

# Do the Poor Benefit from Public Spending on Healthcare in India?: Results from Utilization Incidence Analysis in Tamil Nadu and Orissa

Indian Institute of Technology, Madras (India)

Delivering Effective Health Care for All

Monday 29<sup>th</sup> March, 2010

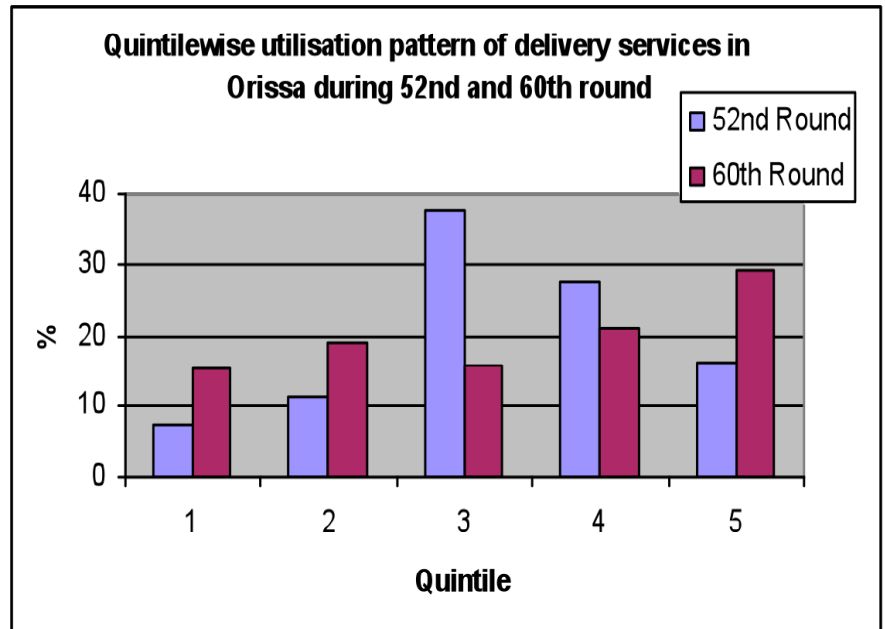
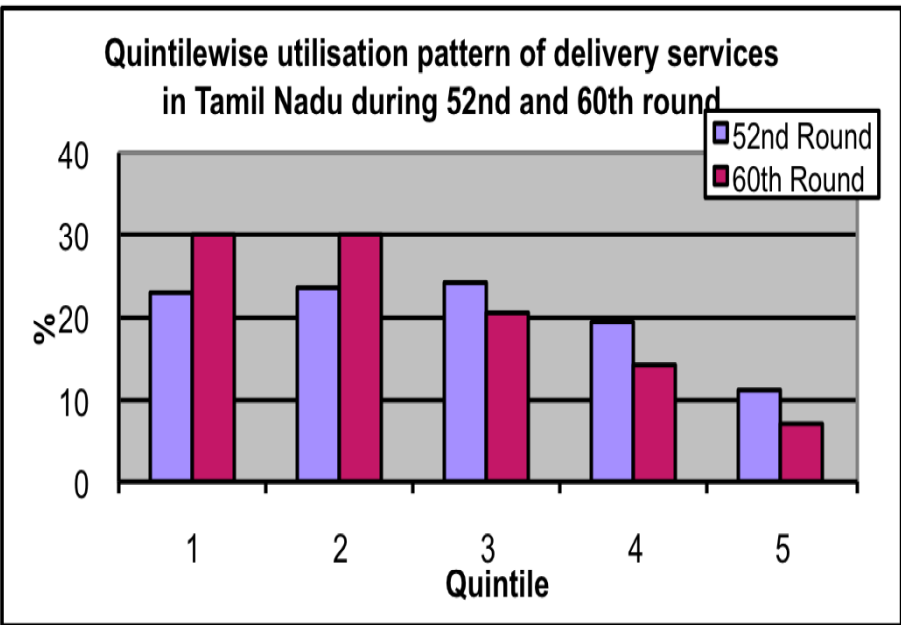
# Objectives of the Study

- Analyse utilization of health services in public facilities across various socio-economic groups in Tamil Nadu and Orissa (Utilization Incidence Analysis) over the period 1995-96 and 2004, and
- Explain the factors influencing utilization pattern (decomposition analysis) over the same period.

