



# Reduced Health Funding in Guyana Since 2011 Resulted in Higher Infant and Child Deaths and Worsened Adult Health Outcomes

– Dhanraj Singh

## SUMMARY

Public investment in health in Guyana declined continuously since 2011, reaching its lowest level in almost two decades. The result was a substantial increase in child deaths and a slowdown in improvement in adult life expectancy. Guyana also has the second highest maternal death rate in the Caribbean and the third highest suicide rate in the world. The loss of lives and worsened adult health outcomes represent a departure from decades of progress in the public health sector and threaten future economic growth and prosperity.

**“When you go to the hospital, you have to stand in line all day just to see the doctor or go back the next day. If you want tablets, you have to go and buy it, the hospital doesn't have any.”**

– Woman living with diabetes

The loss of external funding and a period of unprecedented legislative gridlock stemming from a minority government and opposition-controlled parliament during the post-recession period resulted in unreliable and inadequate funding for health and other critical services. Balancing a budget on healthcare or tying its funding to non-economic outcomes are short-sighted policies with devastating consequences that are paid for with Guyanese lives.

Lawmakers truly concerned about creating opportunities for a good life for all Guyanese can take practical and immediate steps to improve access to and the quality of public health services. These steps include adequate funding for health services, creating and funding programs that support the health needs of vulnerable families, and actively overseeing health services to ensure that expenditures are used for health services that deliver intended outcomes.

# HEALTH EXPENDITURES PER PERSON HALVED SINCE 2011

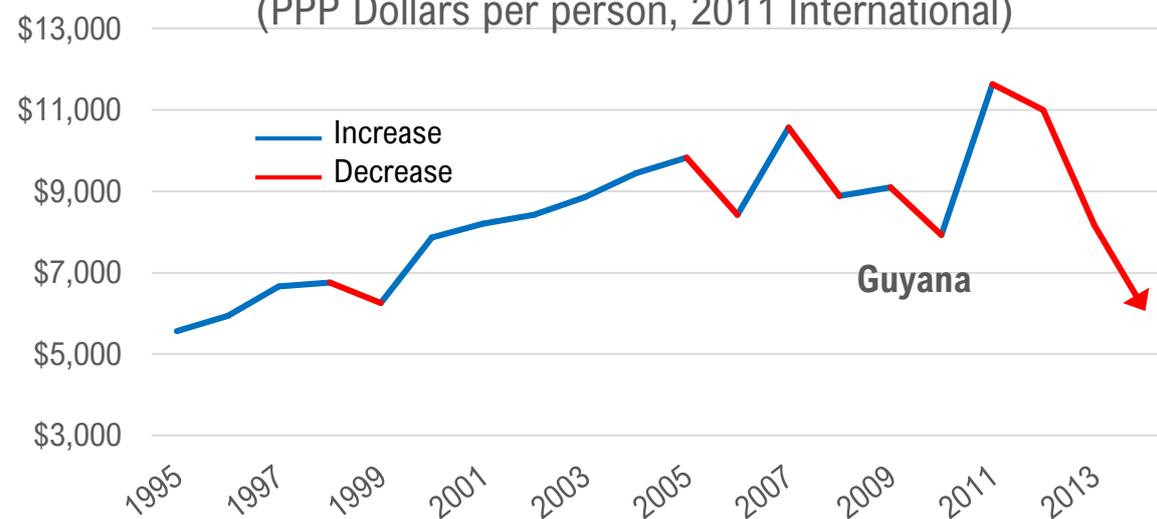
## REVERSED DECADES OF PROGRESS

### PUBLIC INVESTMENT IN HEALTH HALVED

Guyana ranked almost last in health expenditures per person as of 2014 (the latest year for which comparable data is available) among Caribbean Community (CARICOM) member states. In 2014, Guyana spent \$6,061 (PPP international dollar)<sup>1</sup> per person for healthcare services, the second lowest among member states. This level of investment was less than 50% of the average for all member states.<sup>2</sup> Only Haiti spent less on healthcare per person than Guyana.

