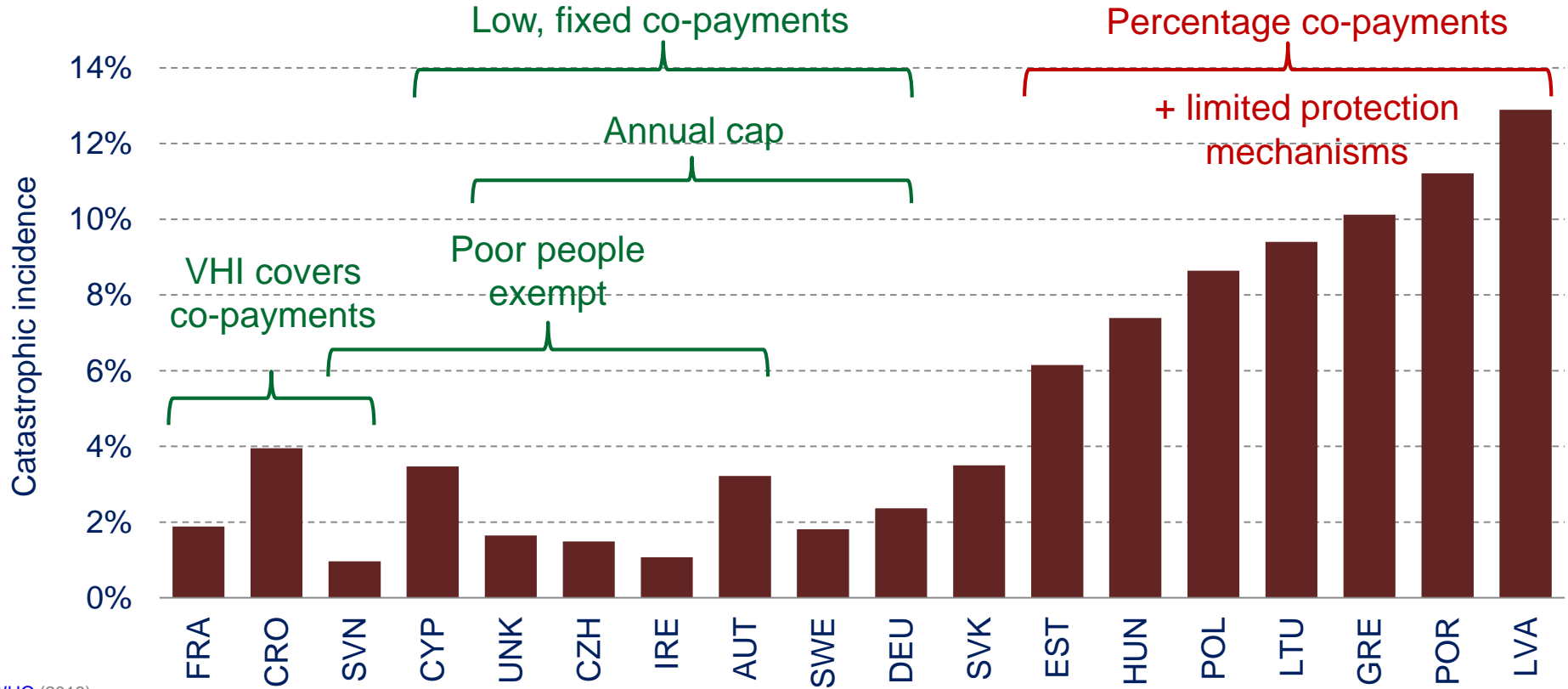
# What can countries do?