# Data Source and Remarks on Methodology

- Tamil Nadu economically better off than Orissa
- Used data base of two rounds of National Sample Survey (NSS) 52<sup>nd</sup> Round (1995-96) and 60<sup>th</sup> Round (2004). Contain representative data for Tamil Nadu and Orissa States.
- BIA methodology adopted (O'Donnell et al 2007) to carry out Utilization Incidence Analysis, due to lack of cost data at various facility levels.
- UIA for three services: Inpatient care, maternity (delivery) and ambulatory (outpatient) care across Rural and Urban areas
- Supplemented the analysis of the distribution of expenditure with the computation of concentration index
- Decomposition Analysis (Gasperini 2006)

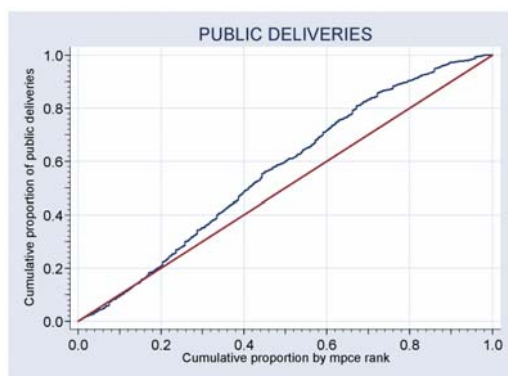
# Finding: Utilisation pattern of Delivery services (by Quintiles) in Tamil Nadu and Orissa during 1995-96 and 2004



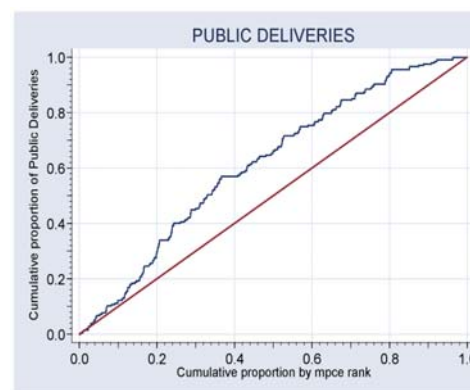
52<sup>nd</sup> Round: 1995-96; 60<sup>th</sup> Round: 2004  
1: Lowest Quintile; 5: Highest Quintile