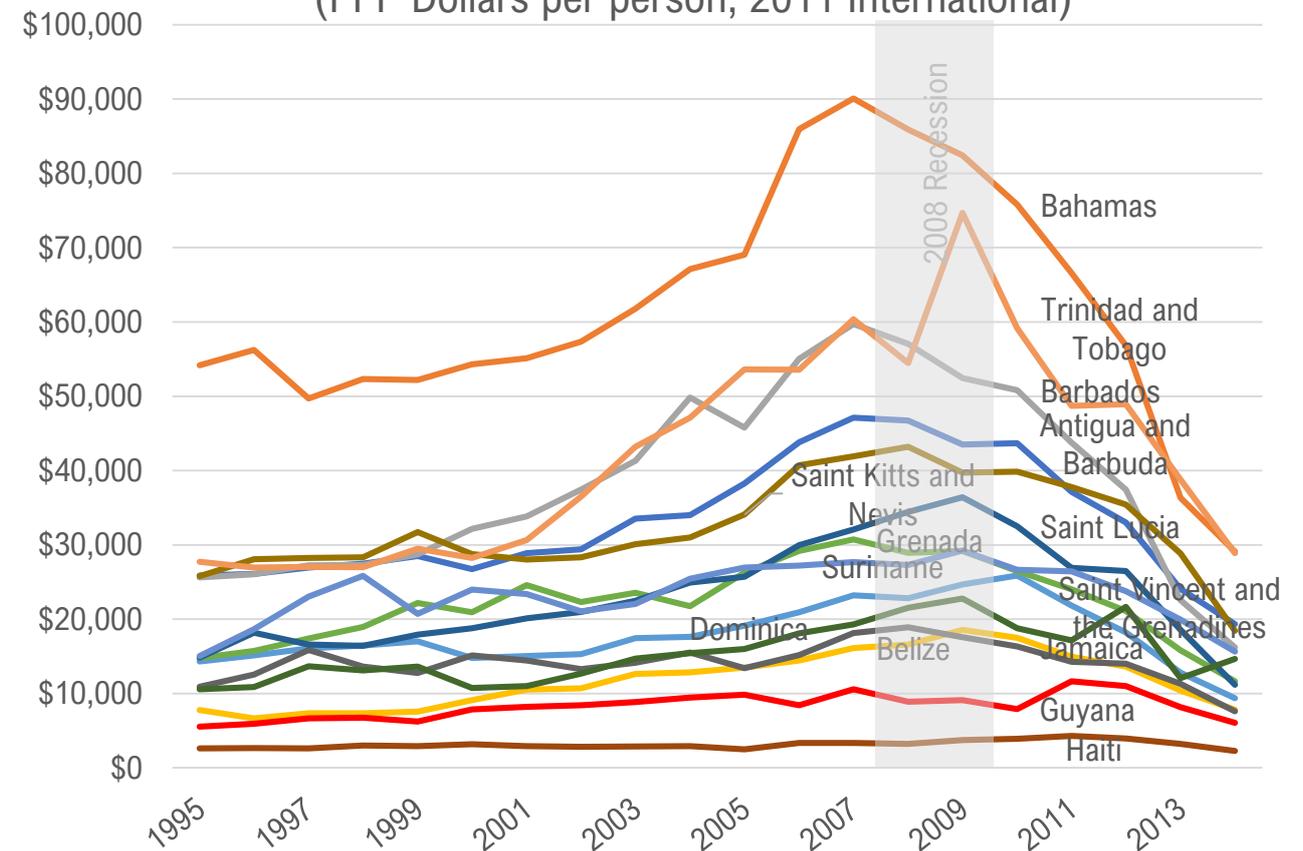
Despite the effects of the 2008 recession, health expenditures per person at the end of 2011 (almost two years after the crisis officially ended) was at a historic high of \$11,632 or 30% higher than in 2008. However, after 2011, health expenditures per person declined consistently reaching its lowest level in almost two decades. In 2014, health expenditures per person was 48% less than it was in 2011 and 23% less than it was at the beginning of the century.

