Using National Health Accounts to Examine HIV/AIDS and TB Expenditures in Africa

Many countries in Africa are increasingly pressured to expand health care services to combat a growing burden of disease – and to do this as limited, and even declining, and unreliable public funding forces rationalization of service delivery systems and better regulation of the quality and cost of service. As national economies continue to struggle and populations keep growing, the challenge of providing health care to all increases. In East and Southern African (ESA) countries in particular, this situation is exacerbated by the additional demands placed on the health care service delivery system by the HIV/AIDS epidemic and associated increases in tuberculosis (TB).

The governments of many of these countries have recognized the need for a broad range of health sector reforms and have proposed comprehensive national reforms that seek to remove barriers to improving service delivery.

As a part of these national health reform initiatives, governments are exploring ways to allocate resources in the most efficient and effective way to mitigate the HIV/AIDS epidemic. However, many ESA countries lack data on comprehensive, national-level HIV/AIDS expenditures, particularly out-of-pocket expenditures by households and individuals. In order to address the need for information on private HIV/AIDS expenditures, PHR conducted in 1999 the first National Health Accounts (NHA) analysis of HIV/AIDS expenditures in Rwanda, where 11 percent of the population is estimated to have HIV/AIDS.

Key findings of the Rwanda NHA HIV sub-analysis of a sample of 300 HIV-positive individuals underscore the considerable burden placed on households with HIV-positive individuals to cover health care costs. The annual per capita rate of health service utilization was 10.92 outpatient visits, a significant rate compared to the 0.29 for the general population in 1998.

Approximately 28 percent of households were unable to meet the costs of health services. Overall, 60 percent of households received some form of assistance, 18 percent had to borrow
money to pay for care, and 5 percent had to sell assets. These findings highlight the need for more systematic research on the financial impacts of HIV/AIDS on households in order to help policymakers choose adequate policy interventions.

Following on the findings of the Rwanda NHA HIV analysis, several ESA governments are preparing to conduct NHA exercises to get a more current picture of the health expenditures. As a subcomponent to these activities, the governments are also interested in conducting assessments of HIV/AIDS and TB expenditures to obtain a clearer picture of public and private spending on HIV/AIDS.

PHRplus is working closely with local NHA teams from several governments in ESA to provide technical support to conduct the assessments of public and private expenditures, including HIV/AIDS and TB expenditures, at secondary- and tertiary-level health facilities and households. This activity would build on the methodological discussions that took place at the February 2002 workshop in Zambia on using the NHA framework to analyze HIV/AIDS and TB expenditures.

NHA teams from seven ESA countries attended the workshop and were trained in adapting NHA methodology to capture HIV/AIDS and TB expenditures.

These assessments will entail conducting one or two surveys of representative secondary- and/or tertiary-level health facilities to collect expenditure data on HIV/AIDS and TB activities. This work will complement related NHA household survey work. By disaggregating HIV/AIDS and TB expenditures from other health service expenditures, this activity will provide hospital administrators, program managers, and policymakers with a clearer idea of how the money is being spent on HIV/AIDS and TB at the health facility level, as well as the amount of money involved.

This information will allow governments to review expenditure patterns and improve resource planning to increase government’s ability to address the needs of the HIV/AIDS and TB epidemic.

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