

# Reducing out of pocket health costs associated with better population health: study

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Reducing user charges is associated with improved health outcomes in

low and middle-income countries, new research has found.

The first systematic review of the relationship between user charges and health outcomes in lower middle-income countries, published in *BMJ Global Health*, found that reducing user charges for vulnerable populations can reduce [financial hardship](#) from healthcare payments, which in turn improves health outcomes and promotes health equity.

Researchers reviewed 17 studies in upper middle-income (China, Georgia, Jamaica, South Africa and Mexico) lower middle-income (India, Vietnam, the Philippines, Ghana and Kenya), and low-income countries (Senegal and Nepal). The studies found reducing user charges was associated with improved patient outcomes, especially for children and low-income groups.

The study was led by Vicky Mengqi Qin of the National University of Singapore's Saw Swee Hock School of Public Health, and John Tayu Lee of the University of Melbourne's Nossal Institute for Global Health.

Ms Qin said the findings highlight the importance of moving away from user charges to finance universal health coverage, in favour of contributory schemes based on prepayment through taxation and insurance contributions with large-scale risk pools that enable cross-subsidisation from the healthy and wealthy to the sick and low-income groups.

"While all stand to benefit from enhanced financial protection brought about by greater reliance on prepayment and cross-subsidisation, the lowest-income and less healthy populations will benefit most, as these groups are more likely to face financial hardship due to ill health," Ms Qin said.

Dr. Lee said: "Globally, paying for [medical expenses](#) out of pocket is

still the dominant method of meeting health care costs. Our study clearly shows user charges damage population health particularly for the low-income groups and children."

Professor Rifat Atun, a co-author of the paper from Harvard University said: "Inequalities in access to healthcare and health outcomes are critical global challenges. User fees hinder equitable access and worsen health outcomes. Reducing user charges is likely to improve [health outcomes](#) and reduce health inequalities in low- and [middle-income countries](#), and must be a priority action for universal health coverage."

**More information:** Vicky Mengqi Qin et al. The impact of user charges on health outcomes in low-income and middle-income countries: a systematic review, *BMJ Global Health* (2019). [DOI: 10.1136/bmjgh-2018-001087](#)

Provided by University of Melbourne

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