Welfare in the Mediterranean Countries

LEBANON
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Health

1 Overview on Lebanon

The stagnation and decline in economic activity since 1998 put a heavy burden on the middle and low-income segments of the population. This has affected the status and development of health. The social effects of fiscal policy have accentuated somewhat the socio-economic disparities that emerged during the years of civil war. In fact Lebanon enjoyed a high standard of healthcare pre-civil war (1975). 15 years of war however took its toll. Due to lack of administration and funding, services steadily deteriorated. During the civil war in Lebanon, the role of the Government in health progressively declined. However, the private and NGO sectors continued their efforts, becoming the main provider of health services. In 1990 there were only 14 operational government hospitals (5 central with 100-150 beds) and 9 district hospitals with less than 50 beds each, well below the required provision for a population of 3 million. The government budget expenditures on social services as a percent of the overall budget, including spending on health and social welfare, recorded a notable increase during the last five years. Total allocations for ministries dealing with social issues were 13 percent of budgeted government expenditures in 1994-98, of which more than a fifth went to the Ministry of Public Health. Though government spending on health as a share of GDP reached one of the highest levels by world standards (more than 10 percent), its efficiency and equality remain controversial. It is very important to underline the fact that in Lebanon there is a wide difference between public and private sector in a health field, in fact the spending public on health as GDP 2.2 while spending private on health as GDP 9.7 and this graphic below shows it.

Sharing of expenditure respects to GDP in private and public health sector

Population related indicators:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
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<tbody>
<tr>
<td>Population</td>
<td>3,777,218 (July 2004 est.)</td>
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<tr>
<td>Age structure</td>
<td>0-14 years: 26.9% (male 517,356; female 496,888)</td>
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<td></td>
<td>15-64 years: 66.3% (male 1,197,430; female 1,305,339)</td>
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<td>65 years and over: 6.9% (male 117,930; female 142,275) (2004 est.)</td>
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<tr>
<td>Median age</td>
<td>total: 26.9 years</td>
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<tr>
<td></td>
<td>male: 25.9 years</td>
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<tr>
<td></td>
<td>female: 27.9 years</td>
</tr>
<tr>
<td></td>
<td>(2004 est.)</td>
</tr>
<tr>
<td>Population growth rate</td>
<td>1.3% (2004 est.)</td>
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<tr>
<td>Birth rate</td>
<td>19.31 births/1,000 population (2004 est.)</td>
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<tr>
<td>Death rate</td>
<td>6.28 deaths/1,000 population (2004 est.)</td>
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<tr>
<td>Infant mortality rate</td>
<td>total: 25.48 deaths/1,000 live births</td>
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<tr>
<td></td>
<td>female: 22.61 deaths/1,000 live births (2004 est.)</td>
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<tr>
<td></td>
<td>male: 28.21 deaths/1,000 live births</td>
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<tr>
<td>Life expectancy at birth</td>
<td>total population: 72.35 years</td>
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<tr>
<td></td>
<td>male: 69.91 years</td>
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<tr>
<td></td>
<td>female: 74.91 years</td>
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<tr>
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<td>(2004 est.)</td>
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SOURCES: The CIA World Factbook, U.S. Department of State, Area Handbook of the US Library of Congress

According to a Poverty Estimate made in Lebanon it has been revealed that a relatively low percentage of the population, 6.3 percent in 1995, lived in extreme poverty, living on the equivalent of US$1.3 per person per day, while about 18 percent lived below a suggested upper poverty line of US$2.2 per day. There has been no progress in poverty reduction, as 7.1 percent of Lebanese households lived in extreme poverty in 1999. The severity of poverty is significant; it is estimated that the share of the poorest 17 percent of the population was only 4 percent of national consumption in 1996. There are about one million poor in Lebanon, of whom 75% are urbanized. Economic growth and reconstruction have favoured some regions, like Beirut, to the detriment of other parts of the country, service sectors have grown at the expense of agriculture and industry.
Without adequate social integration, without good development of the health care system giving access to poorer people, the problem of poverty particularly in cities, cannot be solved. In this context the status of public health in Lebanon will be analysed.

