

Key Recommendations



The government should focus on enhancing primary healthcare services, which are key to achieving Universal Health Coverage (UHC). In doing so, experiences from the Shasthyo Shurokhsha Karmasuchi (SSK) programme could be utilised.



The health sector budget allocation should be increased by an additional 1 per cent of GDP. In FY2024-25, the budget allocation amounted to 0.74 per cent of GDP.



A bottom-up approach should be followed to deliver quality healthcare services to the periphery. In such a case, a separate pay structure and incentive mechanism formulation may incentivise medical professionals to serve in remote areas.

Ensuring Universal Health Coverage through Primary Healthcare Services in Bangladesh

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1. Introduction

The healthcare system in Bangladesh is under strain due to inadequate government spending (Hussain & Raihan, 2015; Rahman, 2019). As of 2021, Bangladesh's public health expenditure as a percentage of Gross Domestic Product (GDP) was 0.40 per cent, lagging behind regional neighbours like India, Sri Lanka, Nepal, and Bhutan (World Bank Group, 2024). This underinvestment leads to high out-of-pocket healthcare expenditures, comprising 73 per cent of total spending, which disproportionately burdens low-income and marginalised sections of the population (World Bank Group, 2024). Out-of-pocket healthcare expenditure has also worsened poverty in the country, pushing 3.74 per cent of the population below the USD 2.15 per day poverty line in 2016, up from 3.11 per cent in 2010 (World Bank Group, 2024).

Climate change further exacerbates health-related challenges, increasing instances of respiratory, cardiovascular, cerebrovascular, vector-borne, and waterborne diseases, along with renal and reproductive health issues (Mahmud et al., 2021; O'Leary et al., 2023). This adds pressure to an already underfunded system. Other key challenges include the absence of widespread health insurance, urban-rural healthcare disparities, a shortage of skilled healthcare workers, poor quality of services, corruption, and others.

Universal Health Coverage (UHC) is a potential solution to the aforementioned challenges. The UHC seeks to provide access to quality healthcare for all without financial hardship. This includes financial risk protection, essential healthcare services, and access to safe, effective, and affordable medicines and vaccines for all (World Health Organization and International Bank for Reconstruction and Development, 2017).

The third Sustainable Development Goal (SDG 3) states, 'Ensure healthy lives and promote well-being for all at all ages'. In the goal, target 3.8 specifically states, 'Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all' (United Nations, 2015). The indicators for target 3.8 include (a) coverage of essential health services and (b) proportion of the population with large household

expenditures on health as a share of total household expenditure or income. However, this target has not been considered under the 39+1 national priority targets of SDGs for Bangladesh (SDG Tracker, 2024).

In the 8th Five Year Plan (8FYP), the Government of Bangladesh (GoB) has prioritised making public health services available and accessible to all through Health for All (HFA), Primary Health Care (PHC), and Essential Service Package (ESP) (General Economics Division, 2020). Also, it is mentioned that the Ministry of Health and Family Welfare (MoHFW) will, inter alia, expand and consolidate community-based primary healthcare services, create new facilities and upgrade existing ones, expand health protection schemes, update policies, improve governance to bring more people under UHC and reduce individual out-of-pocket expenditure. However, no time-bound specific targets are mentioned in this regard (General Economics Division, 2020).

2. Current Scenario of Bangladesh's Healthcare Sector

Bangladesh's public health expenditure has consistently been lower than its regional neighbours. As of 2021, Bangladesh's

