



Federal Ministry
of Health

Federal Ministry
for Economic Cooperation
and Development



International Ministerial Conference

“Health Systems Financing – Key to Universal Coverage”

Draft Chairs’ Summary, 16 May 2011

Background

Health and social protection are essential human rights. However, worldwide much more than one billion people are denied access to effective and affordable health care. Every year, expenditures on health drive 100 million people into poverty. Lacking health protection causes relevant macroeconomic costs and deteriorates the chances of population-wide economic growth. Without effective and universal health coverage, health-related as well as other Millennium Development Goals will remain unachievable.

The World Health Report 2010

This report provides decision makers and stakeholders with guidance for developing and elaborating fair and sustainable structures for health systems financing. Based on experiences and evidence from various countries all over the world, the report identifies viable strategies for implementing effective health financing systems. The overarching objective of all health sector reforms should be universal coverage in health. In addition to population coverage this also comprises the scope of needed health services and the level of costs covered.

The WHR 2010 also depicts ways of how the international community can effectively support low-income countries on their way towards implementing sustainable health financing systems. Germany, among the first countries worldwide to implement social protection schemes, has invited to this ministerial conference as part of its strong support to strengthening health systems and extending health protection mechanisms worldwide.

The Conference

More than 300 participants from over 50 countries, including 36 ministers and secretaries of state, attended the Conference on “Health Systems Financing – Key to Universal Coverage” held in Berlin on November 22 and 23, 2010 and discussed strategies to overcome challenges on the path towards universal coverage and the benefits of international cooperation. Participants commended WHO for dedicating the World Health Report 2010 to “Health Systems Financing – The path to universal coverage”.

Lessons learnt

Participants emphasised that access for all citizens to quality health care does not occur on its own volition. In addition to sufficient resources and political commitment, adequate framework conditions and clear visions are crucial. In any case, the path towards universal coverage and equitable health systems financing is tedious and challenging. Nonetheless, a number of countries have made considerable progress on their way towards universal coverage. This International Ministerial Conference underscored key messages of the World Health Report 2010 and provided a series of relevant lessons learnt for achieving universal coverage:



1. In line with the core conclusions made in the WHR 2010, the overall importance of health systems financing was repeatedly stressed during the Berlin Conference. Strengthening health systems as a whole is the most effective and sustainable way of improving people's health and the level of health protection; vertical programs can only have limited effect on universality.
2. Independent of the specific institutional set-up of financing structures of health systems at country level, three core functions are important to be maintained: revenue collection, risk pooling and purchasing. Most existing systems at country level combine contribution-based and tax-financed schemes.
3. Country examples presented during the Conference underpinned that everywhere in the world a proportion of the population is too poor to contribute financially to their health protection, they need to be subsidised from pooled funds, generally government revenues
4. Risk pools that protect people's health have to have a minimal size for being viable in the long run and ensuring sustainable protection, unless governments implement a favourable framework and are willing to subsidise coverage. Multiple pools tend to be inefficient and make it difficult to achieve equity, except when risk equalisation mechanisms are in place.
5. Evidence shows that prepayment for health has to be mandatory for achieving universal coverage, while voluntary protection schemes alone will not suffice. Moreover, reducing the reliance on direct payments as the most regressive form of payment for health by promoting prepayment and pooling is essential.
6. All countries, even the poorest, have some scope to raise more money for health domestically, provided political will of governments to create fiscal space and adequate political economy for social reforms exist.
7. Country experiences discussed at the conference support the evidence that universal coverage including access to health care for all rely on governmental stewardship; ensuring affordable access to health is ultimately public responsibility.
8. Countries have to strive continuously on the base of strong evidence for adapting their health systems in order to achieve efficiency and sustain the effective use of resources.
9. The international community has to maintain the momentum for universal coverage and effectively support the implementation of health protection systems in developing countries and countries in transition. This requires joint and coherent action of all stakeholders as well as the development of needed capacities.



10. The complementary work of international partnerships such as the International Health Partnership (IHP) and specific initiatives on social health protection like Providing for Health (P4H) have the potential to better coordinate activities and raise commitment to universal coverage.
11. Concerted health systems strengthening based on fair and sustainable financing is needed for achieving the health-related MDGs 3 to 5 – reducing maternal mortality, infant deaths and slow down the spread of infectious diseases – as well as MDG 1 halving poverty – within a reasonable time frame.

What needs to be done: The Way Ahead

Conference participants felt that crucial next steps are:

1. Sensitising stakeholders for the relevance and crucial role of health protection and universal coverage at national and international levels
2. Emphasising fair health financing and health protection as important issues with regard to social policy and regulatory policy
3. Backing international initiatives for health system strengthening and extending health protection systems, the conference supports the normative and coordinating role of the WHO, as the mandated UN special organisation, in this strategically important field
4. Promoting regulatory framework conditions balancing economic efficiency with social justice while safeguarding solidarity and universal access to social services
5. Supporting the set up of tailored universal health systems based on fair, sustainable and effective health financing
6. Promoting efficiency and transparency as well as participation and empowerment in healthcare and health financing systems.
7. Exchange of experiences and important lessons learnt at the international level for encouraging country efforts, backing decision makers, and boosting reform processes.

On behalf of the conference chairs, the German Federal Ministry of Health and the German Federal Ministry for Economic Cooperation and Development, we would like to invite you to contribute to this conference summary. As part of the international expert community on health systems financing, and participants of this conference, your input is highly appreciated.

This draft chairs' summary will be available on the conference website www.health2010.de right after the conference. We invite all conference participants to submit comments to health2010@gtz.de until 1 December 2010.