2 Health care reform

The health care reform follows a crisis in the financing of the health sector and the government’s failure to deliver health care. In Lebanon, however, the pressure for health care reform is not a reaction against the government’s inefficiency in delivering services; but it is important to affirm that there is not a real health care reform and so this shifts a lot of problems on the primary health care system that is more and more inefficient. The state has a limited role in delivering health services, and both ambulatory and hospital care are mostly private. This situation shows the impact of the unregulated development of the private sector on Lebanon’s health care system and highlights the importance of strengthening the government’s regulatory capacity as part of the health care reform.

Since the nineteen seventies, quality of health care has become an important topic for discussion and action in the health care systems all over the world. In every country today, the capacity of the health care system is challenged. Technological advances offer new drugs, procedures, devices and diagnostic tests that promise improved health. The global concern is how to assure the quality of care while limited resources are used wisely. An especially important challenge in the current condition of Lebanon’s health care is to carry out an evaluation of both the health status of the people and the functioning of health care services. Most countries are nowadays active in ever-expanding field of healthcare quality improvement. One approach that is gaining acceptance around the world is accreditation. Besides its basic purpose of assessing hospitals’ compliance with standards, it could play an educative, consultative and informative role, and act as a bridge between the various stakeholders that provides a platform for continued dialogue.

3 Health care system

As regards the Lebanese health care system it has a highly fragmented health care system. The war considerably weakened the institutional and financial capacity of the government and public sector and its role in the provision of health care services steadily declined. In the early 1970s public hospitals like Baabda, Quarantina, Zahle and Saida had more than 150 beds each. After the war these hospitals were left with a capacity of 20 beds each and poor quality
of services. Non-governmental agencies and the private sector saw a rapid increase in both their numbers and capacity, filled the vacuum. Health care services have become increasingly oriented towards curative care with a rapid growth in the number of hospitals and centres for high technology services. A number of pharmacies are available across the country. Many drugs are available over the counter without prescription and some pharmacists prescribe required medicine for minor ailments.

Today ninety percent of hospital beds are in the private sector, so we can talk about a total change of situation. The emphasis of the private sector in investing in high cost sophisticated services is evident. One study found a strong correlation between the opening of open-heart surgery centres, the number of operations performed and expenditure: as the number of centres capable of doing open-heart surgery grew from 3 to 8, the number of surgeries performed increased from 600 to 1800, and expenditure rose from 8 billion pounds to 25 billion pounds. Private sector investments have been concentrated in urban areas and poorer regions of the country remain underserved. This situation confirms that it is moving towards real privatization.

The war led to the closure of most state health centres and triggered the expansion of the private sector. The healthcare sector is now dominated by ambulatory care, mostly provided by private medical practitioners and to a small extent by non-governmental organisations. Such healthcare delivery is important for the health of poor people and people in rural underprivileged areas.

3.1. Primary Health Care

The Primary Health Care (PHC) system has remained weak. The private sector, especially Non-Governmental Organizations (NGOs), dominates this sector with public involvement being minimal. Private providers include private practitioners, dentists, pharmacists, and medical laboratories. NGOs own over 80% of the 110 Primary Health Care Centres and 734 dispensaries spread across the country. NGOs have contributed successfully to joint preventive programs carried out by the Ministry of Health (MOH) and UN agencies. For example, over 200 centres owned and operated by NGOs are affiliated to the reproductive health programme and undertake family planning activities, including antenatal care. NGOs also support the health system by conducting surveys and training programs and provide logistical

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2 Millennium Development Goals, MDGR "Lebanon report, September 2003" prepared by the Lebanese government and the UN Country Team
support by purchasing and distributing essential drugs through a vast network of PHC centres.

Ambulatory services tend to respond to consumer demand. Follow-up and continuum of care remain weak, quality of care varies significantly across providers, and community involvement is limited. In fact, top on the list of national priorities is the restoration of Lebanon’s health care system, one of the most critical identified needs is the rebuilding of emergency health care services and the creation of an emergency ambulance system.

A 16-year civil war effectively destroyed much of the infrastructure in Lebanon. Since the conflict ended in 1991, the country has embarked on a massive reconstruction and rebuilding effort. One of the most critical identified needs is the rebuilding of emergency health care services and the creation of an emergency ambulance system.

