

HEALTH CARE FINANCING AND HEALTH INEQUALITY IN MONGOLIA



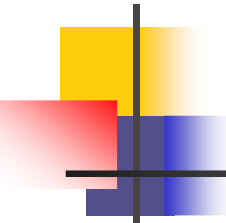
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Macro economic and health indicators

- Location: Northern Asia, between China and Russia
- Total population, 2004: 2,6 mln
- Area - comparative: 1,6 mln sq kms. Larger than the overall combined territory of Great Britain, France, Germany and Italy
- Gross national income (USD per capita, 2002): 440
- Population below poverty line (%) 2004: 36.6
- Population below US\$1/day (%): 13.9

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- Annual population growth rate: 17.7
 - Life expectancy at birth m/f (years): 60/66
 - Maternal mortality per 100 000 live births, 2004: 98.8
 - HI coverage as % of total population, 2003: 89
 - Health expenditure in GDP (%), 2004: 5.1
 - Health expenditure of total state budget (%), 2003: 9.73



Research question

Is health financing has effects on health inequality?



Analytical framework and research question

This paper provides an analysis of health care financing and health inequality in Mongolia, based on country specific studies published by MoH, WHO, World bank country specific analytical studies, the academic literature, and cross-sectional health care expenditure data.

The paper discusses three aspects of health financing and inequality in detail:

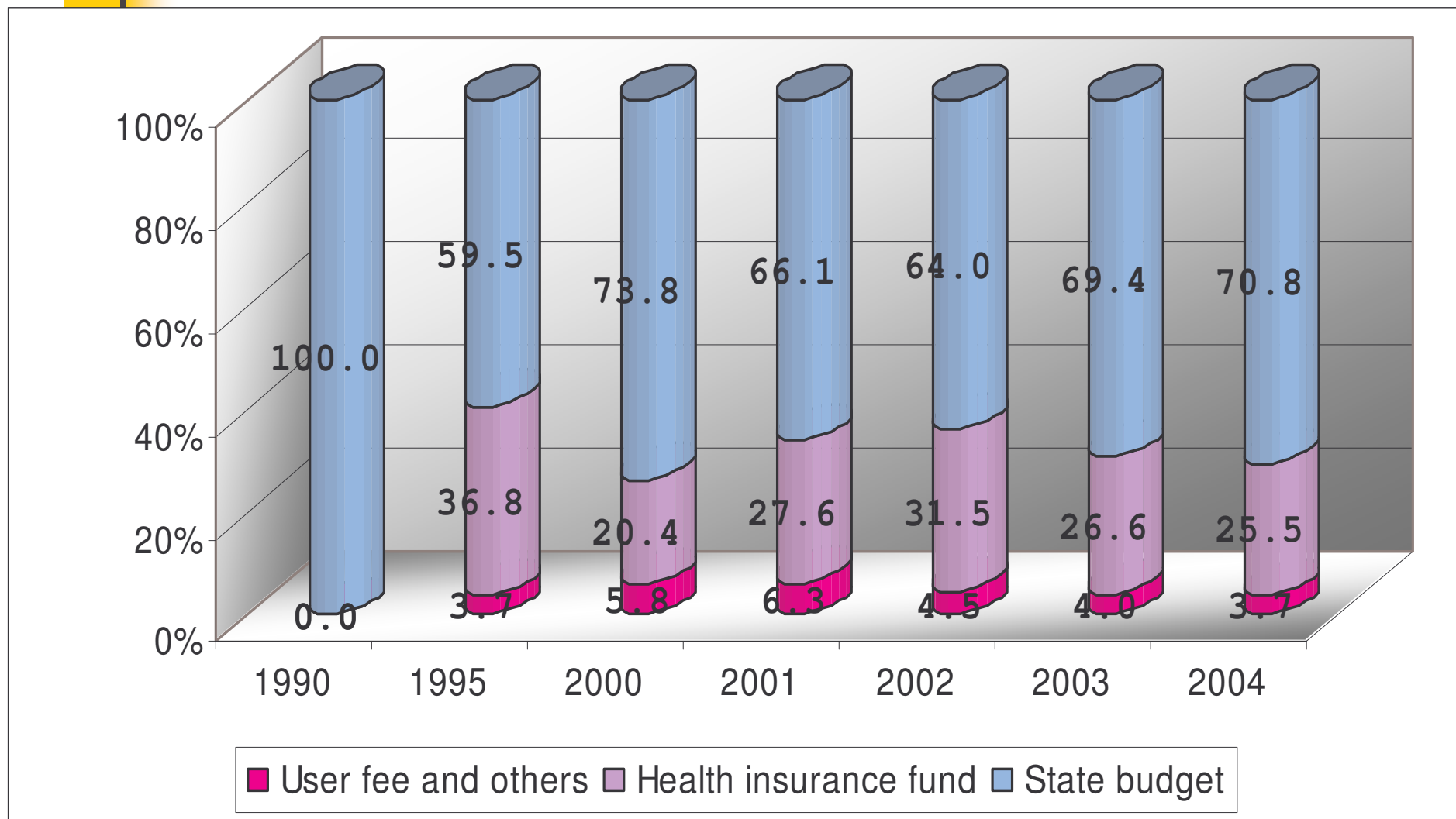
- (a) The current system of pooling of various revenue sources
- (b) Health expenditure
- (c) The association between health financing and inequality



