

Deanship of Graduate Studies

Department of Public Health

**User's Perceptions Toward Paying Fees and Their Impact on Utilization of
Governmental Health Services in Bethlehem Area**

Student Name: Muna Abed Abed El-Fattah Ammar

Student No: 20510046

Supervisor: Dr. Motasem Hamdan

Master thesis submitted and accepted, date: 21-2-2009

The names and signatures of the examining committee members are as follows:

Dr. Motasem Hamdan

Head of Committee

Signature 

Dr. Asma Al-Imam

Internal Examiner

Signature 

Dr. Samer Hamidi

External Examiner

Signature 

Abstract

The study aimed to assess user's perceptions toward paying user fees and the impact of user fees on utilizing health services among different socio-economic groups according to different independent characteristics of participants (sex, age, residence, social situation, education, profession, and income).

The study was conducted in the PHC central district clinics and out patient clinics of Beit Jala hospital in Bethlehem district. A cross sectional design was used to collect information through a questionnaire administered to users. The total sample size was 610; 306 were from PHC clinics and 304 were from Beit Jala hospital. Users were interviewed directly after having the required health services and before leaving. Response rate was 83.93%.

From the study it was obvious that users had a positive perception toward paying fees with a mean of 3.65 from 5, user fees were also found to have some impact in terms of utilization on specific groups (the poor and old people) with a mean of 3.37 but it wouldn't prevent them from having health services when they were in need.

The study also revealed that some demographic variables like age, place of residence and education were all statistically significant factors according to user's perceptions toward paying fees, but it didn't show any level of significance in terms of the impact of user fees on utilizing health services.

The study provided important information for decision makers about the possibility of using user fees system taking in consideration increasing access of low socio-economic groups to health services and improving the quality of care.

ملخص الدراسة

جاءت هذه الدراسة لتقييم توجهات المستفيدين من الخدمات الصحية الحكومية نحو دفع الرسوم ولعرفة مدى تأثيرها على استخدام المستفيدين لهذه الخدمات وذلك تبعا لبعض المتغيرات (الجنس، العمر، مكان السكن، الحالة الاجتماعية، مستوى التعليم، المهنة، ومعدل الدخل الشهري). وقد تمت هذه الدراسة في كل من مركز الرعاية الصحية الأولية ومستشفى بيت جالا في محافظة بيت لحم، حيث تم تعبئة الاستمارات من خلال إجراء لقاء مباشر مع المستفيدين، وتتضمن هذه الاستمارة تحليل وصفي لعينة الدراسة. وقد بلغ حجم العينة 610، (306) تابعين للعيادة المركزية و(304) تابعين للمستشفى الحكومي).

أوضحت نتائج الدراسة أن توجهات المستفيدين نحو دفع الرسوم كانت ايجابية حيث بلغ متوسط الإجابات 3.65، وقد اتضح أيضا أن دفع الرسوم كان له تأثير على بعض المستفيدين خصوصا الفقراء وكبار السن من حيث مدى استخدامهم لهذه الخدمات الصحية بمتوسط مقداره (3.37) إلا أن هذا لم يمنعهم من الاستفادة من خدمات العناية الصحية الحكومية.

أظهرت الدراسة أيضا أن هناك علاقة ما بين بعض المتغيرات، (العمر، مكان السكن، والمستوى التعليمي) وتوجهات المستفيدين نحو دفع الرسوم، بينما لم تظهر الدراسة أي علاقة بين هذه المتغيرات ومدى تأثير الرسوم على استخدام المستفيدين للخدمات الصحية.

أخيراً و بناء على ما تقدم فإن هذه الدراسة توضح لصانعي القرار إمكانية الاستفادة من نظام الرسوم مع ضرورة زيادة إمكانية وصول الفئة ذات الدخل المنخفض إلى الخدمات الصحية بشكل أكثر فعالية وكذلك ضرورة رفع مستوى الخدمات المقدمة للمرضى.

