

## Economists' declaration on universal health coverage

Lawrence H Summers, on behalf of 267 signatories\*



With the UN set to launch the bold sustainable development agenda this autumn, this is a crucial moment for global leaders to reflect on the financial investments to maximise progress by 2030. As an input into deliberations around those investments, the signatories to this declaration, economists from 44 countries, call on global policy makers to prioritise a pro-poor pathway to universal health coverage (UHC) as an essential pillar of development.

UHC means ensuring that everyone can obtain essential health services at high quality without suffering financial hardship. Resource constraints require individual countries to determine their own definition of “essential”—while recognising, in the words of former WHO Director-General Gro Harlem Brundtland, that “...if services are to be provided for all, not all services can be provided. The most cost-effective services should be provided first.”

Even granted this recognition of resource constraints, our generation has a historic opportunity to achieve a grand convergence in global health, reducing preventable maternal, child, and infectious disease deaths to universally low levels by 2035. In its report, *Global Health 2035*, the Lancet Commission on Investing in Health showed that with today's powerful tools for improving health, and the prospect for continued improvement in those tools, financially feasible UHC in every country could lead to grand convergence with its accompanying benefits in both health and in protection from health-related financial risks.<sup>1</sup> We amplify these points below.

Our global society has a vested interest in investing in health to transform lives and livelihoods. Health is essential to eradicating extreme poverty and promoting growth of wellbeing.<sup>2,3</sup> Over the past decade, health improvements—measured by the value of life-years gained (VLYs)—constituted 24% of full income growth in low-income and middle-income countries.<sup>1</sup> Health systems oriented toward UHC, immensely valuable in their own right, produce an array of benefits: in times of crisis, they mitigate the effect of shocks on communities; in times of calm, they foster more cohesive societies and productive economies. The economic benefits of investment in grand convergence are estimated to be more than ten times greater than costs—meaning that early stages on the pathway to UHC, focused on high pay-off convergence interventions, will have high value relative to the cost of raising revenue, including the deadweight (or welfare) cost of taxation, or (in most cases) to the value of its use in other sectors.<sup>4</sup>

The success of the next development chapter hinges on the ability to actually deliver proven health solutions to the poorest and most marginalised populations.

There is a strong record of public sector and development assistance success in the finance and delivery of transformative health interventions—immunisations, treatment of HIV/AIDS, tuberculosis, and childhood infections, and eradication or near eradication of major communicable diseases. At the same time most countries have experienced difficulties with delivering primary and secondary care in both the public and private sectors. Continued progress toward UHC will require addressing these delivery problems. 150 million people fall into poverty every year paying for health out of pocket.<sup>5</sup> By pooling funding and providing early access to health services, UHC reduces reliance on out-of-pocket payments, thereby protecting households from impoverishing financial risks. The Ebola virus disease epidemic has reminded us that we are only as strong as our weakest links. The debilitating effect of Ebola could have been mitigated by building up public health systems in Guinea, Liberia, and Sierra Leone at one-third of the cost of the Ebola response so far.<sup>6</sup>

Every country has the opportunity to achieve UHC. More than 100 countries across the development spectrum have begun working toward UHC—testing and increasingly demonstrating its feasibility. Countries will find greatest value for money by financing for everyone, convergence-related services that are high quality and free or low cost at the point of delivery. As their domestic resources increase, countries would expand the package of essential services that are publicly financed for all. Most countries have the capacity to raise more domestic funds for health through improved tax systems and innovative financing mechanisms. And given anticipated economic growth across low-income and lower-middle-income countries, most countries will have additional financial means to invest more in health services and delivery. When allocated efficiently, greater investments in health can result in lower overall costs to the system.<sup>1</sup>

Development assistance for health (DAH) will play an essential part in achievement of convergence and UHC. Domestic funding alone will not be enough for many low-income countries to provide even the convergence-related health services. Focusing the available country-specific health aid on the convergence interventions in low-income (but committed) countries can provide invaluable help. A grand convergence in health will be greatly helped by substantial investments from donors in the neglected global functions of DAH: providing global public goods such as health research and development, dealing with cross-border externalities such as pandemics and antimicrobial resistance, and supporting leadership and stewardship of global institutions. Adequate finance of these global functions is likely to prove the most

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efficient path to improving conditions of the poor in middle-income countries.<sup>7</sup>

We, the undersigned, therefore urge that:

- Heads of government increase domestic funds for convergence and provide vocal political leadership to implement policy reforms toward pro-poor UHC
- Donor countries meet their pledges for international development assistance and commit to investing in the global functions of DAH, particularly research and development for diseases of poverty
- Development financing discussions explicitly address equity, including who pays domestically and who benefits
- National policy makers embrace UHC, as defined above, as an integrated approach for measuring progress toward health targets in the post-2015 global development framework

Even with substantial rates of economic growth, resources for health (and other sectors) will remain highly constrained. The intrinsic value of improved health—and the demonstrated potential of governments and aid agencies to deliver key health interventions—points to maintaining and expanding commitment to health through investment in pro-poor pathways to UHC. Amartya Sen has labelled this opportunity “the affordable dream”.<sup>8</sup>

#### Declaration of interests

I declare no competing interests.

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