NGO Federation of Nepal

# Nepal Civil Society Position Paper on Universal Health Coverage

October 2023

## 1. Context and purpose

NFN is an umbrella organization of 6,717 NGOs working in various fields of social welfare and development, human rights, civic space, governance in all 77 districts of Nepal. Established in 1991 for the promotion and protection of social justice, human rights and pro-poor development, NFN has evolved as a national organization working for the entire NGO movement in Nepal. It is actively working to organize and mobilize civil society for peace, democracy, justice and civic space in Nepal. NFN enjoys the capacity of coordinating and leading all the CSOs and such networks not only in the central but also at province and district levels. Thus, NFN has nationwide coverage, presence and recognition.

NFN in partnership with Global Call to Action against Poverty (GCAP) is implementing a *"Asia People's Vaccine Project"* with objective of producing necessary evidence on vaccine inequality and advocate for universal health coverage in Nepal and express solidarity in global campaign of people's vaccine alliance.

The purpose is to provide the baseline of the status of universal health coverage which may include among other the state of health infrastructure, accessibility, access to medicines treatment, out of pocket expenses, relevant indicators of the SDGs, etc. among the marginalized communities. It is also hoped that the evidence can be used for advocacy and media engagement, and potentially used for civil society monitoring on the progress of the UHC in the federal context of Nepal.

## 2. Overview of Universal Health Coverage (UHC)

According to WHO, the UHC means that all people have access to the full range of quality health services they need, when and where they need them, without financial hardship. It covers the full continuum of essential health services, from health promotion to prevention, treatment, rehabilitation, and palliative care across the life course.

Protecting people from the financial consequences of paying for health services out of their own pockets reduces the risk that people will be pushed into poverty because unexpected illness requires them to use up their life savings, sell assets, or borrow – destroying their futures and often those of their children.

Achieving UHC is one of the targets the nations of the world set when they adopted the 2030 Agenda for Sustainable Development in 2015. Globally, the progress towards UHC is severely affected due to the COVID-19 pandemic and its profound impacts on health systems to deliver essential health care services in low-income countries in particular.

Inequalities continue to be a fundamental challenge to UHC. Even where there is national progress on health service coverage, the aggregate data mask inequalities within countries. For example, coverage of reproductive, maternal, child and adolescent health services tend

to be higher among those who are richer, more educated, and living in urban areas, especially in low-income countries. On financial hardship, people living in poorer households and in households with older family members (those aged 60 and older) are more likely to face financial hardship and pay out of pocket for health care. Monitoring health inequalities is essential to identify and track disadvantaged populations in order to provide decision-makers with an evidence base to formulate more equity-oriented policies, programmes and practices towards the progressive realization of UHC.

## 3. Nepal's health policy and strategic focus

The Constitution of Nepal 2015 has set the overarching national agenda as achieving good governance, development, and prosperity while being committed to socialism that would be based on democratic values and norms. More importantly, the constitution guarantees non-discrimination and equality and specifically provides adoption of affirmative action for social- and culturally-excluded groups, such as women, Dalits, indigenous peoples, Madhesis, Tharu, persons with disabilities, gender and sexual minorities and others for their protection, empowerment and development through adoption of law. The right to social justice is guaranteed as a fundamental right as is the right to participate in state bodies based on proportional inclusion[1]

Over the years, there has been marked progress in human development in Nepal. However, across gender, region and local groups, large disparities persist. Gaps are evident across and within provinces, and in all three dimensions of human development—a long and healthy life, knowledge and a decent standard of living. Gender inequality remains and has perpetuated variety of human development disparities.[2]

Considering the importance of health and productive citizens in the nation's development, the 15th Plan has identified health as a major development agenda. The Plan has devised strategies and associated working policies to achieve the goal of ensuring access to quality health services at the people's level by developing and expanding a strong health system at all levels. By 2024, the Plan targets to achieve the average lifespan of Nepali with a healthy, well-maintained, and active lifestyle to 72 years, the maternal mortality rate (MMR) to 99 per 100,000 live births, the neonatal mortality rates (NMR) to 14 per 1000 live births, and under-five mortality rate (U5MR) to 24 per 1000 live births.

