

## Health Care Financing: Consumers' Perspectives

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### Abstract

**Objectives:** To explore the client perspectives of "individual financing" at private hospital and government hospital under community cost-sharing scheme.

**Materials and Methods:** A cross sectional study was done in a government hospital, namely Yangon General Hospital and Bosi private hospital in Yangon, Myanmar. All the new patients undergoing surgical operations/ procedures were approached for their potential participation in the study. A consent was taken from those willing to participate in this study. A total of 83 surgical cases, (35 from private and 48 from government hospital) were interviewed using a structured Data collection form. Quantitative analyses were done for the structured questions and qualitative analysis was made for the open ended questions. Chi square test was applied to see the statistical differences in socio demographic characteristics of Yangon General Hospital and Bosi Hospital. P value of 0.05 was set at 95% confident level.

**Results:** findings of the current study demonstrated that the patients with High family income ( $P > 0.001$ ) were more likely to use the private hospital compare to low family income group. The main reasons behind choosing the private hospital were better accommodation, shorter waiting time, and

minimum restriction of visiting hours and perceived lack of free services at government hospital. However, those attending the public hospital have justified it by stating that they are familiar with the government hospital and the services in private hospitals are expensive. For the patient from the low income group the hospital expenditure were managed with family's monthly income, support from non-family members and some secured the payment with borrowed money or by selling the personal assets.

**Conclusion:** It is seen that the socioeconomic status of the patients was the main factors responsible for the selection of the hospitals. Those with low income status prefer public hospitals because of low cost on the medical services.

### Introduction

Up till the year 1990 Myanmar has provided free health care to all its citizens. However in 1993, Myanmar envisaged a policy to encourage alternative health care financing by promoting the joint ventures, private sectors and non-governmental organizations in delivery of health care service to its citizens [1]. This change has resulted in a community cost-sharing system in all government hospitals and health clinics [2]. During this time, most of the Government hospitals took initiatives to start paid wards and private clinics were developed and upgraded to private hospitals. Patients, who choose the paid ward in government hospital, have to share both the cost of medicine and accommodation [3]. Therefore the paid wards in the government hospital can generate income for the hospital. Globally many countries adopted different form of community based financing and found that it contributed significant amount to local health system but cost protection for the patients during illness was not satisfactory especially for hospital level care [4]. Furthermore unlike other developing countries, formal health insurance system doesn't exist in Myanmar and majority of the factories/enterprises employees reply on Social Security Scheme for the claim of health services [5,6]. In this context, whether private sector are used by

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rich people exclusively or not; how people make decision to choose either private or government hospital; how people manage to share the cost of medicine in government facilities and how people manage to pay for health care cost in private sector are important questions to find out the consequences of community cost sharing from patient perspective. However, there is no available information regarding the socioeconomic status of private and public health care user as well as "individual financing" at private and government hospitals. Keeping in view this motivation this study aim to describe the socioeconomic status, reason for choice of hospital and the individual financing of the patients from Yangon General Hospital and Bosi private hospital

## Materials and Methods

A cross sectional study was done in a government hospital, namely Yangon General Hospital (YGH) and Bosi private hospital (BPH) in Yangon. All surgical cases undergoing operation during the study period of 3 months in the year 1998 were the part of study. One out of 3 surgical wards in YGH was selected to conduct this study. All newly admitted surgical patients were approached for their participation in this study and informed written consent was taken from those showing willingness to participate. All surgical in-patients age 18 and above, for planned / emergency cases, admitted for minor as well as major operation were considered as a potential respondents for the study. However, all the transferred in and out patients to YGH and BPH were excluded Altogether 83 surgical cases, 35 from private and 48 from government hospital, were interviewed using a structured questionnaire. A Quantitative analysis was done for the open ended questions. Chi square test was applied to measure the statistical differences in socio demographic characteristics of two hospitals. P value of 0.05 was set at 95% confident level.

