#### UNIVERSITY OF BERGEN Global Health Priorities

# Improving health and reducing poverty

Ole Frithjof Norheim, MD, Dr. Med.

Professor in medical ethics, Department of Global Public Health and Primary Care, University of Bergen Adjunct Professor, Department of Global Health and Population, Harvard Chan School of Public Health ole.norheim@uib.no

> <u>@GHPriorities</u> www.uib.no/en/rg/globpri

## Plan for the talk

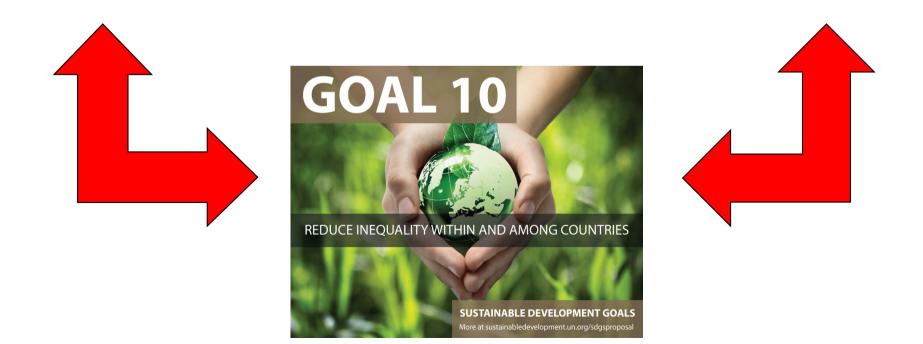
- Sustainable Development Goals
- Universal Health Coverage
- Theories of distributive justice and health
- How to improve health and reduce poverty?

## This talk will critically examine the Sustainable Development Goals for health and poverty and discuss how they are interlinked