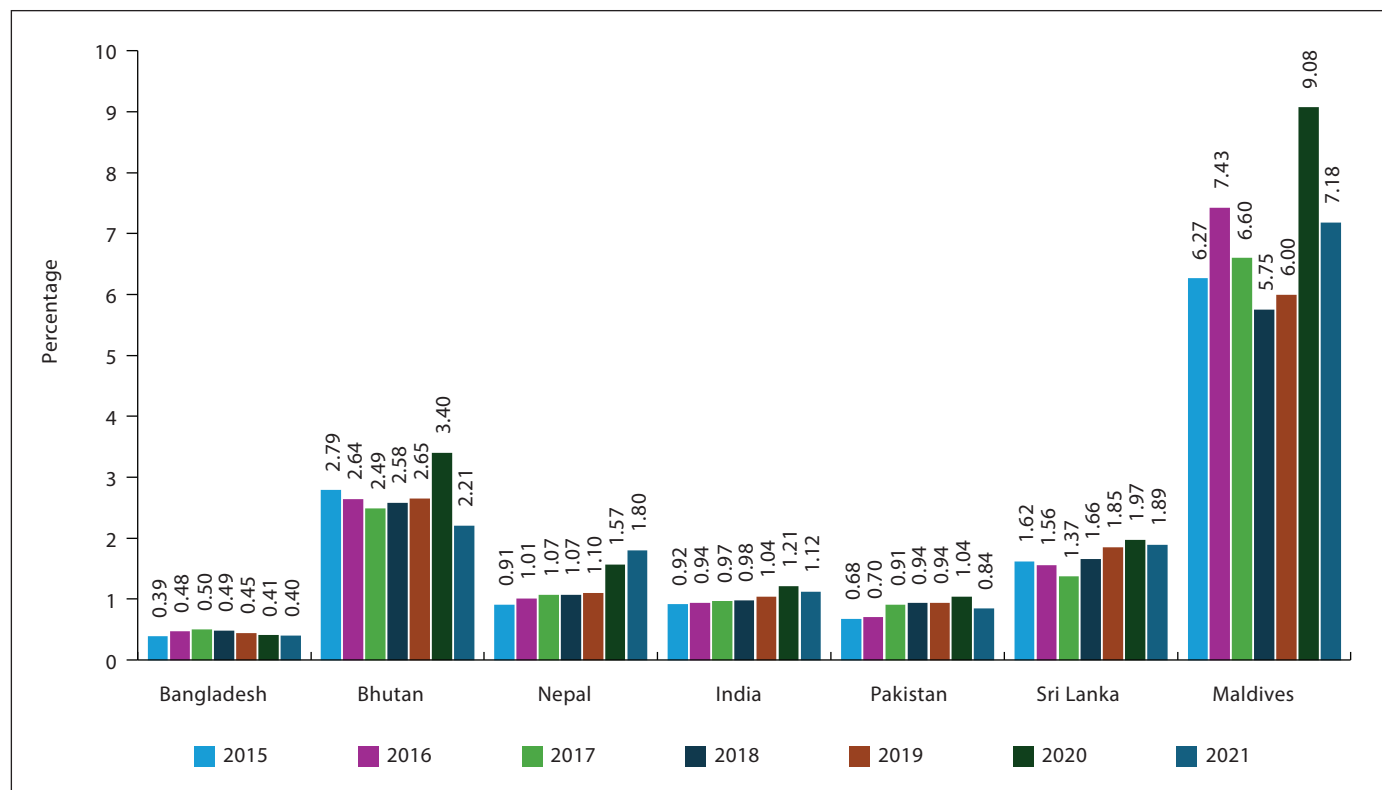
public health expenditure as a share of GDP was 0.40 per cent, whereas the corresponding figure was 2.21 per cent in Bhutan, 1.80 per cent in Nepal, 1.12 per cent in India, 0.84 per cent in Pakistan, 1.89 per cent in Sri Lanka, and 7.18 per cent in the Maldives (Figure 1).

In FY2024-25, the allocation for health was earmarked at 5.20 per cent of the total budget and 0.74 per cent of the GDP (Ministry of Finance, 2024). In the last 10 years, the allocation for health as a percentage of GDP has been consistently under 1 per cent (Figure 2).

Out-of-pocket expenditures comprise 73 per cent of the total healthcare costs in Bangladesh, whereas the corresponding figures are 19 per cent in Bhutan, 50 per cent in India, 57 per cent in Pakistan, 43 per cent in Sri Lanka and 14 per cent in the Maldives (Figure 3). Out-of-pocket healthcare costs have worsened poverty in Bangladesh, pushing 3.74 per cent of the population below the USD 2.15 per day poverty line in 2016, up from 3.11 per cent in 2010 (World Bank Group, 2024).

