



# UNIVERSAL HEALTH COVERAGE

## Position paper

Following the agreement of the Sustainable Development Goals, all countries are committed to achieving Universal Health Coverage (UHC), whereby everybody receives the health services they need without suffering financial hardship.

However, across the world, hundreds of millions of people are currently denied life-saving health services or are plunged into poverty because they are forced to pay unaffordable fees for their care. This burden is particularly felt by women, children and adolescents, who often have high needs for healthcare but least access to financial resources. In some instances, women and babies are even being imprisoned in health units because they cannot pay their medical bills.

This represents a gross violation of their basic human rights.

# How can UHC be achieved?

Most high-income and some middle-income countries are close to achieving UHC and others (including some low-income countries such as Rwanda and Ethiopia) are making rapid progress towards this goal. In every case, this has been achieved by countries increasing the supply and quality of health services and reducing barriers that stop people accessing care.

Health financing reforms are of vital importance. In particular, governments are recognising that in order to cover everyone, it is necessary to require healthy and wealthy members of society to subsidise services for the sick and the poor. This entails moving away from private financing methods like user fees and private insurance, to a public system based on taxation and / or compulsory social insurance. Switching to a predominantly publicly financed health system is an inherently political process – across the globe populations are demanding this but it is often resisted by powerful interest groups. Strong political leadership from the head of

government is therefore needed to deliver successful UHC reforms.

However, increasing public financing for health is not sufficient. Governments also need to ensure these resources are used efficiently and fairly to scale-up the supply of quality health services for everyone. This requires strengthening health systems in areas such as human resources, improving access to medicines, health infrastructure and information systems.

UHC is built on foundations of equity and rights. Everyone must be covered: with services allocated according to people's needs and the health system financed according to people's ability to pay. In fulfilling these principles, it is essential that governments move towards UHC in a fair and equitable manner. This should mean giving a greater priority to covering high need groups in society (for example the poor and vulnerable) over privileged groups who already have better access to healthcare.

## Our proposals:

1. UHC is the best way to achieve the health Sustainable Development Goal
2. UHC delivers substantial health, economic and political benefits
3. Women, children and adolescents must be covered as a priority
4. Public financing is the key to UHC

UN Photo | Marco Dormino



# 1. UHC is the best way to achieve the health Sustainable Development Goal

At the United Nations Sustainable Development summit in New York in September 2015, all countries agreed to achieve a common health-related development goal (3), to:

*“Ensure healthy lives and promote well-being for all at all ages.”*

Nine targets on health were also agreed under this broad goal, including target 3.8 on UHC as follows:

*“Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all.”*

It is the view of The Elders that the global health community needs to prioritise some targets over others to ensure that progress towards the overall health goal is rapid, efficient and equitable. It is also particularly important that health reforms move away from vertical interventions restricted to specific diseases and instead adopt a broader approach to improving health outcomes and social justice. Adopting more of a system-wide approach focusing on

cost-effective primary healthcare (as opposed to expensive hospital inpatient services), will prove a much more efficient use of limited public financing. Furthermore, primary healthcare led UHC, if properly implemented, will have a disproportionately positive impact on vulnerable and discriminated groups such as women and children. It is thus a key means to reduce inequalities within societies.

In reviewing the likely overall impact of the various targets, it is evident that achieving the SDG target 3.8 on UHC will also help achieve the majority of the other nine targets. A number of leading health agencies (including the World Health Organization and the World Bank) and national governments are therefore promoting UHC as the most important immediate goal for global health.

We concur with this position and propose that: **Countries should plan and implement strategies to reach UHC in an equitable way, as the best way to achieve the overall Sustainable Development Goal on health.**

## 2. UHC delivers substantial health, economic and political benefits

Extensive research evidence shows that UHC improves population health outcomes, including child and maternal mortality rates. It might seem obvious but it should be said loud and clear: increasing access to quality health services improves health overall. It also protects countries from epidemics of infectious diseases and the growing threat of antimicrobial resistance. UHC is therefore one of the best strategies to secure global health security.

