

**SHORT COMMUNICATION****Universal health coverage in a regional Nepali hospital: who is exempted from payment?**R. Basnet,¹ B. R. Shrestha,² S. B. Nagaraja,³ B. Basnet,² S. Satyanarayana,⁴ R. Zachariah⁵<http://dx.doi.org/10.5588/pha.12.0082>

This study assessed the characteristics of beneficiaries of a government-led policy of exemption for payment being provided in a regional hospital in Nepal. In January and February 2012, 9547 patients sought services at the out-patient clinic, the majority (83%) of whom were from the same district although this was a referral hospital for 15 districts. Only 10.8% received exemption from payment; 66% of the individuals aged >60 years and eligible for exemption were missed. These shortcomings highlight intrinsic weaknesses in the current implementing mechanisms for payment exemption, which may not be providing financial protection. This hampers efforts towards achieving universal health coverage.

Millions of people across the world cannot access health services because they have to pay out-of-pocket fees. Payment for health services frequently results in financial hardship.¹ Countries are making progress towards improving access to health services by providing free health services, particularly to poorer sections of the society.^{2,3} Despite this, the goal of universal health coverage, defined as access for all people to comprehensive health services at an affordable cost and without financial hardship, particularly for the poor, is yet to be achieved.^{1,4}

Nepal is a land-locked, hilly, resource-limited country in South Asia, where 86% of the population live in rural areas⁵ and 30% are below the poverty line (USD <1.25 per day).⁶ The basic health services at the primary care clinics and district hospitals are offered free of charge;⁷ however, services at tertiary care health facilities require payment. A payment exemption system was introduced by the Government of Nepal in 2006 to facilitate access for vulnerable socio-economic groups, but there is as yet no published information on the effectiveness of the exemption system in improving access to health care.

We determined the proportion of persons exempted from payment for health services, their socio-demographic characteristics and the type of services they received at a regional hospital in mid-western Nepal.

METHODS

This cross-sectional study included all patients who attended the out-patient clinic of the Surkhet District regional hospital in January and February 2012. Although

the hospital is a 50-bed referral centre for 15 districts, there were only 10 medical doctors, including consultants; 14 designated posts for doctors and consultants were vacant.

All patients are informed of the existence of a payment exemption system. Any patient unable to pay the hospital fees is directed to a socio-economic assessment unit run by trained social workers. If the individual is found to be eligible for payment exemption, an exemption form is filled out and submitted for approval by the hospital management. Eligible individuals are divided into five groups: 1) destitute: annual family income insufficient to support the cost of living for a minimum of 6 months; 2) poor: annual family income insufficient to support the cost of living for a year; 3) disabled: physically and mentally disabled; 4) senior citizens: individuals aged >60 years; and 5) female community health volunteers: offered as an incentive.⁸

The hospital maintains an out-patient clinic register and a free health register (payment exemption register) in which patients' socio-demographic characteristics, reasons for exemption and the type of services accessed are recorded. There are standard guidelines for recording data on these registers, along with a system for supervision and monitoring.

Data were collected from these registers using a structured proforma, double-entered into EpiData software version 3.1 (EpiData Association, Odense, Denmark) and validated.

Ethics approval for the study was received from the Nepal Health Research Council and the Ethics Advisory Group of the International Union Against Tuberculosis and Lung Disease, Paris, France.

RESULTS

During the period of the study there were 9547 consultations in the out-patient clinic (65% female; overall age range 1–97 years), of whom 7955 (83.3%) were from the geographical district where the hospital was situated, although this was a referral hospital for 15 surrounding districts.

Of the 9547 consultations, 1030 (10.8%) were exempted from payment. Table 1 shows the socio-demographic characteristics of individuals exempted from payment. Although they were all eligible, only 442 (33.6%) of 1314 individuals aged >60 years were exempted. Of the 1030 patients exempted from payment, 864 (83.9%) were from the same district as the hospital.

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KEY WORDS

Nepal; free health care; payment; service utilisation; operational research

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TABLE 1 Socio-demographic characteristics of patients who received free (payment exempted) health services at the Regional Hospital, Surkhet, Nepal, January–February 2012

	Total <i>n</i>	Free services <i>n</i> (%)
Total consultations	9547	1030 (10.8)
Sex		
Female	6169	669 (10.8)
Male	3321	361 (10.9)
Unknown	57	0
Age group, years		
0–14	828	38 (4.6)
15–44	5633	276 (4.9)
45–60	1713	274 (16.0)
>60	1314	442 (33.6)
Unknown	59	0
Districts		
Surkhet	7955	864 (10.9)
Other districts	1592	166 (10.4)
Payment exemption categories		
Destitute		2 (0.2)
Poor		741 (71.9)
Disabled		18 (1.7)
>60 years		257 (25.0)
FCHV		12 (1.2)

FCHV = female community health volunteers.

