

Sri Lanka is confident that policy dialogue will contribute towards realizing health-related MDGs

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Statement by Dr. H.A.P. Kahandaliyanage, Secretary, Ministry of Healthcare & Nutrition of Sri Lanka at the High –Level Segment ECOSOC, Geneva, 8th July 2009 Annual Ministerial Review – Sri Lanka’s National Voluntary Presentation on “National Development Strategies and Commitments to Achieve IADGs including MDGs”; Sri Lanka’s National Report

Mr. Chairman/Madam Chairperson, Excellencies, Ladies and Gentlemen, Sri Lanka is pleased to participate in the High Level Segment of ECOSOC dealing with “Financing Strategies for Healthcare”. The strengthening of the role of ECOSOC, following the World Summit in 2005, in generating greater momentum towards the realization of the Internationally Agreed Development Goals including the Millennium Development Goals is a timely measure. The realization of the IADGs and MDGs requires global partnerships. ECOSOC has a long tradition of bringing multiple stakeholders in the global, social and economic sectors together. Sri Lanka is confident that the policy dialogue on the healthcare sector taking place in this year’s high-level segment of ECOSOC will make a constructive contribution towards realizing the health-related MDGs by 2015 for the benefit of our people. The Annual Ministerial Review process as introduced in 2007 has already focused on two key MDGs, namely eradication of poverty and hunger (2007) and sustainable development (2008). For a number of reasons, Sri Lanka is pleased that the 2009 Ministerial Review is dedicated to the healthcare sector. Let me make a few introductory remarks prior to presenting the salient features of Sri Lanka’s Report. Sri Lanka was early among developing countries to understand the importance of investing in human resources, gender equality and social development. In Sri Lanka, a large share of public expenditure has been allocated over the years to free education, free health services, food subsidies and subsidized credit with a view to improving living standards and ensuring minimum consumption levels especially in rural areas. Such expenditures were considered an investment in people rather than wasteful public sector consumption. These policies aimed at developing the full human potential was set against a firm commitment to democratic values embodied in democratic political institutions and electoral systems, based on universal adult franchise. Over the years, we have received good returns on our sustained investments in human capital. Our social sector indicators, among which health indicators occupy a significant position, continue to be well above those in comparable developing countries. Our life expectancy is high and literacy rates for both men and women above 90%. We have achieved almost universal primary education for both males and females. Overall, Sri Lanka is on track to achieve the MDG targets, and some have already been achieved at national level. It has been said that the countries furthest away from achieving the MDGs are those in conflict or those recently emerging from conflict. This has not been the case in Sri Lanka. Recently, we have been successful in ending almost 30 years of terrorism perpetrated by the Liberation Tigers of Tamil Eelam in some areas of the North and East of the country. While the devastation caused by the LTTE in these parts was a major impediment to the development potential of Sri Lanka, our national institutions and commitment towards human welfare proved resilient against such important challenges. Thus, during almost three decades of confronting terrorism, Sri Lanka made further gains and strides in human and social development setting in place a supportive framework of social determinants for health. Our democratic political system withstood the violent challenge and our economy remained resilient against this threat and continued to grow at a reasonable rate of approximately 5% during the years of conflict. Sri Lanka is pleased to make this Voluntary Presentation regarding our experiences and achievements in realizing the IADGs and MDGs, and challenges we faced in the process, focusing particularly on the healthcare sector.

Background Sri Lanka maintained a liberalized market-oriented policy regime over the last three decades. A characteristic feature of development policy in Sri Lanka during this period of market-oriented policies has been the country’s continued commitment to welfare measures, seen as investments in human capital. Our democratic political institutions and electoral processes are based on universal adult franchise since 1931 and regular multi-party elections are held at national and sub-national levels. We did not allow our commitment to democratic practice and values to yield to violent terrorist organizations like the LTTE. With the recent defeat of the LTTE, Sri Lanka has entered a post-conflict phase. The average annual rate of economic growth over the last three decades remained at around 5%. Our proportion of persons below national poverty line has decreased from 26% in 1990 to 15.2% in 2006 indicating that we are on track to achieve the MDG target of 13% in 2015. Poverty gap ration also decreased from 5.6% to 3.1%. Underweight children of under 5 years of age has declined from 38% in 1993 to 22% in 2006. Here too, we are on track to achieve the MDG target of 19 % by 2015. Our educational policies have brought gradually increasing numbers into the system of formal education, with primary school enrolment and primary school completion reaching almost 100%. Literacy rate has increased to high levels for both males and females. Healthcare policies, which I will focus on with greater detail later, have enabled us to achieve high rates life expectancy at birth, for both males and females.

