

Abstract

Introduction: Out-of-pocket (OOP) costs are a major part of the process for benefiting from healthcare services. The OOP costs include direct medical costs, direct non-medical costs, and indirect costs. In most cases, patient's financial protection plans cover only direct medical costs, ignoring other expenses by patients and their effects. The present study aimed at estimating OOP costs paid by patients and their catastrophic financial burden on households in medical centres of Kerman from various aspects.

Material and methods: In this study, 800 patients who referred to inpatient and hospital admissions centers in Kerman during the second half of 2017-2018 were selected through simple random sampling. The patient's cost information was divided into three categories of medical direct costs, non-medical direct costs And indirect costs. Part of the cost information was collected through the patient's medical records and partly by interviewing the patient or caregiver. Health expenses were recorded with reference to two weeks prior to the interview and income data were collected with reference to the previous year. According to WHO's approach the threshold of 40 percent of capacity to pay and also according to the World Bank's approach, the three thresholds of 5, 10 and 20 percent of the patient's income were considered.

Results: The mean total OOP costs (including direct medical costs, direct non-medical costs, and indirect costs) in a one-time hospitalisation in all medical centres of Kerman was equal to 7,561,977 Iranian Rial (IRR). Based on the regression model, length of stay, the ratio of hospitalisation in private/semi-private medical centres, and presence of caregivers showed a direct relationship with OOP costs. Assuming a 5% threshold, 37% of patients in public medical centres were faced catastrophic health expenditure (CHE) in a one-time hospitalisation.

Conclusion: Despite the importance of direct medical costs and the need for protecting patients against these costs, patients usually incur a variety of costs when receiving inpatient services. Disregarding direct non-medical costs and indirect costs of patients' and their caregiver's absenteeism can cause households to face catastrophic expenditure.

Key words: Out-of-pocket payment; Direct medical costs; Direct non-medical costs; Indirect costs; Catastrophic health expenditure



kerman University Of Medical Sciences

In Partial Fulfillment of the Requirements for the Degree

(MSC)

Title:

**Survey of inpatient out of pocket and catastrophic health expenditures rate
in health care centers in Kerman city in the second half of 2017-2018**

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Year:

2018