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Private Versus Public Finance: The Growing Share of Out of Pocket Payments in the Health Care Financing

Bilge Doğan¹, Ümmühan Gökovalı¹¹Muğla Sıtkı Koçman University, Turkey

ABSTRACT

In many countries excluding socialist ones, the healthcare finance systems were confronted by important changes in 1970s' economic crisis due to the unsustainable increasing trend in healthcare expenditure (WHO, 2007). The growing impact of the crisis prompted the states to produce policies for resource seeking and decrease the costs in the healthcare systems. Thus, out of pocket payment methods which depend on cost-share were added to the agenda in many countries from the mids of the 1970s (WB, 1980; 1991). In parallel with the global trend, Turkey introduced out of pocket payments based on cost-sharing (contribution margin on drugs and consultations etc.) after 1980. But this trend became widespread within the context of Health Transformation introduced in 2004. In accordance with these cost-share implications which are oriented to privatize the healthcare financing, the aim of this study is to indicate the growing share of the out of pocket payments in Turkey and in the World.

KEYWORDS Healthcare Financing; Out of Pocket Payments; Privatization

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