Table of Contents

Chapter one:	Page
Introduction	1
Background	3
1.1 Effects of political situation	3
1.2 Unemployment rate	4
1.3 Poverty rates	4
1.4 Private spending on health	5
1.5 Access to health services	7
1.6 Health care provision	8
1.7 Secondary health care services	9
1.8 Package of health services	10
1.9 Health financing	11
1.10 Governmental health insurance	13
Problem statement	17
Justification of the study	18
Overall objective	18
Specific objective	18
Research questions	19
Limitations of the study	19
Chapter Two: Literature review	23
2.1 Introduction	20
2.2 Concept of user fees	20
2.2.1 Difference between user fees and taxes	21
2.2.2 Perception toward paying user fees	21
2.2.3 User fees and health insurance system	22
2.2.3.1 Advantages of health insurance	23
2.3 Impact of user fees	25

2.3.1 Main objectives for introducing user fees	26
2.3.2 Implications of user fees	26
2.3.2.1 Efficiency implications of user fees	26
2.3.2.2 Sustainability implications of user fees	27
2.3.2.3 Equity implications of user fees	27
2.3.3 Empirical evidence	28
2.3.4 Safety nets	29
2.4 Previous studies on user fees	30
Chapter Three: Methodology	34
3.1 Research design	34
3.2 Setting and target population	34
3.3 Eligibility criteria	34
3.4 Time for data collection	35
3.5 Sampling	35
3.6 Ethical consideration	36
3.7 Data collection instrument	36
3.8 Questionnaire design	37
3.9 Pilot testing	37
3.10 Reliability	37
3.11 Data collection	38
3.12 Data analysis	38
Chapter Four: Results and analysis	43
4.1 First level of analysis: descriptive statistics	39
4.1.1 Characteristics of the sample	39
4.1.2 Information about health services received by users	44
4.1.3 Health behavior	48
4.1.4 Perception of users toward user fees and the impact of fees on utilization	51
4.2 Second level of analysis	54
4.2.1 Relationship between patient characteristics and their perceptions	54



toward user fees

4.2.2 Relationship between patient characteristics and impact of user charges	62
4.3 Perception of users toward paying fees according to type of institution	69
4.4 Impact of user fees on utilization of health services according to type of institution	69
4.5 Differences between user's perceptions toward paying fees according to final service fees	70
4.6 differences between users toward the Impact of paying fees according to final service fees	71
Chapter Five: Discussion, conclusion and recommendations	72
Reference list	78
Annexes	86

Chapter I

Introduction:

Health is a fundamental human right, (Universal Declaration of Human Rights, 1948). It is also an essential component of development, and very crucial to a nation's growth as well as internal stability. In the past two decades, the World Bank, and International Monetary fund (IMF) through the economic adjustment programs (the standard policy package imposed by the World Bank and IMF which refers to the purpose of correcting trade imbalances and government deficits. It involves cutting back the role of the state and promoting the role of private sector. This ideology is referred to " neo-liberalism, "free market fundamentalism" or " Washington Consensus") , have advocated to promote privatization of health services and to increase private financing by introducing user fees through public providers in countries facing economical crisis such as Palestine. User fees have been introduced in many developing countries including Palestine since the publication of the World Bank policy document of 1987(World Bank, 1987), (Griffin, 1988).

Introduction of user fees in some developing counties was a condition of loans and aid from international donors), (Breman, Shelton. 2001).

Such policies pose obvious threats to the fragile systems in middle-income and low-income countries, where the introduction of user fees for public services, as well as the growth of out-of-pocket expenses for private services can if combined, constitute a major poverty trap. And the increase in private medical practices and the explosive growth of private pharmacies that is associated with shrinking governmental role in supporting health services raising pharmaceutical drugs which accounts for 30-50% of total health care expenditure in developing countries compared with less than 15% in established market economies, (World Bank, 1994). For example in Palestine drug expenditure in 2004 was 39% of total health expenditure (World Bank, PCBS, 2004). Direct out-of-pocket household expenditure on medical care has come to account for 40% of total health expenditure in the West Bank and Gaza Strip (Policy Research Incorporated 1999), raising concerns about equity in health care, particularly given rising poverty and the needs of the thousands injured by the Israeli army, who require long-term care.



5.2. Conclusions

The study revealed a positive perception toward paying fees among users of PHC and Beit Jala hospital clinics (although most of the users were from low socioeconomic groups), with younger groups and users from villages showed higher perceptions toward paying fees than both older groups and users from city respectively. High average of spending on health was reported among users. A delay in treatment was mentioned in some cases as a consequence of paying fees, but it wouldn't prevent users from utilizing governmental health services, in other cases, buying certain drugs directly from pharmacies without a prescription was reported among users. In a few cases money was the main barrier for not having treatment.

Also public health services were perceived as of low quality, at the same time user fees were perceived by users as a good source for improving health services.



5.3. Recommendations

Based on the results, some recommendations are mentioned below that might help policy makers in making priorities for allocating resources and thus providing better health services.

1. If user fees are to be used as one of the source for financing health services it should be associated with a waiving system to ensure access of low socio-economic groups to health services.
2. User fees should be used to improve quality of care (both in the PHC center and public hospital) and availability of drugs and equipment. This would improve perception of users towards user charges.