

Inequalities in Healthcare Spending on Curative Services: Evidence from Burkina Faso

December 2020 – No. 21 | UE-AFD Research Facility on Inequalities

MAIN MESSAGE

How public and overall health spending on curative health services have become more egalitarian as Universal Health Coverage (UHC) policies have been rolled out in Burkina Faso? Over time, increased equality in the distribution of benefits is seen for both public and overall health spending, the former being pro-poor across levels of care and the latter being pro-poor for outpatient services only.

Regional differences in distribution of public and overall benefits persist, but become considerably smaller over time. Further action is needed to tackle persisting causes of inequality and reduce regional differences.

CONTEXT AND MOTIVATION

In 2016, total health expenditure in Burkina Faso was estimated at 7% of GDP. Government expenditure amounts to 58% of total health expenditure whilst development partners' contribution is estimated at 23%. Private health expenditure is substantial as user charges are applied across a variety of essential

healthcare services. In light of the above, the literature has consistently reported that financial barriers, due to user charges, coupled with geographical barriers, due to sparse location of health facilities, continue to hamper access to curative healthcare services.

In line with the objective of achieving UHC, the recent launch of the *Régime d'Assurance Maladie Universelle* (RAMU) represents the first step towards a nation-wide health financing reform aimed at lifting user charges for curative health services across all population groups. Prior to the RAMU, the health financing landscape has been characterized by specific national initiatives removing user charges for selected populations, such as the exemptions targeting the ultra-poor (since 2009); the Performance Based Financing pilot (2014-2018); and the *gratuité*, lifting charges for pregnant and lactating women and children under 5 (since 2016). Moreover, vertical funding has ensured that no fees are charged for specific services, such as HIV and TB, and several pilot initiatives have been implemented in single districts

targeting removal of user charges for selected services and/or groups. Our analysis provides both an indication of how equality in health spending has evolved in relation to implementation of these different policies, and a baseline picture against which to appraise the contribution of RAMU in future years.

METHODS

This study applies a Benefit Incidence Analysis approach to analyze the distribution of health spending for curative health services over time. The study considers two kinds of spending on health: public spending (including only recurrent government spending on curative health services) and overall spending on health (including donor and private spending on curative health services). In both cases, our analysis examines what proportion of health spending has reached individuals using curative health services across socio-economic groups, from the poorest to the least poor. Estimates for 2009, 2014, 2017 are used to capture changes over time, accompanied by a geo-spatial analysis to capture heterogeneity across regions.

Authors Martin RUDASINGWA, Edmund YEBOAH, Emmanuel BONNET, Valéry RIDDE, Paul André SOMÉ, Manuela DE ALLEGRI

Key words Health, Curative Healthcare, Spending, Inequality, Distribution

Geography Burkina Faso

Themes Health, Financing, Inequality, Spending

Find out more about this project: afd.fr/en/carte-des-projets/assessing-equity-health-spending-sub-saharan-africa

RESULTS

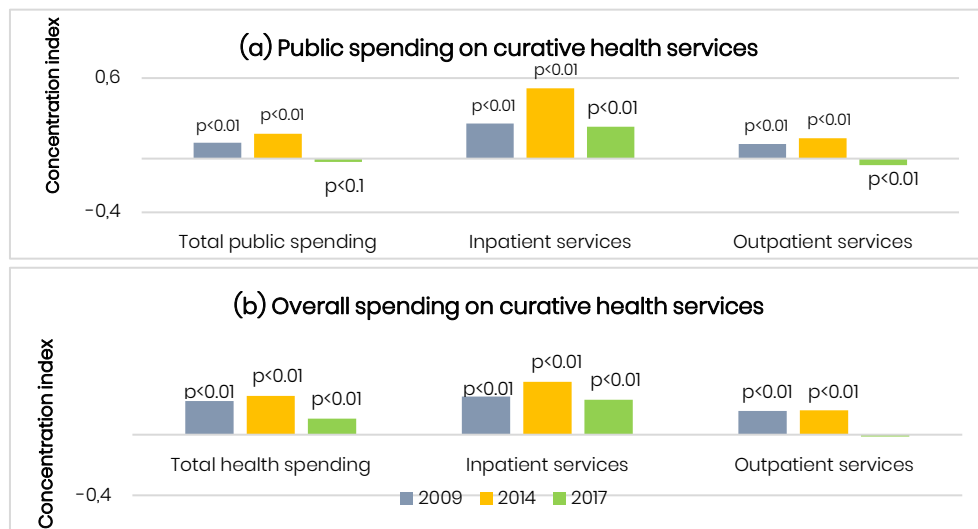
Equality increases in public spending on curative health services over time

Public spending on curative health services have become significantly more equitable from 2009 to 2017, with spending on outpatient services and total spending even becoming significantly pro-poor in 2017. Across measures, a peak in inequality in public health spending is observed in 2014. Across years, distributional inequalities are larger for inpatient than for outpatient services; albeit substantially less so than in 2014, public spending on inpatient services remains largely pro-least-poor even in 2017 (Figure 1).

Equality increases in overall spending on curative health services over time

Overall spending on curative health services has become significantly more equitable from 2009 to 2017, but being only significantly pro-poor for outpatient services. Both overall spending on inpatient services and total public spending remain significantly pro-least-poor in 2017. Across years, distributional inequalities are larger for inpatient than for outpatient services. The peak in inequality observed in public spending in 2014 is also

Distributional incidence of public and overall spending on curative health services by level of care and over time



being less remarkable (Figure 1).

Geographical disparities in the distributional incidence of public and overall spending persist, but become smaller over time

Geo-spatial analysis reveals that regional differences in the distributional incidence of both public and overall spending persist, but have become considerably smaller over time. This probably is a function of the generalized reductions in inequality in health spending noted earlier. By 2017, Centre-East and South-East continue to be characterized by a pro-least-poor distribution in public spending, while all other

display a pro-poor distribution in public spending. Heterogeneity across regions remains larger for overall compared to public spending, with values consistently indicating a pro-least-poor distribution, particularly in Centre-East and Sud-Ouest. Unfortunately, due to the fact that health service utilization data is only available at regional level, the study could not unpack heterogeneity effects at district level. Hence, the analysis falls short of being able to evaluate the extent to which fee exemption pilots might have contributed to increased equality in health spending prior to the introduction of the *gratuité*.

RECOMMENDATIONS

- ▶ Engagement in health financing reforms that promote user charges removal should be sustained with specific focus on inpatient services, to ensure greater equality in both public and overall health spending.
- ▶ The current analysis needs to be replicated in future years to appraise the contribution of RAMU to fostering equality in health spending.
- ▶ An investigation into the origin of the regional differences observed is needed to identify suitable solutions to close existing gaps.
- ▶ Government and development partners should channel their resources towards the regions which currently experience greater inequalities in the distribution of health spending, directing resources towards services for the most vulnerable segments of society.