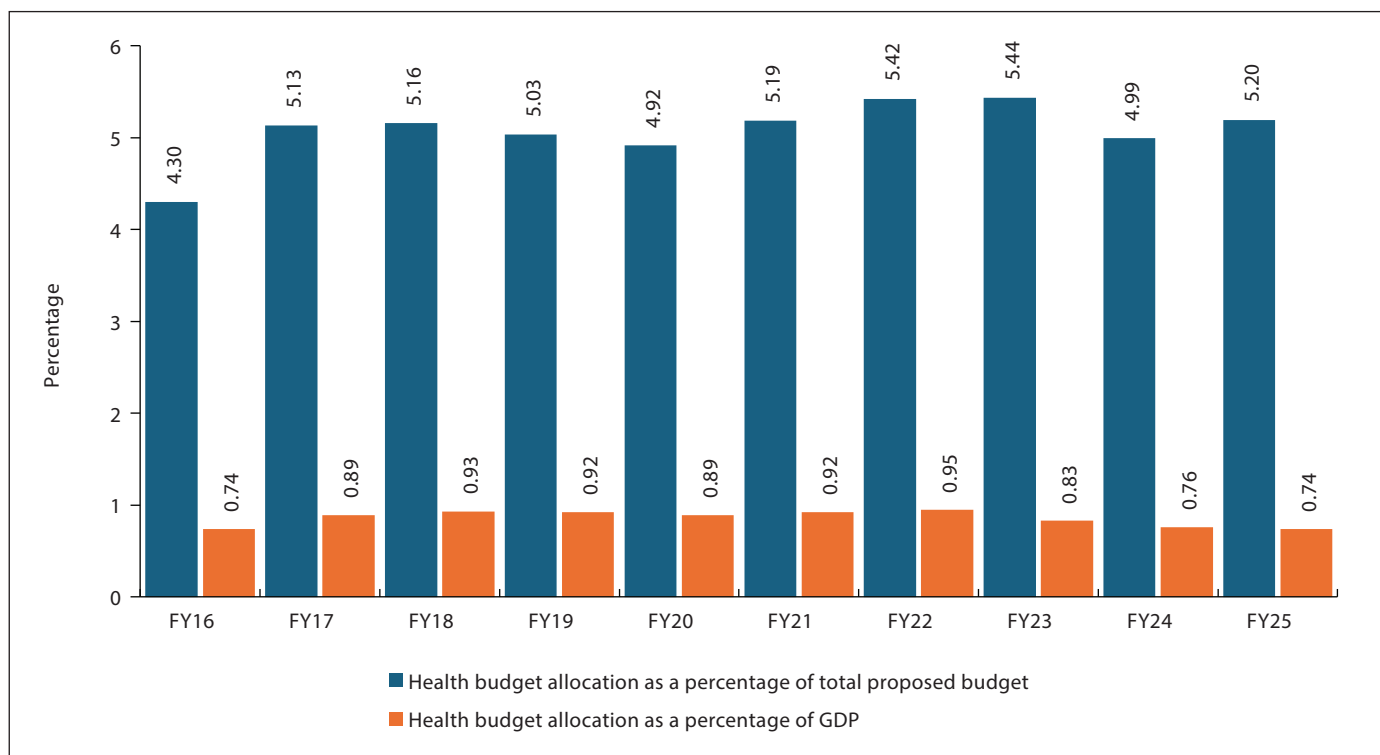
South Asian countries have progressed in extending UHC service coverage from 29 per cent in 2000 to 59 per cent in 2021 (World