UHC also generates other benefits to societies far beyond the health sector. For example, it stimulates economic growth, facilitates educational gains, empowers women and reduces poverty associated with health costs. In September 2015, 267 eminent economists from 44 countries signed The Economists' Declaration on Universal Health Coverage, which concluded that the economic returns on investing in UHC were more than ten times the costs.

But an area often overlooked by the health community is that by increasing social solidarity, UHC can also build peace and security in countries and deliver substantial

political benefits to states. This has been recognised by the Chinese Government, whose former health minister said that their primary motivation for implementing UHC reforms was to build a more harmonious society.

It is also interesting to note how many leaders coming to power after a national crisis (be it economic or political) have implemented rapid UHC reforms as a way to deliver a quick-win for their people. Examples include Rwanda, Nepal, Thailand, Brazil and also Japan and the UK after World War Two. Democratically-elected leaders in Myanmar, Indonesia and Nigeria may be interested in learning lessons from these countries about how UHC can help kick-start national processes of reconciliation and social integration.

**As successful UHC reforms are dependent on increased public financing and sustained political commitment, we call on the global development community to promote the economic and political benefits of UHC to political leaders and ministers of finance.**



### 3. Women, children and adolescents must be covered as a priority

While there is now an international consensus around the goal of UHC, there is less agreement on **how** countries should get there. Each country will need to assess its own starting position and there is no one-size-fits-all strategy to follow.

As well as taking into account technical considerations around improving health systems and financing, governments need to recognise that UHC reforms are inherently political. Given power imbalances in society, there is a tendency for powerful interest groups to seek and secure preferential better health benefits for themselves.

These groups may include: government officials, military personnel and formal sector workers (who are disproportionately men).

There are also powerful groups that benefit financially by retaining a privately financed health system, including members of the medical profession, private hospitals, pharmaceutical companies and other commercial enterprises.

It is very important that governments and civil society resist the political pressure to favour powerful stakeholders over more vulnerable groups. A failure to do this undermines the “rights and equity” foundations of UHC. For example, we believe that it is fundamentally inequitable to create health insurance schemes that just benefit those people in formal

employment, whilst leaving people without regular jobs completely uncovered.

Recent analyses of successful UHC strategies show that those countries that prioritise reaching FULL population coverage quickly tend to perform better in terms of improved health outcomes and financial protection. In these countries (for example Thailand, Sri Lanka, China Mexico and Brazil), all members of society receive some services and financial protection, even if the service benefit package is modest, at least initially. These countries have also tended to invest heavily in cost-effective primary healthcare services over costly specialised inpatient hospital care.

In some countries without UHC, these universal approaches are being implemented at a state level with considerable success. Examples include: Delhi State’s Mohalla Clinic programme in India; Ondo State’s free healthcare for children and women in Nigeria; and Jakarta and Aceh Province’s UHC schemes in Indonesia. Even some states in the USA are considering launching universal publicly financed healthcare. These state-level UHC pioneers demonstrate that UHC is feasible in these countries and may provide models that can be replicated at a national scale.

However, even in adopting a universal strategy, it is vital to implement additional equity measures by skewing health benefits towards the needy and health costs towards the rich. This is known as “progressive universalism” and is the UHC strategy recommended by the “Investing in Health” Commission established by The Lancet in 2013.

In pursuing this strategy, the three groups that **must** be covered as a top priority are women, children and adolescents. The world has already agreed, through the Millennium Development Goals (MDGs), that these are high priority groups for better health coverage.

We therefore recommend that: **countries should implement UHC strategies that move swiftly to full population coverage in an equitable way, giving a high priority to meeting**

### **the needs of women, children and adolescents.**

Covering women, children and adolescents as a priority is compatible with the agenda of completing the health MDG enshrined in the new SDG target 3.2 of reducing infant and maternal mortality. It will also help achieve SDG 5: Achieve gender equality and empower all women and girls.

Furthermore, we believe that this approach will be politically acceptable. Most people, including importantly men, in most societies will accept that women, children and adolescents are high need groups for healthcare and financial protection and should receive priority.

In supporting the global campaign for UHC, we are determined that women, children and adolescents will not be left behind.

