

# Source of Maternal and Child Health Care as an Indicator Of Ability to Pay for Family Planning

**CONTEXT:** Most developing countries cannot afford to provide free contraceptives to all women who choose to practice family planning. It is important to consider ways of determining which women need government subsidized services and which women can afford to pay for contraceptives.

**METHODS:** Demographic and Health Survey data from eight developing countries are used to determine the proportions of women with children aged five or younger who practice contraception and who purchase private health care for themselves or their children. By assuming that these women can also afford to purchase contraceptives, we estimate how the private sources of contraceptives and the government's family planning subsidies would be affected if all those who could afford to pay for their methods did so.

**RESULTS:** In three countries—Indonesia, the Philippines and Zimbabwe—if all women who purchased private maternal and child health care were to purchase their oral contraceptives from commercial sources, the private-sector share of the pill market would increase by 22–26%, while the government's financial burden for family planning would decrease by 3–7%.

**CONCLUSIONS:** Encouraging women with the means to pay for private health care to purchase contraceptives from commercial sources could stimulate private sector participation, reduce the stress on overtaxed government family planning funding and allow substantially greater access to those in need of subsidized care.

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Universal access to a range of contraceptive methods is a basic tenet of most family planning programs and of such international conventions as the 1994 International Conference on Population and Development.<sup>1</sup> When governments are unwilling or unable to allocate public or donor funds to pay for universal contraceptive coverage, users must bear some of the costs. If all contraceptive users who could afford to purchase their methods from the private sector did so, then governments could target their subsidies to needier clients.<sup>2</sup> Thus, the efficiency with which public subsidies reach the truly poor is an important issue for policymakers.<sup>3</sup>

To obtain contraceptives from private-sector sources, women must have a sufficient income, as well as physical access to outlets. A woman, no matter how motivated, cannot purchase contraceptives if there is no commercial outlet near her home, work or market, or if she is unfamiliar with commercial outlets or what they carry. Researchers often infer disposable income and ability to pay from income and expenditure surveys. Other variables, such as ownership of durable goods, construction of the dwelling (e.g., which materials were used for the floor and roof; and whether it has electricity, running water and proper sanitation), and education and occupation, can be used to create a proxy scale for household wealth; however, such scales do not measure knowledge of or access to private-sector facilities.

Another method of estimating the ability to use the private sector is to consider where women obtain other health

services. To purchase private health care, women presumably have some disposable income and knowledge of and access to private outlets. This measure of women's ability to pay for contraceptives is also easily understood by government decision-makers.

In this article, we use Demographic and Health Survey (DHS) data from eight developing countries to determine the proportions of women with children five or younger who practice contraception and who purchase private maternal and child health care. By assuming that these women can afford to purchase contraceptives, we use these data to estimate how the private contraceptive markets and government family planning subsidies would be affected if all those who could afford to pay for their methods did so.

## DATA AND METHODS

For our analysis, we used 1993–1998 DHS data on women with children aged five or younger\* from Brazil, Columbia, the Dominican Republic, Indonesia, Peru, the Philippines, Turkey and Zimbabwe. These countries were chosen because their sample sizes included a sufficient number of users of modern contraceptive methods from both the public and

\*The standard DHS questionnaire asks women who had live births within the five years preceding the interview about sources of care for delivery and sick children. These are the only questions on health care other than family planning, and for this reason the analysis was restricted to this subset of women who practice contraception.

**TABLE 1. Percentage of female contraceptive users with children aged five or younger who purchased private maternal or child health care, by country, Demographic and Health Surveys (and survey year)**

Country (survey year)	%
Brazil (1996)	9.3
Colombia (1995)	22.1
Dominican Republic (1996)	17.5
Indonesia (1997)	12.4
Peru (1996)	4.9
Philippines (1998)	17.1
Turkey (1993)	9.2
Zimbabwe (1994)	5.0

the private sector to permit meaningful analysis.

The sources from which women obtain family planning methods were derived from the survey question, “Where did you obtain your contraceptive method?” Responses were categorized as government (e.g., facilities maintained by ministries of health), commercial (e.g., private facilities and providers, and retail outlets) and other (e.g., social security systems, nongovernmental agencies, friends, or relatives).<sup>\*</sup> This analysis considered commercial and government sources, but not other sources of supply.

