

# **CHAPTER I**

## **INTRODUCTION**

### **1.1. Introduction**

Health service providers have been considered for a long time as the persons to consult when one is ill in order to treat disease and restore health. Health care providers are seen as the resource person in case of health problems. The health status of the population depends, next to other important factors, on the appropriateness of the health system.

Governments in many countries, especially developing countries, have been trying to reform their health system in order to deliver health services appropriately to the population. Moreover, government health services are now facing budget constraints. Health care delivery services are suffering the problem of under financing. Due to economic difficulties, the government is forced to substantially reduce its budget allocated for social services including the health sector.

Due to increased demand for care, economical crisis, and a competition among the different public sectors for the limited resources, the health sector faces an inadequate budget especially for running costs. Therefore the quality of health services have been virtually deteriorating, often resulting in insufficient drug supply, unmotivated health personnel, irregular attendance of staff, a poor service minded attitude of staff, a non-supportive work environment all due to very low salaries.

Patients gradually lost confidence in the public sector. Those who can afford to pay prefer the private health services because of its client oriented services and perceived quality. The majority of the poor people are being left out from services due to financial constraints. All this resulting in a low utilization of public health services. An under utilization of services will result in poor cost effectiveness.

The health expenditure has been increasing over the past decade but the public health status did hardly improve. Preventable infectious diseases are still the predominant health problems in developing countries, while infant and maternal mortality rates are still high and far above the objective of health for all by the year 2000. A possible reason could be a misallocation of resources and inefficiency in managing public health services.

There were a lot of endeavors to try to mobilize additional resources to finance the ill public health sector by introducing new concept such as cost sharing and risk sharing mechanism. Many countries, especially developing countries are now exploring health financing reform in which user fees and health insurance have been widely and carefully implemented or in the process of piloting new health financing strategies.

This thesis portfolio contains six chapters. Chapter 1 is the introduction, Chapter 2 the essay, the proposal is in Chapter 3, Chapter 4 data exercise, Chapter 5 presentation and lastly Chapter 6 the annotated bibliography.

Chapter 2, the essay part, raises the problem of low utilization of health services. The contributing factors to the problem such as poor quality of health services as a result of under financing of health services, problem occurring to the poor in term of accessibility to health services is address. The consequences related to the problem such as rise in mortality, morbidity of disease are also highlighted. This chapter mentioned some of health financing strategies, their benefit and impact on the utilization of health services. The chapter ended by concluded that pre-payment scheme, particularly using community financing concept might be the suitable financing strategy which can be use in complement with other method to generate additional resources for the health sector as well as and encourage community participation in health.

The third chapter of this thesis is the proposal. In this chapter, a proposed study aiming to explore the possibility and acceptability of introducing a community based pre-payment system in rural areas of Cambodia is describe. It is a cross sectional survey, using two types of data collection techniques combining quantitative and qualitative methods. It is worthwhile to conduct the study prior to the actual implementation. It is anticipate that the study will yield fruitful finding, and the result could be used to inform policy makers at the ministry level as a mean to base their decision regarding the reforming of health financing system.

Chapter 4 is the data exercise. This chapter deals with information collected from a pilot field study in Patumthany province in Thailand. The data has been entered and analyzed in computer, tabulation were produced to present the finding.

Chapter 5 is the presentation. This chapter contains a number of transparencies which I have been used during my presentation to the examination committee. The presentation

Chapter 6 is the annotated bibliography. This chapter provides a brief overview of health financing of literature consulted for the development of this thesis.