

Health financing management and resources in Nepal for mental health: Identification and assessment of needs and strategies

In addition to improvements in health status, equitable access to care, fair financing, service quality and human rights protection represent important goals of health systems, such that a well-functioning health system should deliver high-quality services to all people, whenever and wherever they need those services (WHO 2010). Universal Health Coverage (UHC) as a unifying goal for health system strengthening, also an explicit target for SDGs. UHC as a concept addresses both service coverage and financial coverage. Having potential access to services but not the means to pay for them has been the story for too long, with persons / households with lower incomes, greater vulnerability and longer-term health care needs particularly affected.

Emerging Mental Health Systems in Lower and Middle Income Country (Emerald) project focuses on assessing impact of inadequate mental health service access on household economy, and identify core health system inputs and funding mechanisms that are a pre-requisite for improving service coverage.



Key points and recommendations



- ✓ Households with **MNS disorders are economically worse off** than households without MNS disorders that have life-long, pervasive, and cross-generational effects to households
- ✓ **Low level of mental health funding** (less than 1% of total health budget)
- ✓ Larger % of health expenditure accounted by **Out of Pocket Payment (48%)**
- ✓ Households having persons with MNS disorders should be **seen as vulnerable population and risk protection should be provided**
- ✓ Scale-up of **national health insurance scheme and integrating mental health into general health programs and insurance program** may be the most feasible and sustainable strategies in Nepal for efficient use of resources and for scaled up mental health service delivery to achieve universal mental health coverage.

Research Findings

Objective: Identify and quantify the human, infrastructural, informational and financial resource inputs needed to scale-up a defined set of mental health services

Method: One Health Tool (OHT) developed by World Health Organization was used in the costing survey.

Findings: The total annual costs (in US\$) for scaling up mental health care service package (including costs for drugs and supplies, ambulatory and outpatient care, inpatient care, and program costs) for three priority disorders (depression, psychosis, and epilepsy) by the government of Nepal was estimated at \$0.33 per capita in baseline year (2013). This cost was projected to increase to \$1.27 per capita in target year of 2020 (Chisholm et al., 2017). This amount of expenditure would enable 1.65 million persons with these three priority disorders to be reached, and is estimated to result in over 25000extra healthy years of life.

Objective: Assess the extent and impact of inadequate mental health service access or coverage in household economy

Method: Household economic survey of 917 households (470 cases of psychosis, depression, epilepsy, and alcohol use disorder; 447 controls with general health issues)

Findings: Household's effective income (capacity to pay) was lower in households with all MNS disorders, compared to households without a MNS disorder. In terms of household consumption, households with depression, epilepsy, and any MNS disorders had lower consumptions than households without MNS disorders. For assets based wealth distribution, higher proportion of households with MNS disorders were in lowest wealth quintiles. Higher proportion of households with MNS disorders (except AUD and epilepsy households) had higher total out-of-pocket health expenditure than households without MNS disorders. In addition, higher proportion of households with MNS disorders used financial coping mechanisms (such as cost minimization and cost management) than households without MNS disorders.

Objective: Generate sustainable health financing strategies for scaled-up delivery of mental health services in participant countries

Method: Situation analysis and key informant interviews with 21 stakeholders

Findings: Total per capita health expenditure of Nepal is estimated at USD40 in 2014 (World Bank data) while government per capita expenditure on health is USD 16 (WHO data, 2013). Only 10% is funded by EDPs and majority of domestic funding comes from private sector (48% by Out of Pocket). Very little of government's health budget goes to mental health (less than 1%). Stakeholders mentioned gradual shift of government towards universal health coverage through financial risk protection. Social health security program (insurance program) and integration of mental health into primary health care services were mentioned as most appropriate mechanism for efficient financing of mental health services.