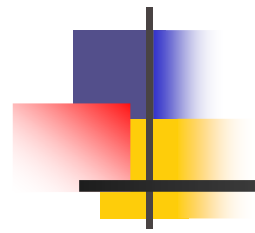
Background

Mongolia has confront the challenge as established market economies when it comes to health financing: how to mobilize and allocate resources equitably and efficiently to satisfy growing need and demand for health services. In transition economy, the search for solutions has been taking place amid profound social, political, and economic transformation. Health sector reforms has been characterized the social and economic transition from central planning to markets. This has included direct state involvement like decentralization, privatization, organizational reform etc.

Financing sources of state sector, by percentage, and by years



Source: Health Sector – 80 annual, MoH, 2004



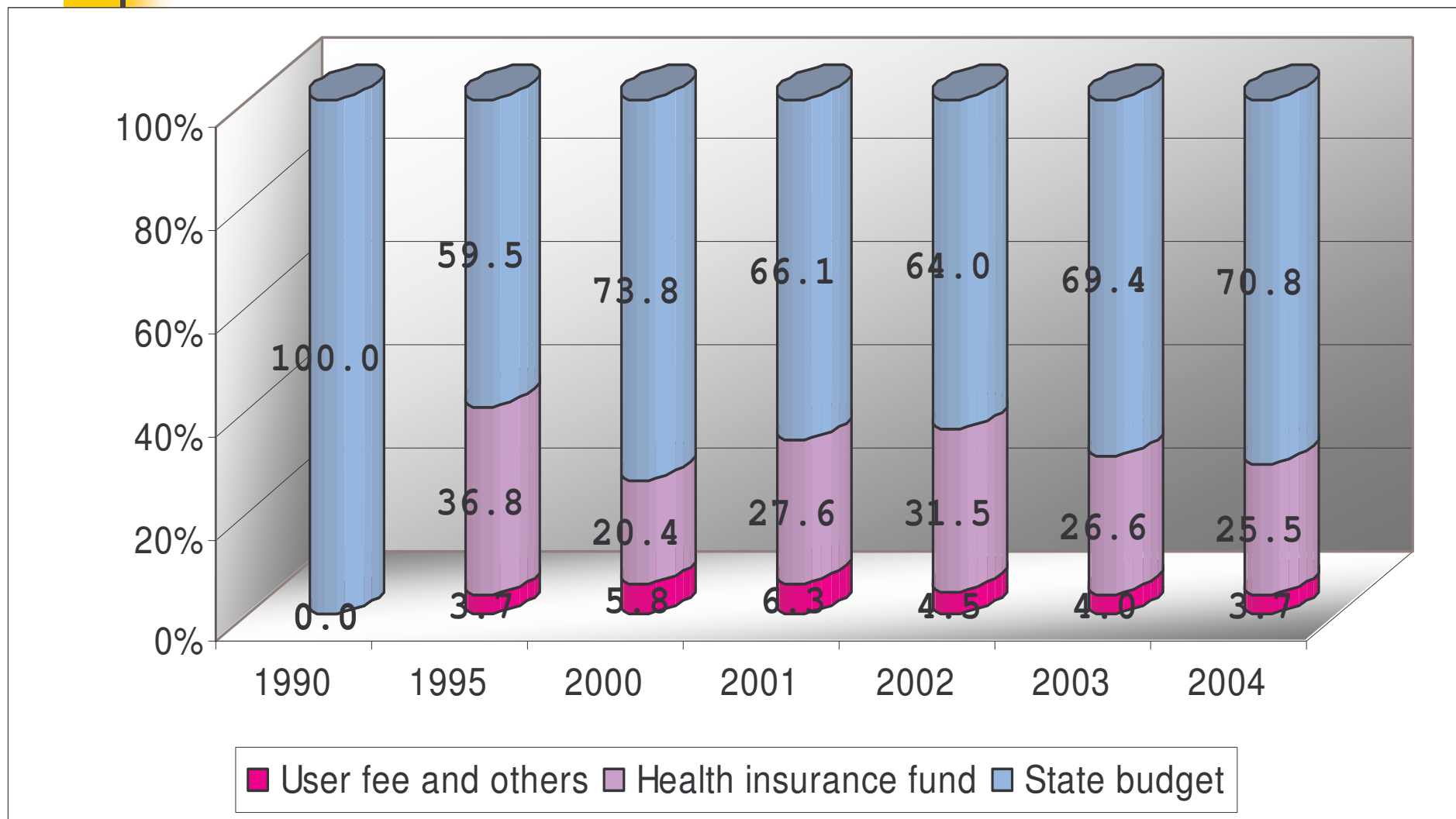
Health care financing



Revenue sources of health care sector

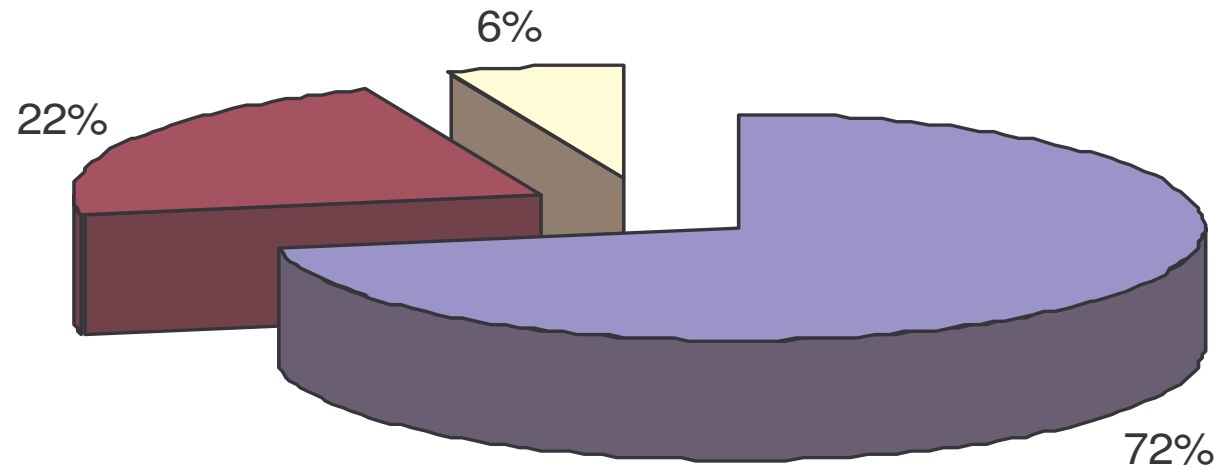
- The state budget
- Health Insurance
- Out of pocket payment and other sources