In fact there is no public emergency ambulance service in Lebanon; the only service that exists is a non-emergency transportation service, available to patients for pre-scheduled trips from home to hospital, and hospital-to-hospital transfers. The unpaid, volunteer drivers have virtually no first aid or emergency care training. Lebanese citizens who require emergency medical attention usually arrive at the hospital in the back seat of cars, by taxi, via other conveyances or on foot. They have not been medically assessed, and have received no preliminary care to stabilize their conditions before reaching the emergency department. In critical situations, lack of this important primary care can adversely affect a medical problem or condition and, in some cases, result in death.

The Lebanese Ministry of Public Health plans to establish a professional ambulance service as part of its health care system reform program, a move that will create a new occupational category within the Lebanese health care system.

According to the National Health Accounts report, less than 10% of resources were allocated to PHC, and there was no formal financing mechanism for primary and preventive health services.

The health sector in Lebanon is characterized by high public expenditure; fragmented, inefficient resource allocation and service delivery; excessive

3 S. Fanshawe's Latest International Project aids the Lebanese Health Care System  
Canadian College Partnership Programme - Project 738A Professional Ambulance Training  
4 National Health Account Report, December 2000
investment in hospital capacity and high technology; lack of quality assurance and consumer protection; and high out-of-pocket costs (50 percent of the population lacks health insurance). The Ministry of Public Health does not provide (except for a few public primary health care centres) or finance (as a third party payer) outpatient health services; and, practically does not extend preventive care. Studies also show that a large percentage of household expenditures goes on medication and private doctors fees.

Accessibility to health services is not a problem in Lebanon. The proximity of the large cities as well as the high level of urbanization (more than 80 percent of the population) and the wide spread of hospitals (145 tertiary care centres) and health centres (850 PHC centres) makes accessibility to health care relatively high (95 percent). At the same time, the surplus of medical doctors (ratio of 1/350 pop) and the sophisticated high technology across the country make medical attention readily available with good diagnostic tools.

This situation reflects positively on some indicators, such as the percentage of the population with access to PHC and of pregnant women having adequate prenatal care and medically attended deliveries. This situation yields a Maternal Mortality Rate and Infant Mortality Rate better than most countries of the region. However, emergency care is still poorly coordinated and there is no referral system, necessitating urgent action. Affordability is also a problem, especially due to rising health care cost in an open health market.

Due to health system fragmentation and ill-defined incoherent national health strategy and policy, healthcare financing is chaotic. There is no coordination between institutions that provide resources for health sector financing. Under present arrangements, accessibility to health services and resources allocated to the health sector vary considerably, creating inequality among different social strata and regions in terms of availability of medical services. The same differences are also observed in quality of service.

The potential advantage however is that, unlike most countries that need to change their health strategy towards development of the private sector, Lebanon has already a well-developed private sector. Sources of health sector financing are well diversified, and the population is used to, willing and mostly able to pay for services. In fact private clinics and medical centres are available throughout the country and equipped with the latest facilities and technology. There is, however, a need to improve the neglected public sector, and give more attention and allocate more resources to preventive and primary health care.
The establishment of a hospital accreditation system in Lebanon, once fully implemented, will pave the way for the provision of good quality health care. As the accreditation system matures, the standards will further develop and quality assurance and quality improvement will lead to the more precise measurement of health outcomes.

A broad range of quality measures show that when the ethic of quality is embedded within the health system, the delivery, utilisation and growth of acute hospital services in Lebanon is more attractive to local patients and neighbouring countries. It is vital that the concepts of quality assurance and quality improvement be seen as critical and not as an adjunct to hotel services, and quality and accommodation standards are not viewed in isolation. The development of quality hotel services is linked quite clearly to quality generally, whether it is in the building/infrastructural component, the furnishing component, equipment or the patient care services.

3.2 Ministry of Public health - MoPH

The civil war in Lebanon had important consequences for the public/private configuration in the financing and provision of health services. The role of the Government, specifically, the Ministry of Health (MOH) declined, and the private sector became the main player in the financing and provision of health services. When the war ended in 1991, the health sector in Lebanon was facing several problems, namely: a weakened MOH, rapid cost escalation in health expenditures, particularly MOH expenditures, unrestricted growth of the private sector, and a weakened primary health care (PHC) system.