Country-level analysis generates actionable evidence for policy

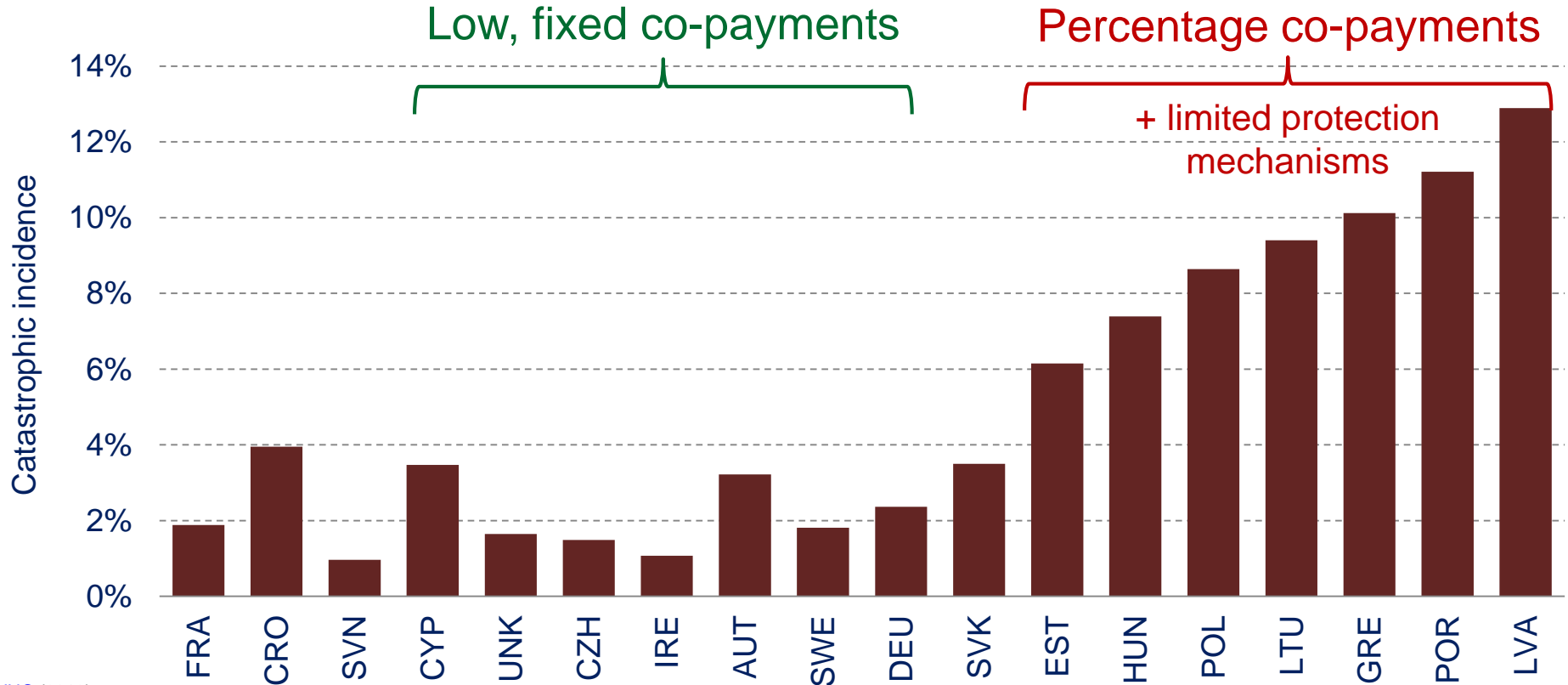


ALB | AUT | BEL | CRO | CYP | CZH | DEU | EST | FRA | GEO | GRE | HUN | IRE | KGZ | LVA  
LTU | NLD | POL | POR | MDA | SRB | SVK | SVN | SWE | TUR | UKR | UNK