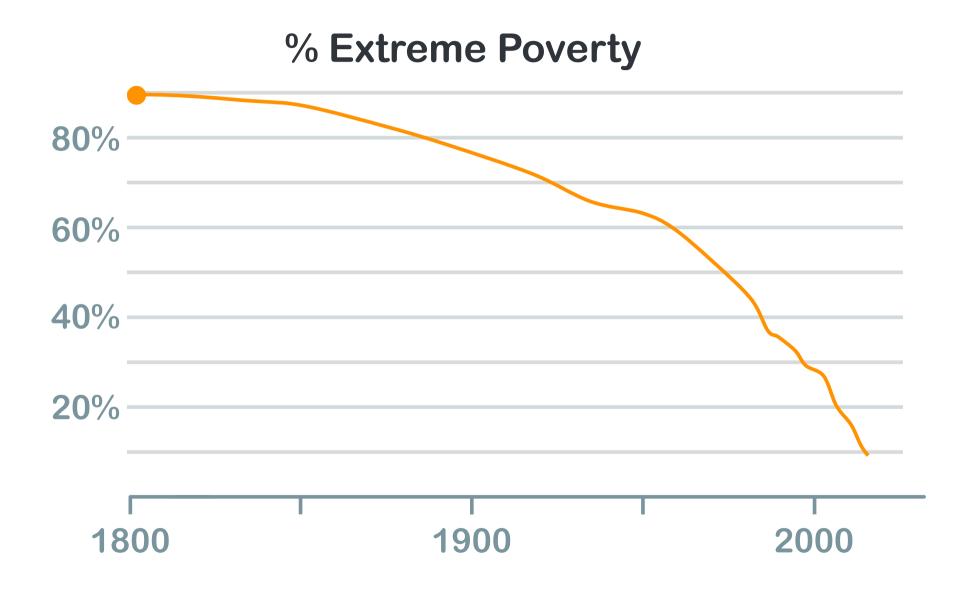




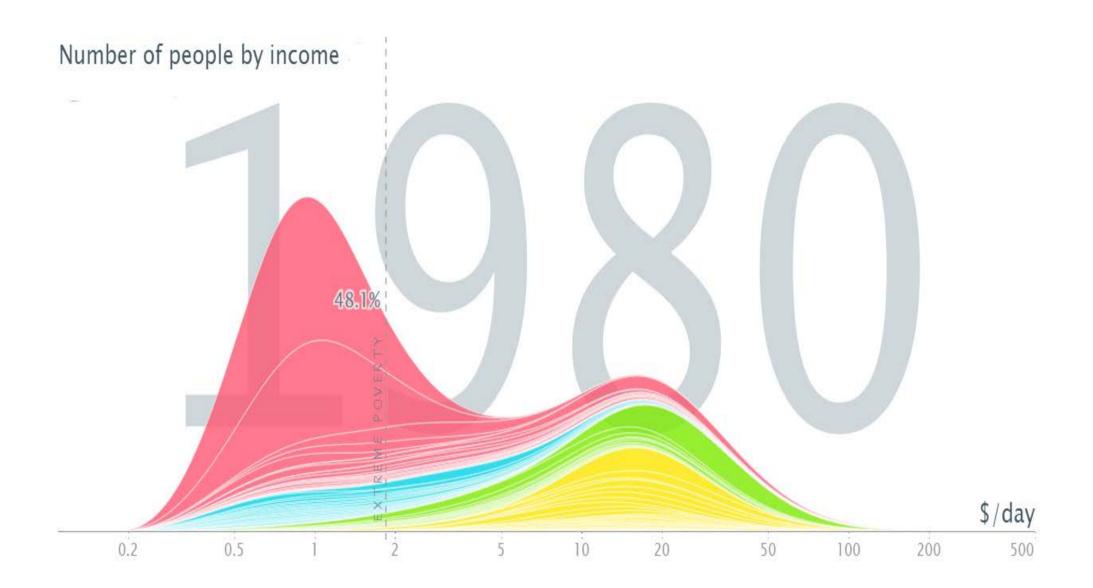


## Income and income inequality - trends

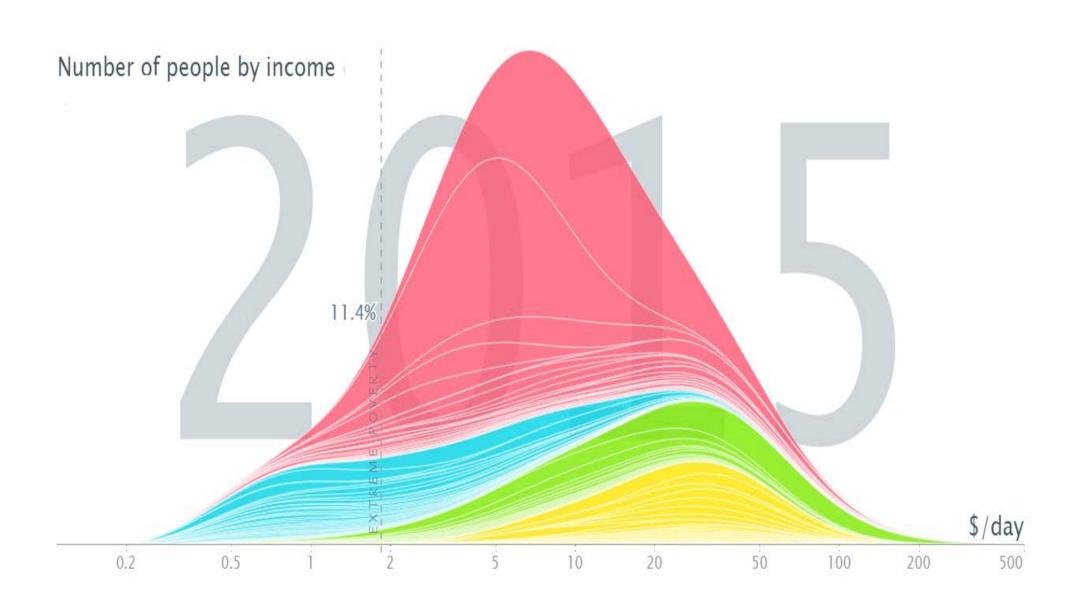
- Reduced poverty?
- Improved income?
- Improved income inequality?
  - Within and among countries?



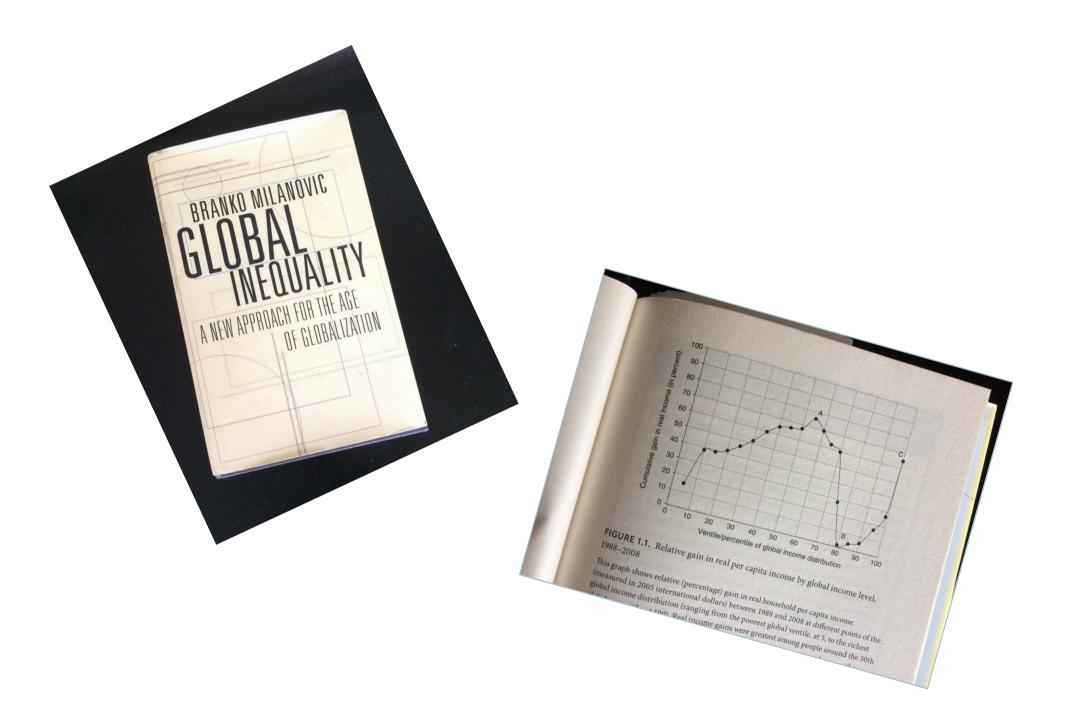
(Source: Gapminder)

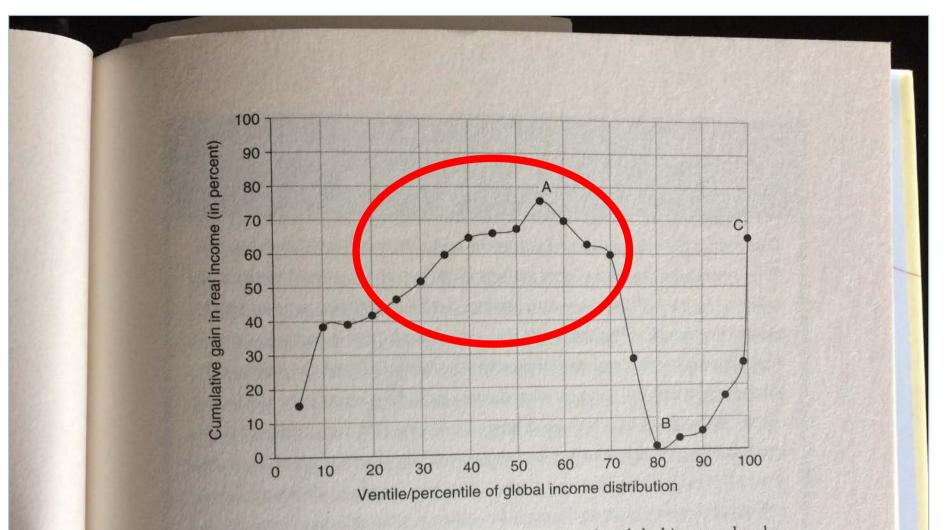


<sup>(</sup>Source: Gapminder)



(Source: Gapminder)





## **FIGURE 1.1.** Relative gain in real per capita income by global income level, 1988–2008

This graph shows relative (percentage) gain in real household per capita income (measured in 2005 international dollars) between 1988 and 2008 at different points of the global income distribution (ranging from the poorest global ventile, at 5, to the richest



#### dly, mostly due . This reversal g the standard stated since the ook place some ok place someft uncorrected; us measures of the nineteenth in the one hand, rical data made are precise esti-2008) based on tion in the samases, the national primalized to per s. The first is the place over the

Chapter 1

majority of the ition in the early e the large econo-cerued disparities iously existed first rise continued up ntury, with the exthe end of World ementation of rees (to which we evolution and the pe into the Soviet 20, the richest 10% ving twenty times

