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UTILIZATION AND COSTS OF FAMILY PLANNING IN THE PUBLIC SECTOR IN PAKISTAN

Background

Population growth rate is a leading concern for Pakistan which is the sixth most populous country in the world with a population of 174 million and has one of the highest fertility rates globally. Of the 24 million married women of reproductive age (MWRA) in 2006-7 (Pakistan Demographic Health Survey), only 5.1 million reported using a modern contraceptive method. Another 6 million (25%) said they would use contraception if it were available.

Of the 5.1 million modern contraception users, 37% women are sterilized and only 9% undergo the procedure in any year. Thus in 2006-07 only 2.9 million women availed any family planning services, of which only a third were from the public sector.

The total health expenditure in Pakistan is around 0.7% of the GDP, and 4% of the Government budget. Family planning (FP) accounts for around 2% of all health spending. The public sector accounts for a third of all family planning services but is the main recourse for the poorest and the most disadvantaged populations.

This brief discusses the utilization and costs of public sector FP services, so that limited public resources may be utilized optimally.

SALIENT POINTS

- Both Ministries of Population Welfare and Health combine to reach less than a million women or around 4% of all MWRA
- Public Sector predominantly serves the poorest and the marginalized
- Ministry of Health serves rural and younger women with temporary and short term methods
- Ministry of Population Welfare serves more urban women with longer term and permanent methods
- FP costs around PKR 2,414 (USD 40) per woman served or around PKR 937 (USD 16) per CYP and is higher than regional averages
- If Efficiency can be improved the current public sector FP funding is adequate to increase the national CPR to at least 80%

Comparison of Public vs. Private Sector FP Services

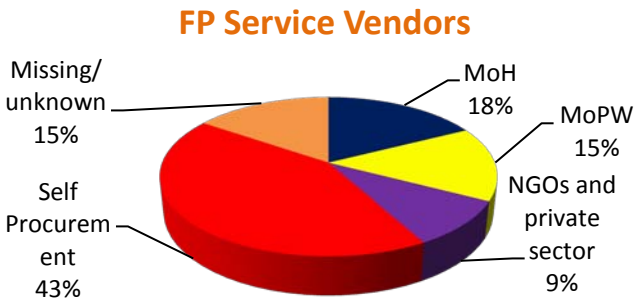
Most private sector services constitute self procurement of condoms and oral pills from stores by women without using a health provider. The public sector provides FP services through the Ministry of Health (MoH) and Ministry of Population Welfare (MoPW). The MoH accounts for 18% and the MoPW accounts for 15% of all FP services. MoH predominantly provides temporary methods - condoms, injections and pills, delivered for most part by Lady Health Workers (LHWs). The MoPW mostly operates from Reproductive Health and Family Welfare Centers, providing sterilizations, IUDs, injections and oral pills.

Users of private sector FP services are younger (34 vs. 37 years old, p: <0.001), richer (90% of private services users are from the richest 3 quintiles) and have fewer children (4.6 vs. 5.6, p: <0.001) compared to public sector users. Within the public sector, the clientele of MoH and MoPW is equally distributed across wealth quintiles, however users of MoH services are twice as likely to be rural residents, younger and have fewer children.

Access to Family Planning Services

The two public sector ministries combine to reach just under one million MWRA, however they serve more poor and rural women. Since the bulk of private sector services are self procured from shops, the public sector is the main means of providing counseling and methods that require skilled healthcare providers. Thus the MoPW is the main provider of female sterilization services and IUDs nationwide. Its service mix also includes injectable contraceptives and oral pills. The MoH distributes condoms, pills and injections.

For the year 2007-8 the MoH showed moving supplies sufficient to reach 1.8 million women and MoPW for 1.9 million (USAID DELIVER 2009). However, these



records are inconsistent to what women described in the Pakistan Demographic Health Survey, highlighting a large difference between records of service delivery/supply distribution and actual uptake.

