

# Challenges of ageing in health financing in low- and middle- income countries



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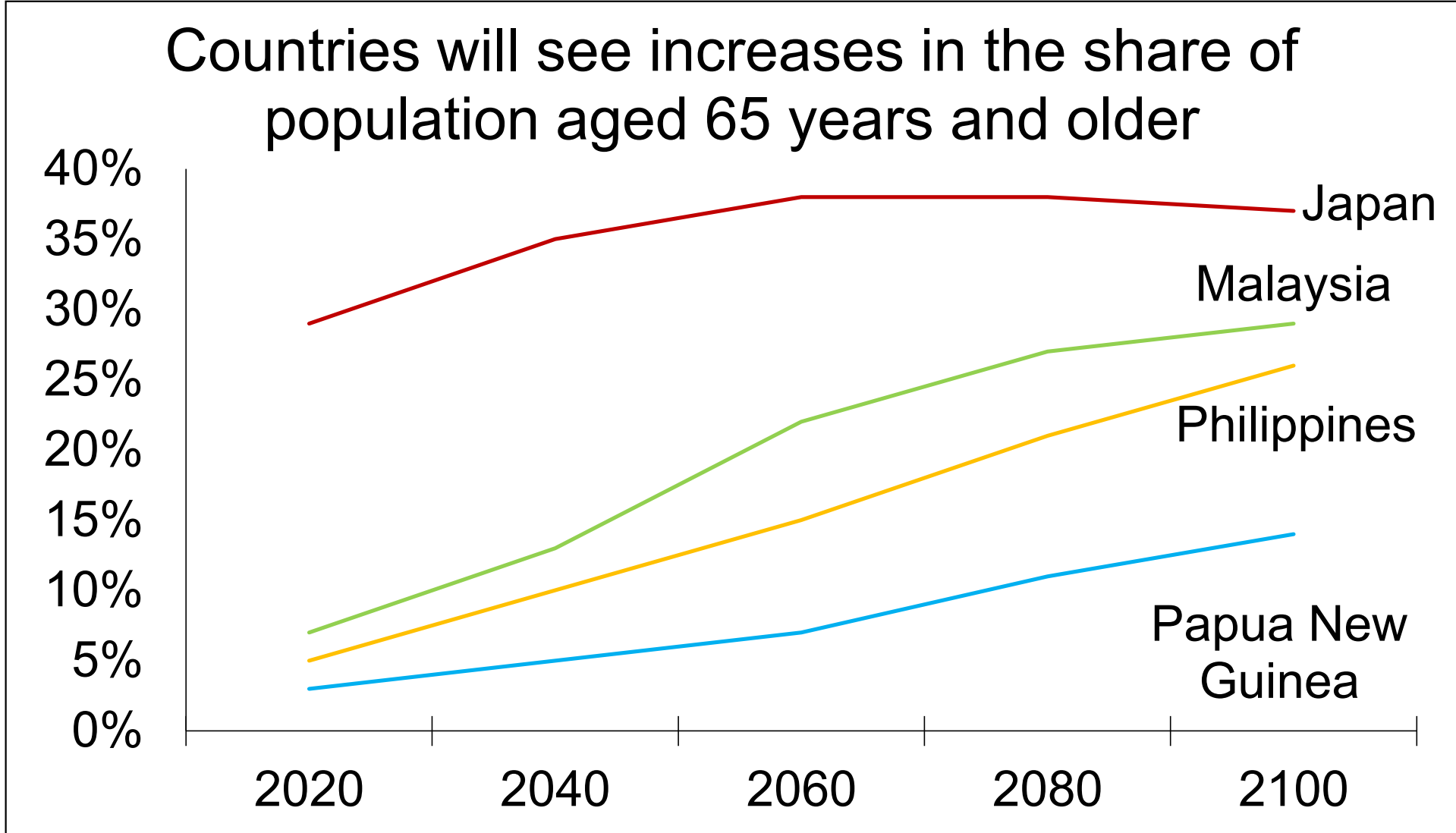
March 8, 2023

# Outline

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- 1 Japan and LMIC sharing similar challenges on ageing**
- 2 But different context – informality, government revenues mix, health revenues mix, level of spending**
- 3 Reflections – towards sustainable support of health services for the elderly**

