



Confederation of Medical Associations in Asia and Oceania

**CMAAO Resolution on the Economic
Crisis and Health**

Adopted by the 27th CMAAO General Assembly, Taipei, Taiwan, R.O.C., November 2011

BACKGROUND

In 2008–2009 we faced a severe financial crisis that rapidly became an economic crisis and threatened to become a social and a health crisis in many countries. The crisis was originated in the most developed countries and spreading to those middle and lower income countries and became a global financial crisis. Almost all countries were affected, but some were affected more than others. In some developing countries the crisis is still emerging today. The global crisis has showed us, that we live in one planet and so closely connected and interdependent towards each others.

It is essential, therefore, to learn from the past, from the economic crisis that hit some Asian countries in 1997–1998. The economics of these countries were contracted, income and export dropped, high inflation and depreciation of national currencies, budget deficit, and unemployment increased. While household income shrank, price for food, medicine and medical services and cost of living increased, that has brought negative impact to social and health such as malnutrition, mental health problem, delays in care seeking, reduction in access to health services, shift in demand from private sector to the public sector and alternative or traditional medicine for cheaper care. It becomes worse in countries where health systems rely on fee-for-service and out-of-pocket payment and social health insurance has not existed yet. Inevitably, in this case the most vulnerable are those who suffer the most, such as the poor and near poor, the marginalized, children, women, disabled, the elderly, and those with chronic illness.

From the past crisis we can learn that the current global financial crisis has potential negative impacts on health expenditures, health utilization rates, health seeking behavior, health outcomes and social sector. Effective responses to the crisis necessitate us to consolidate our multi-sectors efforts to address those impacts. We must avoid mistakes in the past by shifted budget away from human investment, especially from the most vulnerable one. Past experience reveals that cuts in preventive health services during previous economic crisis caused serious health problems, and many low-income countries are still suffering from this bad policy.

Health is a central issue in every one's life. Attaining good health is one of the basic fundamental rights for every human being, as well as a human investment which eventually support national development; was launched in 1978 as Health For All (HFA) movement. The movement was renewed in 2000 when world leaders reached a consensus to reduce poverty including those related to health, termed as the Millennium Development Goals (MDG); that to be achieved by 2015 as the new road to HFA. As such, the MDG targets will most likely at risk because of the global financial crisis.

Therefore, we, in the medical profession, must learn from the past and prepare for the future to counter this crisis in the condition of economic uncertainty. We must increase our commit-

ment to protect and to improve health of our society, to do so; we must work together hand in hand with all stakeholders.

RESOLUTION

To the Government in CMAAO countries

- The Government must take a lead and work with multi-sectors during this crisis, for maintaining proper national healthcare resources and safeguarding progress in health sector.
- The Government must establish public health policy that is pro-poor with the main objective is to improve access to essential services so that public can easily reach the necessary health services, especially the poor and vulnerable, either through social insurance or social safety net.
- The Government must be able to use this crisis as an opportunity to conduct health care reform based on primary health care principles with the central objective is to move forwards to reach universal coverage.
- The Government must promote healthy, productive and stable populations as a national asset, especially during a crisis.

To the National Medical Association (NMA) in CMAAO countries

- The NMA must initiate a reform on physician payment system that makes out-of-pocket at the point of service is discarded and replaced by other payment system which is more affordable and efficient and more suitable to physicians and their patients.
- The NMA must work together with government and other stakeholders in rationalizing the ratio of primary, secondary and tertiary physicians and the distribution of physicians throughout the country.
- The NMA must strongly push government and other stakeholders to ban tobacco and smoking all over the country as part of public policy to achieve the MDG's target in 2015.
- The NMA must be encouraged to collaborate and share the evidence based and the best practices among the CMAAO members, especially to combat certain diseases.