However, these targets may be unrealistic taken in consideration the challenges in implementation of the federalized health care system and the aftermath of the Covid-19 pandemic. The overarching thrust of the National Health Policy, (2019) and Nepal's Health Sector Strategic Plan (2022-2030) is centred on the provision of free basic health services. The strategic priorities are primarily to advance UHC by ensuring quality health services in an affordable manner by ensuring financial protection in health. These reinforce the Public Health Service Act, 2075 (2018) recognizing every citizen's right to access to free basic and emergency healthcare services, and the Right to Safe Motherhood and Reproductive Health Act, 2075 (2018), noting that every woman, including adolescents, should have access to good quality safe motherhood and reproductive health services.

[1] Country Common Analysis: 2022
[2] Nepal Human Development Report:2020

Moreover, Nepal is a signatory to various international health declarations and resolutions such as the primary health care declaration (PHC) 1978, Ottawa charter on health promotion 1986, and Astana declaration of primary health care 2018.

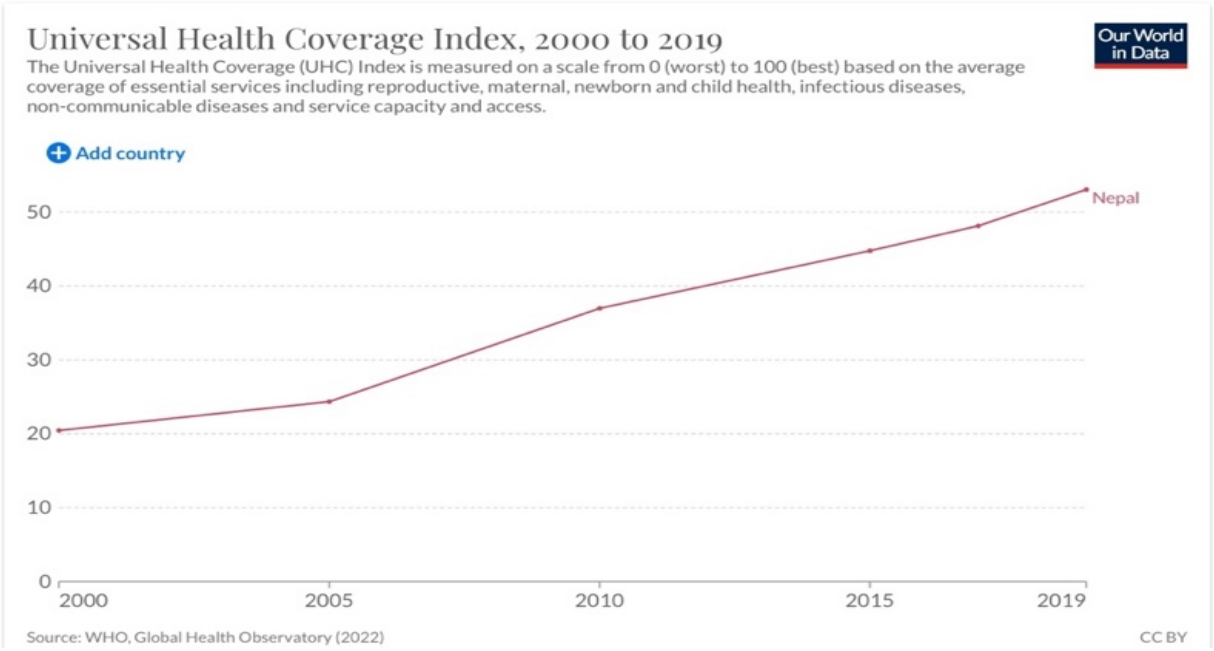
Reaching the unreached strategy in health sector needs effective implementation at the local level to address the health care needs of poor and vulnerable populations. Human resources for health and increased investments in health sector are essentially needed to address the social, cultural, economic and geographical inequalities in health indicators.

**Box 1: Key health related strategic plans and guidelines (2020/2021)**
Nepal Health Sector Strategic Plan, 2022-2030 submitted to the Cabinet
National Health Financing Strategy, 2022-2032 submitted to the Cabinet
National Human Resource for Health Strategy (2021-2030)
Integrated Health Information Management System (IHIMS) Roadmap (2021-2030)
GESI Strategy 2021
National Blood Related Disease Management Strategic Plan, 2078 (B.S.)
Nutrition Rehabilitation Implementation Guidelines, 2079 (B.S.)
Standards of Clinical Audit, 2079 (B.S.)
Breast Feeding Centre Management Guidelines, 2079 (B.S.)
Key National Level Surveys/Studies: Nepal Health Facility Survey 2020/21, Nepal Demographic and Health Survey 2022
Key National Level Surveys/Studies in Progress: Nepal Maternal Mortality Study following Census 2021

In order to address critical resource gaps, Ministry of Health and Population (MoHP) has developed a national health financing strategy (2021-2033) that aims to reduce out-of-pocket expenditure (OOPE) through social health protection arrangements, including targeted subsidies. For improved sustainability in healthcare financing, more focus is on increasing investment in the health sector and social health protection mechanisms as part of strengthened health financing system and social health protection mechanisms.

