Socio-Cultural Community: Healthcare Accessibility

How can ASEAN promote access to affordable healthcare for the vulnerable and marginalised groups?

1. Welcome Note

Dear Delegates,

A warm welcome to S Rajaratnam Endowment - Youth Model ASEAN Conference (SRE-YMAC) 2017! We are EeYing, student from Singapore Polytechnic studying for the Diploma in Perfumery & Cosmetic Science, and ChanTao, also from Singapore Polytechnic studying for the Diploma in Mechatronics and Robotics. Together, we are the chairs who will be guiding you and your fellow delegates through four days of committee session on the topic of *Healthcare Accessibility.* We will do our best to help you understand the protocol and to ensure that the views of all delegates are heard and respected.

We hope that each delegate will be able to come to the conference with an understanding of his or her country's positions and a willingness to forge agreements. Many of you will be attending a Youth Model ASEAN Conference for the first time thus we urge you to take the initiative to join the discussions with an open mind and seize every possible opportunity to learn.

This conference will be beneficial and memorable as you actively engage in the issue and forge friendships with other delegates. We definitely look forward to meeting you during the conference and we hope that you will have an enriching time with us!

2. Introduction

With an increase in communicable and noncommunicable diseases, new industry regulations and improved quality of healthcare delivery, ASEAN is on a rapid trajectory to expanding its healthcare system. Yet delivering world class, accessible and affordable healthcare remains a challenge for healthcare providers across the region. With relatively underdeveloped public healthcare system and funding issues, providing primary care, Intermediate and Long Term Care (ILTC) services for its citizens has become a real challenge.

ASEAN countries are progressing towards universal health care, partly due to sustained political commitments to endorse universal healthcare in the countries. However, all the countries in ASEAN are facing several common barriers to achieving universal health care, namely: *Financial constraints*, including low levels of overall and government spending on health, *Supply side constraints*, including inadequate numbers and densities of health workers and the increasing burdens of non-communicable diseases, persisting infectious diseases, and re-emergence of potentially pandemic infectious diseases (Global Health Action, 2017).

Despite apparent political commitments to UHC in most countries, actual implementation and action have been understandably slow or delayed due to the complicating challenges. Therefore, ASEAN have to come together to boost improvement regarding the issue.

3. Definitions

Affordable Healthcare:

According to Maclennan & Williams, affordable healthcare does not impose, in the eyes of a third party (usually government), an unreasonable burden on household incomes. The "unreasonable burden" is usually measured by impoverishment method and catastrophic spending. Impoverishment method calculates the proportion of the population that, after spending on a good/service (health expenditure in this case), drops below a relevant poverty line. Catastrophic spending, calculates the proportion of the population that would spend more than X percent of their income to pay for a good/service, in our case, health expenditures (World Health Organisation, 2012).

Universal Healthcare Coverage (UHC):

UHC is a concept proposed by the World Health Organisation (WHO). It is defined as a situation where all people who need health services (prevention, promotion, treatment, rehabilitation, and palliative) receive them, without undue financial hardship. UHC includes three key aspects: the beneficiary – who is covered (population coverage or

breadth coverage), the scope – which service is covered (service coverage or depth coverage), and the coverage – what is the level of financial contribution (financial coverage or height coverage) (World Health Organisation, 2010).

Out-of-pocket payment(OOP):
Direct payments made by individuals to health care providers at the time of service use. This excludes any prepayment for health services, for example in the form of taxes or specific insurance premiums or contributions and, where possible, net of any reimbursements to the individual who made the payments.

OOPs are part of the health financing landscape in all countries relying on user fees and co-payments to mobilize revenue, rationalize the use of health services, contain health system costs or improve health system efficiency and service quality (World Health Organisation, 2017).

Public-Private Partnership (PPP):
A long-term contract between a private party and a government agency, for providing a public asset or service, in which the private party bears significant risk and management responsibility. (World Bank Institute, 2012)

Vulnerable and marginalised groups:
The vulnerable and marginalised are often being categorized into five categories; poverty, Homeless, Stateless, HIV/AIDS and the families including Ex-Convicts people. A number of vulnerable groups, in particular, are not to be equitably reached by social services and protection measures including those who are experiencing suffering in term of social, education, health, politic, law, culture, disaster and war impact. (IUSSP, 2014)

4. History

2004 - *ASEAN Sectoral Integration Protocol for Healthcare* was signed to enable the progressive and systemic integration of the healthcare sector as one of the priority sector.

2009 - *ASEAN adopted the ASEAN Social and Cultural Community (ASCC) Blueprint (2015)* focusing on social welfare & protection, poverty alleviation and promoting equity in access to healthcare. ASEAN aim to ensure access to adequate and affordable healthcare, medical services and medicine for the people and to stay committed to enhance the well-being and the livelihood of the peoples of ASEAN, addressing health development concerns. Socio-economic disparities and poverty that persist across ASEAN member states shall also be addressed.