**Graph 1: Guyana Health Expenditures**  
(PPP Dollars per person, 2011 International)



Data Source: World Bank Data, 2018

**Graph 2: CARICOM Health Expenditures**  
(PPP Dollars per person, 2011 International)



Data Source: World Bank Data, 2018

The decline in health expenditures in Guyana after 2011 is consistent with the rest of the CARICOM region, albeit, this trend started since the recession for most of the region (see Graph 2). In 2007, health expenditures per person was at a historical high in the region, before it declined during the recession period. But, even after the recession has ended and growth returned in 2010, public investment in health continued downward.<sup>3</sup> The decline over the 2007 – 2014 period ranged between 24% and 73%. The wealthiest countries in the region which include Trinidad & Tobago, Barbados and the Bahamas experienced a decline of 52%, 73%, and 68%, respectively.

<sup>1</sup>A Power Purchasing Parity (PPP) international dollar (\$1) would buy the same amount of goods and services in the domestic economy as US\$1 would buy in the United States.

<sup>2</sup> Except Montserrat for which the relevant data is not available.

<sup>3</sup> For CARICOM growth rate, see Caribbean Development Bank. [2017 Caribbean Economic Outlook Review](#). [2018 Outlook](#).

# PRIMARY REASONS PUBLIC INVESTMENT IN HEALTHCARE DECLINED

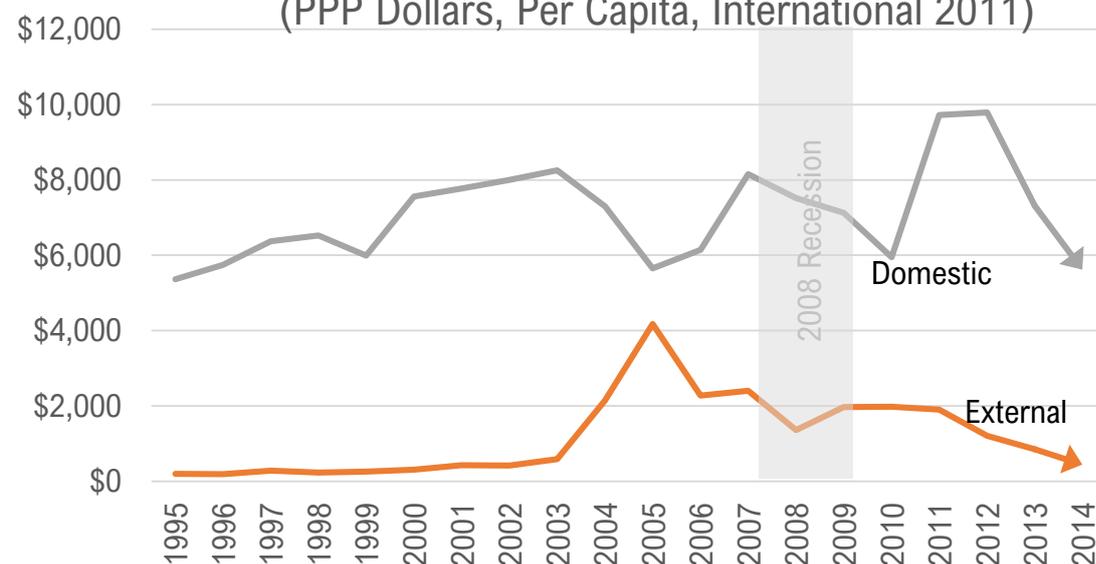
## LOSS OF EXTERNAL FUNDING AND LEGISLATIVE GRIDLOCK

### LOSS OF EXTERNAL FUNDING

External funding for health relative to total health expenditures has been on the decline since 2005. There was a brief recovery during the 2008-2010 period but thereafter continued downwards reaching 7% in 2014 down from 25% in 2010.<sup>4</sup> The loss of external funding was largely due to a graduation from a Highly Indebted Poor Country to low-middle income country status which is associated with less developmental assistance and loss of concessionary borrowing terms.<sup>5</sup> Also, in 2012, the United States Agency for International Development (USAID) mission in Guyana ceased operations citing a tight budgetary environment and the need for increased efficiency. The impact was a material loss of funding from programs such as the President's Emergency Plan for Aids Relief (PEPFAR) program. Further, project funding from multiple organizations including the [Global Fund](#), [GAVI](#), [USAID](#), and the [World Bank](#) officially ended during the review period.