# Concentration Curves for Delivery Services in Tamil Nadu (Rural) and Orissa (Rural): 1995-2004

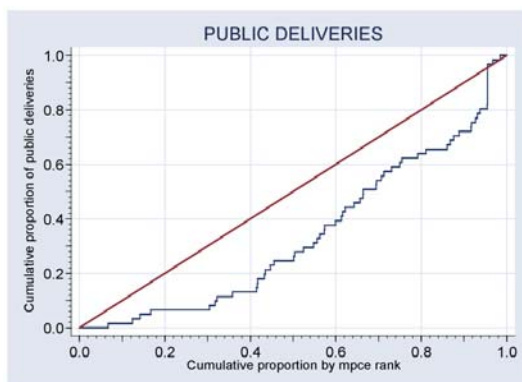
Tamil Nadu 1995-96



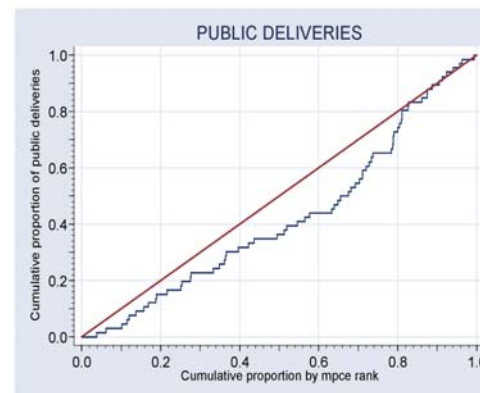
Tamil Nadu 2004



Orissa 1995-96

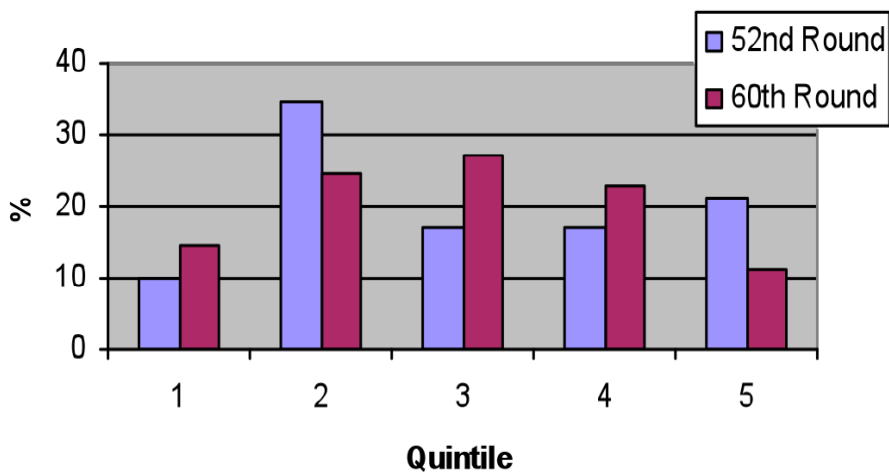


Orissa 2004

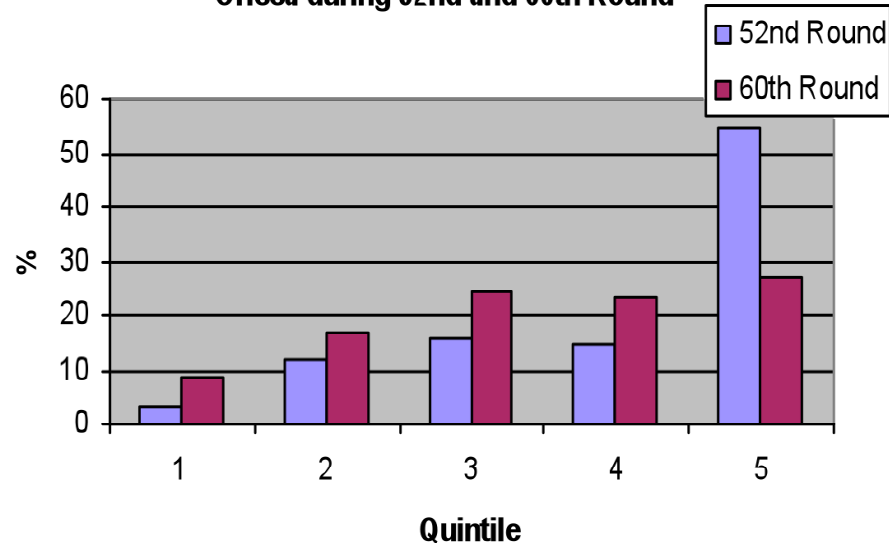


# Finding: Utilisation pattern of Inpatient days (by Quintiles) in Tamil Nadu and Orissa during 1995-96 and 2004

Quintilewise utilisation pattern of Inpatient days in Tamil Nadu during 52nd and 60th Round