# Countries will see increases in the share of population aged 65 years and older



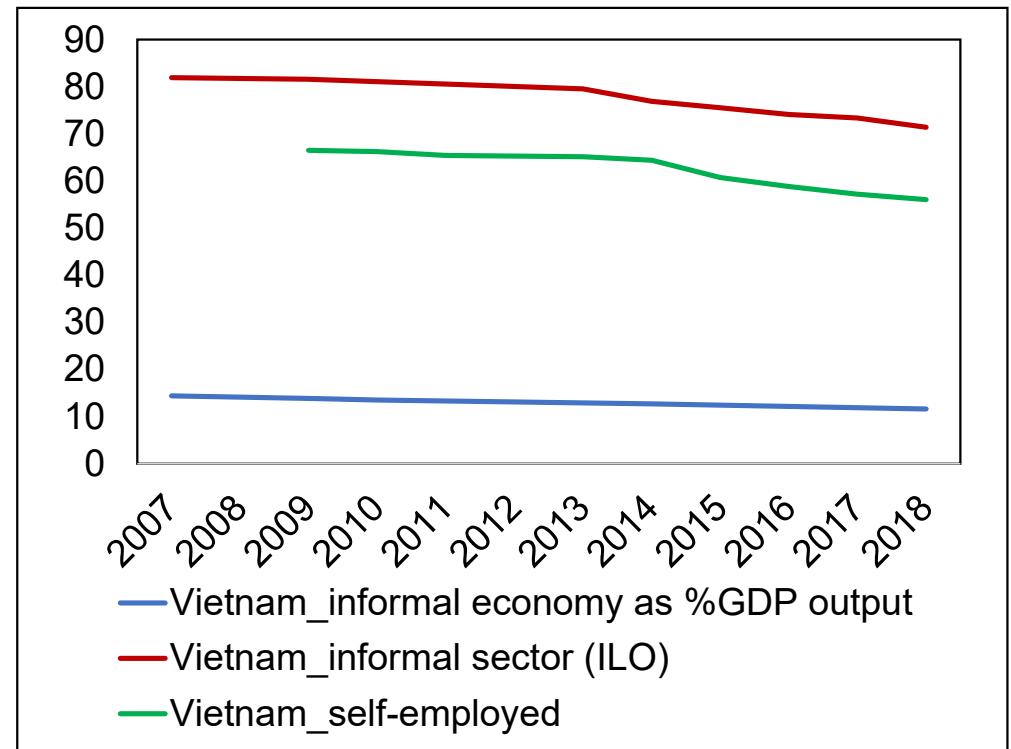
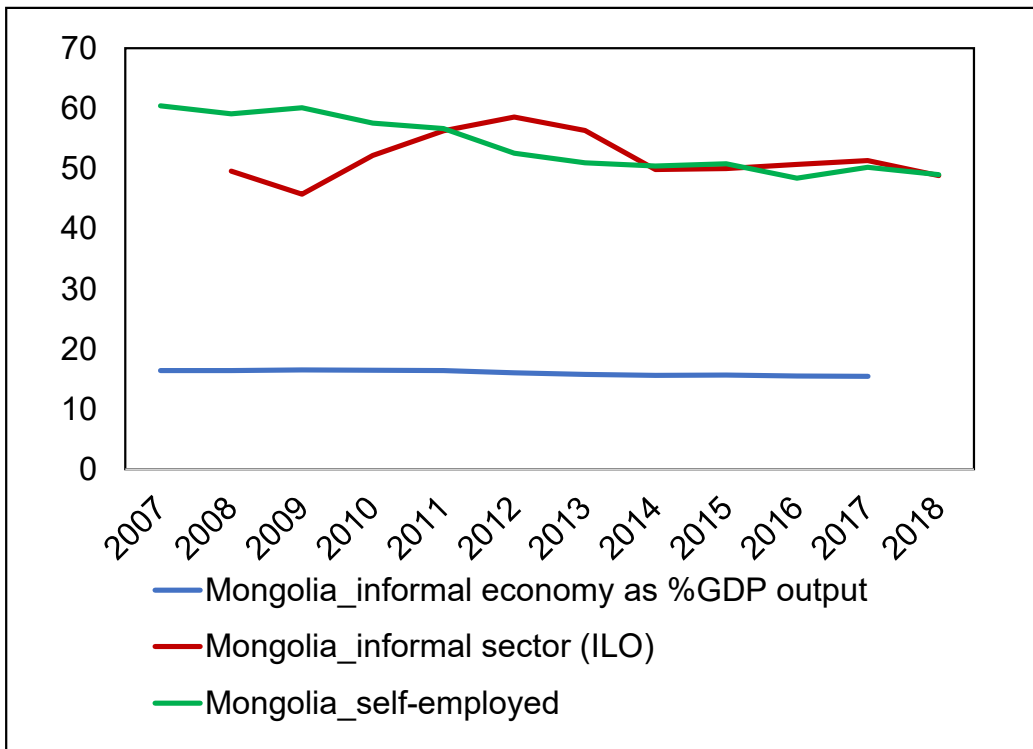
Source: Normand, Charles, Gemma A. Williams, and Jonathan Cylus. "The implications of population ageing for health financing in the Western Pacific Region: exploring future scenarios and policy options for selected countries using the PASH simulator." (2022).