USERS OF PRIVATE AND PUBLIC FACILITIES

	Public	Private	P	MoPW	MoH	P
Current age - respondent	37	34	<0.001	38	33	<0.001
Highest year of education	3.9	3.7	0.016	4.0	3.8	0.050
Urban residence	66%	37%	<0.001	31%	17%	<0.001
Total children ever born	5.6	4.6	<0.001	5.8	5.0	<0.001
Children who have died	0.51	0.42	0.002	0.6	0.4	0.005
Births in last five years	0.73	0.98	<0.001	0.5	1.2	<0.001
Heard about FP on TV last month	50%	50%	<0.001	50%	50%	<0.001
Heard about FP on radio last month	14%	15%	<0.001	14%	14%	0.886

Calculating Family Planning Costs

The family planning costs were calculated using four main data sources: 1) the National Health Accounts (2005-06) which provided the budget utilization for MoH and MoPW, including a breakdown at federal and provincial levels, 2) Demographic and Health Survey (2006-07) that helped describe utilization of services, 3) Third Party Evaluation of the Lady Health Worker Program which provided data on the time LHWs use for FP and 4) the LHW Programme funding document (PC-1 2003-8) which provided the budget of the LHW Program.

The costs of FP were calculated separately for MoH and MoPW. The proportion of budget that was allocated to FP related services were extracted from the total budget. All FP costs are depicted per women served per year and per couple year of protection (CYP).

Costs per women served by the MoH

The total public health spending by the MoH was PKR 49.5 billion (USD 0.83 b) in 2005-6, of which PKR 28 billion (USD 0.45 b) were spent on health facilities including Basic Health Units (BHUs) and Rural Health Centers (RHCs), 14 billion on preventive programs including the LHW Program and PKR 7 billion on management/ oversight provided by the Health Ministry and the Provincial Health Departments.

In the 2003-8, the LHW Program was allocated a budget of PKR 5.3 billion per year. Based on the 5.7% time that LHWs spend on FP, the LHW program spent PKR 304 million on FP annually, with the average cost of FP services per woman served per year of PKR 887 (USD 15).

Around 0.8 million of the 53 million BHU/ RHC visits provide FP services (PDHS 2006-7, PSLM 2008-9). Using this time allocation, the expenditure on FP through BHU/ RHCs was approximately PKR 96 million, coming to approximately PKR 661 (USD 11) per woman served per year.

The overhead costs were estimated from the management budget based on the budget allocation of BHU/ RHCs and the LHW program. These costs were added into the costs shown above. The total expenditure from MoH on FP services was PKR 645 million or about PKR 826 (USD 14) per woman served per year.

SERVICES MIX IN THE PUBLIC AND PRIVATE SECTORS

Service Delivery	Private	Public	MoH	MoPW
Pill	10%	9%	28%	19%
IUD	14%	11%	3%	8%
Injections	13%	11%	27%	32%
Condom	28%	11%	40%	13%
Female Sterilization	34%	56%	1%	29%

Costs of Family Planning in the Public Sector

	Per Women served		CYP	
	PKR	USD	PKR	USD
MoH	826	14	671	11
- BHUs	661	11	391	7
- LHWs	887	15	728	12
MoPW	4,347	72	1,032	17
Total for MoH and MoPW	**2,414**	**40**	**937**	**16**

Costs per women served by the MoPW

Around 30% of all visits to MoPW facilities are for FP services (Sindh Population Welfare Department). Using this distribution, approximately PKR 1.94 billion of the total 6.4 billion budget of MoPW (NHS 2005-6) was applied to FP. Since the MoPW served around 450,000 women, FP per woman under MoPW were estimated at PKR 4,347 (USD 72) per woman served per year or around PKR 1,032 (USD 17) per CYP.

