

# Ensuring the Proper Provision of Medical Services to Lower-Income Classes

**Forum:** Economic and Social Council

**Student Officer:** Yunsoo Cha, Deputy President

## Introduction

Within a nation exists health inequity, the difference in health status or distribution of health resources between different population groups. The people with lower income are unable to receive or afford the same quality of medical treatment as those of the upper economic classes. Health inequity also exists between nations. In fact, half the world's population was not able to access essential healthcare in 2017, and the children from the poorest 20% of households are more likely to die before the age of five than the children in the richest 20% of households. Predictive medical services are also less likely to be used by the lower-income people, and over three times as many people in the low-income status (25%) have problems paying the medical bill as people in higher income status (7%).

There are many obstacles that hinder the less privileged people from accessing adequate healthcare in a variety of areas. These not only include the high costs of some medical services, but also the risk of greater loss of income due to a day off work, health insurance complications, lack of education, and other factors that these people are vulnerable to. The health inequity will affect the general inequality within the nation and ensuring medical services to these lower-income classes will be a step toward achieving sustainability in national and global scale.

## Background

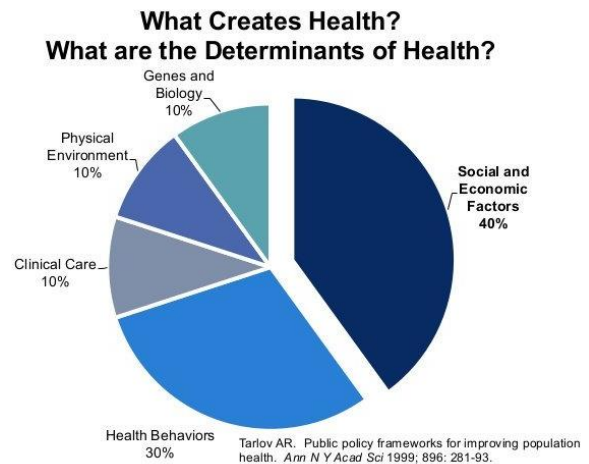
There are many social and economic factors that prevent the lower-income class from utilizing healthcare services that are available for them to use.

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With low income, some people will be pushed into harsh poverty when they use their income to manage costs for medical reasons. In 2017, the World Health Organization (WHO) and the World Bank reported that 100 million of people spending at least 10% of their income for health expenses may be pushed to live in extreme poverty with \$1.90 or less for a day. One of the major reasons that medical services may financially be a burden to poor people is that they do not have insurances that will cover up some costs of the medical services. Without such insurances, the costs require for treatments increase, posing a larger pressure for people to handle. In addition,

for many of the people earning a lower-than-average income, their workplaces are unlikely to support sick leaves. Leaving work for a medical reason will result in a decrease in income and a risk of losing the job, which causes many people to hesitate from using the medical services. Not only the medical care requires payment, but also the transportation and other additional fees that happen on the way of the visit place a huge burden on people.

Leaving people to live in poverty will cause negative impacts around the world, such as affecting the financial status, welfare, and psychological well-being. Therefore, it is crucial for the United Nations (UN) to come up with measures to successfully aid to improve the accessibility of medical care for the people earning low income.

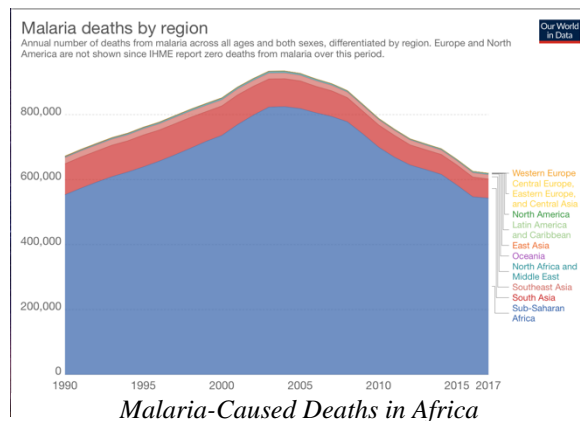


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### Problems Raised

#### *Spread of Infectious Diseases*

The decreasing access rate of healthcare services of the people in lower-income classes is not only a problem for those who are directly affected by the inaccessibility but also for the community as a whole. The spread of infectious diseases is one of the main causes of health inequity. When an infectious disease appears within people who are less economically stable with no ability to seek for treatment, the disease would likely to spread more quickly since these people are also less likely to skip work due to illness as one day off work may affect their income substantially. During the Covid-19 Pandemic, countries with higher overall poverty rate have more confirmed cases than more economically developed countries, which proves that the rate a disease spreads can be affected by factors that come from the living traits of poor people such as not receiving adequate and appropriate medical care, going to work without



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taking a leave when sick, and the lack of hygiene in their living areas that house faster proliferation of germs.

### *Negative Impact on Economic Growth*

As people in the lower-income classes have less accessibility to the different healthcare services, some fatal diseases that are not timely treated may take away lives of many people, reducing the economic productivity of the nation. For instance, lives lost by HIV, tuberculosis, and malaria mostly happen in people in their economically productive years and their lost lives would mean a lot to developing countries with slow and low economic growth. The European Parliament said stated that this health inequity led to 1.4% decrease in GDP in European Union (EU) nations. Additionally, in some largely affected countries, Malaria may lower the economic growth by 13%, and African countries lost billions of dollars due to Malaria. Moreover, lives lost by lack of healthcare access will have chain effects on those left behind, especially if the person dead was the leading member of the family. In this case, the family will have less to no income, aggravating the problem of poverty and health inequity.

