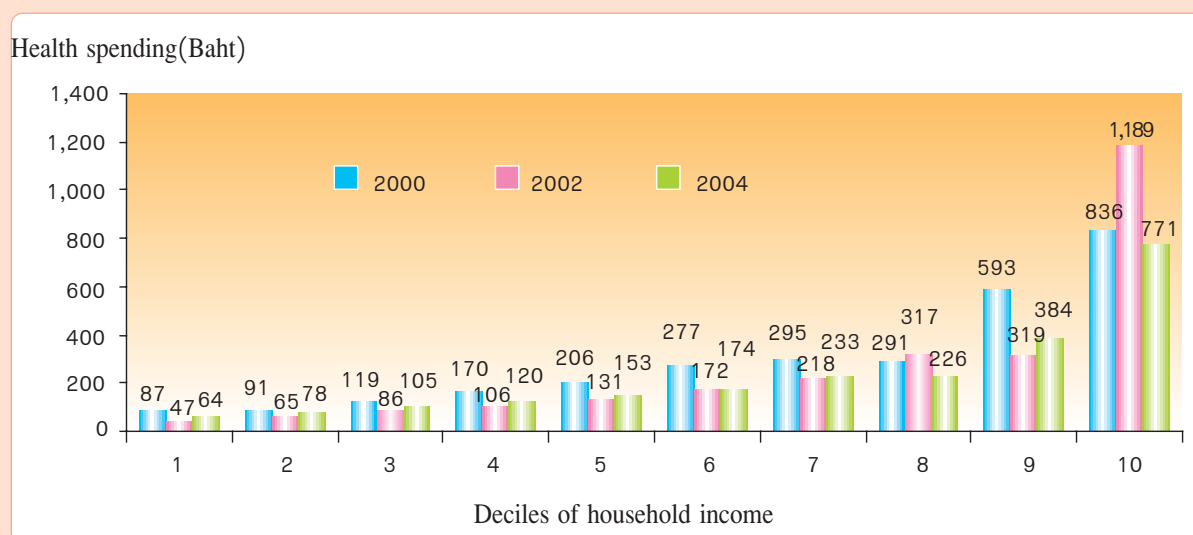




## 7.4 Equity in Healthcare Spending

Household health spending according to households' socio-economic status should be equitable, i.e. a poor household should pay less to the system than a rich household in an amount proportional to their household incomes. As a result of the universal healthcare policy, household health spending has decreased. In 2002, health spending among the poor groups (deciles 1 to 4) dropped by 27-45%. However, it is noteworthy that for the richest group (decile 10) their health spending increased by 42%, probably due to their use of health services beyond their entitlements or non-use of universal healthcare resulting in a higher health spending. But in 2004, health spending among the poor groups (deciles 1 to 4) increased by 10-30% which was lower compared to that for 2000; and it was noted that for the rich groups (deciles 8 to 10) health spending also dropped by 7-30% (Figure 6.96).

**Figure 6.96** Comparison of average household health spending in 10 deciles of households before and after the launch of the universal healthcare scheme



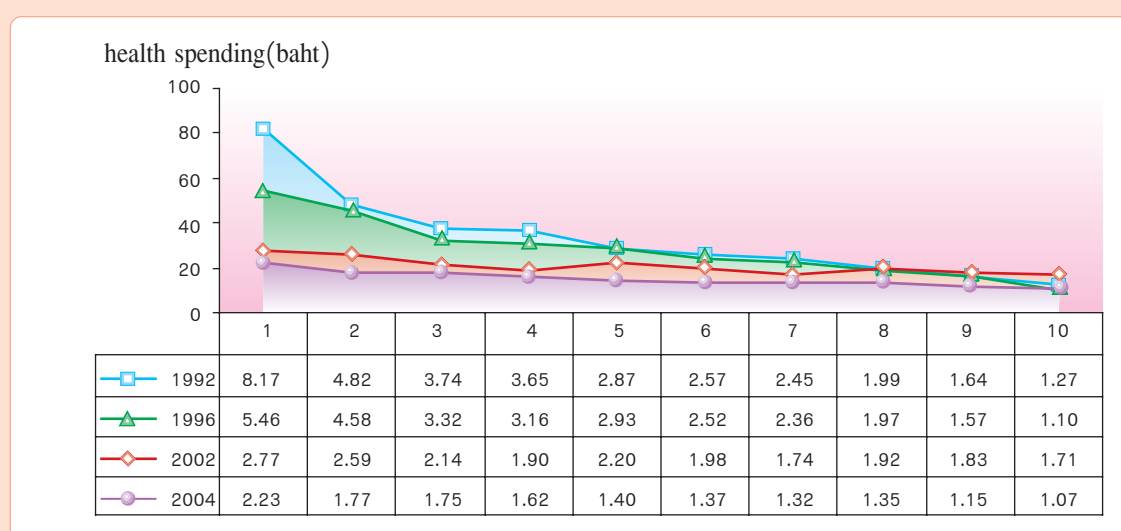
**Source:** - Viroj Tangcharoensathien. Financing of the Universal Healthcare System: Present and Future. International Health Policy Programme, 2004.  
 - Suphon Limwattananond et al. Analysis of data from households' socio-economic survey, 2004. National Statistical Office.