**Graph 3. Guyana Health Expenditures By Funding Source**

(PPP Dollars, Per Capita, International 2011)



Data Source: World Bank Data, 2018

### LEGISLATIVE SCHISM

The decline in health expenditures in Guyana during the post-recession period was equally the result of domestic political economy factors. In 2011, there was a seismic shift in the political landscape, breaking the historic control of both the executive and legislative branches of government by the ruling political party. For the first time in Guyana's history, there was a minority government which controlled the executive and an opposition-majority which controlled the legislature (parliament). Thus, it became necessary for bipartisanship and political consensus for these institutions of government to function.

Unfortunately, more than 60 years of polarized politics and rivalry steered the new political dispensation into gridlock. The executive and the opposition-controlled parliament failed to co-operate on critical policy issues such as infrastructure, health, and education. The political opposition used its legislative majority to block and cut funding for critical public services almost annually during the 2011-2014 period. The ill-informed budget cuts undermined the sector's ability to adequately provide quality services to meet public demands.

#### EXAMPLES OF HEALTH BUDGET CUTS IN 2014

- \*Specialty Hospital – G\$910 million
- \*Upgrading of Regional and District Hospitals – G\$360 million
- \*Ambulances, ATVs and Boats – G\$42 million
- \*Surgical Equipment and Instruments – G\$32 million

– Government's Proposed Budget 2014

<sup>4</sup> World Bank Data. Guyana. External Resources for Health 1995-2014

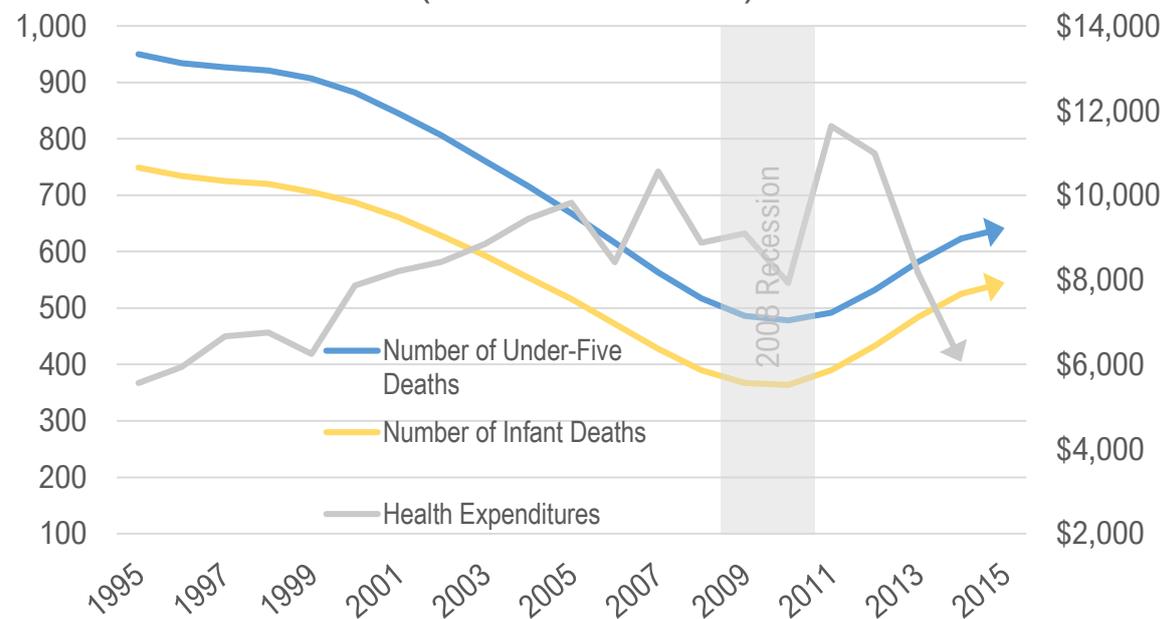
<sup>5</sup> UNDP (2010). [Guyana. Assessment of Development Results. Evaluation of UNDP Contribution.](#)