2012 - ***11th ASEAN Health Ministers Meeting,*** a joint statement emphasizing five main health topics, including building Universal Health Coverage

(UHC), was signed to promote equity in access to health services - everyone who needs services should get them, not only those who can pay for them. Also, the quality of health services should be good enough to improve the health of those receiving services.

5. Recent Developments

5.1 Universal Healthcare Coverage

2014 - *Progress toward UHC* is uneven in all countries. Globally, over 3 billion people – many of them in the poorest half of the world's population – must pay out of pocket (OOP) for health services. (Global Health Action, 2014)

2015 - *ASEAN SCC Blueprint 2025* which touched on certain topics: Reducing barriers: Providing guidelines for quality care and support for the vulnerable and marginalised groups. Equitable access for all: Enhancing the effectiveness of the implementation of strategies and programmes under ASCC and promote their harmonisation with those of ASEAN Political-Security Community (APSC) and AEC, particularly in the areas of social protection, universal health coverage (UHC) etc. UHC is a critical component of sustainable development and poverty reduction, and a key element of any effort to reduce social inequities as UHC has a direct impact on a population's health and welfare (Global Health Action, 2017).

5.2 ASEAN's plans on healthcare

2015 - The *ASEAN Post-2015 Health Development Agenda (APHDA)* which aims to promote a healthy and caring ASEAN Community by forming health clusters with their respective health goals, where the people have universal access to quality healthcare and financial risk protection (ASEAN, 2017).

The ***Healthcare Service Sectoral Working Group (HSSWG)*** plays an important part in liberalizing the ASEAN Framework Agreement on Service to work towards free flow trade in services including *medical devices and products* within the region. It also aims to facilitate cooperation on the Mutual Recognition Arrangements (MRA) on Medical Practitioners, Nursing and Dental Practitioners through three coordinating committee to facilitate the mobility of medical service professionals within ASEAN. (ASEAN, 2017)

6. Scope of Debate

The topic on healthcare is rather broad, and as the main aim of the conference would be to reach a consensus, the scope of this debate must therefore be limited to a number of key issues.

Firstly, delegates should remember that the target audience is the vulnerable and marginalised groups, therefore when coming up with solutions, it ought to be feasible for the group of people. Issues can be targeted towards the

community as a whole, provided that it also affects the vulnerable and marginalised groups.

Next, delegates would have noticed the Universal Health Coverage (UHC) was brought up constantly in the infosheet, therefore the chairs recommends delegates to discuss about how UHC can be achieved and what else can be done to further improve the situation to beyond just the limit of the UHC.

Delegates should also note that health infrastructure is not a recommended topic to discuss during the conference as health infrastructure put its focus on prevention of disease, promotion of health, and preparation for and respond to both acute (emergency) threats and chronic (ongoing) challenges to health whereas the conference focuses on healthcare accessibility and affordability (Office of Disease Prevention and Health Promotion, 2017). Delegates should also refrain from mentioning the need of healthy lifestyles and healthy environment.

7. Problems

7.1 High Out-of-pocket payment (OOP) in ASEAN countries:

While ASEAN countries have different financing system for the healthcare sector, OOP accounts part of the health expenditure in all countries. The World Health Organisation argues that it is very difficult to achieve UHC if OOP as a percentage of total health expenditure is equal to or greater than 30 per cent. However, the average ASEAN OOP as a percentage of total health expenditure is alarmingly high at around 40% (World Bank, 2014). This shows that a huge portion of healthcare financing in ASEAN come from the citizens' own pockets, suggesting a lack of government subsidies for health.

Table 1: Out of Pocket (OOP) expenditure of various ASEAN countries (World Bank, 2014)

	Out of Pocket (% of total Health Expenditure 2014)
Brunei Darussalam	6.0
Cambodia	74.2
Lao PDR	39.0
Malaysia	35.3
Myanmar	50.7
Philippines	53.7
Singapore	54.8
Thailand	11.9
Vietnam	36.8
ASEAN	**40.27**

7.2 Incomplete insurance coverage and insurance abuse:

Social Health Insurance (SHI) is one of the possible organisational mechanisms for raising and pooling funds to finance health system. (WHO, 2010) While ASEAN countries has been considering SHI as an instrument for achieving the breadth of UHC, there is still a gap of

insurance coverage between member states shown in the table below.

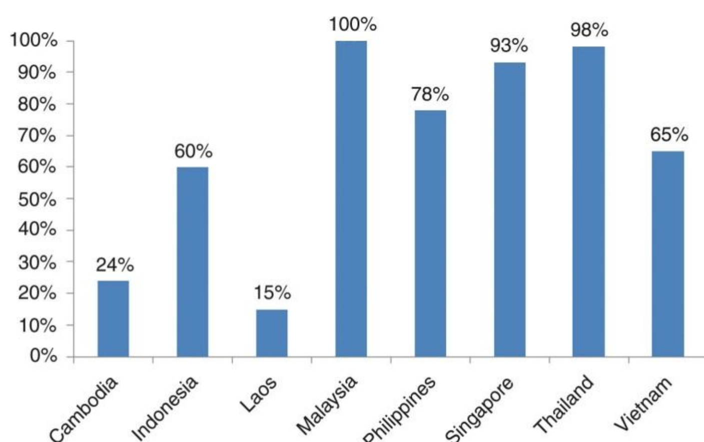

Figure 1: Coverage of health insurance in ASEAN countries (NCBI, 2012)