Financing sources of state sector, by percentage, and by years



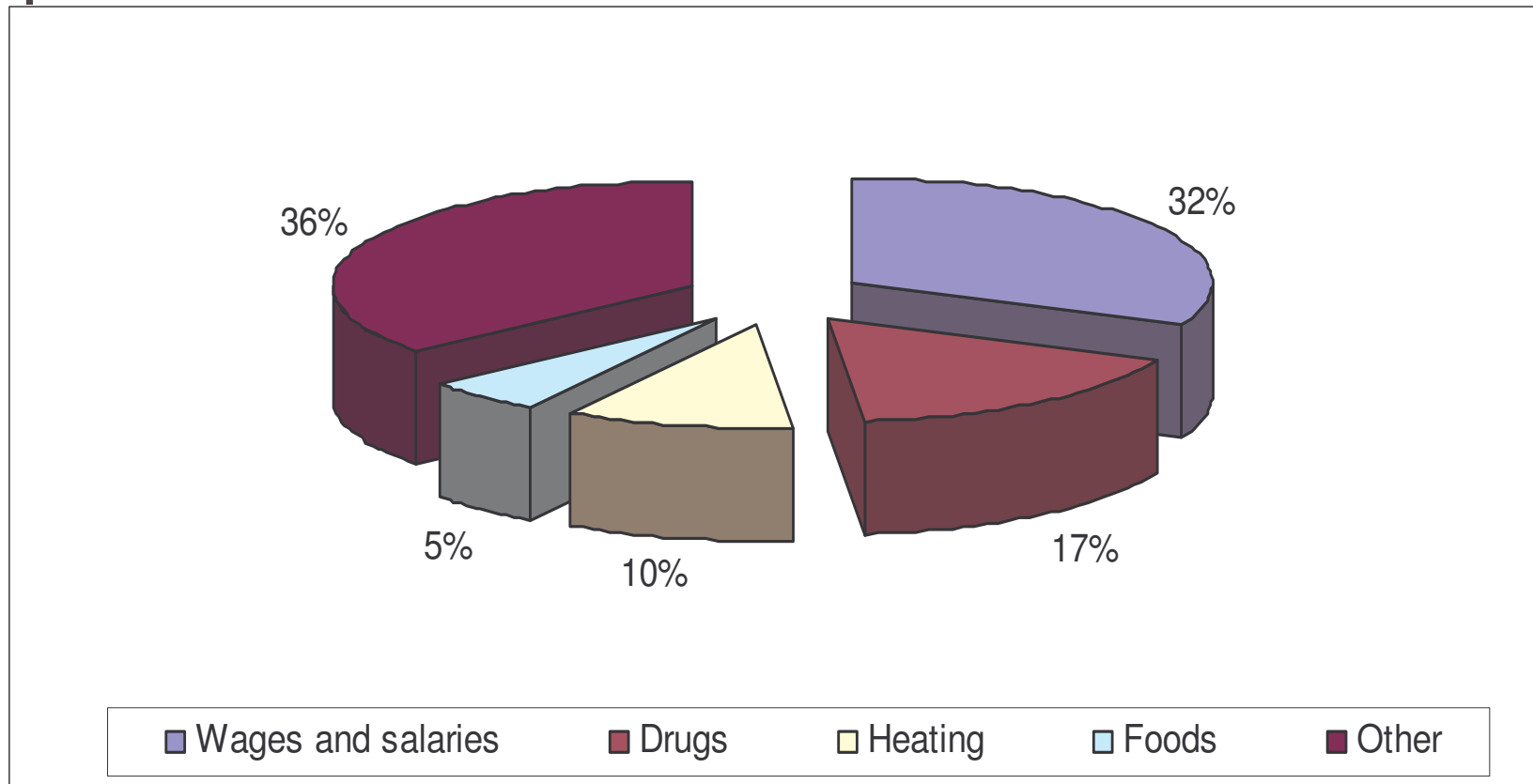
Source: Health Sector – 80 annual, MoH, 2004

People involved in HI (%)