Gro Harlem Brundtland at Mae Tao Clinic on the Thailand-Myanmar border. Photo: Kaung Htet





## 4. Public financing is the key to UHC

Across the world, countries are realising that a free market in healthcare, with people buying and selling medical services like other commodities, will never enable UHC to be reached. In such a system, only the rich will receive adequate coverage and the poor and vulnerable will be excluded. This not only impacts adversely on the health and welfare of the poor, it also poses a threat to global health security as a recent Lancet review of the Ebola outbreak has demonstrated.

Instead governments are recognising that, to reach UHC, it is a fundamental responsibility of the state to organise and oversee the health financing system. Public financing is therefore increasingly being recognised as the key to achieving UHC. This does not mean that governments have to provide all health services themselves. There are many good examples of countries achieving UHC by using public funding to deliver services through both public and private health providers.

However, public-private partnerships must prioritise the needs of patients over commercial interests. They must be transparent and accountable to public authorities, to ensure they deliver both good health services and value for money.

Following the publication of WHO's World Health Report of 2010, and reflecting worldwide trends in health financing, there is now a global consensus on the superiority of public financing over private mechanisms in reaching UHC.

We therefore call on governments and global development agencies to: **implement UHC financing strategies that increase levels of public financing and reduce the role of inefficient and inequitable private financing mechanisms, especially health service user fees. Governments need to provide sufficient public financing to provide a broad package of health services, free at the point of delivery, giving a high priority to the specific needs of women, children and adolescents. Every Government should commit to spending at least 5% of GDP on health and to moving progressively towards this target.**

How countries can raise public financing for UHC will depend on their economic circumstances, for example the extent to which they have a formal labour force and whether they have significant natural resources. Many low-income countries with weak economies will undoubtedly need external aid financing, at least in the short term, to reach funding levels compatible with achieving UHC.



As a simple overall strategic approach, countries will need to raise additional levels of public financing through tax and public financing reforms and allocate an increasing proportion of these resources to health. This should involve making reallocations in government budgets away from areas that have little or no positive impact on the development of the country or welfare of the population.

In particular, governments may wish to consider removing subsidies on inappropriate goods and services that benefit the rich. One specific reform The Elders recommend governments consider seriously is to reallocate public funds to health from reducing fuel subsidies. It is widely accepted that fuel subsidies represent a poor use of public funds, because they have an adverse impact on economies and the environment. They also tend to

benefit the better off rather than the poor. Many governments realise this and want to reduce fuel subsidies but fear the political consequences of increasing fuel prices. We believe that investing in quick-win UHC reforms can provide an effective political solution to this problem, by providing people with free healthcare to sweeten the pill of higher fuel prices.

We believe that recycling fuel subsidies as health subsidies, if rigorously implemented and effectively communicated to the publics concerned, could be a very effective development strategy and could address five of the SDGs simultaneously, namely: reducing poverty (SDG 1), improving health (SDG 3), gender equality (SDG 5), reduce inequality (SDG 10) and combat climate change (SDG 13).

# With Political Commitment, Universal Health Coverage is Achievable

As the development economist and Nobel Laureate Professor Amartya Sen argued in 2015, UHC is not a fantasy; countries around the world have proved that it is “an affordable dream”. Success stories like Sri Lanka, Thailand and Rwanda show that, at all income levels, countries can make dramatic progress towards UHC relatively quickly and that this can deliver substantial health, economic and political benefits.

However, despite signing international agreements on UHC, some countries are lagging behind their peers and are only making gradual progress or are leaving vulnerable groups behind. What appears to be lacking in these countries is genuine and sustained political commitment.

The Director-General of the World Health Organization, Dr Tedros Adhanom Ghebreyesus, has made it a top priority to encourage political commitment for UHC.

We look forward to working with WHO and civil society organisations across the world on this vitally important political agenda. Our priority will be to help governments recognise the importance of reaching UHC equitably and not leaving vulnerable groups behind. We believe that this represents one of the best investments of public financing and political capital a leader will ever make.

Find out more: [www.theelders.org/universal-health-coverage](http://www.theelders.org/universal-health-coverage)

Contact us with your stories and views on why  
Universal Health Coverage is important to you:  
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