Introduction to Sector Sri Lanka is a “lower middle income” developing country with a GNP per capital of US\$ 1970 (2008). A series of socio-economic, political and institutional factors buttress our success in the health sector, despite relatively limited resources. Significant advances were made in the delivery of health services to our people since early Independence. The state has systematically invested funds to develop human and physical resources in the public healthcare sector. These resources have expanded over time. Healthcare facilities in the public sector are able to treat around 5 million in-patients and 43 million out-patients. Due to the consistent flow of public funds into the health sector over the years, people’s health conditions have improved significantly. Supported by high levels of literacy in the society, there has also been growing awareness of the people about, the benefits of good health. There are two salient features of the system of management of Sri Lanka’s public sector health care system. Healthcare services have been

provided, firstly, free of charge and secondly, within facilities located close to clients. A private sector has, however, been allowed to expand in order to provide an alternative treatment source that would help reduce government healthcare costs. Public sector healthcare authorities continue anyway to offer all types of healthcare services – promotive, preventive, curative and rehabilitative. People have access to a health service outlet within 3 Kilometers radius bringing universal access a reality. The healthcare system that operates in Sri Lanka is one of pluralistic care, with a significantly large segment of it occupied by indigenous systems of medicine. The ayurvedic tradition dominates these indigenous systems. Public investment in these traditional systems has gradually been raised in more recent times. Preventive and Curative Care Services and Health Indicators

The healthcare sector contribution to human development came from spheres of both preventive and curative care. Many preventive campaigns were successfully implemented against communicable and parasitic diseases. High literacy rate among people and certain aspects of the local culture have helped authorities to achieve a high rate of success in these programs. Immunization program has been a great success. The proportion of one year old children immunized against measles, for example, has reached 97 percent. The immunization program has enabled Sri Lanka to eliminate or to effectively control all vaccine preventable diseases. Establishment and improvement of sanitation facilities in urban and rural areas, maintenance and upliftment of systems of rainwater drainage and solid waste disposal in urban settings have helped in promoting healthy life. Remaining within the fundamental policy premise of free healthcare services within the public sector, measures have been taken also to reduce malnourishment among children, and to educate pregnant women and mothers. High average literacy and educational levels of mothers help in no small measure in achieving health goals. A maternal and child care program is being implemented nationally. The proportion of births attended to by skilled health personnel had reached 97.6 percent in 2006/2007, and almost uniformly so across all sectors. Healthy practices of antenatal and postnatal care have become widespread in all segments of society. In order to improve conditions of curative care within public sector healthcare institutions, a series of reforms have been undertaken. Higher investments have been made to develop available facilities. Healthcare facilities of different types and different levels of sophistication have been set up throughout the country. People could thus obtain curative services, starting from facilities nearby moving to higher level facilities if the local facilities were inadequate. Systematic government investments in these healthcare facilities have rendered the people better off. The impact of the above on healthcare indicators has been impressive. Infant mortality rate has declined from 19.8 per 1000 live births in 1990 to 11.3 in 2005, placing Sri Lanka on track to achieve the MDG target of 6.6 in 2015. Under-five mortality rate had declined in 2005 to less than half of what it was in 1990. It is on track to go down by two thirds by 2015. There are variations in maternal mortality data in different sources. According to the Department of Census and Statistics the Maternal Mortality Rate (MMR) has declined from 4.23 per 10,000 live births in 1991 to 1.97 in 2003. At this rate of decline the MMR is most likely to decline by three quarters by 2015 thus reaching the MDG target. Life expectancy at birth has gradually risen to 71 years (2004) with corresponding figures for male and female populations at 71.7 and 76.4 years respectively. Sri Lanka has already eradicated filariasis, leprosy, polio, measles and iodine deficiency disorders. The health authorities in Sri Lanka are confident of being able to achieve complete malaria eradication by 2015. Combating HIV/Aids in Sri Lanka has been relatively easy primarily due to its low prevalence and truncated nature of its spread in the country. Clearly there is more to be achieved to provide inclusive conditions of healthy life to all social groups in all areas. In this, many institutions other than those related to healthcare have to play a role in creating a supportive environment – municipalities and other local authorities, and institutions dealing with matters pertaining to environmental issues, housing, water supply and sanitation, education, etc.

Challenges In the midst of commendable achievements, the healthcare system of Sri Lanka currently operates under many challenges and stresses. These challenges are mostly systemic and institutional, associated with the overall country situation in terms of macro-economic, developmental, historical, social, political and legal conditions. Sri Lanka's Report discusses these challenges in some detail. I will highlight a few here. Sri Lanka is facing a demographic transition – a growing ratio of the elderly in the population – leading to an epidemiological transition. The burden of ill health has shifted from communicable to non-communicable diseases. As levels of morbidity arising from communicable diseases are also high, there is indeed a double burden of disease making the financing of healthcare facilities doubly problematic. The pattern of distribution of health outcomes among different social categories shows that the Sri Lankan system has yet to reach desirable equity levels. Significantly lower than average health outcomes are known to be observed in pockets of the estate sector. Several administrative Divisions in the country are identified where access to healthcare has to be improved. The authorities are aware of these imbalances. In order to meet these challenges, H.E. the President Mahinda Rajapaksa has directed health authorities to develop a health sector master plan. This Master Plan discusses the subject and remedial measures are proposed. The country's overall planning authorities consider minimization of regional imbalances in healthcare delivery, through improved access to quality services, as the main guiding principle in determining allocation of capital investment in the health sector. Many special healthcare programs are regularly conducted in remote areas benefiting many underprivileged communities.

