POLICY DIALOGUES

Inequalities in Maternal Healthcare Spending: Evidence from Malawi

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MAIN MESSAGE

As policies targeting universal maternal care have been rolled out, has public and overall health spending on institutional delivery services become more egalitarian in Malawi? While the distribution of benefits becomes pro-poor for public spending, the distribution of benefits for overall spending remains slightly pro-least-poor even in 2015 at both public and Christian Health Association Malawi (CHAM) facilities. Considerable district differences persist only in relation to overall spending, while they become negligible for public spending. Further policy action is needed to tackle persisting causes of inequality, especially those related to the distribution of benefits for overall spending.

CONTEXT & MOTIVATION

In spite of the substantial progress observed over the last few years, Malawi continues to experience some of the highest maternal and neonatal mortality ratios globally, estimated at 439 maternal deaths per 100,000 and at 29 neonatal deaths per 1,000 live births. Even if institutional delivery reaches over 90% in both urban and rural areas, deaths are largely due to health system failures in ensuring adequate access to emergency obstetric care of adequate quality. Over the last two decades, national and donor efforts have been channeled to strengthening access and quality along the maternal care continuum, from antenatal to delivery to postnatal services. Maternal care services have been an integral part of the Essential Health Package (EHP) already since 2004 and thanks to the implementation of Service Level Agreements, they are expected to be provided free of charge at both public and contracted CHAM facilities. Since 2012, interventions have been implemented under the umbrella of the Presidential Initiative on Maternal Health and Safe Motherhood. While no major health financing reform targeting maternal care has taken place, two pilot interventions have specifically targeted maternal and newborn care. The Results Based Financing for Maternal and Newborn Health 2013-2018 relied on a combination of supply-demand incentives to increase uptake and quality of institutional delivery services especially among vulnerable women, in the districts of Balaka, Dedza, Mchinji, Ntcheu. The Support for Service Delivery Integration-Performance Based Incentive program 2015-2017 run in Chitipa, Nkhotakota and Mangochi, targeting maternal care services and including institutional delivery in the EHP. The study analyzes the distribution of both public and overall health spending on delivery services over time. Its objective is to understand whether spending on institutional delivery has been equitably distributed to reach women across different socio-economic strata.

METHODS

The study applies a Benefit Incidence Analysis. Utilization rates for institutional delivery are extracted from the 2004, 2010, and 2015 Malawi Demographic and Health Survey. Unit costs are computed using data extracted from National Health Accounts.

Descriptive geo-spatial analysis helps to visualize disparities in both public and overall health spending on curative health services across regions within the country.

Authors Martin RUDASINGWA, Adamson S. MUULA, Edmund YEBOAH, Emmanuel BONNET, Valéry RIDDE, Manuela DE ALLEGRI

Geography Malawi

Key words Health, Maternal, Spending, inequality, distribution

Themes Health Financing, Health Inequality, Health Spending, Institutional Delivery

Find out more about this project: afd.fr/en/carte-des-projets/assessing-equity-health-spending-sub-saharan-africa

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RESULTS

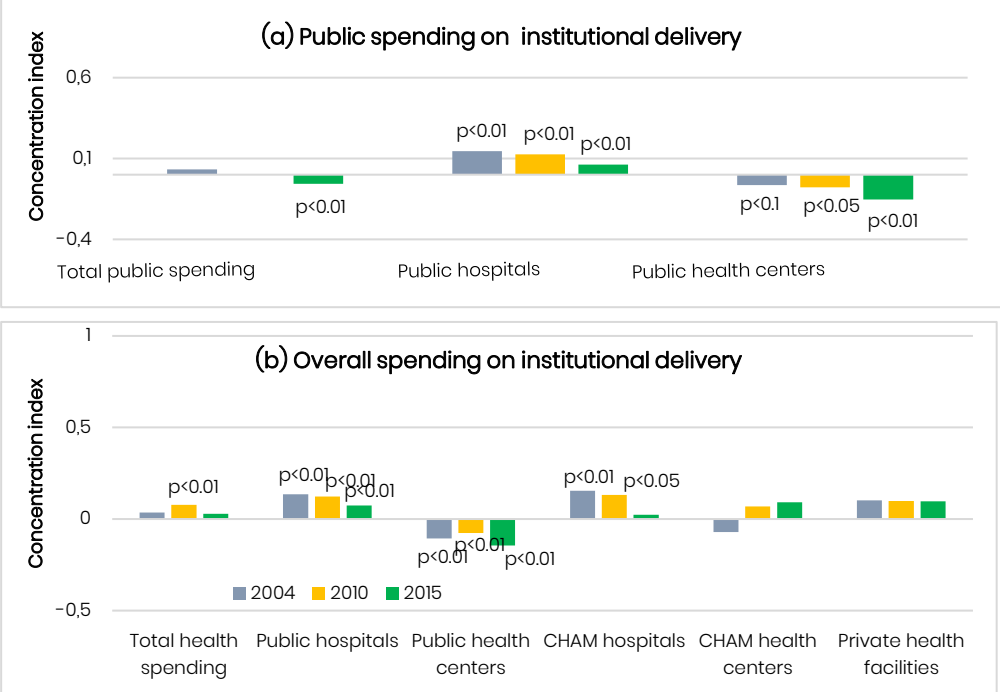
Public spending on delivery services has been increasingly pro-poor over time, especially among public health centers

Total public spending has changed from being slightly pro-least-poor in 2004 to egalitarian in 2010, and pro-poor in 2015. This trend towards increased equality endures when considering levels of care separately. While public spending on delivery services at public health centers remains consistently pro-poor across the years, public spending on delivery services at public hospitals appears slightly pro-least-poor even in 2015 (Figure 1).

Overall spending on delivery services remains slightly pro-least-poor, with large differences observed across providers and levels of care

The distributional incidence of total overall health spending on delivery services has not change significantly over time, remaining slightly pro-least-poor in 2015 at both public and CHAM hospitals. The increase in equality observed at CHAM hospitals between 2010 and 2015, however, is particularly remarkable. While overall health spending on delivery services remains consistently pro-poor at public health centers, it is pro-least-poor at CHAM health centers.

Distributional incidence of public and overall spending on institutional delivery by level of care and time



Expectedly, inequality in health spending at private health facilities remains constant over time (Figure 1).

Geographical disparities in the distributional incidence of public and overall spending persist over time

Reflecting the patterns observed for the national-level analysis, over time districts experience increased equality in total public spending, so that by 2015, total public health spending is either egalitarian or pro-poor, producing a rather homogenous picture of the country.

Greater heterogeneity across districts is observed in relation to overall health spending on delivery services, probably due to the distribution of donor funding and CHAM facilities across districts. The study finds that high levels of pro-least-poor overall health spending persists in selected districts, such as Blantyre and Machinga, while most other districts are characterized by high levels of pro-poor overall health spending on delivery services.

RECOMMENDATIONS

- The investments made towards free provision of delivery services is predicable for the high levels of equality in total public health spending across the country, whilst investigations and action are advised against the causes of health spending inequality at the level of public hospitals.
- Government and development partners are advised to investigate and address the inequality in overall health spending observed at the level of CHAM health centers, given the vital role that these facilities play in areas of the country not sufficiently well served by public facilities.
- Deeper investigation into the origin of the differences observed across districts, especially for overall spending, is needed to channel investments towards the women in districts experiencing greater inequality.

Publishing Director Rémy Rioux
Editor-in-Chief Thomas Melonio
Agence française de développement (AFD)
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