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

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Delivering Effective Health Care for All
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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\textsuperscript{nd} Round (1995-96) and 60\textsuperscript{th} 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\textsuperscript{nd} Round: 1995-96; 60\textsuperscript{th} 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

52nd Round: 1995-96; 60th 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

- 52nd Round: 1995-96; 60th Round: 2004
- 1: Lowest Quintile; 5: Highest Quintile
Factors responsible for the Changing Patterns 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 2nd 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.
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 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)