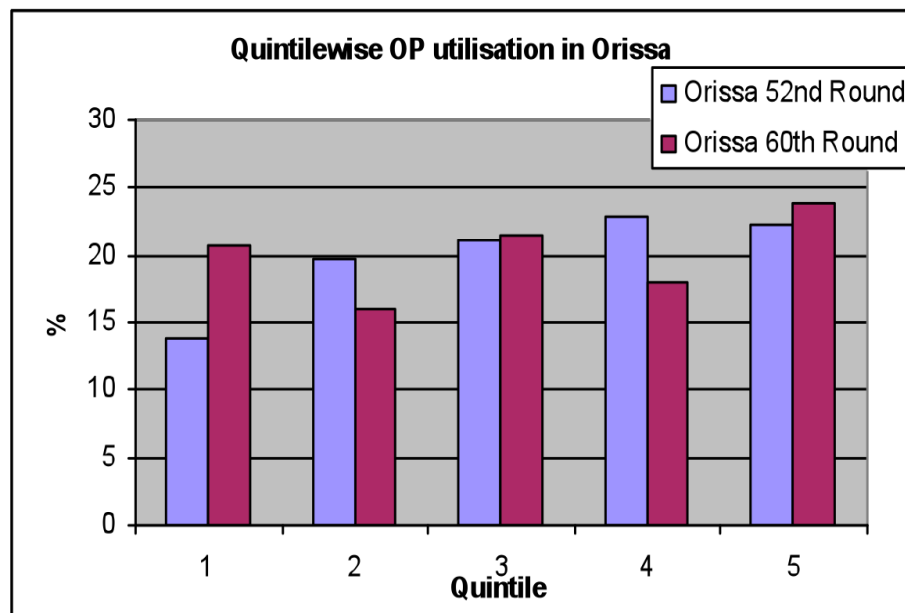
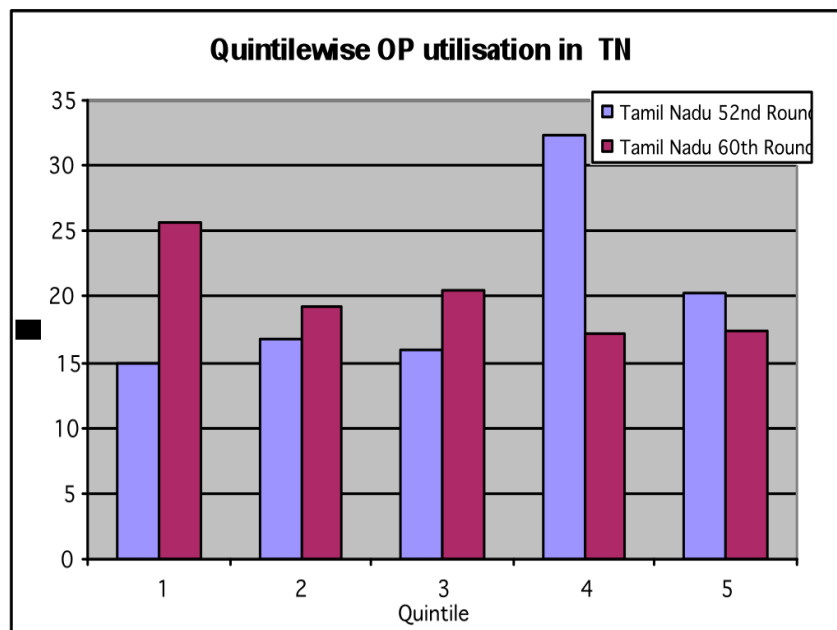


Quintilewise utilisation pattern of Inpatient days in Orissa during 52nd and 60th Round



52<sup>nd</sup> Round: 1995-96; 60<sup>th</sup> Round: 2004  
1: Lowest Quintile; 5: Highest Quintile

## Finding: Utilisation pattern of out-patient services (by Quintiles) in Tamil Nadu and Orissa during 1995-96 and 2004



- 52<sup>nd</sup> Round: 1995-96; 60<sup>th</sup> Round: 2004
- 1: Lowest Quintile; 5: Highest Quintile

## Factors responsible for the Changing Patters of Public Facilities (1995-2004): Case of Maternity Services in TN and Orissa

**TN**: The second lowest quintile showed highest increase in the use of public institutions. The primary reasons for the increase are:

- (a) substantial increase in the proportion of women (in 2<sup>nd</sup> quintile) delivering
  - (b) a substantial proportion of them preferring institutional delivery, and
  - (c) an increase (though marginal) in the preference of women in this quintile for delivering in public institutions.
- Those in Fifth quintile showed a preference for private facilities, resulting a fall in public facilities

**Orissa**: The top two quintiles continue to use public facilities to a greater extent than the poor. The use of public institutions by lowest two quintiles actually fell during the period 1995-2004. The richer are perhaps “crowding out” the poor, in view of the low presence of private institutions, despite the “perceived poor quality” of care in public institutions.

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# Implications for policy and practice

Use of BIA/UIA illustrates the need and the extent to which supply side be strengthened.

- Financial burden due to delivery services in rural Orissa greater on poorer quintiles;
- IP services in TN (Rural) and Orissa (Rural and Orissa) continue to be pro-rich:

Greater policy attention is required to improve access to public institutions in in rural areas for IP and Delivery services.

BIA also shows naturally where services have improved:

- OP services becoming pro-poor in both states (rural and urban)