Today, in Lebanon there is a Ministry of Public Health with its own minister. Its system is founded on the notion of primary health care, focusing on the role and the effectiveness of the private and civil sector, as well on the availability of all kinds of health facilities and the implementation of various health care programmes. It is responsible for the public sector side of health care and it receives support from the national budget (4-6% of total National budget on average), which is necessary for the construction of several hospitals – a project underway in rural areas, mainly in the North and in the Bekaa area.

There is uneven coverage of health service in Lebanon because private sector hospitals account for ninety-five percent of health care, with an oversupply of services, while public health care is under-staffed and under-equipped, it is clear that most top quality specialized care is concentrated in and around Beirut. The Ministry of Public Health spends eighty percent of its budget paying private hospitals to cover the costs of health care of individuals covered by social security plans.
During the last ten years, the government rehabilitated thirteen public hospitals, bringing the total number of hospitals in the country to twenty-seven. The Ministry of Public Health, along with other non-governmental organisations and international agencies, provides free vaccination for major diseases. In principle, the national system in place for health services is for the supply of these services to the whole of the population. Its structure is divided into many services and for this reason it is over fragmented:

Organization Chart

Source: www.public-health.gov.lb

Each service (corresponding to four of six of the districts in Lebanon) is composed of several other sub-services: sections, governmental structures, hospitals, centres, units that offer many services. On the other hand the administrative centres are responsible for organisation. They define curative services, include construction and use (operation) licenses for dispensaries and hospitals, hospital classification operations, fee setting, contract preparation and need assessment. They also organize and define the pharmacist profession. This centre includes entirely organizational operations that are necessary to open pharmacies, import, export, control and check the effectiveness of drugs

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5 Lebanon is divided into six districts or mohafazat: Beyrut, Mont-Liban, Liban-North, Liban South, Bekaa, Nabatiyé
and medical materials as well as to determine the price of all kinds of drugs. Instead, the Directorate of Health Prevention promotes health prevention through the implementation of several programmes such as those consisting of infectious disease control, vaccination, communicable disease control; it, enhances the role of sanitary engineering: this includes control of Public health components: food, water and the activity of the classified facilities of all categories. It enhances the Health care role by implementing various health care programs, such as: reproductive health, school health, oral health and mental health programs, health education programs, essential drug programs, etc. In fact, reproductive health is available at high standards, whether through hospitals or local clinics. There are 760 local clinics, 80% of which are run by NGOs and CBOs.

Lebanese hospitals have 11,500 beds whereas 9000 more would be needed to cater for the whole population. This has not materialized, although health costs have been increasing drastically- two-fold between 1989 and 1992. Preventive programmes were initiated for very basic diseases such as measles, polio, etc. Some programmes related to health problems derived from environmental pollution are still in infancy stages - two studies were conducted in this respect: one tackled the socio-economic impact of mobile sources of air pollution and the other studied the effects of water pollution on the health bill (Ministry of Environment). The main emphasis is on the effects of toxic and hazardous wastes imported from Europe. Health problems due to such sources as power plants, industrial point sources, and ground water contamination are still tackled through ad hoc planning. A legitimate assessment of the current situation cannot be presented due to lack of field monitoring of sources and the absence of health registries documenting the true scope of related causes and effects.

4 Lebanese health projects

The main projects that the MOPH intends to realize are:

1. Implement the Public Hospital Development Project: it will include 25 governmental hospitals and 2450 beds.
2. Implement the MOPH Computerization Project: it will apply to all the directorates, divisions, sections and departments.
3. Set up a central and regional health information system for collection of data related to cost, factors and various health activities: it will include all health facilities, human resources working in the health sector, health

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6 S. www.public-health.gov.lb
developed medical technologies as well as their geographical distribution.

4. Implement the Health Care Map project ("Carte Sanitaire") by making sure that it is equally distributed in all regions. It is considered an efficient means for the organization of the hospitalization market, outpatient services, alternative services, in addition to all health care facilities.

5. Implement the accreditation project for hospitals in collaboration with the Australian consultants "OPCV" (Overseas Project Corporation of Victoria)

6. Implement the National Nursing Program in collaboration with the Italian Government.

7. Continue to treat uninsured citizens at the expense of the MOPH and separate the physicians' fees from the hospital bill.