The source from which women receive maternal and child health care was derived from survey questions on place of delivery and source of treatment for sick children. Women were categorized as receiving private maternal and child health care if their last birth occurred in a private hospital or clinic, or if they sought treatment for a sick child in the last two weeks from a private hospital, physician or midwife.

We classified women who purchase private health care for themselves or their children as being able to pay for at least those contraceptive methods that can safely be provided by commercial pharmacies—the pill, the condom and the injectable. The analytic approach is deliberately descriptive. No statistical tests are used because there is no single criterion for appropriate source mix either across countries or within countries. Analyses based on fewer than 50 observations per cell should be treated with caution.

**RESULTS**

Women who receive private maternal and child health care account for only a small proportion of contraceptive users with children aged five or younger in the eight countries studied, ranging from 5% in Peru and Zimbabwe to 22% in Colombia (Table 1).

The condom, the pill and the injectable are all available from commercial outlets at prices that are likely to be affordable to women who purchase private maternal and child health care.<sup>4</sup> Figure 1 presents commercial and public market shares for oral contraceptives among women with children aged five or younger who receive private maternal and child health care.<sup>†</sup> In Brazil, Colombia, the Dominican Re-

<sup>\*</sup>The private sector is often divided into two categories: commercial and non-profit. This analysis focuses on public and commercial sources of family planning methods; further analyses could be extended to include nonprofits.

<sup>†</sup>Overall pill use in the study countries ranged from 5% in Turkey to 33% in Zimbabwe.

public and Turkey, commercial providers dominate the market, serving more than 75% of women who receive private care. In the Philippines and Peru, the proportions are substantially smaller, and in Indonesia and Zimbabwe, fewer than half of such women obtain the pill from for-profit sources.

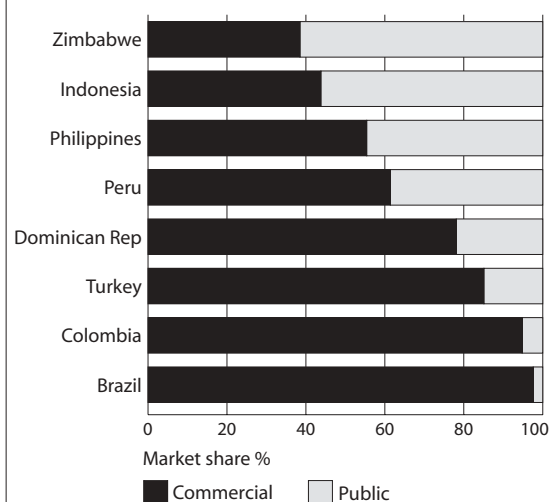
Women who obtain the pill from the public sector are a potential source of growth for the commercial market. Those who deliver their children at a private hospital or seek care for their sick children from a private doctor or clinic are likely to have both the economic resources and the information needed to obtain at least lower-priced contraceptive methods from the commercial sector. The following analyses look at the practical impact of encouraging women who pay for private health care in countries where the private sector’s share of the oral contraceptive market is relatively low to purchase the pill from commercial sources. (The same analyses could be performed for women who report using condoms or the injectable for pregnancy prevention; however, due to the low prevalence of these methods, the sample sizes may be inadequate.)

In Indonesia, women with children aged five or younger who pay for private maternal and child health care account for 12% of oral contraceptive users, and slightly fewer than half of these obtain the method from commercial sources. If all these women were to purchase their supplies from commercial sources, the private-sector share of the oral contraceptive market would increase by 25% and the government burden would decline by 6%.

Seventeen percent of Filipino women who use the pill have children younger than five and purchase private maternal or child health care. A slim majority obtain their oral contraceptives from commercial sources. The private sector share of the oral contraceptive market would increase by 22% and the government burden would decline by 7% if all these women were to purchase the pill from commercial sources.

Of women in Zimbabwe who use oral contraceptives, 5% have children aged five or younger and purchase private maternal and child health care; just 39% purchase their

**FIGURE 1. Percentage distribution of pill users with children aged five or younger who purchase private maternal or child health care, by source of pill**



method from a commercial source. If all these women were to purchase the pill from commercial sources, the private-sector share of the oral contraceptive market would increase by 26% and the government burden would decline by 3%.

