# CHAPTER I

# INTRODUCTION

## 1.1 Introduction.

Utilization of health services are an important policy concern in most developing countries, reflecting both efforts to improve health outcomes and to meet international obligations to make health services broadly accessible. Early policy and research initiatives focused on the need to improve physical access through an expansion of the network of facilities. However, a growing literature on health care demand has pointed out that individuals are not passive recipients of health services, but make active choices about whether or not to make use of provided services. Actual utilization of health services will differ in accordance with demand factors such as income, cost of care, education, social norms and traditions, and the quality and appropriateness of the services provided. Hence, if we are interested in not merely providing physical access, but also ensuring that effective and appropriate health services are used by the population, we need to understand what factors affect health care decisions, and why low levels of utilization persists among certain socioeconomic groups or geographic regions.

In a mixed economy like Sri Lanka, ability to pay for health care services leads to a widen the gap between utilization pattern among patients. Especially, those who belong to lower income group and are unable to bear either the initial cost (i.e. transport) or complementary expenses (i.e. cost of drugs, special food items purchased outside) related to the utilization of free public health services are forced to leave at least a portion of their needs beside.

Studies conducted during the last few decades regarding the Sri Lankan health system, revealed that Sri Lanka has a good performance in the health care providing. Demonstrating good standard health indicators proved that Sri Lanka has low infant mortality rate, low maternal mortality rate, and higher life expectancy than other south Asian countries. The reality is that health developments in the country over the last

five to ten years have generated new challenges; the demographic and epidemiological transitions that have accompanied increased life expectancy and literacy, are forming the basis of a new health profile for the country. Replacing the typical pattern of infectious/communicable diseases, non communicable diseases such as cancer, cardiovascular disease, hypertension and diabetes are becoming the leading causes of hospital mortality. In Sri Lanka health care was provided by two sectors.

1. Public
2. Private

As most of the private sector facilities are confined to some of the main cities, it is not accessible for everyone who needs it in Sri Lanka. Therefore public sector is playing a major role in proving health care services in Sri Lanka. Since it is financially supported by the government, it's given free of charge to the patients at the point of delivery. But presently, due to the continuous increase of health care cost, it is difficult to government to provide health service free of charge. Therefore government needs to implement new program/policy to finance health care system in Sri Lanka. Though it is stated that the health service in Sri Lanka is free of charge at the point of delivery, according to Sri Lankan national health account more than 50% of total health care expenditure came from private sector and from it more than 85% come from out of pocket. This evidence tells us patients have to bare some of their medical costs, but still government provides it free.

Increasing in health care cost create new problems in Sri Lanka. Because of budget constraint, results drug shortage, difficulty in maintaining existing facilities and difficulty in updating existing system. The health system rely heavily on a network of excellent government hospitals providing largely free tertiary and secondary health care and complemented by a growing private sector. Unfortunately, smaller rural facilities are short-staffed and less well equipped and, as a result, treats much fewer patients.

As a solution for these problem government need to come up with new funding system to meet their need for medical expenditure, although pockets of poverty still remain.

From the social point of view, the cost of illness has become an important area for policy makers as well as researchers during the recent past, particularly in preparing guidelines for prioritizing interventions. But only a very few studies of this nature have so far been undertaken in Sri Lanka.

**1.2 Research Questions:**

1. What are the factors determinants for utilization of health care service?
2. How do patients finance their health care respectively for each visit?

**1.3 Objectives:**

**1.3.1 General Objective:**

Identify the pattern of health care expenditure and the factors affecting utilization of health care services in Uva province, Sri Lanka.

**1.3.2 Specific Objectives:**

1. To analyze utilization of health care services among I.H.D., B.A. and V.F. patients with different socioeconomic status.
2. To estimate expenditure of medical care spends by patient with three common diseases.
3. To analyze patients perception about health services in different income groups.
4. To determine sources of finance of patients for health care expenditure.

**1.4 Scope of the Study:**

1.4.1. This study was analyzed the utilization of health care services in Monaragala district, Uva province, Sri Lanka in 2009.

1.4.2. Patients within catchments area of each health facility.

1) Complex - District general hospital Monaragala
2) Intermediate - Base hospital Siyambalanduwa
3) Basic - District hospital Dambagalla

1.4.3. Patients with common three diseases in Uva province Sri Lanka

1) Bronchial asthma
2) Ischemic heart disease
3) Viral fever

1.4.4. Patients with common three diseases who can access to the public hospitals and who cannot access to the public hospitals.

**1.5 Research Hypothesis:**

Utilization of health services depending on their socioeconomic status, namely Age, sex, monthly average income, distance from home to health provider, perception, number of family members, and number of dependent family members in the family, ethnicity, ethnicity and patient's health care expenditure.

**1.6 Assumptions:**

1. All public health care facilities are providing treatment in a similar way.
2. During this study period, there are no seasonal effects for these three diseases.
3. Sample of patients with access to the public health care facilities and sample of people who cannot access to public health care facilities are represent true population.