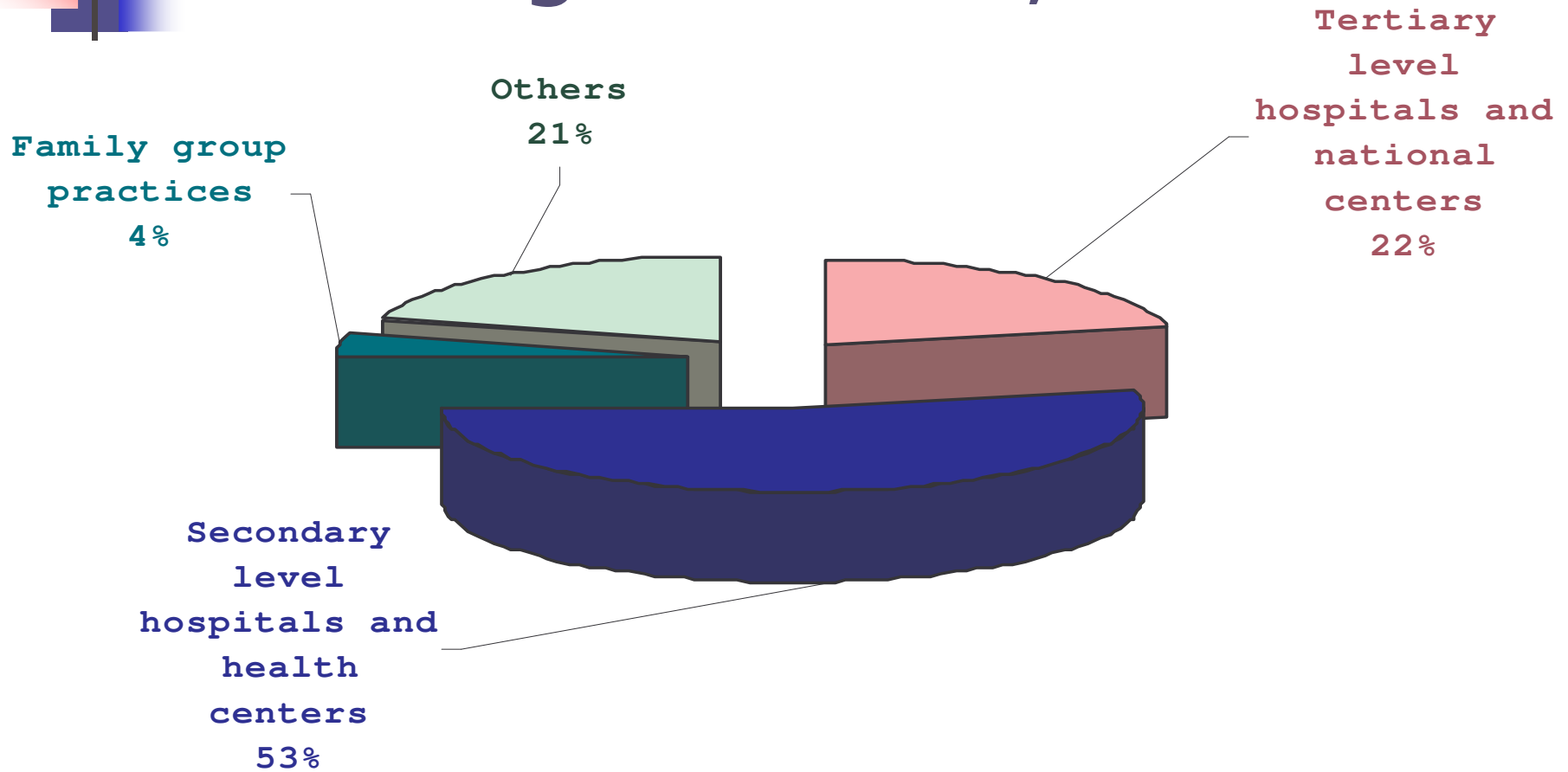


■ Employees ■ People insured by state ■ Other

Health budget