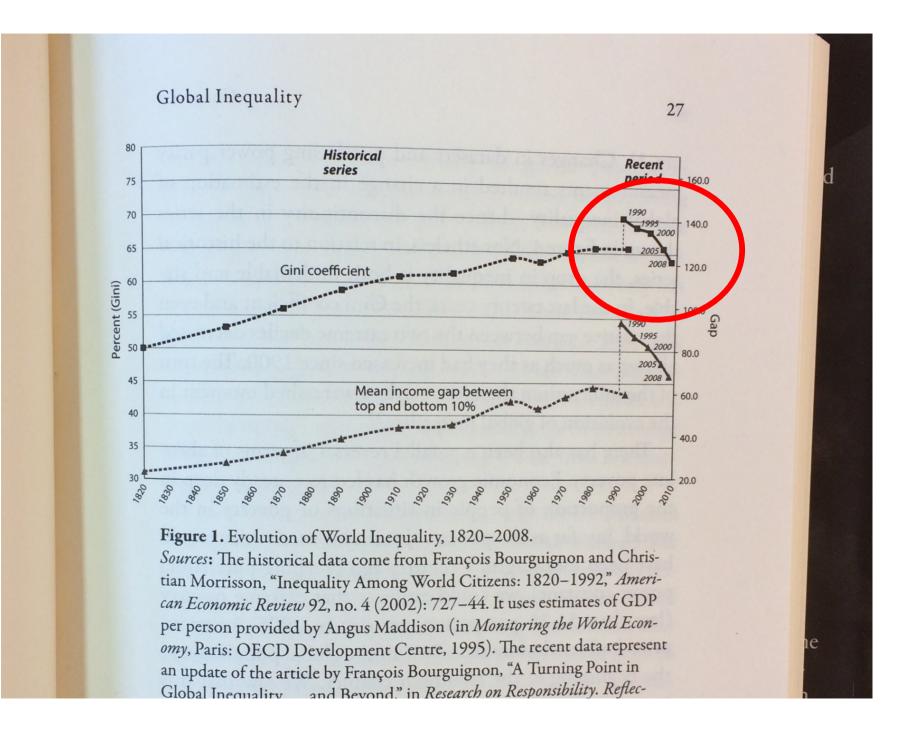
Mean income top and born immunit

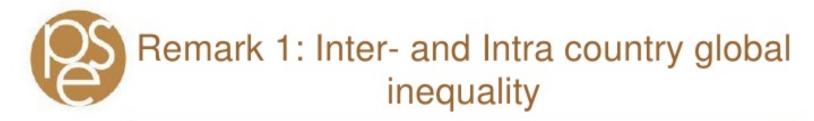
Global Inequality

27

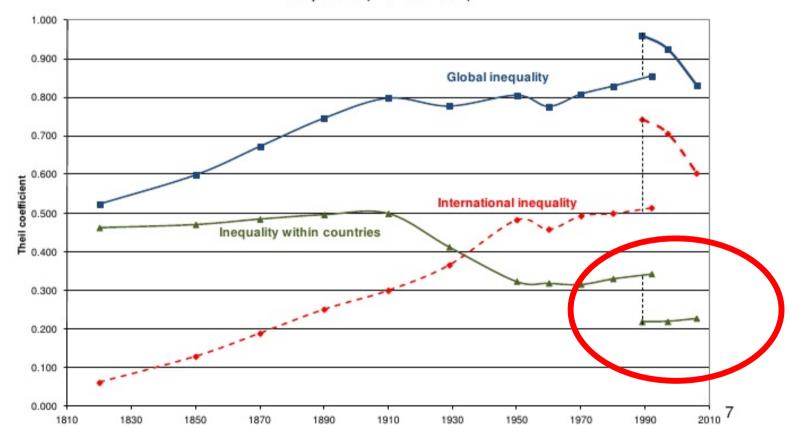
Recent

# higher than the poorest 10% by 1980, this number would be three times larger. The Gini coefficient in 1820 was around 0.5, similar to a relatively unequal country toda; by 1980 it was 0.66 higher than any existing level of as tional inequality. The second striking point that this graph shows is a sharp decline beginning in 1990 (the "recent period" in fige

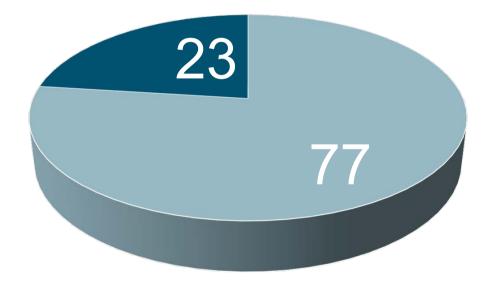




Decomposition of global inequality into Between and Within components (Theil coefficient)



## Global income inequality - decomposed



#### Bewteen countries Within countries

Source: Milanovic (2013)

## Discuss: is the world a better place now?

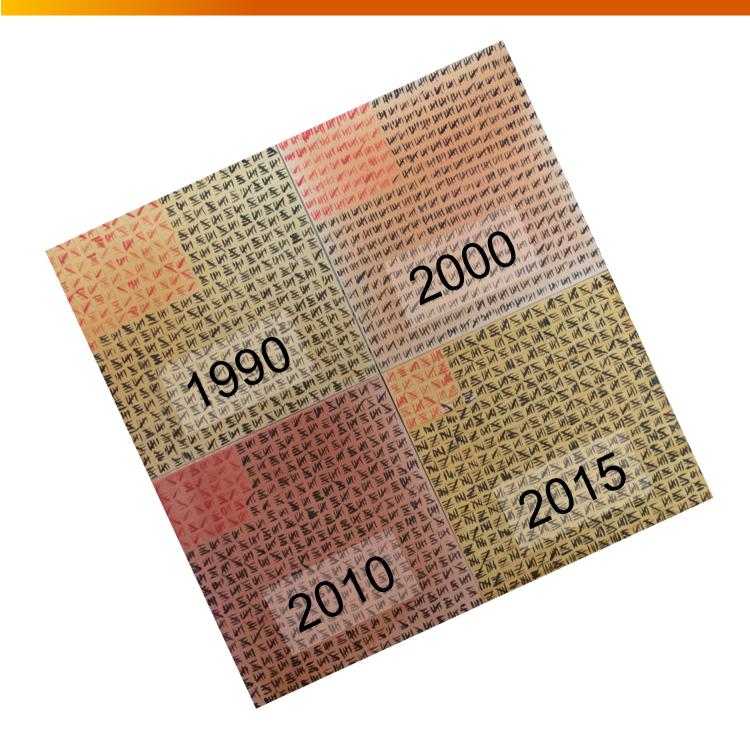
- Reduced poverty?
- Improved income?
- Improved inequality?
  - Within and among countries?