Data sources: PASH simulator. Accessed: 3/8/2023. <https://eurohealthobservatory.who.int/themes/observatory-programmes/health-and-economy/population-ageing-financial-sustainability-gap-for-health-systems-simulator>

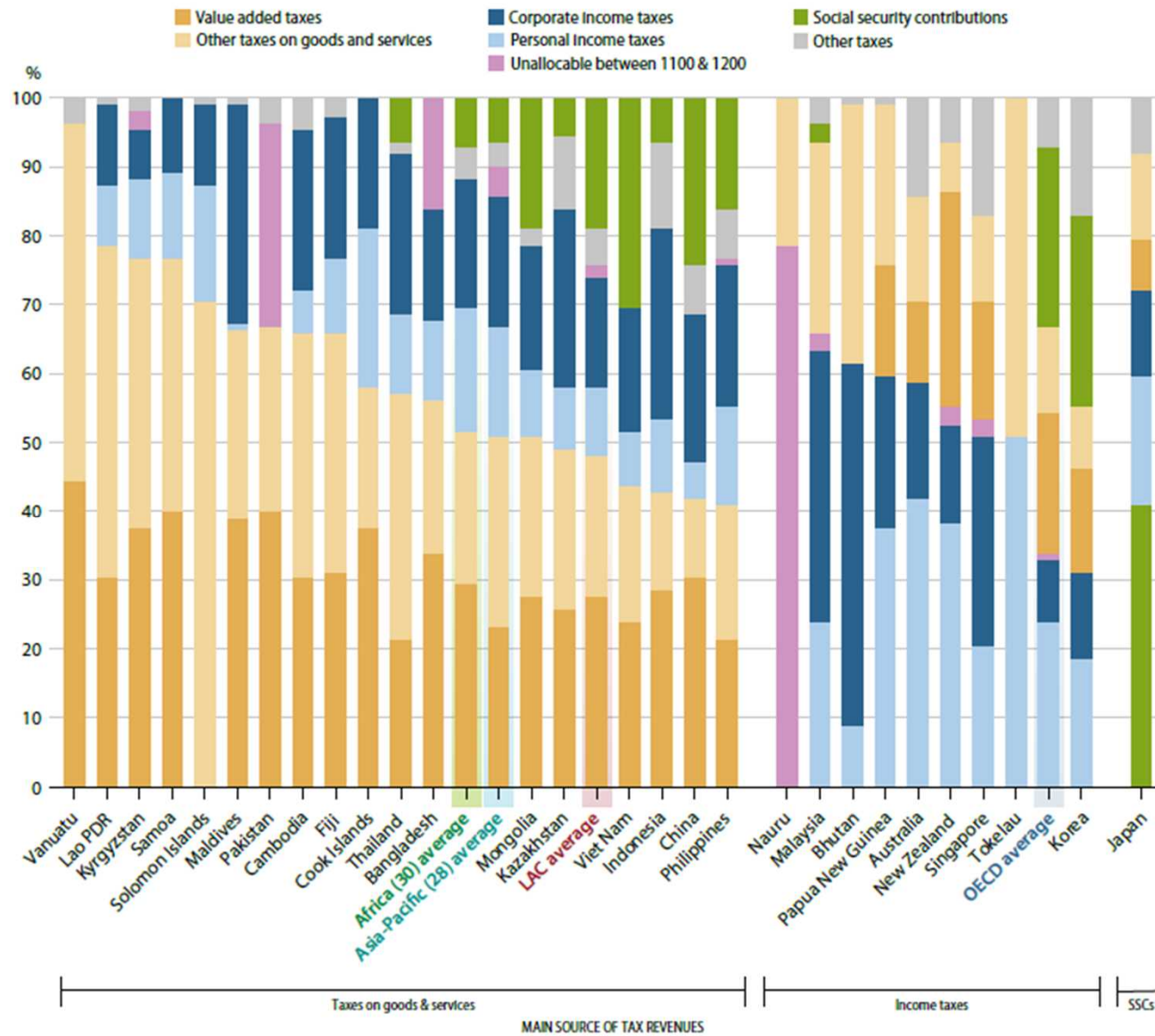
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Informality will continue to be a major part of Western Pacific economies. In 2018, ILO estimated that more than 1.2 billion people (68% of the employed population) in Asia and the Pacific is in the informal sector, which grew during the pandemic