## **Places of High Concern**

### *Afghanistan*

Although Afghanistan has seen great advances in fostering inclusivity of healthcare services, it is one of the nations that still has high health inequity as poorer households do not know how to receive such services. The main reason behind this is the large gap between people of higher and lower economic status. Therefore, the Afghanistan government implemented the Basic Package of Health Services (BPHS) starting from 2003. Then, the Essential Package of Hospital Services (EPHS) was added in 2005. These services had led to increase in accessibility of healthcare services, but Afghanistan still has high rates of infant mortality, especially of non-vaccinated children, and maternal mortality, which need to be addressed promptly.

### *Morocco*

Morocco is also a nation that has seen great progress throughout decades. However, problems still exist regarding the accessibility of healthcare systems. Morocco is lacking governmental expenditure on public healthcare services. Over previous decades, the government has only been providing about 1% of their budget on public healthcare services. Although private healthcare services exist, they are mainly in cities and accessible only to those who have high income, posing an inequality towards people of low income and lacking health insurances. Health inequity will eventually cause inequality between the rural and urban areas, with around 30 percent of rural areas being significantly far away from proper health facilities.

## **International Actions**

### *Rio Political Declaration on Social Determinants of Health*

The World Health Organization has been mandated by the member states to support the nations when implementing the action areas of the Rio Political Declaration on Social Determinants of Health. This declaration was signed by 125 countries in 2011 in order to recommend government interventions as well as international intervention in the five action areas all towards mitigating health inequalities within nations. The declaration mainly focuses on enhancing development, encouraging participation in policymaking, and improving accountability. This action taken by the WHO is also related to the Sustainable Development Goals set by the UN to achieve healthcare equity in all nations.



### *Health in All Policies (HiAP)*

The HiAP is an approach from the World Health Organization that relates health and policymaking in order to enhance health equity of people by addressing different factors that have an effect on the health of the public such as policymaking, public trend, government intervention, etc. HiAP was also formerly accepted and implemented by the European Union (EU) in 2006, recognizing the impact of policymaking and healthcare distribution in the nations and works to reduce the inequity in the healthcare sector that is prominent in many nations. Furthermore, the United Nations have also taken action to support different actions that minimize the social determinants of healthcare and head towards health equity in all nations.

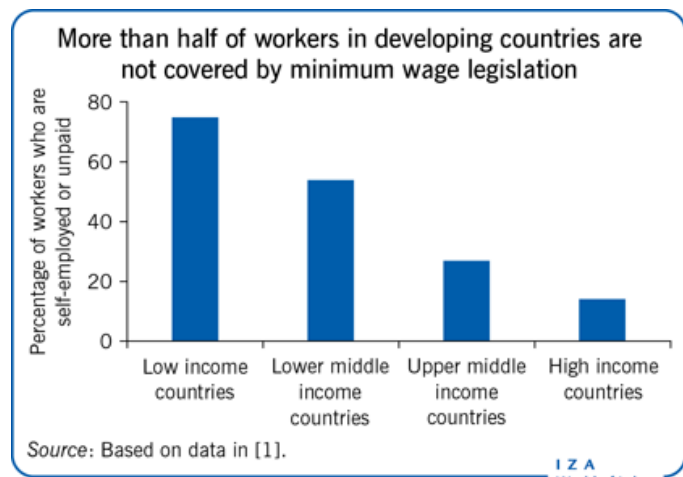
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## **Possible Solutions**

### *Reducing the Income Gap*

One of the fundamental ways this problem of health inequity can be solved is by eradicating the source of inequity, which is the huge income gap between people. Reducing income gap will not only lower the poverty rate within country but also promote health equity. To combat wealth inequality, there are different actions that the national governments can take. The government can make employment more beneficial for the low-income workers. A method is to increase the minimum wage to a certain extent that the workers will all be paid more while keeping the company running without failing due to extremely high labor costs.

Not only should they try increasing minimum costs, but governments should also have laws that



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include more firms and companies to follow minimum wage rules. This solution would be most effective in developing countries where lots of low-income workers are not currently covered by minimum wages. Another way is collecting higher taxes from people at the top of the economic pyramid and make investments to people with lower income by using the taxes. However, this has to be implemented to an extent that negative consequences do not outweigh the policies suggested.

### *Reducing the Cost of Healthcare Services*

High cost of healthcare services is one of the major obstacles that prevents health equity within a country; thus, reducing the cost of healthcare services can be the potential solution. By attributing more of the government's budget into healthcare services and lowering the cost that is required by the medical practitioners, the price presented to the public will diminish. Also, the government should fund the procedures that require a lot of money so that it can be accessible to the public without requiring insurances. The cost of common medicines can also be reduced by government's participation in production through funds so that the people can have at least more access to common medicine that can cure some of the diseases. However, this should not be done to an overwhelming extent and only in countries that have the most severe problems and have government expenditure far below the recommended range from the UN or WHO, stating that around 5 percent of national income should be used for healthcare services.

### **Glossary**

*Government Expenditure* – the total of transactions made by the government, including consumption, investment, and transfer costs.

*Health Insurance* - insurance that covers costs that happen in medical and surgical practices, prescribed drugs, and sometime dental expenses; they can often pay for the expenses of illness or injury for the insured people

*Infectious Disease* – disorders that are caused by organisms such as bacteria, viruses, fungi, or parasites

*Low-Income Families* – families with income that is below 200% of the poverty threshold of the nation

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