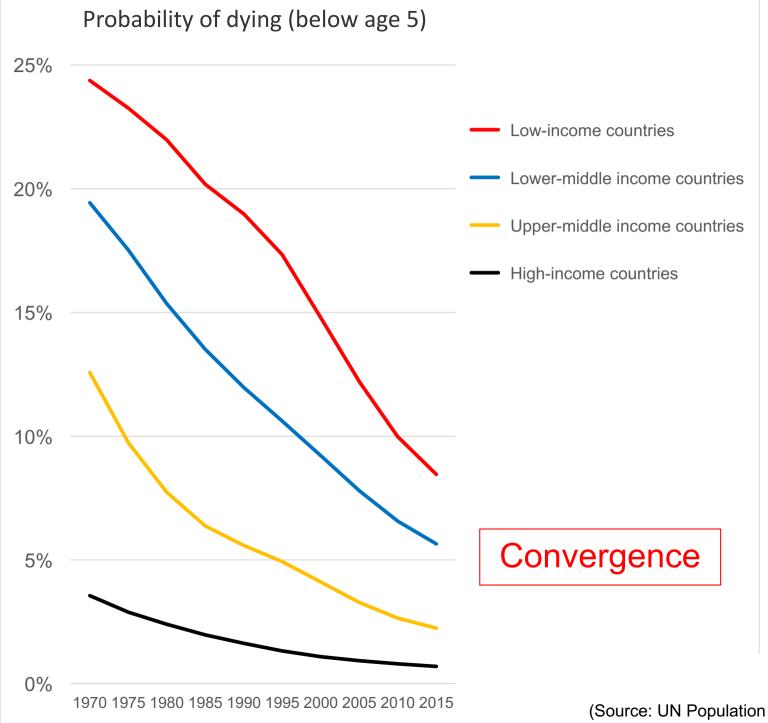
## Inequality in income between and within countries

- Global inequality between all people in the world
   Is very high but going down
- Within country inequality
  - Is going up (in many countries)

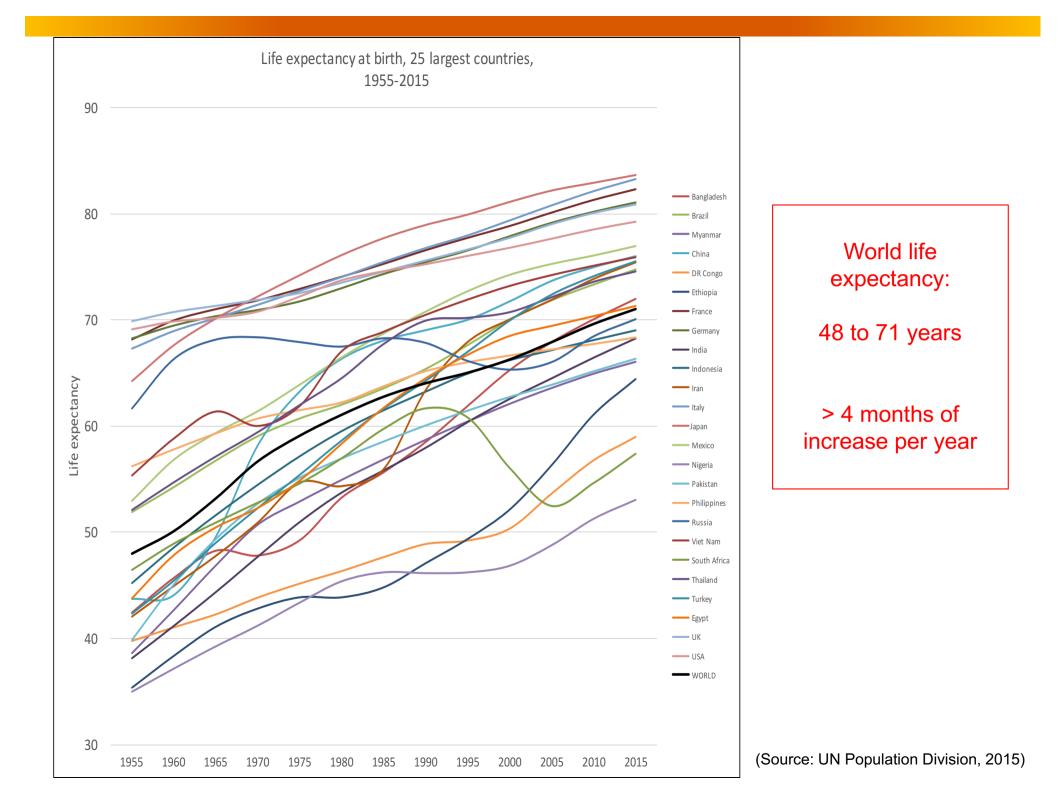
## Health and health inequality - trends

- Improved health?
- Reduced inequalities in health?





(Source: UN Population Division, 2015)



## UNIVERSITY OF BERGEN

#### Global Health Priorities

#### Avoiding 40% of the premature deaths in each country, 2010–30: review of national mortality trends to help quantify the UN Sustainable Development Goal for health

Ole F Norheim, Prabhat Jha, Kesetebirhan Admasu, Tore Godal, Ryan J Hum, Margaret E Kruk, Octavio Gómez-Dantés, Colin D Mathers, Hongchao Pan, Jaime Sepúlveda, Wilson Suraweera, Stéphane Verquet, Addis T Woldemariam, Gavin Yamey, Dean T Jamison, Richard Peto