expenditure, 2002



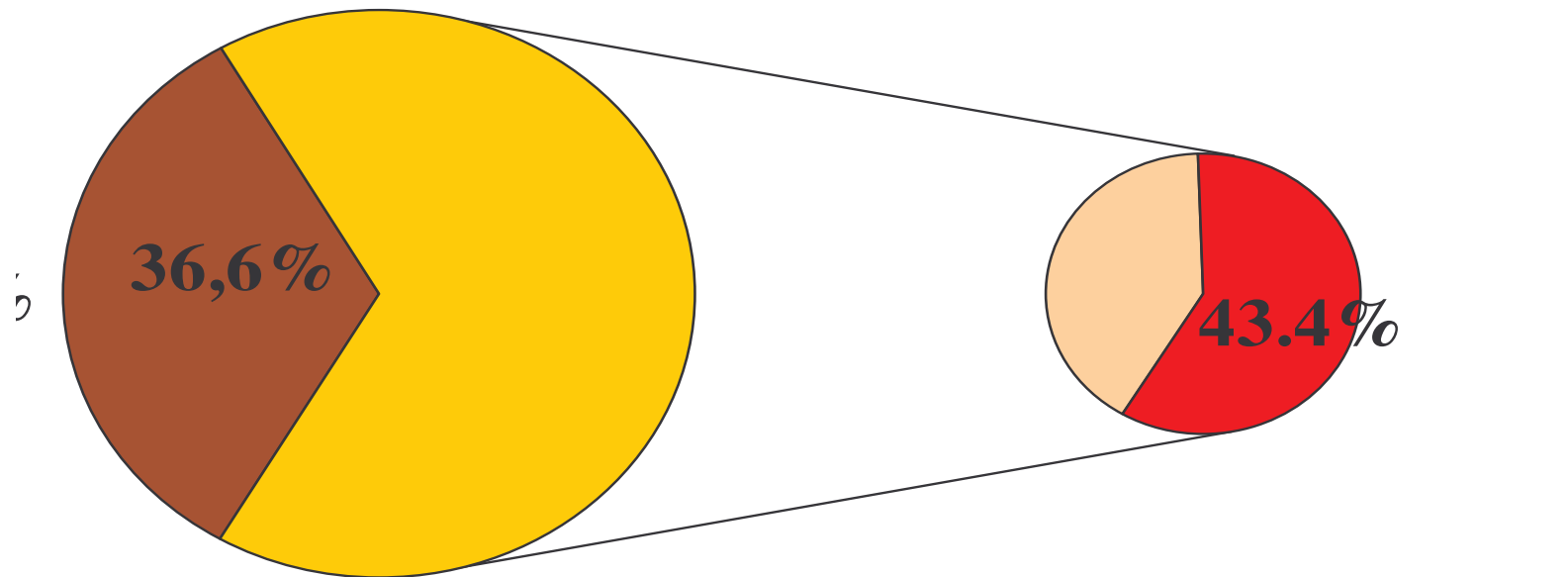
The expenditure of health organizations, 2002