## 4. UHC in Nepal's context

Universal health coverage indicate that all people receive the health services they need, including promotive, preventive, treatment, rehabilitation, and palliative care of sufficient quality to be effective, while ensuring that the use of these services does not expose the user to financial hardship.




Nepal has reached 53.06 on the Universal Health Coverage Index (2019), suggesting that progress has been made, but still lagging behind other countries in the region. Critical gaps remain to ensure quality health services for people who are poor, socially marginalized, and vulnerable in both rural and urban areas. Issues of poverty, illiteracy, gender inequality, ethnic and other social discrepancies, and geographical inaccessibility are hindering the ability of poor and vulnerable populations to access quality health services across the country. This is illustrated by the variations in deliveries conducted by skilled birth attendants by province.

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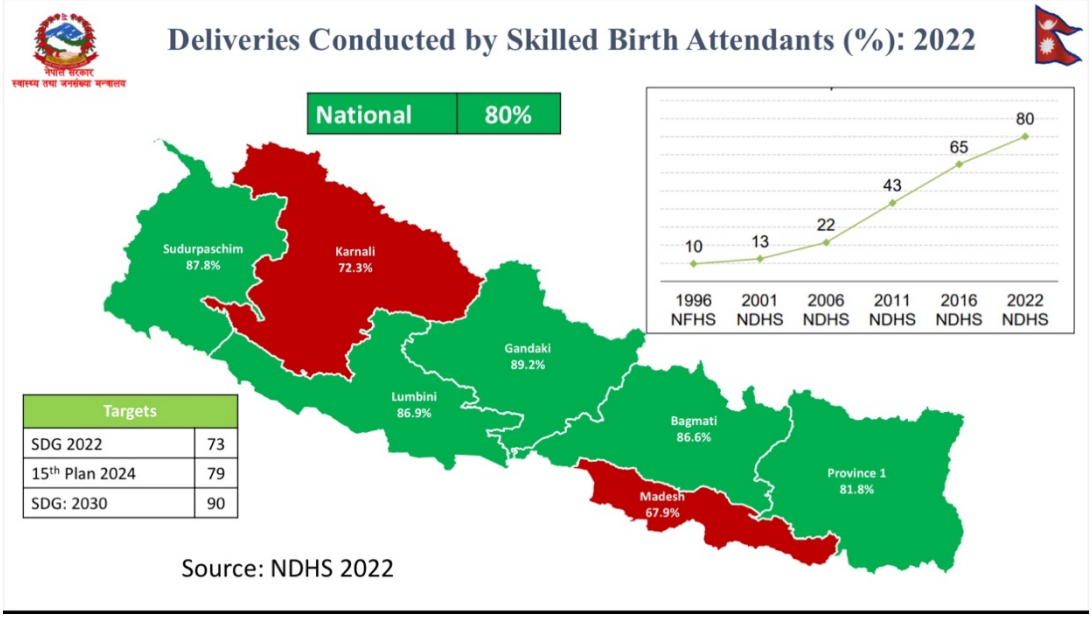



## 5.1 Human resources and Health Financing

However, at the federal level, there has been progress in terms of developing national health policies and strategies in health sector. To address HR issues in the federal context, the MoHP has recently started the implementation of National Human Resources for Health (HRH) Strategy (2021-2030). The strategy aims to ensure equitable distribution and availability of quality health workforce in the federal health systems to advance UHC and promote health equity.