Of the 1030 exemptions, 1028 (99.8%) were for medical services. Only three patients were exempted from payment for surgical services. The largest proportion of payment exemptions related to investigations was for laboratory services (66%), followed by X-rays (37%; Table 2).

DISCUSSION

In a regional referral hospital in Nepal, Asia's third poorest country, the intended financial protection mechanism of payment exemptions missed vulnerable individuals aged >60 years, indicating its intrinsic weakness. This payment exemption scheme is thus not working properly, and leading to even greater inequity for those who are already vulnerable.

Of particular note is that the exemption system overlooked 66% of senior citizens who were eligible for payment exemption, implying that financial protection through payment exemptions failed for this vulnerable group. Surprisingly, only three patients were exempted for surgery. This is probably a reflection of the inadequate availability of human resources for surgery in the hospital, which would compromise its referral function to cater for surgical cases.

From a geographic perspective, although this tertiary hospital was supposed to offer services to patients from 15 districts, only 17% of the patients and exemptions were from outside the Surkhet district coverage area. Although we do not know the exact reasons for this restricted geographic coverage, it is possible that the lack of sufficient and qualified doctors (58% of the designated posts for consultants and medical doctors were vacant during the study period) and geographic barriers in accessing the hospital might be to blame. These factors clearly compromise the role of

TABLE 2 Categories of patients who received exemptions for payment for investigations at the Regional Hospital, Surkhet, Nepal, January–February 2012

Categories	Type of health care service					
	Total <i>n</i> (%)	Laboratory <i>n</i>	X-ray <i>n</i>	Physio- therapy <i>n</i>	USG <i>n</i>	ECG <i>n</i>
Destitute	2 (0.2)	1	1	0	0	0
Poor	741 (71.9)	396	269	4	65	49
Disabled	18 (1.7)	14	9	0	2	2
>60 years	257 (25.0)	257	99	0	12	20
FCHV	12 (1.2)	12	4	0	3	0
Total*	1030 (100)	680 (66.0)	382 (37.1)	4 (0.4)	82 (8.0)	71 (6.9)

*Numbers do not add up to 100% as some patients received more than one service. USG = ultrasonography; ECG = electrocardiogram; FCHV = female community health volunteers.

this tertiary hospital, which in reality is functioning at a much lower level than its current designation. Achieving universal health coverage has gathered global momentum,⁹ and is now a national priority in Nepal.⁵ The two pillars needed to reach universal health coverage are coverage with needed health services and protection from financial risk.¹⁰ The findings from this study show that these two pillars of universal health coverage are closely interdependent, and that inadequacies in either compromise the referral function of a tertiary hospital.

One of the limitations of the study is that we were only able to assess the eligibility criteria of age, and not the others, as the information was not captured in the current recording and reporting format. We were also unable to evaluate whether those exempted from payment differed in any way from the others in other than socio-demographic characteristics. These aspects merit specific research that was beyond the scope of this study.

Despite these limitations, this study shows that financial protection and access to a regional hospital were suboptimal. The underlying factors need to be addressed if universal health coverage in referral hospital services is to be achieved in this setting.

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Cette étude a évalué les caractéristiques des bénéficiaires d'une politique d'exemption de paiement menée par le Gouvernement du Népal dans un hôpital régional. Pendant les mois de janvier et février 2012, 9547 patients ont bénéficié des services de la polyclinique externe ; la majorité d'entre eux (83%) provenaient du même district en dépit du fait que l'hôpital régional servait d'hôpital de référence pour 15 districts. Seuls 10,8% des patients ont bénéficié de l'ex-

ception de paiement. Celle-ci n'a pas été attribuée à 66% des individus âgés de >60 ans et éligibles pour cette exemption. Ces déficiences témoignent de la faiblesse intrinsèque des mécanismes actuels de mise en œuvre de l'exemption de paiement, ce qui pourrait entraîner l'absence d'apport d'une protection financière et entraver les efforts visant à réaliser la couverture universelle de santé.

En el presente estudio se evaluaron las características de los beneficiarios de una política gubernamental de exoneración del pago en un hospital regional de Nepal. Entre enero y febrero del 2012, 9547 pacientes recurrieron a los servicios de un dispensario clínico; la mayoría de las personas (83%) provenía de un mismo distrito, aunque el hospital de referencia atiende a la población de 15 distritos. Solo 10,8% se beneficiaron de la exención de pago; 66% de las personas > 60 años

que cumplían con los requisitos de adjudicación no recibieron la ayuda. Estas fallas indican debilidades intrínsecas en los mecanismos vigentes de aplicación de la medida de exoneración de pago, con lo cual tal vez no se ofrece la protección económica adecuada y se obstaculizan las iniciativas encaminadas a lograr la cobertura universal de salud.