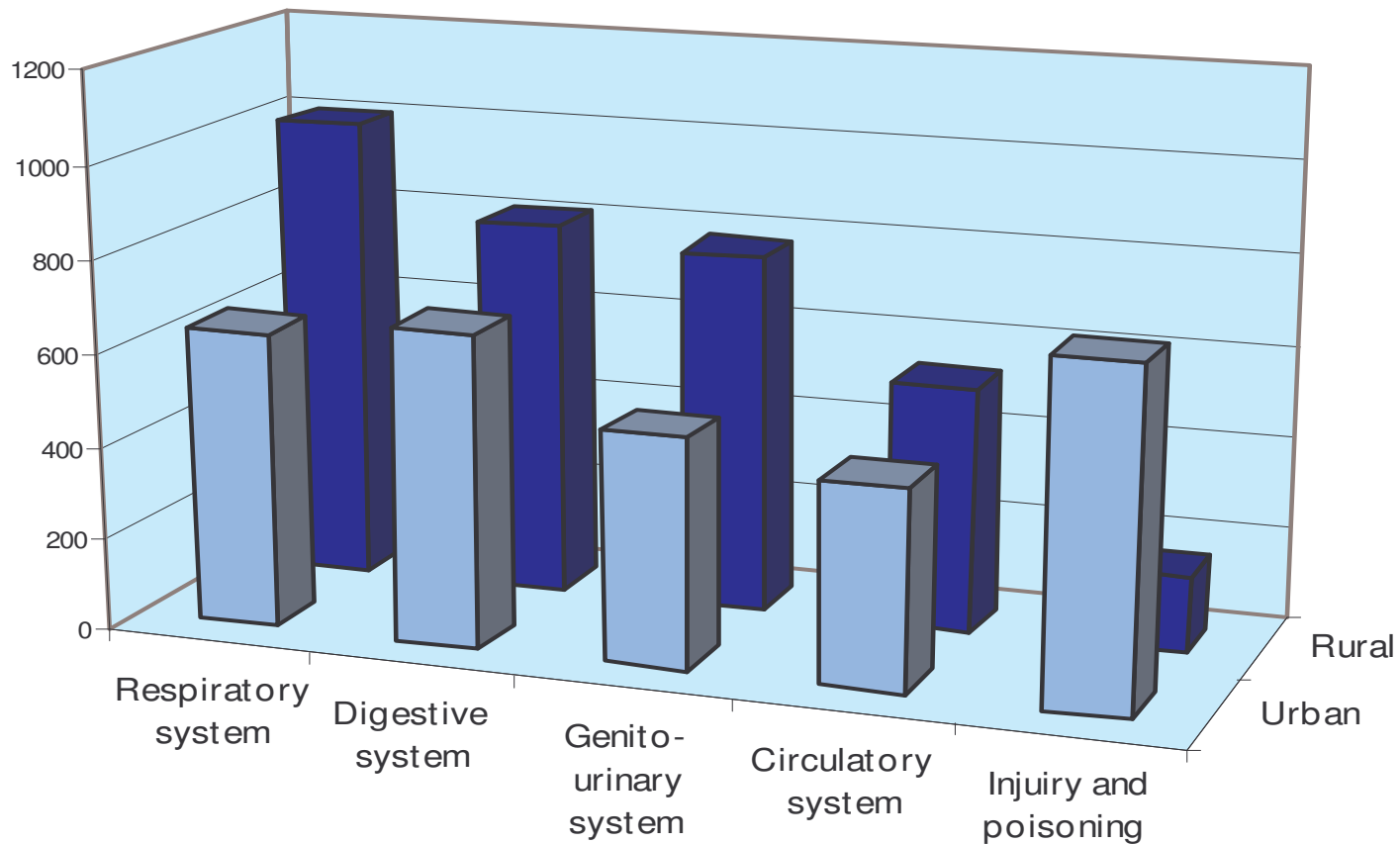
Health inequality

The level of poverty in urban and rural areas



- People leaving above poverty line
- People living under poverty line
- In urban area
- In rural area