8. Continue the implementation of the Health Sector Rehabilitation Project financed by the World Bank.

Quality assurance principles and hospital accreditation address quality of care deficiencies and harmful and/or wasteful practices, and can stimulate debate between public and private providers, policy makers and consumers on what practices conform to the latest reliable evidence. This promotes a wider dissemination of knowledge. Increased knowledge and awareness by the public ensures that hospitals achieve greater throughputs because of the public's faith that the hospital is able to meet a wide range of quality standards.

Hospital management have often remarked during visits of the OPCV Survey Team that unless a hospital provided "the full options" - that is a complete range of the latest sophisticated medical technology - then it was not considered to be a good hospital. Scant attention is paid to whether the size and complexity of the hospital warrants a complete range of equipment, or indeed whether the hospital can provide the qualified staff necessary to operate such equipment safely. The image of what constitutes a good hospital is generally supported by the current Hospital Classification system and this image that is required to be changed through the implementation of quality assurance/improvement to support the marketing of Lebanon's hospital services to other countries. A public education campaign is therefore a concomitant exercise to be carried out in parallel with the development of the quality approach. The majority of hospitals in Lebanon are private and require proof of the patient ability to pay the bill before providing
the treatment even in emergency cases. There are several good hospitals and private clinics in Beirut, these, as well as other hospitals and private clinics, have good maternity wards, laboratory, radiology and emergency facilities, and specialists in most medical fields. Dental services, although numerous, are in heavy demand; immediate appointments are not always possible. Therefore routine and minor dental work should be arranged well in advance. Ophthalmic care, including the purchase of eyeglasses, presents no problem but is fairly expensive.

5 Social Security contribution

Most Lebanese are privately insured and those registered with the National Social Security Fund (NSSF) have partial health coverage. Policies providing corporate group coverage are widely used by companies registered at the NSSF to supplement the benefits provided by the government's healthcare system. International private medical insurance is available for non-Lebanese living in Lebanon. Costs for healthcare varies between hospitals and doctors.

Social Security Contributions are calculated as a percentage of monthly salaries, including overtime, gifts, or fringe benefits. All companies are required to register their salaries in the National Social Security Fund within one month from the start of operations.

In general, all Lebanese employees and workers, regardless of the nature of their employment, are subject to social security provisions, provided their activities are conducted on Lebanese soil.

As far as foreigners working in Lebanon are concerned (holders of work permits), they are entitled to social security benefits, provided their countries of origin offer equal treatment to Lebanese workers (i.e. France, Italy, UK, Syria, and Belgium).

Non-resident foreigners and Lebanese are exempted from social security contributions if they are working in Lebanon pursuant to an employment contract concluded abroad with foreign companies, and if their employer produces evidence that they are entitled to social security benefits in their country of residence at least equivalent to those offered in Lebanon.

As regards pensions in Lebanon, both men and women can receive benefits at any age with 20 years of contributions. While Lebanon pays benefits as lump
sum payments, both employer and employee contribute to the financing of social security with the employer generally contributing a higher amount.

6 The Lebanese Drug Regulatory Authority - DRA

The Lebanese Drug Regulatory Authority (DRA) is striving to fulfill its basic responsibilities with limited qualified staff and a lack of organizational and managerial guidelines and tools. The chain of drug quality control and related national inspection systems still falls down in several places:

- The public drug supply system falls short of meeting the needs of the sector it serves;
- Available public financial resources fall short of supporting drug regulatory activities or commitments of the Ministry of Public Health towards its beneficiaries;
- Objective drug-related basic data needed for proper administrative and financial decisions relating to the drug sector is lacking;
- The health care system lacks the direction of a comprehensive drug policy that should constitute an integral part of a national health care policy.

These factors weaken the overall efficiency and productivity of the DRA and adversely affect the quality of services provided and the ability of the DRA to maintain and assure the quality and safety of pharmaceutical products and services within the country, partly due to the impact of years of civil war in the country.

7 Health situation: health problems

Before the civil war, Lebanon's modern health care system and medical institutions made Beirut the health care centre for the Middle East, a reputation is still enjoys, though in a more limited way. The country's health system and quality of life for its people were greatly disrupted by the war. Although the country has over 150 hospitals, only a fraction of these are public institutions. As in similar situations, the wealthiest of society receive the best medical care, mostly through private clinics. Those who are poor or live outside urban centres have difficulty accessing treatment.