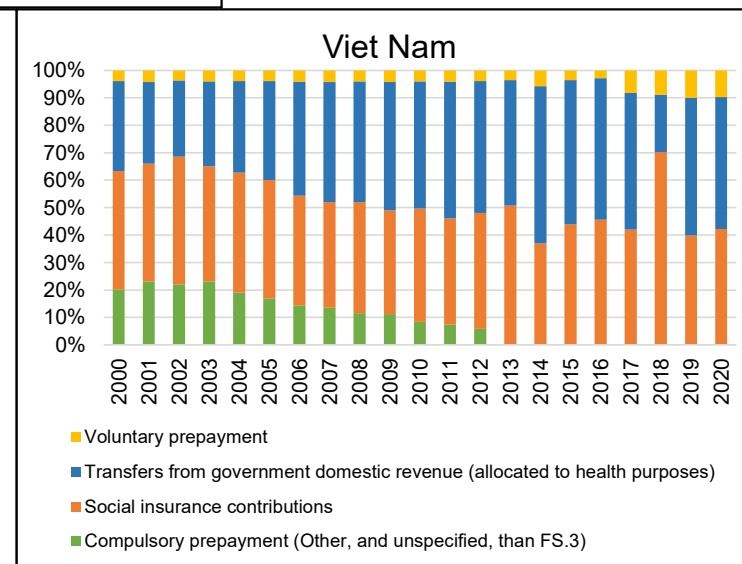
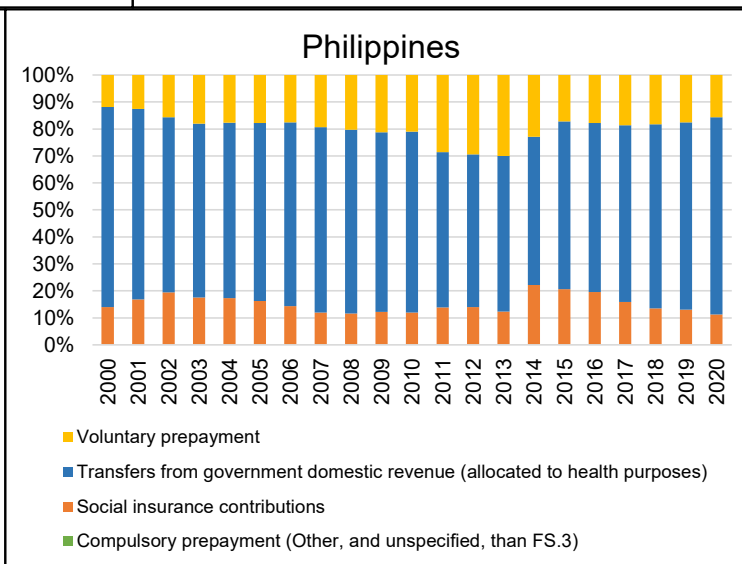
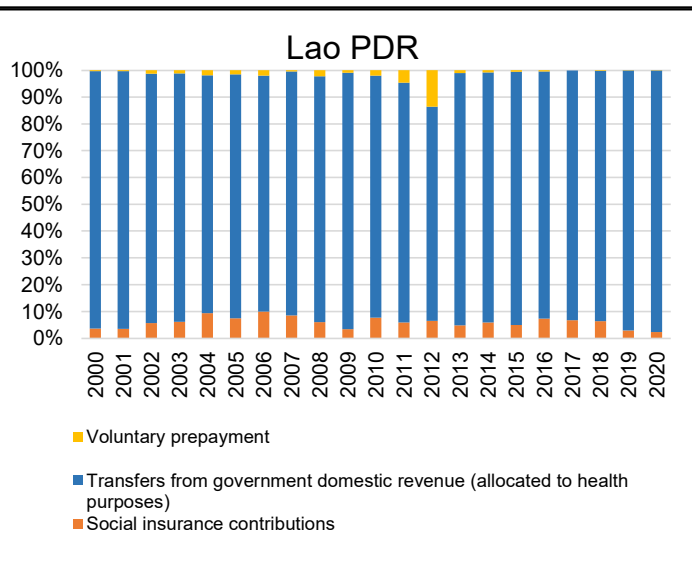
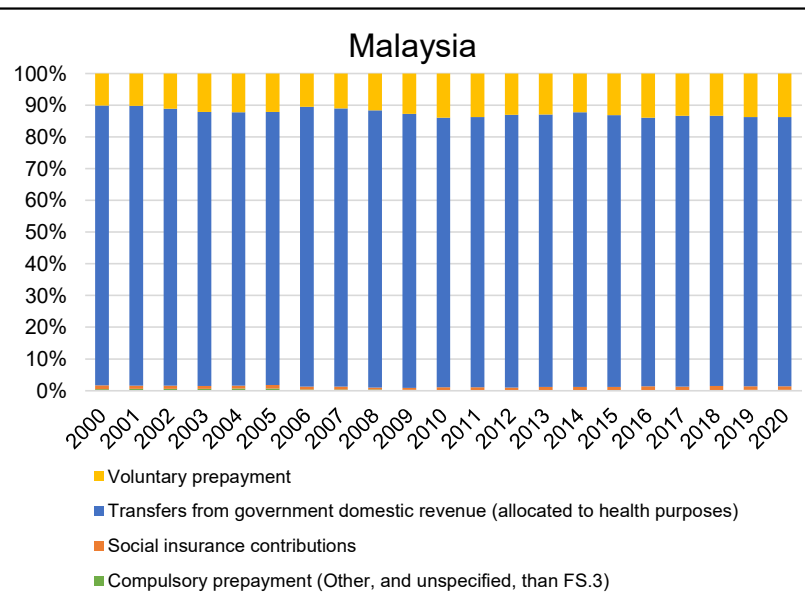
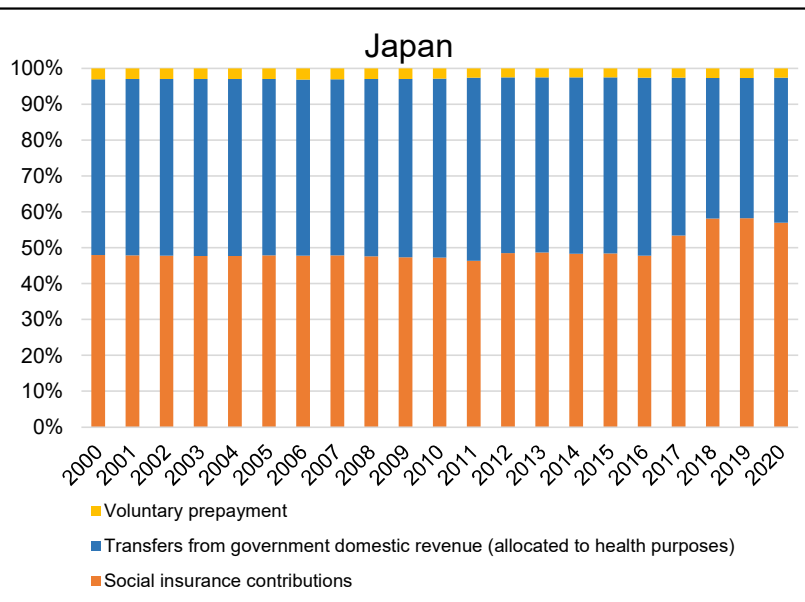
Sources: World Bank informal economy database. <https://www.worldbank.org/en/research/brief/informal-economy-database>  
 Elder, Sara, and Christian Viegelaahn. "Asia-Pacific employment and social outlook 2022: rethinking sectoral strategies for a human-centred future of work." (2022).