## CONCLUSIONS

The growing demand in developing countries for contraceptive commodities, coupled with shortfalls in donor contributions relative to commitments made at the 1994 International Conference on Population and Development, have led many observers to warn of a looming “contraceptive security” crisis. Requirements for donated commodities could be significantly reduced if contraceptive users who could afford to purchase their supplies did so instead of receiving them from public sources.<sup>5</sup>

Indiscriminate use of government subsidies may be a key factor curtailing the use of commercial family planning outlets. Strategies are needed to encourage users who can afford to pay to use commercial outlets and to target subsidies so that the poor receive preference at government sources. Before such strategies are developed, policymakers must understand how many people could afford to pay. Inferring ability to pay for contraceptives from use of commercial rather than public sources of maternal and child health care is easily understood by program decision-makers and is a useful adjunct to other economic analyses.

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## RESUMEN

**Contexto:** La mayoría de los países en desarrollo no tienen posibilidades económicas de ofrecer anticonceptivos en forma gratuita a todas las mujeres que deciden practicar la planificación familiar. Es importante considerar formas para determinar cuáles son las mujeres que necesitan de los servicios subsidiados por el gobierno y cuáles son aquellas que pueden pagar. **Métodos:** Los datos de Encuestas Demográficas y de Salud correspondientes a ocho países en desarrollo fueron utilizados para determinar las proporciones de mujeres con hijos de cinco o menos años de edad, que practican la anticoncepción y que compran los servicios de atención de la salud para sí mismas o para sus hijos. Al asumir que estas mujeres igualmente pueden comprar sus anticonceptivos, estimamos cómo podrían ser afectados las fuentes privadas de anticonceptivos y los subsidios para planificación familiar del gobierno, si todas esas mujeres

procedieran de esa forma.

**Resultados:** En tres países—Indonesia, las Filipinas y Zimbabwe—si todas las mujeres que compraron servicios privados de atención a la salud materno-infantil compraran sus anticonceptivos orales de fuentes privadas comerciales, el porcentaje del comercio de la píldora que corresponde al sector privado aumentaría en un 22–26%, en tanto que la carga financiera por concepto de servicios de planificación familiar asumida por el gobierno disminuiría en un 3–7%.

**Conclusiones:** Alentar a las mujeres que ya tienen los medios para pagar su atención a la salud privada que compran sus anticonceptivos en fuentes privadas comerciales, podría estimular la participación del sector privado, reducir el estrés del financiamiento gubernamental de servicios de planificación familiar, y permitir un mayor acceso a aquellas personas que tienen necesidad de recurrir a subsidios.

## RÉSUMÉ

**Contexte:** La plupart des pays en voie de développement n'ont pas les moyens de procurer une contraception gratuite à toutes les femmes qui choisissent le planning familial. Il importe d'étudier les possibilités de distinction entre les femmes pour lesquelles l'intervention du gouvernement est nécessaire et celles aptes à payer elles-mêmes le prix de leurs contraceptifs.

**Méthodes:** Les données d'Enquête démographique et de santé de huit pays en voie de développement servent à déterminer les proportions de femmes mères d'enfants âgés de cinq ans ou moins qui pratiquent la contraception et qui obtiennent leurs soins de santé, pour elles-mêmes ou pour leurs enfants, dans le secteur privé. En présumant que ces femmes ont aussi les moyens de payer elles-mêmes leurs contraceptifs, on estime la manière dont les sources privées de contraceptifs et les subventions du planning familial de l'Etat seraient affectées si toutes les femmes en mesure de payer le prix de leurs méthodes le faisaient.

**Résultats:** Dans trois pays (Indonésie, Philippines et Zimbabwe), si toutes les femmes qui se procurent leurs soins de santé maternelle et de l'enfant dans le secteur privé achetaient leurs contraceptifs oraux auprès de sources commerciales, la part privée du marché de la pilule augmenterait de 22% à 26%, tandis que la charge financière publique du planning familial diminuerait de 3% à 7%.

**Conclusions:** En encourageant les femmes ayant les moyens de se payer les soins de santé du secteur privé à acheter leurs contraceptifs auprès de sources commerciales, on pourrait stimuler la participation du secteur privé, soulager les ressources du planning familial d'Etat déjà surtaxées et offrir un accès substantiellement supérieur aux femmes devant compter sur les soins subventionnés.

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