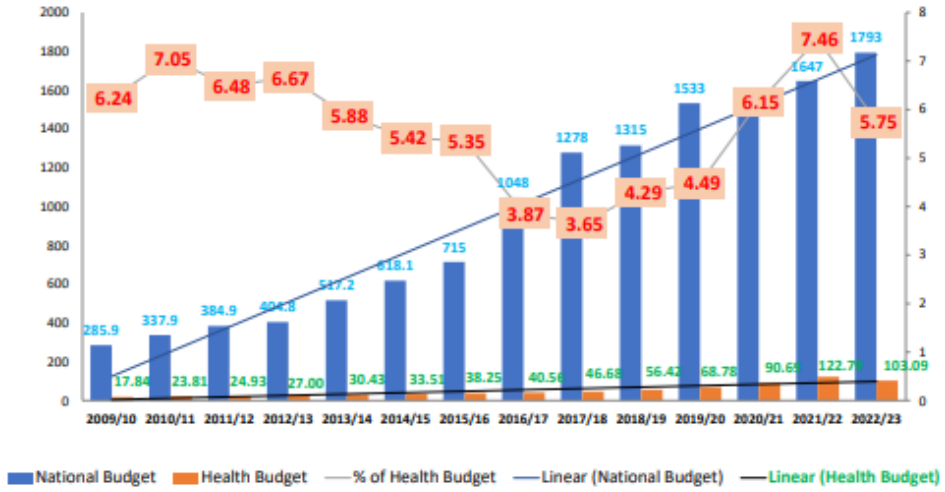
Similarly, National Health Financing Strategy (2022-2033) has been developed to address the resource gaps in health sector by increasing the fiscal space in the federal context. In addition, the recent initiatives on multi-sectoral action plan on non-communicable diseases (NCD), mental health, climate change, WASH in health facilities, SAFER initiative, Road Safety, antimicrobial resistance (AMR), Framework Convention on Tobacco Control (FCTC) implementation for implementation at local levels.

**Table 1: Trend of budget expenditure in health sector**

*Amount in NPR Billion-Adjusted for Fiscal transfer*

| Budget Type | FY 2017/18 | | FY 2018/19 | | FY 2019/20 | | FY 2020/21 | | FY 2021/22 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Budget | % Exp | Budget | % Exp | Budget | % Exp | Budget | % Exp | Budget | % Exp |
| Capital | 7.4 | 90.8 | 8.6 | 68.4 | 9.3 | 77.5 | 16.10 | 49.28 | 20.06 | 100.00 |
| Recurrent | 26.0 | 79.6 | 20.8 | 89.6 | 29.9 | 80.5 | 43.35 | 72.09 | 71.24 | 55.47 |
| Total | 33.3 B | 82.1 | 29.4Bn | 83.4 | 39.2Bn | 79.8 | 59.45Bn | 69.80 | 91.30Bn | 68.34 |

**Figure 1: Comparison of national and health budget**




Private health care is mostly present in urban areas and their services are used predominantly by better-off part of the population. The attraction of the private sector of qualified health workers including medical doctors exacerbate the shortages of health workers in the public sector. There is still lack of effective monitoring of private health care by regulatory bodies. Therefore, enhancing the capacity of the governments in regulating the private sectors is crucial to ensure the quality of the services provided to the public.

## 5. Health and Equity Situation

Over the years, Nepal has made significant progress in improving the health status of its citizens, particularly in life expectancy, child survival, maternal health, and control of infectious diseases. The contributing factors for this progress are mainly the increased public awareness on health issues, enhanced capacity of the health services, and a strong government commitment for health.

The Global Burden of Disease (GBD) study 2019 reports that the life expectancy of the Nepalese population is 71.1 years, which has increased by 12.7 years since 1990[3]. However, healthy life expectancy stands at 61.5 years.

[3] Nepal Health Research Council (NHRC), Ministry of Health and Population (MoHP), Institute for Health Metrics and Evaluation (IHME), Monitoring Evaluation and Operational Research (MEOR). Nepal Burden of Disease 2019: A Country Report based on the 2019 Global Burden of Disease Study. Kathmandu, Nepal: , NHRC, MoHP, IHME, and MEOR; 2021.

