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SOCIAL SAFETY NETS IN HEALTH SECTOR DEVELOPMENT

The topic for discussion at the ministerial round table to be held in conjunction with the fiftieth session of the Regional Committee for the Western Pacific is "Social safety nets in health sector development". This document is intended to raise some of the major issues related to social safety nets in health sector development for the information of participants.

1. INTRODUCTION

“Social safety nets in health sector development” was selected as the topic for the ministerial round table to be held in conjunction with the fiftieth session both because of recent events in the Western Pacific Region and because WHO is paying increasing attention to health system reform, within the broader context of integrated health sector development. Listed below are some of the most important general issues related to social safety nets. Participants at the ministerial round table may wish to relate their interventions to these four important issues.

- The recent economic crisis in Asia has shown the need for social safety nets. The loss of jobs and income that followed the crisis led to a series of negative health consequences, such as delays in seeking care, poorer nutrition and the impoverishment of families burdened with high health care costs. The long-term impacts of these developments have yet to be assessed.
- In some countries undergoing economic transition, there has been a deterioration in access to health care which has exposed the absence of social safety nets. This reduced access appears to be linked to the transfer of responsibility for paying for health care from government to households.
- The cost recovery systems that have been introduced recently in many countries, such as user charges and drug revolving funds, have shown that money can be generated from households to pay for health care. However, there is an urgent need to deal with the negative aspects of these systems and to move towards more equitable and rational ways of financing health care. These may include appropriate forms of social health insurance, with more attention being paid to workers in the informal sector in urban areas and low-income rural populations.
- The ageing of the population in Asia will mean that there will be many more older persons without any form of social security, including income replacement, during old age. At the same time, family sizes have decreased and health care costs have increased. There will therefore be more older people, with more chronic diseases and potential disabilities affecting their daily activities, but with fewer family resources to provide support.

2. SOCIAL SAFETY NETS

The recent economic instability within the Region has generated much interest in “social safety nets”. Commonly asked questions on this topic include:

What are social safety nets for health care?

They are mechanisms to assure access to quality health care by providing protection from the burden of having to pay for health care at the time of use.

What do social safety nets do?

They reduce the risk of unpredictable and high costs of care, which often push families into poverty, and mitigate the possible adverse effects of reform measures on the poor. They remove financial barriers to seeking health care at the appropriate time. They promote equitable access to defined (essential or basic) health care for all population sectors and guarantee the rights of individuals to these services, regardless of age, gender or income.

Why do we refer to social safety nets and not just to safety nets?

These mechanisms reflect the ideology and policies of societies with regard to social security, including protection from the hazards of contingencies in the life-cycle, including illness, disability, maternity and old age.

What are the two main forms of social safety nets?

Social protection involves the prepayment of affordable contributions into funds, managed by social insurance schemes. Alternatively, government taxation revenues may be earmarked for the provision of health care. These schemes are permanent arrangements, usually implemented through legislation if they are compulsory, or through contracts if they are voluntary.

Social assistance is the committed contributions of government at national, provincial and local levels to provide funding for the care of populations unable to afford regular contributions to such schemes. Social assistance may also take the form of cash allowances paid directly to families (such as child or family allowances), subsidies to maintain low prices

of staple foods or related goods (such as cooking fuel) and the direct provision of health services without user charges. Social assistance measures may be permanent, implemented through legislation, or temporary, implemented through government orders and decrees.

3. CONDUCT OF THE MINISTERIAL ROUND TABLE

The ministerial round table will take place on the afternoon of Wednesday 15 September. It will be preceded by a technical briefing on "Health sector development in Macao: present and future". The round table will be introduced by the moderator, who will review the various forms and the scope of social safety nets, covering both social protection and social assistance measures, and the role of social safety nets in health system development and health and economic reform processes.

Participants will then be invited to discuss the experience of social safety nets in their own countries and areas and to relate these to the more general issues raised by the moderator. The round table will cover the relevance of social safety nets following the recent economic crisis, the integration of social safety nets into health system reform and issues arising out of changes in the demography and disease patterns in the Region.

One objective of the ministerial round table will be to identify, in general terms, the most appropriate forms of social safety nets for the countries and areas of the Western Pacific Region and WHO's role in this area.