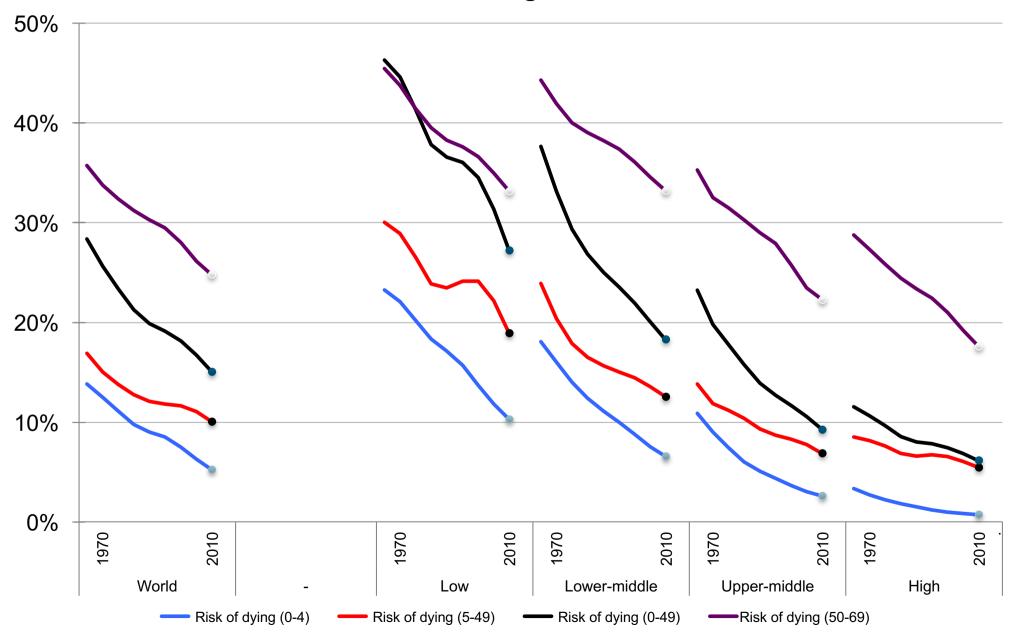


Articles

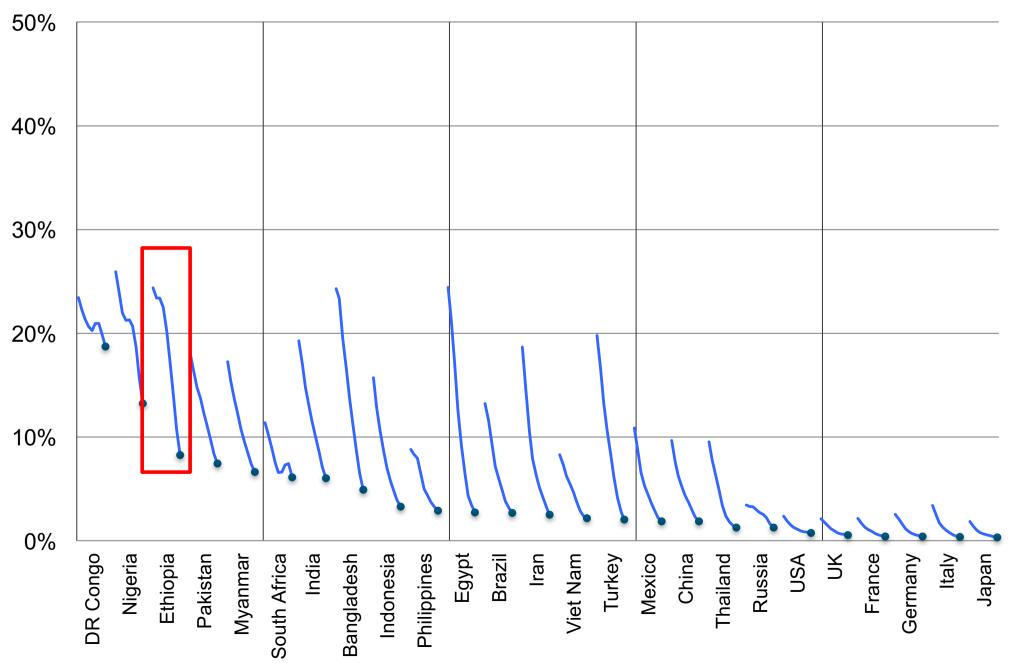
Lancet 2015; 385: 239–52

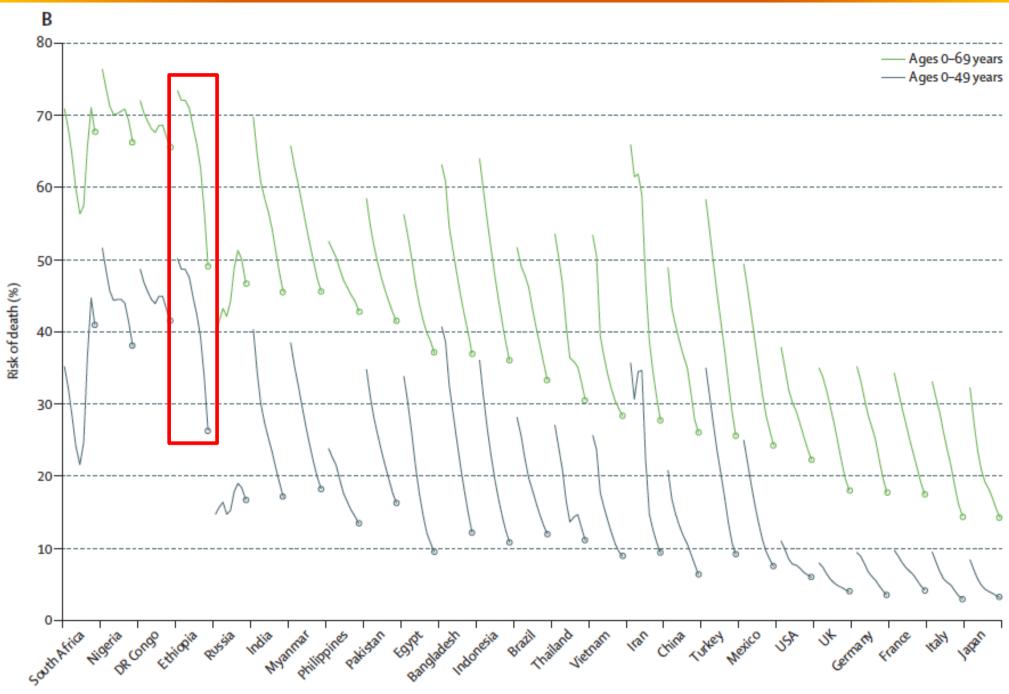


#### COMBINED (M+F): 40-year trends, 1970-2010, in risks of death in selected age ranges for World and 4 groups of countries, lowincome to high-income



#### Combined (M+F) risk of dying, ages 0-4: 1970-2010 trends in 25 most populous countries, sorted by 2010 risk (marked)

