

# Strengthening health financing to achieve health for all

Fact sheet: October 2024



## Key facts

Health financing reforms have advanced universal health coverage (UHC) and sustainable development in the WHO Western Pacific Region. Still, many countries face insufficient public health spending and unsatisfactory policy performance, causing inadequate access to essential services and increased financial hardship.

In 2019, more than 300 million people in the Region faced catastrophic health costs in accessing services. Out-of-pocket expenses for medicines and outpatient care are the primary drivers of these costs, exposing critical coverage gaps in primary health care (PHC).

Slowing economic growth, ageing populations, growing noncommunicable disease (NCD) burdens, threats to health security and climate change – all challenge the financial sustainability of the health sector and progress towards UHC.

Increasing public health spending, prioritizing PHC and adopting comprehensive financing strategies to promote health in national development are essential to achieving UHC and sustainable development.

The goal of UHC is to ensure everyone has equitable access to quality health services without financial hardship, relying on adequate, equitable, efficient and sustainable public financing, and fit-for-purpose health financing arrangements.

Economic growth and successful efforts to raise public revenue enabled most countries to significantly boost public health spending over the past two decades. However, spending on health in many countries remains insufficient to meet the growing needs of their populations. In addition, available resources are often used inefficiently and inequitably. PHC is essential to the achievement of UHC, yet remains underemphasized and underfunded. As a result, many people in the Region still lack access to good-quality health services and face financial hardship due to out-of-pocket expenses.

Countries in the Region also face challenges such as slowing economic growth, ageing populations, rising NCDs, health emergencies and climate change – all of which threaten the financial sustainability of the health sector and progress towards UHC.

Countries must increase and protect public health spending. They need to improve the equity and efficiency of spending by directing funds towards PHC, including health promotion, and protecting vulnerable populations. Policy-makers should also improve how public health funds are managed, collaborating with ministries of finance and adopting whole-of-government approaches to health and well-being, to ensure the financial sustainability of health systems by addressing health risks outside the health sector.

## WHO response

In partnership with Member States, WHO has developed the draft *Regional Action Framework for Health Financing to Achieve Universal Health Coverage and Sustainable Development in the Western Pacific* for consideration by the WHO Regional Committee for the Western Pacific in October 2024.

The Framework aims to improve health financing through five action domains:

1. Greater reliance on public funding for health;
2. More equitable and efficient health spending;
3. Financing PHC now and into the future;
4. Strengthening governance for health financing; and
5. Promoting health for all in economic and social policy.

Given each country's unique context, there is no one-size-fits-all approach to health financing. Member States are encouraged to conduct their own assessments and adapt the strategies of the Framework to their particular needs to advance UHC and sustainable development.

WHO will continue to work closely with Member States and partners in the Region to strengthen political commitments to health financing for UHC and Health for All, provide evidence and technical guidance for policy-making, offer tailored country support, and create opportunities for peer learning and knowledge sharing.