## Results

Majority of the respondents for this study were male with the age 41 and above. It was seen that the patients with high education and income level were more likely to visit the BPH ( $p > 0.001$ ). Furthermore the median family income of patient visiting paid ward of YGH was 40000 kyats, while that of ordinary ward of YGH and surgical ward of private hospital is 14500 kyats and 30000 kyats respectively. The percentage of planned operation was a bit higher in YGH than BPH ( $p = 0.010$ ). It is seen that 48 percent of patients from YGH have to sell possessions or borrow money to share the cost of health care while only 11 percent from BPH have to sell possessions or borrow money to pay for the healthcare expenditure. Some patients (37% from YGH and 25 % from BPH) got support from people outside their family circle such as neighbors and colleagues. In BPH 52 % of study patient can adjust their family income to pay for the health care cost while the proportion is only 25 % in YGH. That finding is statistically significant.  $X^2 = 12.49$ ,  $P = 0.001$ . Details about the patient demographic profile are shown in Table 1.

However, in the state of emergency the preferred hospital was dependant on the ease of access. Both groups shared that they will prefer the nearest hospital in the case of an emergency situation. While in normal cases patients shared

that they prefer YGH because of the availability of experienced surgeons and better services that are available at a low cost in both general and paid wards. On other hand better accommodation, short waiting list for operations, minimum restriction of visiting hours and lack access to the free services in public hospitals were the main factors for selecting BPH.

**Table 1 Socio Demographic characteristics of the study patients**

	Hospital				Chi Square	
	YGH		BPH		X <sup>2</sup>	P value
<b>Age</b>	N	%	N	%		
<b>18-40</b>	23	48	15	43	0.20	0.649
<b>41 and above</b>	25	52	20	57		
	48	100	35	100		
<b>Gender</b>						
<b>Male</b>	32	67	17	49	2.70	0.099
<b>Female</b>	16	33	18	51		
	48	100	35	100		
<b>Education</b>						
<b>Low</b>	29	60	14	40	3.33	0.067
<b>High</b>	19	40	21	60		
	48	100	35	100		
<b>Occupation</b>						
<b>Business owner</b>	10	21	12	34	3.66	0.300
<b>Employee</b>	13	27	5	14		
<b>Workers</b>	7	15	3	9		
<b>Dependent</b>	18	38	15	43		
	48	100	35	100		
<b>Economic status</b>						
<b>Low</b>	29	60	6	17	15.6	<0.001
<b>High</b>	19	40	29	83		
	48	100	35	100		
<b>Type of Operation</b>						
<b>Planned</b>	27	56	12	34	8.25	0.004
<b>Emergency</b>	21	44	23	66		
<b>Total</b>	<b>48</b>	<b>100</b>	<b>35</b>	<b>100</b>		

## Discussion

The findings of the current study are in contradiction with the study previous conducted on this particular issue that have highlighted significance of gender, education and occupation as the factors for the patients to select public and private hospitals [7,8].

As expected, rich people sought private sector, but they were not exclusive users. Certain proportion of private hospital users came from low family income group as well which may be due to the limited access to the free services in the government hospitals. It might be a reason for some patients to borrow or sell possessions to pay for the out-of-pocket health care cost for the private hospitals. Although Public hospital provide free accommodation and professional consultation but still

large proportion (48.0 %) of patients could not cope with the additional cost of the treatment. Due to financial reasons majority borrow money from friends or sell their possessions to meet the treatment expanses. Still there were some patients who prefer private hospital due to the immediate and easy access to the medical services. These findings are similar to the finding of previous international studies that report waiting time, accommodation, and services as the main determinants affecting the patient attitude to seek health care from the private hospitals [9,10,11,12]. for perceived quality Similar to UK study [9] and studies in other parts of the world [10,11,12].

### Study Limitations

A small sample size may be one of the potential limitations of this study. In addition this study did not extend to the details of individual financing mechanism such as interest rate for borrowing money, what is the long term impact of selling possession on family. These limitations should be considered by the future studies while exploring this topic in detail.

### Conclusion

Findings of the current study have shown that the socioeconomic status of the patients was the main factors responsible for the selection of the hospitals. Those with low income status prefer public hospitals because of low cost on the medical services.

### Recommendations

These findings highlight the need for immediate health policy reforms. Improvement in social security or development of national health insurance scheme should be a ideal step to provide better health financing to the citizen in Myanmar. Development of subsidized health care program for the patients from low economic status is recommended in public Hospital.

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