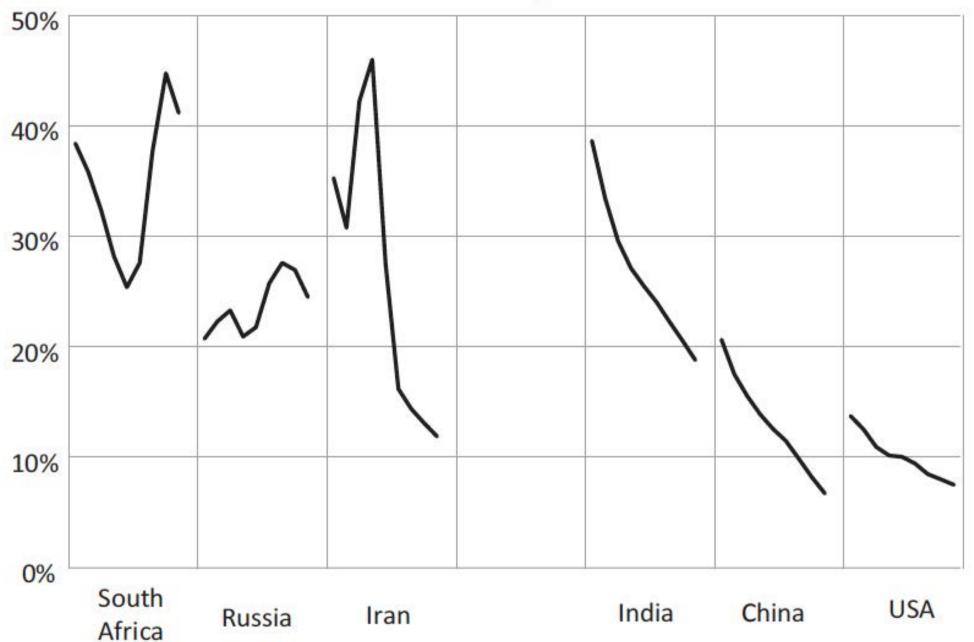




**Global Health Priorities** 

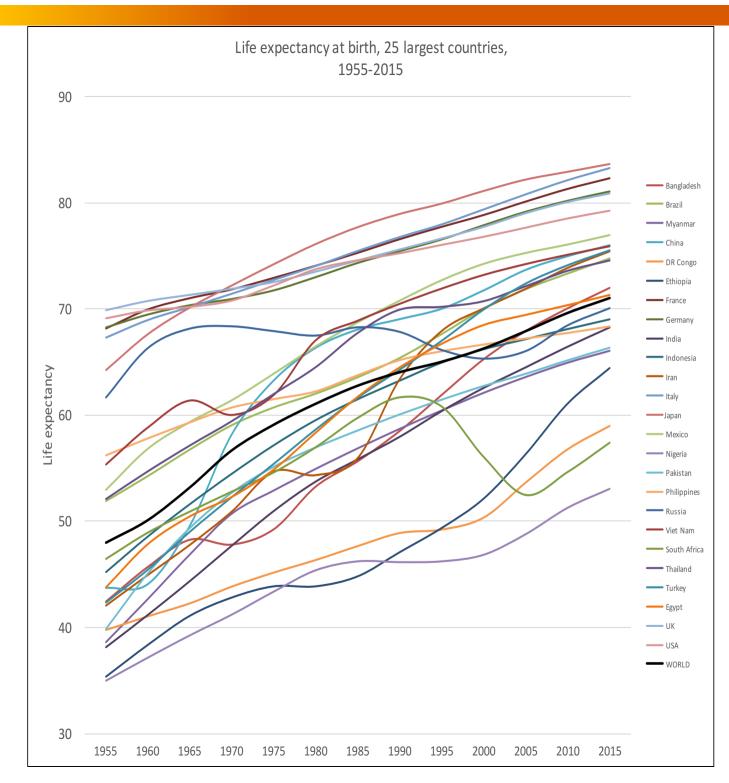
Country

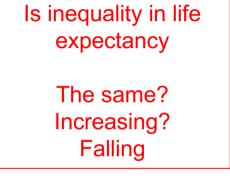
#### MALE under-50 mortality 1970-2010: 6 countries



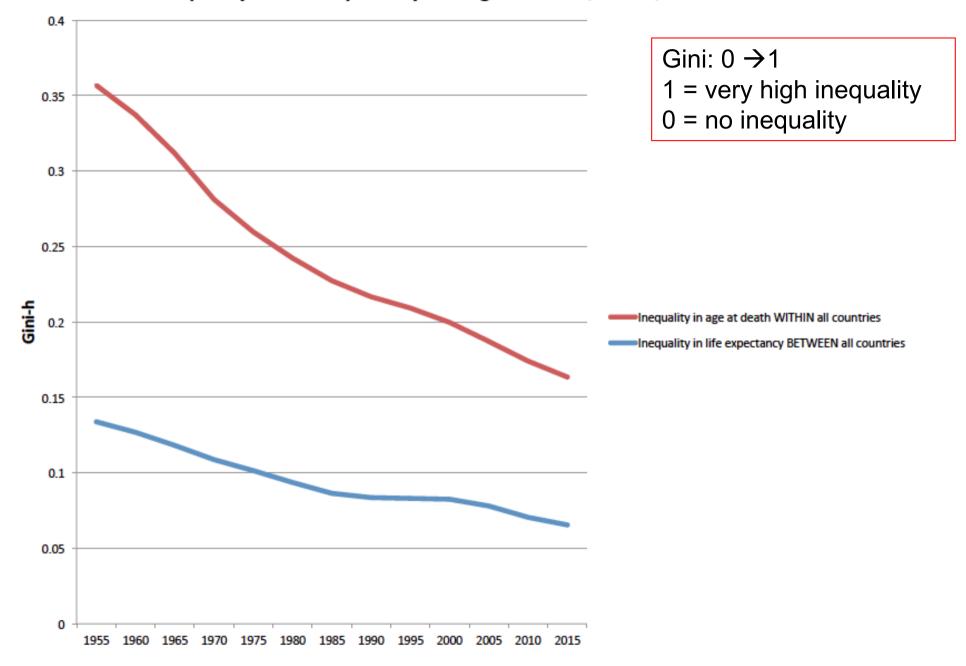
#### TRENDS: INEQUALITY IN LIFE EXPECTANCY AND AGE AT DEATH

(IN PRESS: PRIORITY SETTING IN GLOBAL HEALTH, EDS: NORHEIM ET AL, OUP 2017)

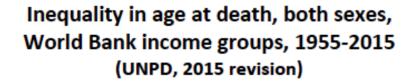


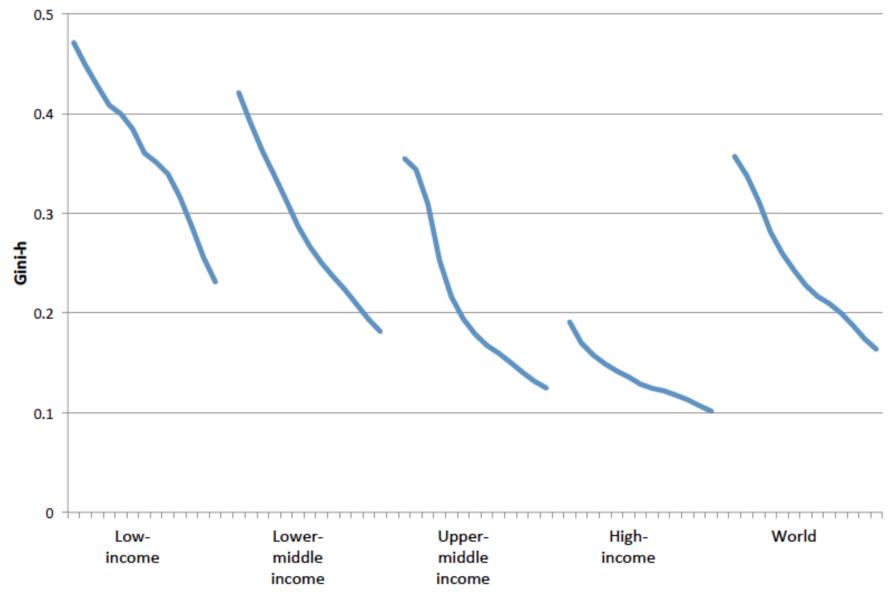


(Source: UN Population Division, 2015)

