

Potential of MHI in Malawi

Institutional Perspective

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Workshop

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By Spy Munthali, PhD

Selected Health Indicators

- Malawi is Ranked 166 out of 177 countries on HDI (UNDP)
- Child Mortality is 110 per 1000 children under five years
- 7 children out of 10 die of preventable diseases
- Health Care Expenditure estimated at 9.8% of GDP
- HIV/AIDS prevalence estimated to stabilize at 12%
- More than 1.4 m OVCs, 12.4% of children 0-17 years
- Life expectancy on gradual increase from 39 to about 50

Health Systems Indicators

- Malawi has a Free Public Health Care System
- System guided by the SWAp (PoW) and EHP
- WHO Commission recommends US\$34 per capita
- EHP estimated at per capita expenditure of US\$28
- Actual Per Capita Health Expenditure is US\$15
- 60% of Health Sector Resources are External
- Government Contribution to THE had been on the decline from 2002 to 2005
- Financial and Human Resource Gaps have been highlighted

Welfare implications on the demand side

- Government Failure entails Financial Risks on the part of the population
- Services are inadequate and delivered inefficiently (poor quality)
- Increasing OOP expenses for individuals (Substitution)
- More exclusions from access to care
- Treatment concentrated at district (transaction costs)

What does the literature say?

- MHI could help resource mobilization for care
- MHI would enhance community participation in Health Care Decisions
- Improve availability of own choice health care (quality, type and where it is needed)
- Reduction in OOP Expenses & disposal of Assets (risk pooling)
- More inclusion and empowerment
- Reduction of transaction costs (uncertainty & Distances)
- Increased Utilization of Care expected

Household experiences & potential for mhi..

- Average travel time: Urban: 35 min ; Rural: 80 min
- Travel & waiting time + Uncertainty (transaction costs)
- 40% HHs incurred costs associated with treatment (fin risk)
- 60% reported making actual payments to private outlets (fin risk)
- 285 HHs used savings or sold assets to cover their health-related expenditure (fin risk/opportunity costs)
- Direct treatment costs and Transport costs constituted 51% and 24% of total health care seeking expenditure
- Expressed lost incomes during hospitalization

If they were to join mhi...

- 63% would like hospitalization covered
- 58% prefer cover for medication
- 57% would like cover for lost incomes
- 56% want cover for transportation

Conclusions..

- Public health care has inadequacies
- Population faces financial risks and related inconveniences
- They are willing to participate
- They have expressed preferences for the intervention of MHI
- There is scope for MHI that needs to be carefully examined