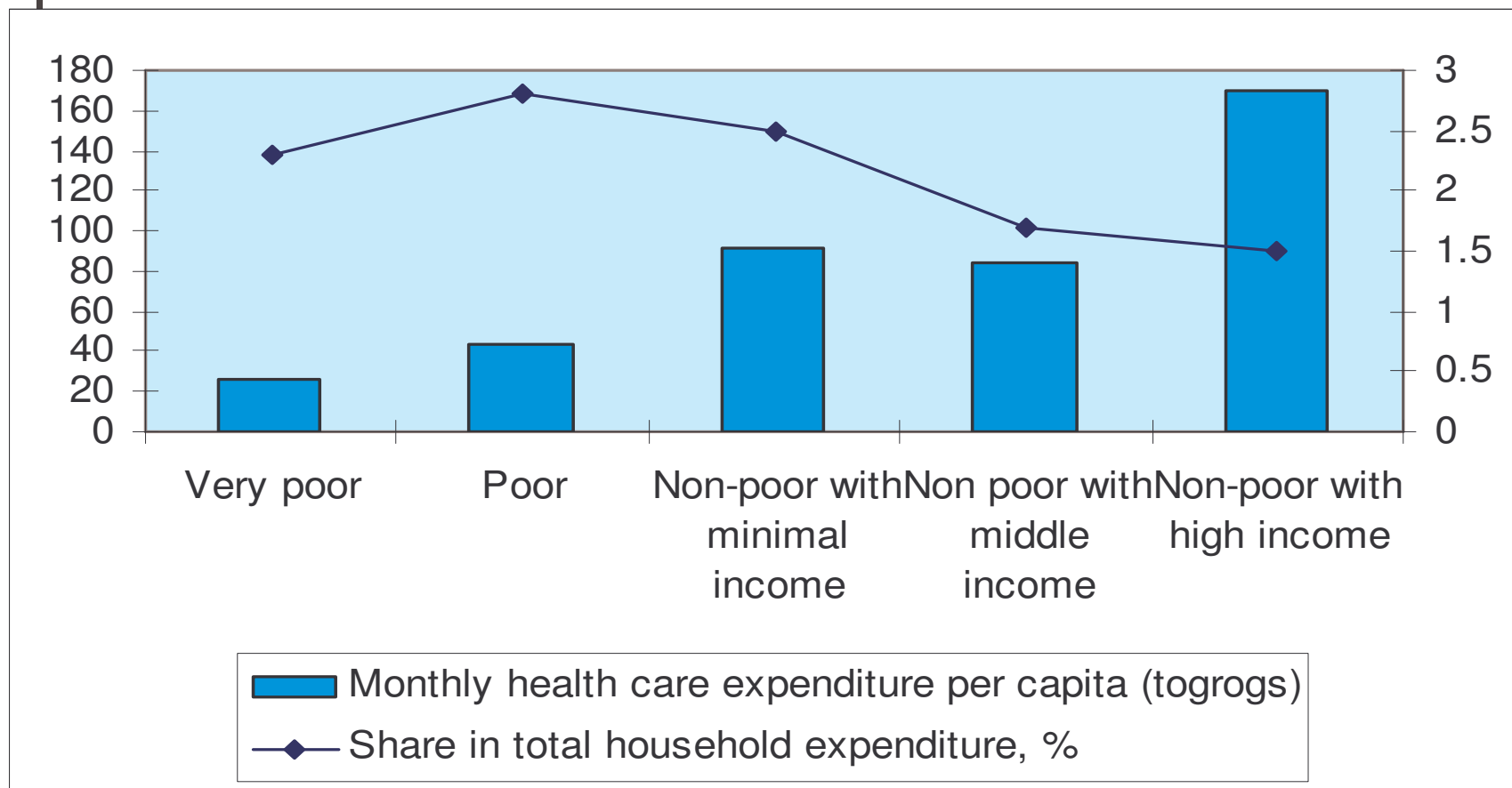
Morbidity by the place of residence per 10000 population