Figure 1: Public Health Expenditure as a Percentage of GDP



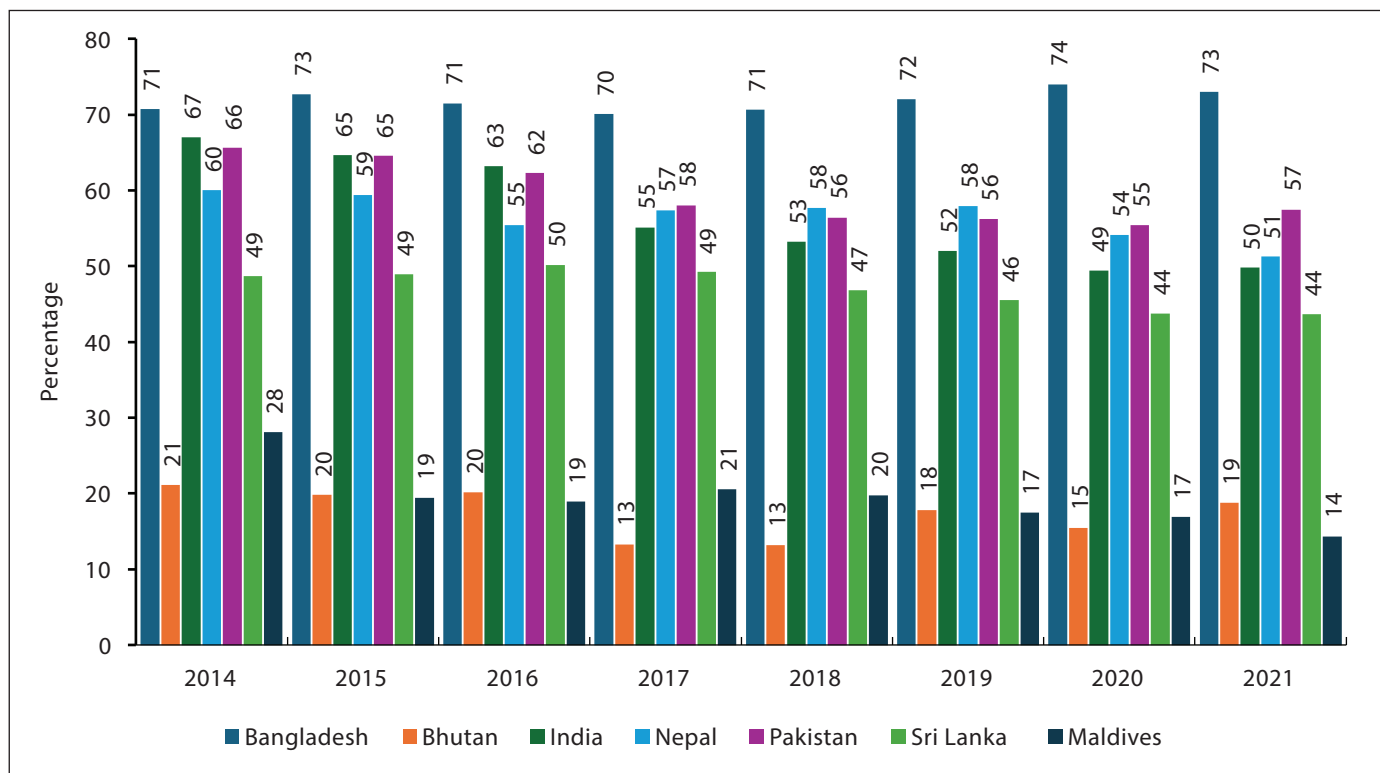
Source: World Bank Group (2024).

Figure 2: Allocation for Health as a Share of Total Budget and GDP



Source: Authors' calculation based on budget documents from the Ministry of Finance (MoF), (2024).

Figure 3: Out-of-pocket Expenditure (as a percentage of current health expenditure)



Source: World Bank Group (2024).

Bank, 2023). In this sub-region, countries like Sri Lanka, Bhutan, and the Maldives have performed well in terms of coverage of essential health services. However, high out of expenditure and lower government expenditure for healthcare services have impeded the expansion of effective UHC in the region. Currently, the sub-region faces the challenges related to the availability of medicine and supplies, lack of skilled human resources, lack of prioritising primary health care, and lack of equitable and sustainable financing sources (Hondo & Kim, 2023).

Although Bangladesh has made remarkable strides in the healthcare sector by reducing maternal and child mortality rates, limited healthcare coverage in rural areas remains a crucial obstacle for the country. The challenges for Bangladesh to achieve UHC include lower public spending, high out-of-pocket expenditure, disparities in healthcare services across urban and rural areas, ensuring quality healthcare services, and a lack of monitoring of service delivery.

3. Way Forward

In the above context, a roundtable discussion was organised by the Centre for Policy Dialogue (CPD) with relevant stakeholders, experts, and professionals working on the health sector in the country, and a regional consultation was held with experts from South and Southeast Asia. Based on the discussions, the following set of recommendations was prepared for policymakers to overcome the challenges of establishing UHC in the country. The recommendations are categorised under three thematic areas: policy-level interventions, governance interventions, and fiscal interventions.

