Message from the Director-General

I commissioned this world health report in response to a need, expressed by rich and poor countries alike, for practical guidance on ways to finance health care. The objective was to transform the evidence, gathered from studies in a diversity of settings, into a menu of options for raising sufficient resources and removing financial barriers to access, especially for the poor. As indicated by the subtitle, the emphasis is firmly placed on moving towards universal coverage, a goal currently at the centre of debates about health service provision.

The need for guidance in this area has become all the more pressing at a time characterized by both economic downturn and rising health-care costs, as populations age, chronic diseases increase, and new and more expensive treatments become available. As this report rightly notes, growing public demand for access to high-quality, affordable care further increases the political pressure to make wise policy choices.

At a time when money is tight, my advice to countries is this: before looking for places to cut spending on health care, look first for opportunities to improve efficiency. All health systems, everywhere, could make better use of resources, whether through better procurement practices, broader use of generic products, better incentives for providers, or streamlined financing and administrative procedures.

This report estimates that from 20% to 40% of all health spending is currently wasted through inefficiency, and points to 10 specific areas where better policies and practices could increase the impact of expenditures, sometimes dramatically. Investing these resources more wisely can help countries move much closer to universal coverage without increasing spending.

Concerning the path to universal coverage, the report identifies continued reliance on direct payments, including user fees, as by far the greatest obstacle to progress. Abundant evidence shows that raising funds through required prepayment is the most efficient and equitable base for increasing population coverage. In effect, such mechanisms mean that the rich subsidize the poor, and the healthy subsidize the sick. Experience shows this approach works best when prepayment comes from a large number of people, with subsequent pooling of funds to cover everyone's health-care costs.

No one in need of health care, whether curative or preventive, should risk financial ruin as a result.

As the evidence shows, countries do need stable and sufficient funds for health, but national wealth is not a prerequisite for moving closer to universal coverage. Countries with similar levels of health expenditure achieve strikingly different health outcomes from their investments. Policy decisions help explain much of this difference.

At the same time, no single mix of policy options will work well in every setting. As the report cautions, any effective strategy for health financing needs to be home-grown. Health systems are complex adaptive systems, and their different components can interact in unexpected ways. By covering failures and setbacks as well as successes, the report helps countries anticipate unwelcome surprises and avoid them. Trade-offs are inevitable, and decisions will need to strike the right balance between the proportion of the population covered, the range of services included, and the costs to be covered.

Yet despite these and other warnings, the overarching message is one of optimism. All countries, at all stages of development, can take immediate steps to move towards universal coverage and to maintain their achievements. Countries that adopt the right policies can achieve vastly improved service coverage and protection against financial risk for any given level of expenditure. It is my sincere wish that the practical experiences and advice set out in this report will guide policy-makers in the right direction. Striving for universal coverage is an admirable goal, and a feasible one – everywhere.

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