Countries with a lack of insurance coverage could pose a significant burden for the vulnerable and marginalise to suffer from financial hardship to acquire health service. There is also a question of who to be included into the insurance coverage. Thailand allows undocumented migrants to opt into its Compulsory Migrant Health Insurance scheme, while Malaysia and Singapore are still yet to consider including migrants in their UHC systems (Guinto, e al,, 2015). This might cause migrants, as part of the vulnerable and marginalised groups, to be excluded from the health coverage they deserve to receive. The abuse of insurance is also a concern in most ASEAN member states when abuse cases such as the US$132 million insurance fund rejected due to violations on the insurance policy (Aseanaffairs, 2017). Such conditions could further increase the waste of health spendings already existing due to the spending on expensive but unnecessary drugs, hospital-related inefficiency, etc, leading to inefficient health financing (Kellend, 2010).

7.3 Inequity in access to healthcare:

According to the World Health organisation, healthcare coverage comprise of availability and accessibility coverage. This includes the number of health facilities, number of personnel, physical accessibility, etc. ASEAN has a lower number of physicians, nurses and midwives of 3.8 compared to the world average of 4.8, showing the relatively inferior health workforce in the region (World Bank, 2014). On top of that, there is a tendency of unequal distribution of health personnel within the region shown by the above ASEAN average number of physicians, nurses and midwives in Singapore, Malaysia and Brunei at 7.8, 4.5 and 9.4 respectively (World Bank, 2014). Healthcare inequalities will likely worsen as better off citizens of member states might receive more benefits from the liberalisation of trade policy and health, through country health worker movement towards private hospitals, which tend to be located in urban areas. Recent research showed that all countries in Southeast Asia also face problems of maldistribution of health workers, where rural and remote areas are often understaffed. There is weak

coordination between production of health workers and capacity for employment in most countries (Global Health Action, 2014). While the availability of service faces its challenges, the lack of awareness about available medical services also hinders the access of healthcare in member states (Pham, 2016). Physical accessibility is also a concern due to different geographical difficulties in member states.

8. Solutions

8.1 Modeling successful health financing system from member states such as Singapore and Thailand. Modeling their financing system as a guideline for other member states could help improving the overall financing in ASEAN. Certain amendment or improvement could also be made to create a sustainable mechanism and to enhance coverage, including the vulnerable and marginalised groups in order to achieve a truly universal health coverage within the region. The drawback to this, however, is that the successful systems might not be completely feasible for all member states due to the difference in development and public policies.

8.2 Promote Public-Private Partnership (PPP) investments in provision of universal healthcare coverage in the region. For example, in the provision of insurance, while public insurance are usually more affordable compared to private insurance, part of the vulnerable and marginalised groups is not covered due to the eligibility requirements such as citizenship, immigrant status and disability. However, private health insurance cost more and might include certain out-of-pocket payments such as deductibles and copayments. (Insuranceqna, 2017) Opening up PPP could be one way of promoting strong health insurance systems with larger coverage in the region.

8.2 Regulation on the mobility of health professionals

Through the ASEAN Joint Coordinating Committee on Medical Practitioners, Nursing and Dental Practitioners to facilitate the mobility of health professionals, the question of insufficient health workforce could be tackled. However, the greater mobility might also lead to “brain drains” where qualified practitioners move to ASEAN countries where higher remuneration is available, further increasing the capacity and skill gap (Lock, 2013).

9. Guiding Questions

1. How can we provide mechanisms and enhance institutional capacity to promote greater access to affordable health services with the help of ASEAN?
2. How can we build an enabling environment to provide the

marginalised and vulnerable groups *equitable* access to healthcare?

3. Despite the presence of *The Declaration on the Protection and Promotion of the Rights of Migrant Workers,* migrants are still included in the marginalised and vulnerable on the issue on healthcare accessibility, facing financial hardship therefore what further actions can be done?
4. How can ASEAN further reduce the percentage of OOP for all member states or otherwise improve health financing without posing a financial constraint to the people?
5. How can ASEAN help all member states to achieve UHC?

10. Relevant Documents

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2. https://www.slideshare.net/EdelmanInsights/the-state-of-healthcare-in-south-east-asia
3. http://asean.org/asean-socio-cultural/asean-health-ministers-meeting-ahmm/statements-declarations/ - ASEAN Statements & Declarations on Health
4. http://asean.org/storage/2012/05/Health-Care-Module-Final-22Jan16.pdf
5. http://www.fao.org/docs/eims/upload/312694/aq274e.pdf
6. http://investasean.asean.org/index.php/page/view/feature-stories/view/895/newsid/999/asean-states-move-to-universal-healthcare.html
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