**Note:** Analysis was done only for the last quarters of 2000 and 2002.



According to an analysis of the proportions of household health spending by income group, the burden of people's health spending is not in accordance with their ability to pay. When comparing the proportion of health spending of each income group, low-income people have a higher proportion of health spending than high-income people (Figure 6.97). After the government launched the health insurance scheme for various groups of underprivileged people and the universal healthcare scheme, it was found that the differences in burden of health spending between the rich and the poor had a declining trend, from 6.4 times in 1992 to 1.6 times in 2002, but rising slightly to 2.1 times in 2004 (Table 6.23).

**Figure 6.97** Percentage of health spending in relation to household income by decile of income, 1992, 1996, 2002 and 2004



**Source:** Supon Limwattananon et al. Analysis of data from households' socio-economic survey, 2004. National Statistical Office.

**Table 6.23** Proportion of health spending to household income by decile of income, 1992-2004

Year	Income decile										Difference of decile 1 and decile 10
	1	2	3	4	5	6	7	8	9	10	
1992	8.17	4.82	3.74	3.65	2.87	2.57	2.45	1.99	1.64	1.27	6.4
1994	7.56	4.75	4.49	3.60	3.26	3.03	2.53	2.32	2.03	1.26	6.0
1996	5.46	4.58	3.32	3.16	2.93	2.52	2.36	1.97	1.57	1.10	5.0
1998	4.22	3.07	2.95	2.90	2.59	2.43	1.94	2.00	1.57	1.23	3.4
2000	4.58	3.67	3.29	2.78	2.38	2.22	2.06	1.68	1.55	1.27	3.6
2002	2.77	2.59	2.14	1.90	2.20	1.98	1.74	1.92	1.83	1.71	1.6
2004	2.23	1.77	1.75	1.62	1.40	1.37	1.32	1.35	1.15	1.07	2.1

**Source:** Supon Limwattananon et al. Analysis of data from households' socio-economic survey, 2004. National Statistical Office.



In addition, it was found that, in 2004, most people including low-income group had a rather low burden of health spending in relation to income. Among the poorest, 82.2% of them spent less than 5% of their income on health and 94% of the richest also spent less than 5% of their income on health (Table 6.24).

**Table 6.24** Percentage of households classified by percentage of household health spending in 10 decile groups, 2004

Decile	Health spending as percentage of household income						
	0-5%	6-10%	11-20%	21-30%	31-40%	41-50%	over 50%
1	82.2	7.3	4.7	1.2	0.3	0.1	0.8
2	91.4	5.2	1.9	0.7	0.2	0.4	0.4
3	92.2	4.6	2.2	0.3	0.1	0.1	0.5
4	92.2	5.0	1.7	0.4	0.3	0.2	0.2
5	92.2	4.8	1.9	0.4	0.3	0.2	0.2
6	92.5	4.7	1.8	0.6	0.2	0.04	0.1
7	94.2	3.1	1.7	0.4	0.2	0.03	0.4
8	94.6	2.9	2.0	0.3	0.1	0.1	0.03
9	94.5	2.8	1.6	1.0	0.02	0.0	0.1
10	94.0	3.9	1.5	0.4	0.1	0.0	0.1
<b>Total</b>	<b>92.0</b>	<b>4.4</b>	<b>2.1</b>	<b>0.6</b>	<b>0.2</b>	<b>0.1</b>	<b>0.3</b>

**Source:** Supon Limwattananon et al. Analysis of data from households' socio-economic survey, 2004. National Statistical Office.