Implications of Costs and Utilization Patterns

The average costs incurred by the public sector are high compared to regional averages of USD 4-5 per CYP[1]

[1] Levine, R., Langer, A., Birdsall, N., Matheny, G., Wright, M., Bayer, A., 2006. Contraception. In: Jamison DT, Breman J.G., Measham A.R., Alleyne, G., Claeson, M., Evans, D.B., Jha, P., Mills, A., Musgrove, P., editors. Disease Control Priorities in Developing Countries. 2nd edition. Washington (DC): World Bank; 2006. Chapter 57.

but may be more consistent with costs of USD 5-36 seen in low income countries[2,3,4,5].

These high costs are only partially justified. The MoPW is the predominant provider of sterilization service which incurs high operational costs. Two thirds of all sterilizations and nearly all outreach for family planning – both of which are labor and cost intensive – are by the public sector. High costs per woman served also stem from low utilization rate of facilities and outreach with labor intensive services.

That said, the high per woman costs incurred depict inefficient use of resources. The MoPW serves approximately 0.4 million women from over 3000 facilities across the country, or approximately 147 clients per facility in a year. MoH serves 145,000 women from 5,000 facilities or around 30 unique clients per facility per year. Similarly, the 100,000 LHWs of the MoH serve 400,000 women with FP services annually – or around 4 unique clients per LHW per year. Since the costs of facility and personnel are fixed, such low utilization rates lead to high per head costs.

At approximately PKR 2.62 billion (USD 44 million) annually, funding for FP in the public sector is reasonable, given the overall low investments in health. However, much of this investment goes into salaries and other costs and only around 15% (according to the UNFPA, FP commodities cost USD 6.6 million in 2007, the year PDHS data were collected) This means that were Pakistan to achieve regional cost levels of USD 4-5 per CYP, our current levels of public sector investments would suffice for around 14000 CYP or roughly a CPR well above 80% of all MWRA in Pakistan – just from public sector funds.

Way Forward

Government services have a critical role in reaching the poorest and the disadvantaged and thus providing an important safety net. However, their overall footprint is small. While additional funding may appear tempting, there is a need to make current Government services more efficient and to increase the proportion of investment that goes into buying commodities. Proper implementation and utilization of resources will reduce the cost per women incurred by public sector facilities. Family Planning can pay for itself by drastically reducing the cost of an additional child to the economy[6,7] and the costs of FP fall as coverage (or utilization) increases[8].

RECOMMENDATIONS

- While additional investments in Family Planning are welcome, efficient use of current resources is more essential. If used efficiently, current public sector funding can achieve 14000 CYP annually or a CPR well above 80%
- Within investments into Family Planning, specific investments into Commodities must be expanded
- Utilization of public sector facilities needs to increase from its current rates
- One effective strategy focus would be to increase and make consistent the FP supplies that are available at public facilities and in outreach by LHWs.

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[2] Bratt, J., and Barbara J. 1992. "Costs of Family Planning Services Delivered Through PROFAMILIA Programs." Research Triangle Park: Family Health Interna-tional, 1992.

[3] USAID, 2010a. The Cost of Family Planning in Mali. Health Policy Initiative, Task Order 1 Futures Group.

[4] USAID, 2010b. The Cost of Family Planning in Ethiopia. Health Policy Initiative, Task Order 1 Futures Group.

[5] Countries include Asian and African countries, Dominican Republic, Mali and Ethiopia

[6] John, C., Bernstein, S., Ezeh, A., Faundes, A., Glaser, A., and Innis, J., 2006. "Family Planning: The Unfinished Agenda." Lancet (October): 44–64.

[7] Futures Group, 2008. Achieving the MDGs The contribution of family planning - Pakistan USAID, Health Policy Initiative, Task Order 1

[8] Knowles, J.C., and Wagman, A., 1991. "The Relationship Between Family Planning Costs and Contraceptive Prevalence: Will FP Costs per User Decline over Time?" unpublished paper. Washington: The Futures Group, 1991.