# Pay attention to the design of user charges policy – especially for medicines

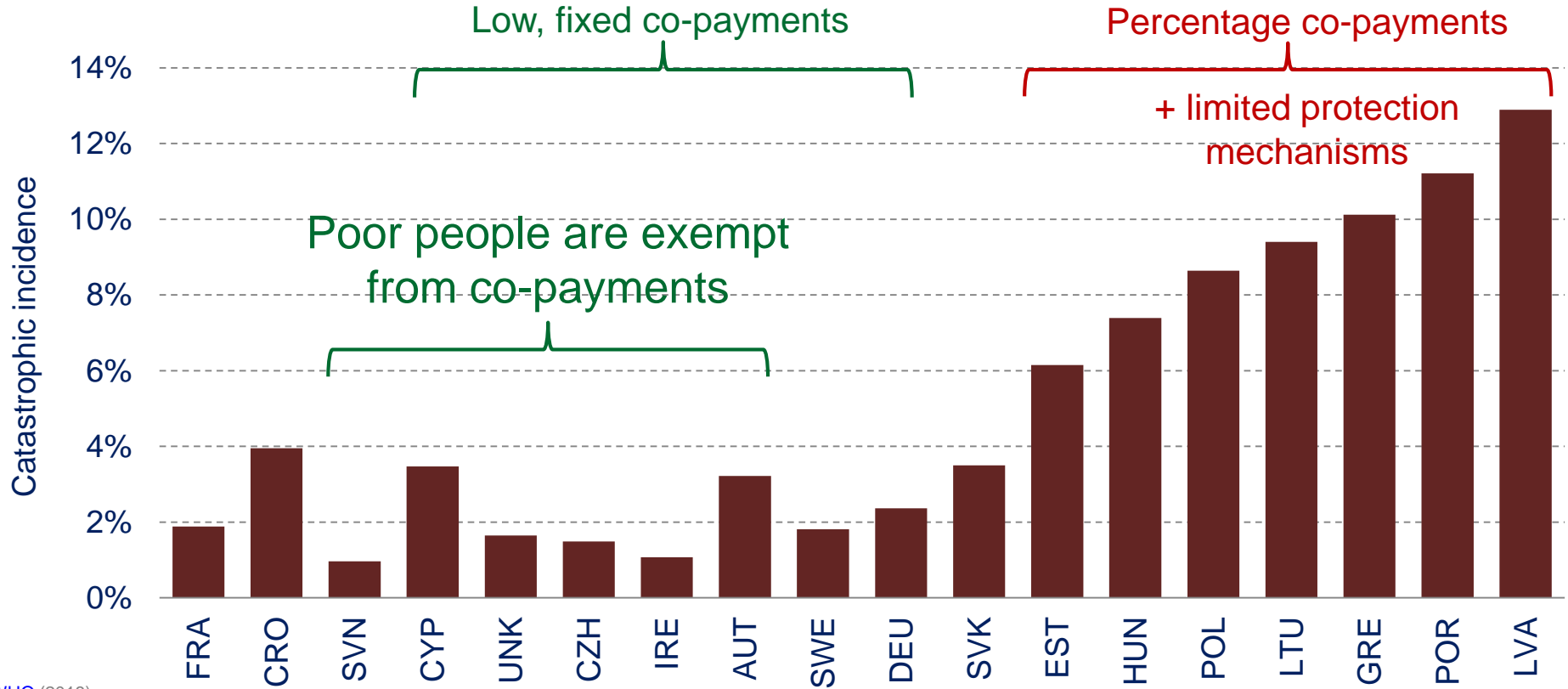


# Low, fixed co-payments are fairer, more transparent and less punitive than percentage co-payments





# Exemptions protect those who need it most: poor people and regular users

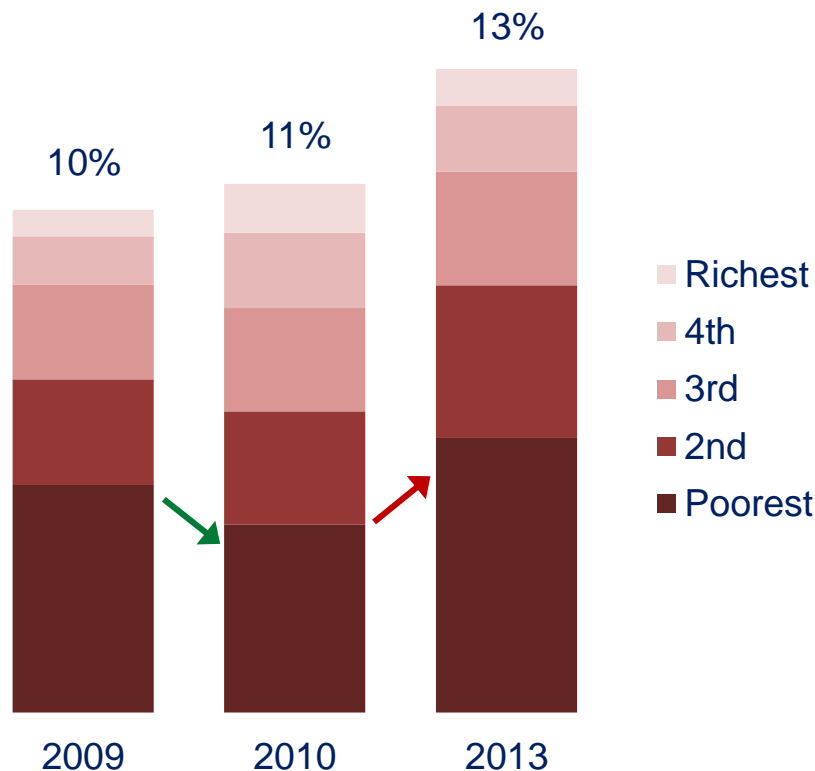


# Exemptions for poor people work

2009: very poor people exempt

2010: more poor people exempt

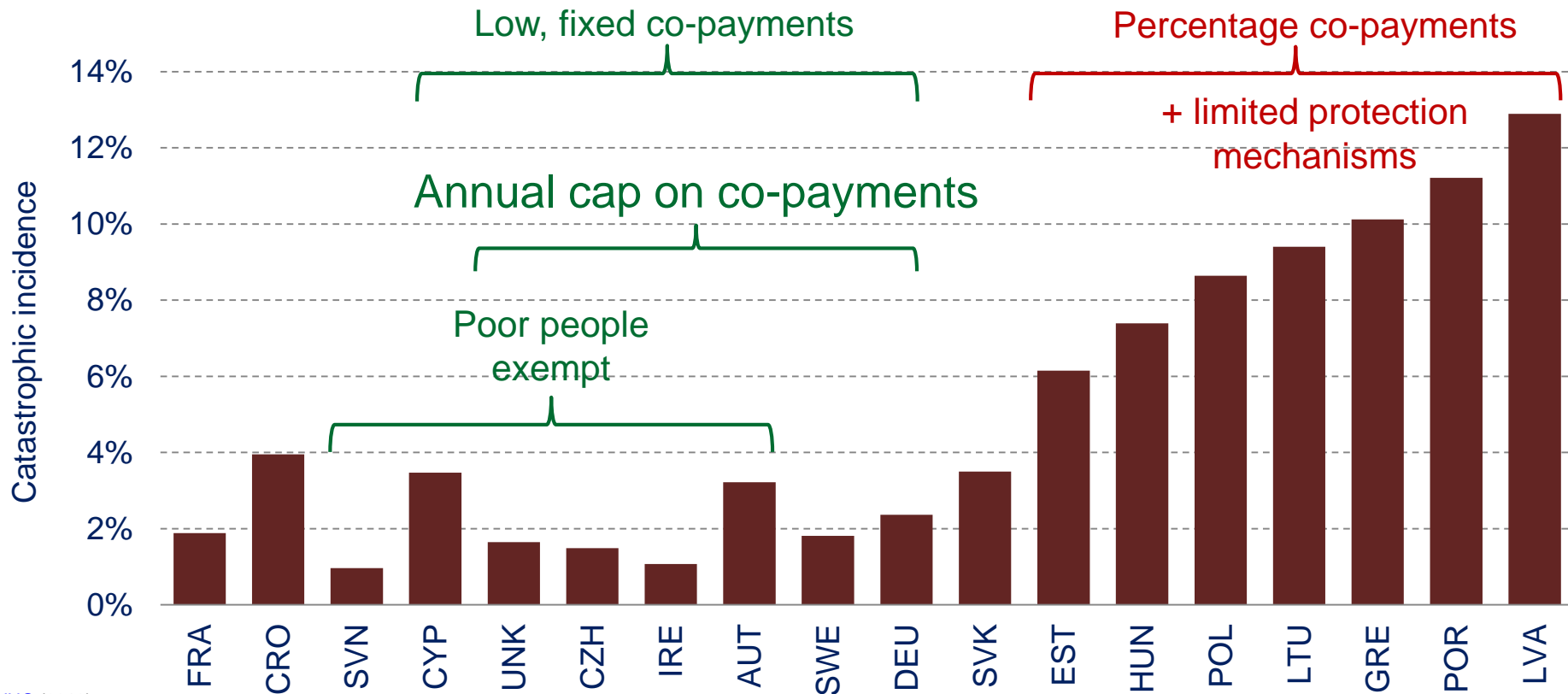
2012: exemptions abolished for all except very poor people



Share of households in **Latvia** with catastrophic out-of-pocket payments

# Effective caps protect everyone

– especially if they are linked to household income



# Countries can improve financial protection (and access) by redesigning co-payment policy

## **WEAK design**

- x no exemptions
- x no caps
- x percentage co-payments

makes people pay for system failures

## **STRONGER design**

- ✓ exemptions for poor
- ✓ protective caps
- ✓ low, fixed co-payments instead

protects people from system failures