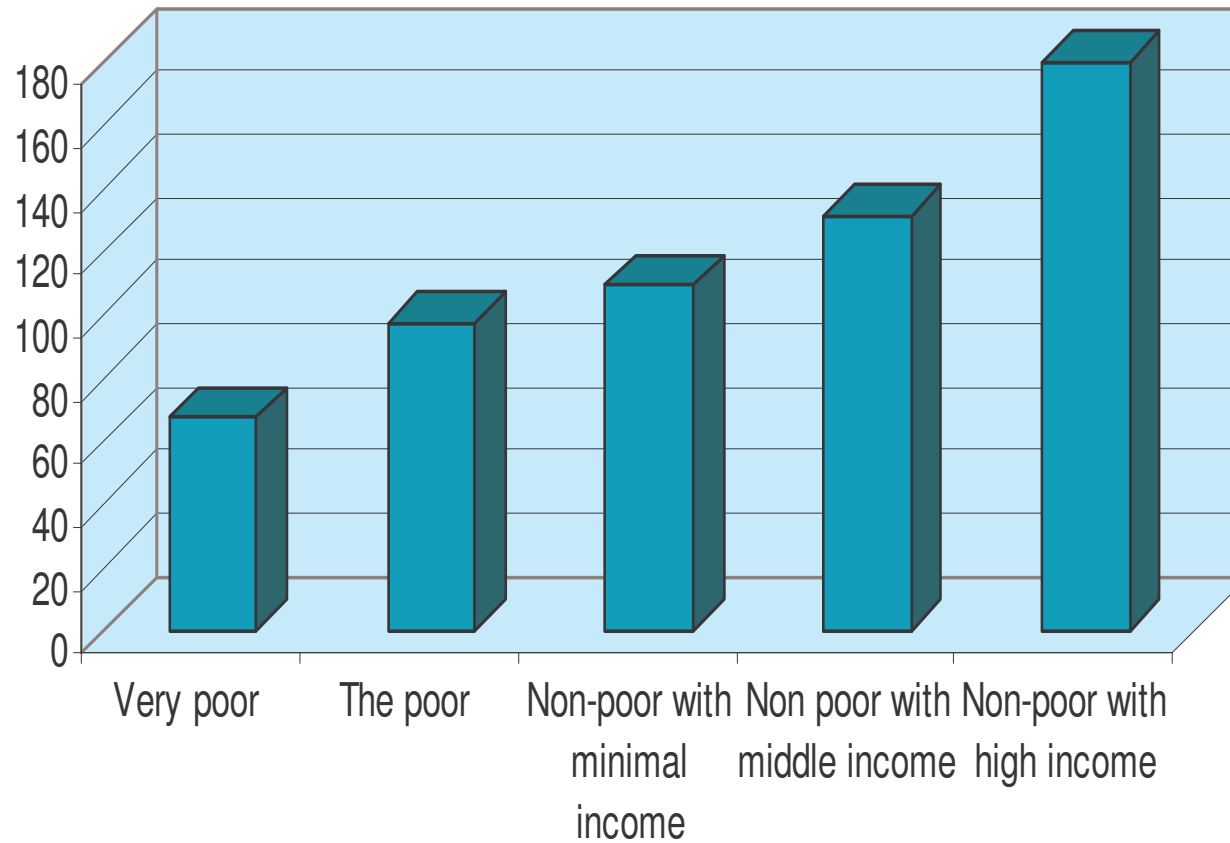
Comparison of levels of health care and services between urban and rural areas

Characteristics	Urban area	Rural area
The number of physicians per 10,000 population	47.8	17.5
Hospital beds %	73	27
Percentage in allocated budget	66.5	28.2
Equity of Health care services	It is easier to receive the service, especially emergency service.	In rural area patients travel approximately 150 kilometres to receive health care service, factors of transportation and climatic factors are more problematic.
Infrastructure	Despite old structure is required to be changed, there is less difficulties in regard with sanitation, heating and electricity.	Infrastructure is old fashioned and non-standard, especially water, sanitation and electricity are troublesome.

Health care expenditure in accordance with living standards



Number of inpatient





Conclusion

A strong association exists between health financing and health inequality. 75 % of the total health expenditure flows in secondary and tertiary hospitals which are located in cities and provincial centers. So that the rich people receives the best medical treatments and services, whereas the poor are and rural people unable to receive such care and services even at necessary cases. And the poor and vulnerable people pay the greater charge than others for basic health care services.



Acknowledgment

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Thank you for your attention