**Box 2. Major health achievements in Nepal**

- Reduction in maternal mortality from 539 maternal deaths per 100,000 live births in 1996 to 186 in 2017.
- Reduction of under-five mortality rate per 1000 live births from 118 in 1996, 61 in 2006 and 28 in 2020.
- The neonatal mortality rate (NMR) was reduced from 50 in 1996, 33 in 2006 to 17 per 1000 live births in 2020.
- Percentage of women who received antenatal care from skilled provider increased from 25% in 1996 to 94% in 2022.
- Significant progress in proportion of births attended by skilled attendants (77%),
- Reduction of new HIV infections to 0.03% per 1000

There has been a steady decline in the total fertility rate (TFR) from 4.8 births per woman in the 1996 to 2.1 births per woman in the 2022, with the decline most prominent in rural areas[4]. Teenage pregnancy remains an issue with highest rates in Karnali Province (21%), followed by Madhesh Province (20%), and lowest in Bagmati Province (8%). The percentage of women who received antenatal care from skilled provider is high with 94% in 2022 with 81% making four or more antenatal care (ANC) visits.

## 6. Access to essential medicines and medical products

Ensuring access to medical products is another national priority that aims to balance the availability of quality assured medical products (supply side) with meeting priority public health needs with products that are acceptable and affordable (demand side). Experiences show that local production is growing and diversifying over the years. To ensure a strong linkage between what is produced locally and what improves access, a comprehensive and system-wide approach is needed to bring coherence between industrial, trade and health policies.

So far, there are 62 pharmaceutical industries manufacturing human related medicines, 8 pharmaceutical industries manufacturing medicines for animals and 73 Ayurvedic medicine manufacturing industries in Nepal. There are 390 foreign pharmaceutical industries which are supplying medicines through importers in Nepal. While analysing data of domestic production and import of pharmaceutical products; it has been observed that market share of domestic production is 46%, medicine from India is 52% and other countries medicine is 2%. Specifically, vaccines, biotechnological products, and modern technology related medicines; used for anti-cancer, antiretroviral therapy (ART), critical care are imported[5]. Further strengthening of local productions of medicines as well as importation require robust regulatory frameworks for registration, licensing, and quality assurance.

## 7. Gaps and challenges

Key gaps in the health sector are basically limited capacity of provincial and local governments in implementation of national health policies, strategies and guidelines, wider inequities in health service utilization – especially by poor and vulnerable populations, unequal

[4] Ministry of Health and Population, Nepal; New ERA; and ICF. 2022. Nepal Demographic and Health Survey 2022: Key Indicators Report. Kathmandu, Nepal: Ministry of Health and Population, Nepal.

[5] Detail Study of Pharmaceutical and Medicine Manufacturing Industries in Nepal: Department of Industry/GoN (2021)

distribution of human resources for health, high of out-of-pocket expenditure for health care, monitoring and managing quality and price of medicines and medical products.

The lack of adequate human resources for health in rural areas is a critical barrier to provide basic health services in the remote communities. There are needs to advance equity-based planning by use of data that highlights the need of a targeted approach such as by coverage areas, disease prevalence level, age category and affordability status of the population. This will help consider the specific needs of the gender, disability, and left-behind groups. To facilitate this process, more support is needed to promote health systems research in the high priority areas of health sector.

Therefore, one of the critical challenges is to transform the health system into an efficient and responsive one to people's needs in the federal context. A more proactive approach is needed to improve human resource management, strengthen the evidence and equity-based planning, safe and people-friendly health infrastructures, ensuring uninterrupted availability of quality medicines and supplies, improving governance, leadership, and accountability, and effectively managing public health emergencies.

More importantly, there is a clear need to reduce a range of persistent health inequalities – based on social, cultural, economic, gender, political, geographical and psychological dimensions, so forth. In this context, people's voices for health and civil society stance on UHC and commitments need to be further strengthened and institutionalized to address the local context of social inclusion, leave no one behind, and localization of health-related SDGs. Other important considerations include an increased role of civil society in promoting right to health, and reaching the unreached, socially excluded and marginalized groups during health emergencies, disasters or conflicts, as well as health on humanitarian context.

## Way forward

In this context, some specific actions that are an urgent need are as follows:

1. Enhance the implementation capacity at province and local level.
2. Address lack of trained human resources for health.
3. Strengthen inclusive health systems resilience and community resilience.
4. Ensure meaningful engagement of civil society in reaching the unreached strategy for health care to those who are poor and socially marginalized.
5. Strengthen localization of UHC and health related SDGs.
6. Strategic focus on social protection for poor and socially marginalized populations.
7. Further build the local capacity to manage the pandemics and disasters.
8. Uphold people's voices for health and civil society role in the UHC commitments.
9. Scale up *whole-of- society* and *whole- of- government* approaches.

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