Lebanon has a national medical insurance programme financed through contributions made by employers, employees and the government. The programme partially compensates patients for medical care, and people make
up the difference with cash when they visit doctors or go into hospital. If patients have no money, they must rely on their families to subsidize them.

In Lebanese society there is a rise in non-communicable disease, in fact chronic and degenerative diseases are becoming more prevalent, such as diabetes (prevalence in the adult population estimated at 13 percent), hypertension (26%), and cancer (4,000 new cases per year). This is probably the result of the ageing of the population, which is changing lifestyles and dietary habits. Although in this context health is a consideration, the social conditions of special groups (children, women, aged for example) are relevant. The health situation of specific population groups has been little explored so far, but some appear to have major influences on overall development of health in Lebanon. Moreover, in the health sector, regulatory mechanisms could counter market failures by: preventing provider monopolies; controlling insurance systems to ensure equitable coverage and to limit wasteful use of health care service; assuring the quality of health care services through licensing, accreditation and certification of health personnel and facilities, the standardization of drugs and equipment. The challenge is to design cost-effective regulation and to ensure that patients, providers, insurers, and those responsible for enforcing the regulations are well-informed, sufficiently authorized and funded, and are in agreement with the regulations.

The World Health Organisation, a specialized agency of the United Nations, is providing direct technical, administrative and financial support to the various programs under WHO/MOH joint collaborative planning, and others established by the MOH under a cost sharing mechanism to improve the health status of the Lebanese population and strengthen the management and system of the health sector. Furthermore, extra budgetary resources from the World Bank, AGFUND, UNAIDS and others are also made available for the development and implementation of programs. These organisations try to aid and so support many health problems. WHO is also developing new programs to tackle health related issues such as mental health, rehabilitation services, health of the elderly, women health and adolescent health.

The WHO in collaboration with MoH and the Lebanese University has initiated work for the establishment of a **National Health Information Center, NHIC**. The NHIC will be a computerized centre, specialized in processing and disseminating public health information. The main objectives of the NHIC are to provide and improve the access to reliable and up to date health information covering among others: public health, environmental health, occupation health, school health, health education, drug policy, communicable and non-communicable diseases. Moreover, there are several services targeted, such as...
documenting and disseminating national health information, establishing and operating a national health information network, guiding users to reliable health information published by reliable health authorities.

The collaborative programmes are prepared in conformity with the WHO general programme of work which fixes goals and targets for global health actions. However the WHO contributions to health advancement in Lebanon cannot be reflected fully in this outline. Lebanon is in a state of epidemiological transition. Although important health problems remain related to infectious diseases, there is a rise in the prevalence of chronic disease. Important challenges related to this transition include health and environmental issues, new lifestyles, children's and women's health risks, and reforms required in the health sector in general.

Conclusions

Health care expenditure, and welfare spending in general, represents a very incisive index of social development but is a long-term investment and therefore a factor in social development. The human and cultural capital of Lebanon requires effective governance and rational management in order to advance towards real social development. This report provides an assessment of Lebanon’s social conditions through the health conditions. It contains an analysis of the system’s strengths and weaknesses, and policy recommendations for improving and reforming the system. The Ministry of Health and the Ministry of Social Affairs would be the central player in a pluralistic system, particularly in defining the areas of public and private sector operations based on needs assessment, and having the capacity to monitor and regulate the private sector. In the absence of a policy framework and of a regulation capacity, there is a danger that health systems based on public and private participation will not produce the desired health outcomes, nor provide health services that are equitable, efficient, and which offer good quality of life. High and rapidly growing health spending in Lebanon is not a sign of strength. Rather, the fragmentation of financing and service provision is resulting in inefficiency and compromised quality. Costs are rising at uncontrolled rates in both the public and private sectors. There is no evidence that rising real public spending on health is reducing the burden of out-of-pocket expenditure, as public spending growth is mostly on hospitalization and high-technology services, while out-of-pocket spending is mostly on ambulatory care and
pharmaceuticals. While incremental progress is occurring through the institutional strengthening of the MOH, a coherent national strategy, which addresses the widely recognized problems of the health sector, is lacking.