Policy Interventions

- **Enhancing primary healthcare services, which are key to achieving UHC**

The government should focus on enhancing primary healthcare services, which is a stepping stone to achieving UHC. Given the current context of the country's health sector, achieving universal coverage for secondary and tertiary healthcare might not be possible in the short or medium term. Hence, utilising the experience of the Shasthyo Shurokhsha Karmasuchi (SSK) programme, the government can enhance the primary healthcare services across the country. This will be a primary step towards achieving UHC. In such a process, the government can form a Permanent Health Commission and establish a Health Security Office.

- **Expanding the SSK programme nationwide**

Expanding the SSK programme across the country can enhance healthcare coverage for the underprivileged

population. The SSK programme was initially launched in 2015 as a pilot project in Tangail. While it originally provided a healthcare coverage package of BDT 50,000, the package can be increased to BDT 100,000, and the geographic focus can be expanded across the country, as highlighted in the roundtable discussion. The programme should be designed to target all segments of the population to ensure an inclusive healthcare system. The 8FYP had also committed to expanding this programme.

- **Engaging healthcare professionals in formulating the healthcare policy**

Healthcare professionals should be engaged while formulating policies pertaining to healthcare. In many cases, healthcare policies are influenced by pressure groups and political interests. Such phenomena often lead to failure in addressing the sector's prevailing challenges, leading to inefficiencies in policy implementation. Professionals with practical knowledge of the sector are suitable to design evidence-based policies. Such processes will ensure that resources are allocated efficiently, health programmes are well-targeted, and outcomes are measurable, leading to a stronger and more equitable healthcare system.

- **Updating existing health policy to consolidate healthcare services under one umbrella**

National Health Policy (NHP) 2011 should be updated to address the challenges of fragmented healthcare services. Currently, primary healthcare services in Bangladesh are divided between urban and rural areas. For instance, the Ministry of Local Government, Rural Development, and Cooperatives is mandated to provide primary healthcare services in urban areas. On the other hand, the Ministry of Health and Family Welfare is responsible for providing primary healthcare services in rural areas. Due to such fragmented responsibility among various ministries, the healthcare service is hampered. The government should update the current health policy to consolidate healthcare services under one umbrella.

- **Diversifying the focus from curative healthcare to preventative, palliative, and promotive healthcare**

Currently, Bangladesh's healthcare services are heavily focused on curative care. However, the government should take proactive steps to shift the emphasis towards a more diversified approach that includes preventive, palliative, rehabilitative, and promotive healthcare. Such a transition would enhance overall health outcomes and help reduce the financial burden of medical expenses on individuals.

- ***Establishing performance-based financing models to incentivise quality care***

In Indonesia, healthcare funding is tied to performance metrics such as immunisation coverage. Adopting a capitation-based funding model inspired by Indonesia's National Health Insurance programme can be a way to improve the performance of primary health care providers, including community health centres. Capitation is a payment model in healthcare where a fixed amount of money is paid per person to a healthcare provider or facility for a specific period, regardless of the services provided. This model is often used to finance primary healthcare services and encourages cost efficiency and preventative care. Providers are incentivised to keep patients healthy and avoid unnecessary treatments since they receive a predetermined payment instead of billing for each service. In Indonesia, a portion of the capitation fund—typically around 40-60 per cent - is disbursed upfront at the beginning of the fiscal year to ensure operational readiness. The remaining portion is released based on the achievement of performance targets, such as reaching an 80 per cent immunisation coverage rate. This results-based funding approach not only ensures accountability but also incentivises accurate reporting and improved health outcomes. Bangladesh could benefit from a similar model to strengthen its primary health care system and enhance service delivery.

- ***Incorporating disaster preparedness and climate resilience into health policies***

Developing rapid response protocols for health shocks caused by natural disasters that are being exacerbated by climate change, disaster preparedness programmes such as the One Door Crisis Management Programme may be useful. Nepal's one-door policy is a government-led approach to disaster management that channels all relief efforts through a single entity. The policy was adopted after the 2015 Gorkha earthquake to address issues like donor agencies taking advantage of the situation, while some areas received too much or too little aid after the situation. The one-door policy aims to streamline resource allocation and distribution.