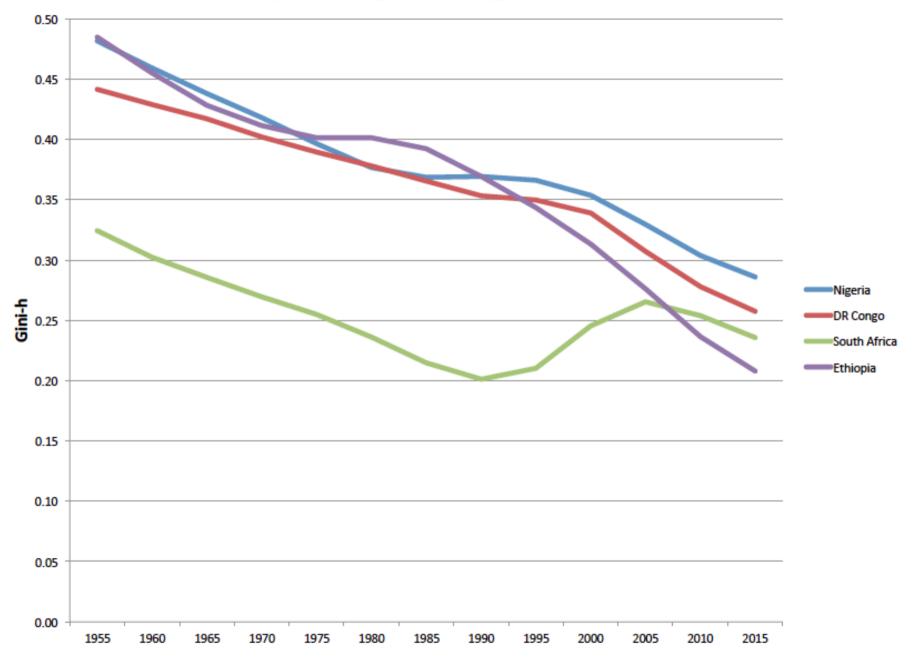


#### Inequality in life excpectany and age at death, world, 1955-2015

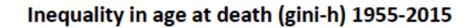




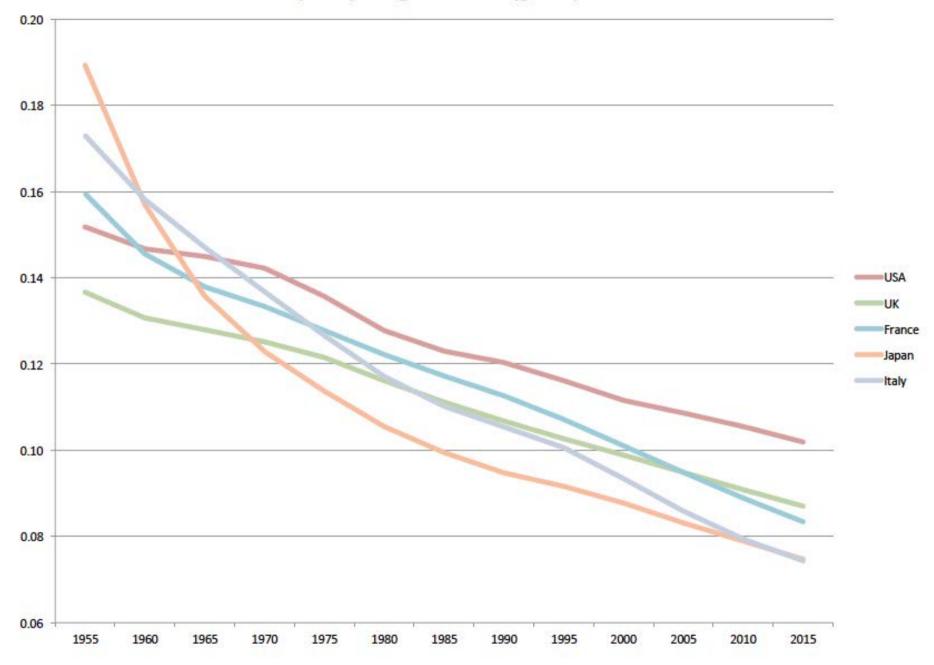
#### TRENDS: INEQUALITY IN AGE AT DEATH, WITHIN COUNTRIES



#### Inequality in age at death (gini-h), 1955-2015







#### Inequality in age at death (gini-h) 1955-2015

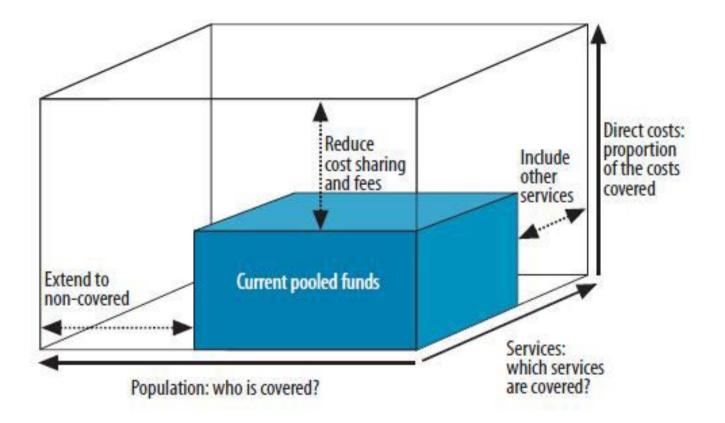
## Discuss

- Improved health?
- Reduced inequalities in age at death?

