Setting the Stage: A New Era of Health Financing?
UHC requires changes in the way we think about improving health ...

**Population:**
Who is covered?

**Direct costs:**
What proportion of the costs are covered?

**Services:**
Which services are covered?
... and determines the way we finance health service.

**Population:**
Who is covered?

**Current prepaid and pooled funds**

**Services:**
Which services are covered?

**Direct costs:**
What proportion of the costs are covered?
Public spending levels are often far too low ...

- $5 million
- $10 million
- $15 million
- $20 million
- $25 million

75 million  318 million  683 million  898 million  2.4 billion
... the global financing gap is daunting.

Estimated resource need for UHC:
$335 – 355 billion per year

$97 b
$70-90 b
$168 b

Financing Gap

Global Total Health Expenditure

Other sources of health expenditure
Public Health Expenditure

Sources:
1: WDI
2: Lancet Commission on Investing in Health
There are four principle mechanisms ...

- Increasing government revenue
- Increasing prepaid and pooled funds
- Harnessing private sector resources
- Prioritizing for health
- Increasing development assistance
The potential of increasing government revenue is significant ...
... the potential of prioritizing health to close the financing gap even greater.

Raising to median (10%) in countries that fall short results in:
52 billion 2013 US$
US$ 15 pc

Source: WHO
The potential amount of DAH is small, but the role is critical in LICs.

Total DAH and government health expenditure, LICs and LMICs, 2010 PPP $, 1995-2013

Source: IHME
The scale of private financing is huge, yet it is difficult to harness for UHC.

Total pre-paid private and out-of-pocket health spending, LICs and LMICs, 2010 PPP $, 1995-2013

Source: IHME
The way forward is often not clear ...

Increasing government revenue

Does earmarked tax lead to a net increase in revenues for health?

Prioritizing for health

How can mutual accountability be strengthened between MoH and MoF?

Increasing development assistance

How can different financing instruments be used to ease the transition from external to DAH?

Harnessing private sector resources

What is the potential role of social impact bonds in health?

Does earmarked tax lead to a net increase in revenues for health?
Improving domestic health financing governance

Increasing government revenue

Harnessing private sector resources

Prioritizing for health

Improving:
- Data,
- Strategic planning & budgeting
- Budget execution
- Transparency & accountability,
- Leadership & advocacy

Increasing development assistance