SS contributions plays a larger role in Japan's **Government revenues** relative to other countries

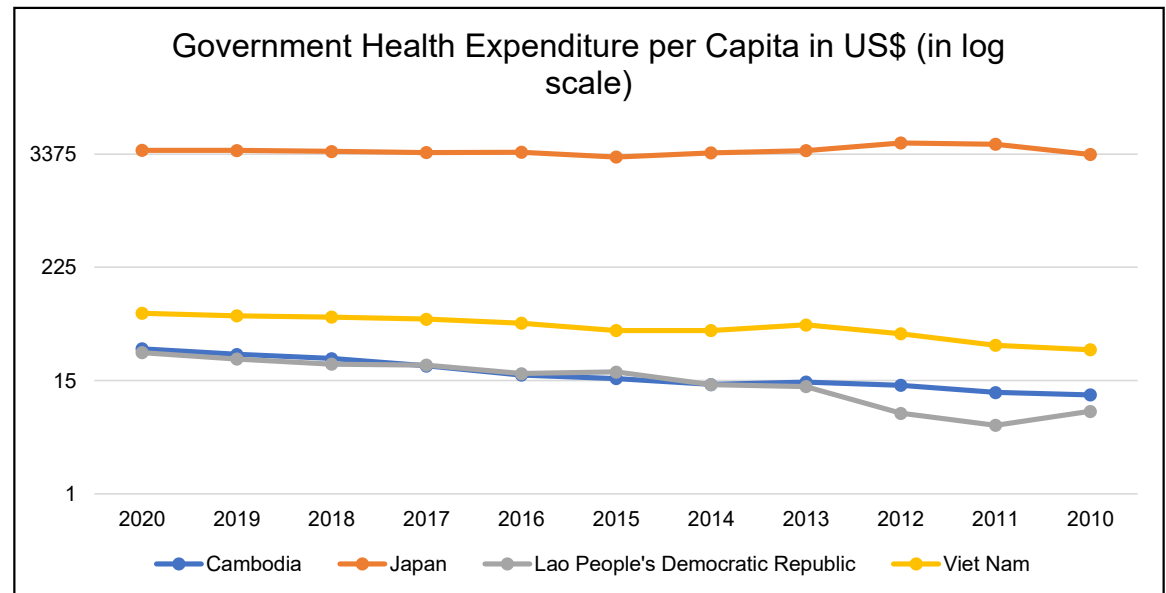
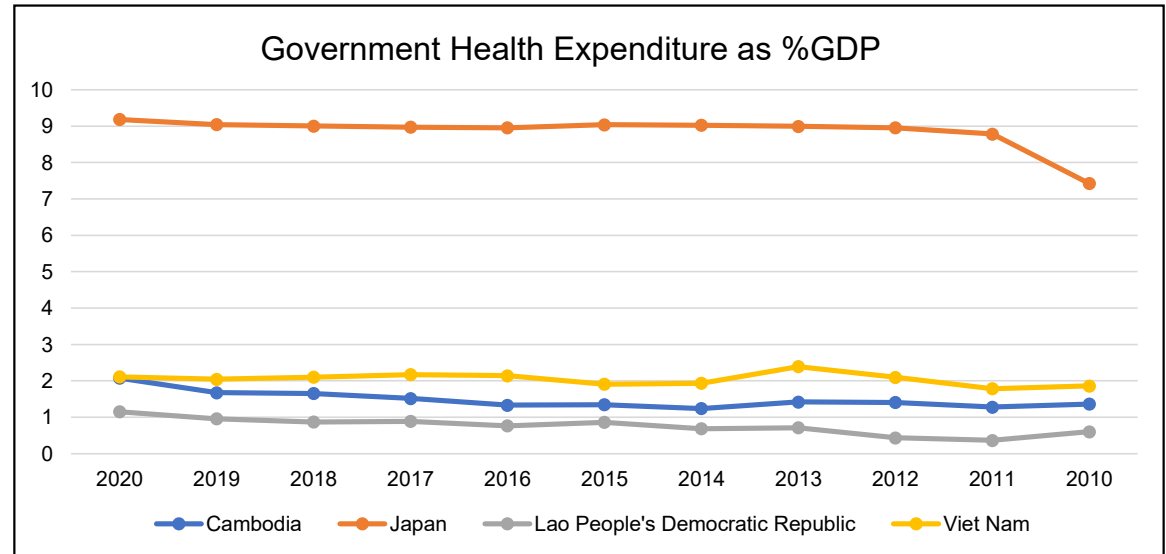
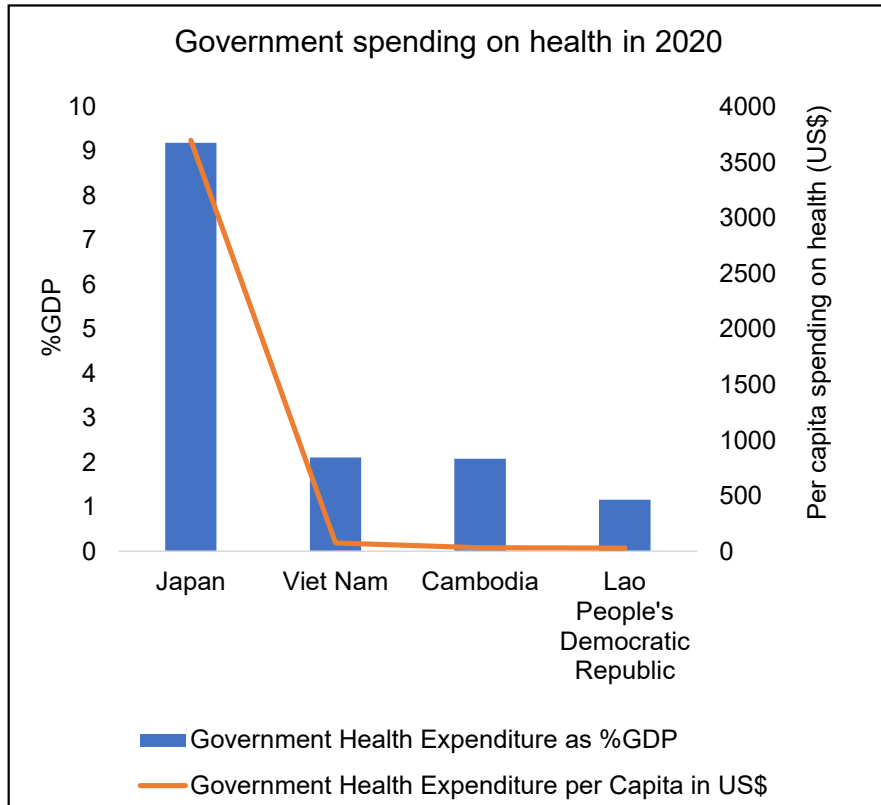
Source: OECD (2022), *Revenue Statistics in Asia and the Pacific 2022: Strengthening Tax Revenues in Developing Asia*, OECD Publishing, Paris, <https://doi.org/10.1787/db29f89a-en>.

# Government revenue sources for health



Data sources GHED.

# Government spending on health



## Reflections from WHO

- Focus: supporting middle-income countries ***sustainably financing ageing and long term health care***
- Explore suitable health financing options considering the ***existing funding mix*** of the system
- The challenges is to build the ***health & social care continuum as part of primary health care*** reforms
- High income countries delivery models issues with sustainability offer interesting lessons for middle income countries





**Thank you very much for your kind attention**

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