## Summary so far

- Poverty
  - Is falling
- Inequality in income
  - Globally: very high but falling
  - Within countries: increasing in many countries
- Life expectancy is improving (fast)
- Inequality in age at death
  - Is falling both between and within countries

# SDG 3 has a sub-target of achieving universal health coverage, including financial risk protection and access to quality essential health services

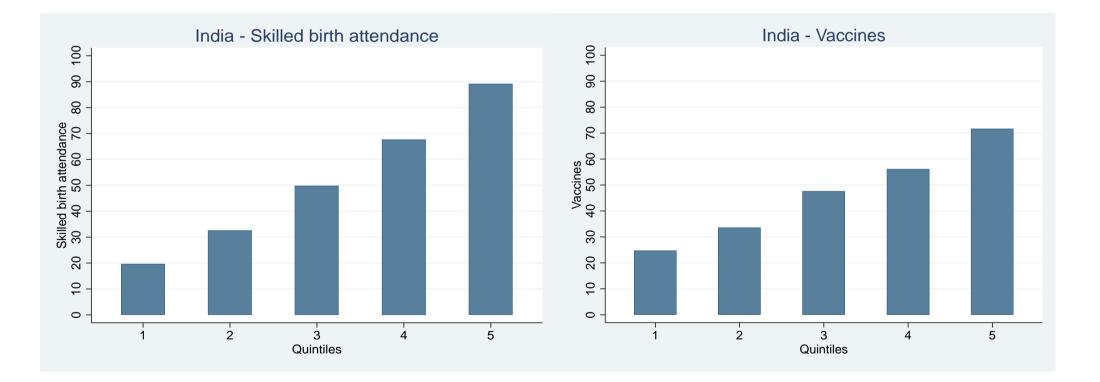


#### Out of pocket expenditures

"I had nothing and I sold the only sheep I had to get treatment for my child. Before my child got sick, I was planning for the future; if the sheep gave birth I could send my children to school. So after I sold my sheep, my plan will fail... When the sheep is not there, what would I do in the future?"

> (Kristine Onarheim et al. "Selling my sheep to pay for medicines. Coping strategies and family priorities in a setting without universal health coverage" Fieldwork from Ethiopia, in progress)

#### Coverage, according to socioeconomic status



Source: World Bank. 2012. Health Equity and Financial Protection Datasheet. Washington D.C: World Bank

#### Discuss

- If you where to advice the Minister of Health in Ethiopia, who should have priority?
- Who should pay for it?
- Treatment for HIV
- Skilled birth attendance
- Children with pneumonia
- Prevention of cardiovascular disease

# What guidance can theories of distributive justice provide for countries that seek to move in the direction of universal health coverage?

## A normative perspective

• Equal opportunities, equal freedoms

(Rawls 1971, Sen 1999/2009)



- Inequalities are acceptable insofar they improve the conditions for the worst-off (Rawls)
- Income (Sen):
   W = µI x (1-Gini)



#### Fairness when all needs cannot be met

- Fair distribution of social determinants of health
- Fair financing of health (Universal Health Coverage)
  - A moral right to health and essential health care
- Fair priority setting
  - Fair access to health services
  - Fair distribution of health outcomes
  - Fair process

# What is required for low- and middle-income countries to reach the twin goals of improving health and reducing poverty?

#### Members:

Trygve Ottersen, Ole F Norheim, Bona M Chitah, Richard Cookson, Norman Daniels, Frehiwot B Defaye, Nir Eyal, Walter Flores, Axel Gosseries, Daniel Hausman, Samia A Hurst, Lydia Kapiriri, Toby Ord, Shlomi Segall, Gita Sen, Alex Voorhoeve, Daniel Wikler, Alicia E Yamin

WHO staff: Tessa TT Edejer, Andreas Reis, Ritu Sadana, Carla Saenz (PAHO)

(WHO, 2014)

#### Making fair choices on the path to universal health coverage

Final report of the WHO Consultative Group on Equity and Universal Health Coverage

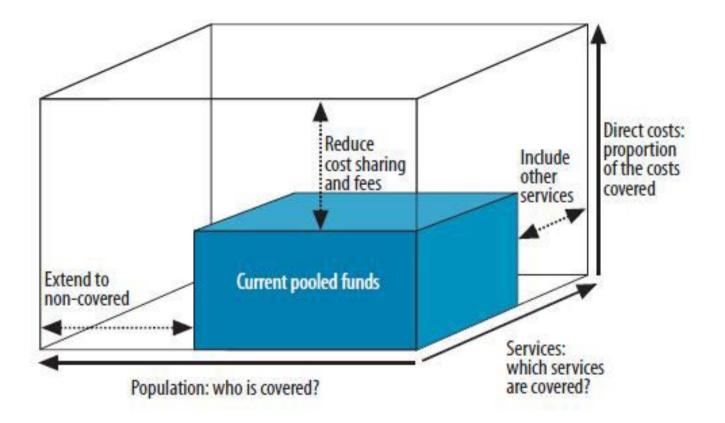


#### Definition

- Universal Health Coverage (UHC):
  - "all people receiving quality health services that meet their needs without being exposed to financial hardship in paying for the services" (WHO 2013)

 Given resource constraints, this does not entail all possibly effective services, but a comprehensive range of key services that is well aligned with other social goals.

(Making Fair Choices, 2014)



# Reducing direct payments

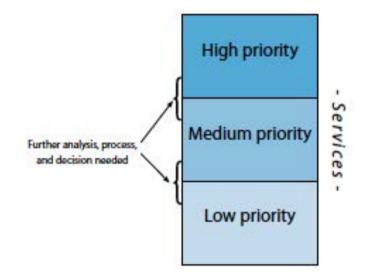
#### Reduce out-of-pocket payments

- Because they are a barrier to access
- Because they are a cause of financial burden
- By pooling resources
  - Taxation
  - Health insurance

# Expanding priority services

# Criteria for priority setting

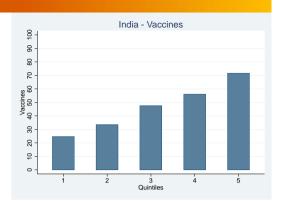
- 1. Cost-effectiveness
- 2. Priority to the worse off
- 3. Financial risk protection





# Including more people

#### Whom to cover first?

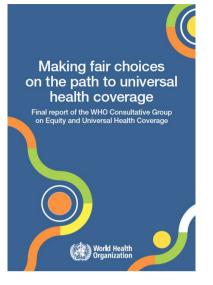


- The worse off quintiles, hard to reach populations, women, other relevant groups that are systematically disadvantaged
- Sometimes a trade-off:
  - Priority to the worse off
  - Maximize health benefits
- $\rightarrow$  The path towards UHC:
  - "Equitable coverage at the highest possible level"
  - "Progressive universalism"

(Gwatkin, Lancet 2012)

## **Overall strategy and pathways**

- 1. Categorize services into priority classes.
- 2. First expand coverage for high-priority services to everyone. This includes eliminating out-of-pocket payments while increasing mandatory, progressive prepayment with pooling of funds.
- 3. While doing so, ensure that disadvantaged groups are not left behind. These will often include low-income groups and rural populations.



#### Summary

- The Sustainable Development Goals for health and poverty are closely interlinked.
- SDG 3 has a sub-target of achieving universal health coverage that includes financial risk protection and access to quality essential health services.
- Universal Health Coverage can help low- and middleincome countries reach the twin goals of improving health and reducing poverty
  - Pooling of resources
    - redistribution + financial risk protection
  - Fair priority setting
  - Reduce inequalities in access to high priority services

