

The cost of coping with illness: effects of user fees on the poor

from a briefing by Save the Children, full text available [here](#)

“When my elder sister was sick, first of all she paid for her own medical care with the money she earned from where she used to work in Dar es Salaam. Her condition didn’t improve. She was then brought here from Dar es Salaam. Our family later decided that our brother should go to Dar es Salaam and sell all her belongings so that we could get money to take her to Ndanda Hospital. The money brought was used up, but my sister didn’t recover. My father put his coconut plantation in pawn and we took her to a traditional healer but she still didn’t recover. Finally, we just took her home and waited for her days to finish, as there was nothing left to sell to help her. In the end, she died and my father lost his plantation as he couldn’t afford to reclaim it within the agreed time.”

Save the Children carried out research in Tanzania into the effect of user fees for basic health on the poor. Findings are below:

Substantial proportions fail to seek treatment.

Ten per cent of those reporting acute illness did not seek treatment, rising to a staggering 54.2 per cent of those with a chronic illness. The poor were more likely to self-treat, and lack of cash was most frequently reported by the poorest group as being the reason for not seeking healthcare. The better-off were more likely to use private facilities.

Overall, poorer households are likely to pay more as a proportion of their income, even though they are less able to buy healthcare.

All groups said they were struggling to pay for healthcare, with 28 per cent of households surveyed reporting that they had not been able to pay for the most recent episode of illness and 60 per cent unable to pay for chronic care.

Although illness was relatively evenly distributed across socio-economic groups, the number of times members of a household sought treatment was related directly to wealth. Poor households in some areas were spending as little as 48 per cent of the typical annual healthcare expenditure required for households of their size. This indicates that rationing is occurring.

Entitlements to exemptions, waivers or other social protection schemes are rarely realised and do not offer protection against the impact of user fees. While exemptions or waivers from user fees are given to a relatively large number of people (children under five years of age, pregnant women, the chronically ill and those considered to be too poor), there is evidence that the most needy are not benefiting. According to the household survey, 50 per cent of the poorest families were exempt from fees for acute illness. However, when it comes to more expensive interventions, such as admission, the richer group is capturing more of the benefits (23 per cent were exempt, compared with 12 per cent of the poor). Communities and health workers alike reported a lack of information and understanding of the exemption scheme. The policy is interpreted differently by different facilities, and record-keeping and transparency are poor.

Charges at the point of service – for registration, drugs and commodities like gloves – have had a negative impact on the use of services. While consultation fees are generally low, so is community willingness and ability to pay, according to health workers. Health workers also reported a fall in the use of all but one healthcare facility after fees were introduced. According to interviews with health workers, there are no clear systems for setting fees, collecting them and using them. Poor transparency also makes tracking and accountability difficult.

Healthcare expenditure can have serious negative consequences on household economy and long-term welfare, particularly for the poor.

The most common methods of financing care are to sell assets and to borrow money. Households with members with chronic illness, especially HIV/AIDS, are particularly disadvantaged. The indirect costs of illness due to loss of labour were considerable for all wealth groups, with destructive consequences such as withdrawal of children from school and abandoning treatment. Chronic illness can also cause households to shift wealth groups: 17 per cent of households affected by chronic illness had become destitute.