Health Financing Health financing in Sri Lanka comes from both private and public sources and from limited donor assistance. Private sources account for a slightly higher proportion than public sources. Funds for the overwhelming bulk of public health expenditure are obtained from tax revenues and the contribution from foreign aid has traditionally been marginal. While attempting to increase resources from the government budget earmarked for public sector healthcare services, a steady growth of the private healthcare institutions was allowed to take place over the years. Our aim has been to make public sector health facilities serve low and middle income groups while promoting the richer classes to seek required services from the private sector. The problem with the private side of funding is that, as in many other countries, resources come essentially from out of pocket expenses. Healthcare Sector in Emergencies and Crises Sri Lanka also has a commendable record of experience in dealing with healthcare conditions in situations of emergency and crisis. Our post-Tsunami experience demonstrated very clearly the preparedness and resilience of our healthcare

sector to address a crisis, whether minor or catastrophic. The Tsunami disaster of 2004 made a devastatingly destructive impact on the coastal health system of Sri Lanka on top of calamitous effects on people and their livelihoods. Had the situation been ineffectively handled, the post-tsunami conditions would have offered frightening health prospects. It is to the credit of our healthcare professionals and infrastructure that we were able to effectively deal with the post-tsunami health situation without any serious outbreak of infectious diseases. The healthcare needs of the affected population were effectively taken care of by the government health personnel and the available health infrastructure.

Healthcare in Conflict and Post-Conflict Situations Sri Lanka's experience relating to maintaining healthcare infrastructure and providing healthcare in times of conflict and crisis is also unique. During the past 3 decades, the Liberation Tamil Tigers of Eelam (LTTE), a terrorist group proscribed in over 30 democratic countries worldwide, claimed to control parts of the north and the east of the country through the use of force. Even in the so-called LTTE controlled areas, the Government continued to effectively deliver healthcare services to the civilians. All health infrastructure, including hospitals, medicines, doctors, nurses and healthcare personnel were maintained through funds allocated by the Government since the inception of the conflict. This healthcare infrastructure and provisions have been maintained despite the well-known fact that much of the supplies and facilities were used by the LTTE for their own cadres. The regular dispatch of medical provisions to the conflict areas by land, air and sea routes was challenging and was a risky operation, and its continuation for almost 3 decades demonstrates the Government's commitment to looking after the health related needs of the civilians, as well as the resilience of the healthcare infrastructure and system even in conflict situations. Today, the Government has been successful in defeating terrorism in Sri Lanka. We are now determined to face the challenge of providing necessary assistance including healthcare to the civilians, who had previously been held hostage by the LTTE.

The Ministry of Health has mobilized its resources to a maximum for this purpose, with the assistance of the international community, including UN agencies and local and international NGOs working in the health sector. Seven hospitals are providing facilities for the displaced civilians in the north and east. Additional 232 Medical Officers and 307 nurses have recently been dispatched to these areas. The bed capacity has been increased and adequate stocks of essential drugs have been deployed to the hospitals in the north. Healthcare facilities are also provided in the welfare sites - preventive healthcare facilities are in place and routine immunization, drinking water quality analysis, family planning and dental care is carried out. Primary healthcare centres have also been set up covering 10,000 - 15,000 people per site. Mental health and psych social support have been made available. We are very concerned that some of the civilians are in poor nutritional health status due to their prolonged stay in areas under LTTE control. With the assistance of UNICEF, the government has already taken action to improve their nutritional status. The Government has already translated its political commitment to the development of the North and East into action under the Uthuru Wasanthaya and Naganehira Navodaya programmes. The development of the health sector in former conflict areas is an integral part of these development programmes.

Conclusions The principal lesson that Sri Lanka's experience offers is that human development can be brought to high levels even at low levels of per capita income through systematic and well thought out interventions by the state. To give sustainability to this process, however, we need strong economic growth and an enabling global environment. The dualistic healthcare system of Sri Lanka with a dominant state sector co-existing with a private sector has been able to address healthcare challenges resulting from demographic and epidemiological transitions. Healthcare financing is becoming gradually more and more difficult, demanding systemic reforms. Thank You.