Governance and Accountability Interventions

- ***Engaging local communities to establish local healthcare monitoring systems***

The government should take the initiative to raise awareness among local communities to monitor the effectiveness of the local healthcare system. Local-level community leaders can

be engaged in establishing a local healthcare monitoring system. Such a process may require equipping local-level communities with the necessary training and skills.

- ***Following a bottom-up approach to deliver effective and quality healthcare service***

Currently, the provision of quality healthcare services is highly concentrated in Dhaka. Despite the availability of the community level clinics, they do not meet the requirement of high-quality healthcare services. Frequently, the rural populations rely on urban healthcare services, which lead to high out-of-pocket expenditure as they have to travel to the city areas to receive healthcare services. Experts focused on this issue during the roundtable discussion. The government should follow a bottom-up approach to deliver quality healthcare services in the district and union levels. In such a case, a separate pay structure and incentive mechanism may be formulated to incentivise the physicians and medical professionals serving in the remote areas. In addition, mobile clinics and telemedicine can help to efficiently bridge the gaps in rural areas.

- ***Establishing a data-driven decision-making process in ensuring effective healthcare service delivery***

The government should take an initiative to establish a data-driven decision-making process in ensuring effective healthcare service delivery. Using ICT-based tools, field level healthcare workers can collect household level data and utilise the system to recommend treatments. The data can be used to identify any risk in real time to enable prompt, realtime decision making in any particular area to provide effective healthcare.

- ***Investing in technology and innovation***

Healthcare systems need to be digitised to improve efficiency and accountability. For instance, enrolling of people in healthcare facilities digitally can ensure resources are used optimally. In addition, telemedicine can address the gaps in access to healthcare, especially in hard-to-reach areas, as demonstrated by Indonesia's response to the COVID-19 pandemic.

- ***Enhancing regional collaboration***

Establishing platforms for sharing best practices and learning from each other's mistakes, can help countries in the region to learn from each other. In addition, countries in the region can collaborate to address cross-border health

challenges such as pandemics, and natural disasters like floods and tsunamis that affect countries with close geographical proximity.

Fiscal Interventions

- ***Ensuring necessary public investment in the primary healthcare system development***

Ensuring adequate public investment in the development of the primary healthcare system is crucial. Experts, at the roundtable discussion, highlighted that an annual strategic public investment of around BDT 4000-5000 crore will be required in developing a referral system and establishing a National Health Security Office. Drawing such an amount of investment for the healthcare system is feasible as it can be sourced from the existing budgetary allocations. Such allocations should be used to develop healthcare infrastructure, enhance service delivery, and ensure better access to the healthcare system.

- ***Increasing budgetary allocation for healthcare***

The government should increase the budgetary allocation for the health sector. Currently, the allocation for the healthcare sector is 0.74 per cent of GDP and the government

should increase the allocation by an additional 1 per cent of GDP on an immediate basis. The allocation for the healthcare sector is around 5 per cent of the total budget, which should be increased to at least 15 per cent of the total budget allocation, as per experts' opinion in the roundtable discussion. This additional budgetary allocation can be sourced from generating revenue by enhancing progressive taxation in the country.

- ***Taxation on demerit goods such as tobacco and sugary beverages***

The revenue generated from these taxes can be used to increase health budget allocations. In addition, the taxation will change consumers' behaviour, reducing their consumption of these goods and will therefore, improve public health outcomes.

- ***Utilising Public-Private Partnerships***

The government can collaborate with the private sector to expand service delivery, particularly for underserved regions. For instance, Indonesia's JKN programme (National Health Insurance) has successfully engaged private hospitals to deliver secondary care.

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In today's world, technology plays a pivotal role in shaping economic activities by driving growth in both industrial and service sectors. Digital literacy has the potential to empower youth and women by providing access to education, economic opportunities, and social participation, thus fostering a more inclusive society. The question is whether Bangladesh is ready for this new digital reality and how the country will use this opportunity to empower women and youth by using technology. This policy brief examines the opportunities and challenges of adopting technology and digital literacy as a means of empowering youth and women. Given the current context, a set of recommendations is proposed for promoting digital literacy among these groups.

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