# REDUCED PUBLIC INVESTMENT IN HEALTHCARE PROVED COSTLY

## LIVES LOST AND POOR HEALTH OUTCOMES

### CHILDHOOD DEATHS INCREASED

**Graph 4. Under-Five and Infant Deaths in Guyana Increased Consistently Since 2011**  
(Number of Deaths)



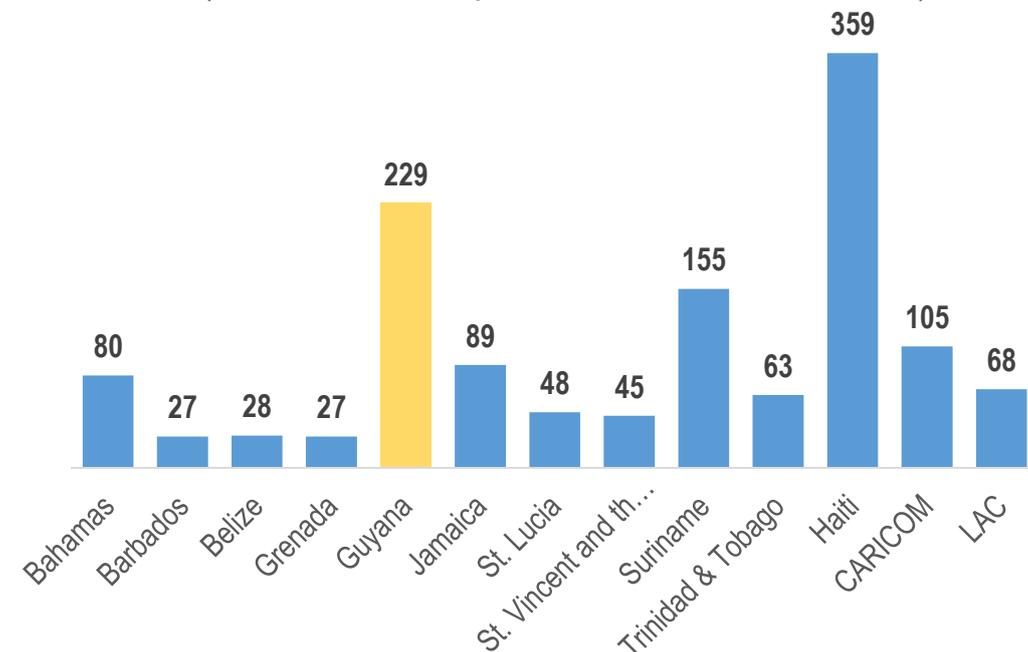
Data Source: World Bank Data, 2018

The impact of inadequate public investment in healthcare proved significant in terms of lives lost. The number of under-five and infant deaths in 2010 were at historical lows of 478 and 364 respectively. Even though the recession years (2007 – 2009) total under-five and infant deaths fell consistently. However, from 2011 total these deaths increased steadily reaching 642 and 545 in 2015, i.e. an increase of more than 34% and 50%, respectively.<sup>6</sup> Funding cuts and the associated fallout in the level of services provided left many people in need without healthcare services, especially children from low-income and poor families.

### MATERNAL DEATHS REMAIN HIGH

In 2015 (the most recent estimate) there were 229 maternal deaths per 100,000 live births, down from 241 deaths in 2013.<sup>7</sup> Despite this decline, the maternal death rate in 2015 was 9 percent higher than it was in 2000. The rate for 2015 was almost four times higher than the average for Latin America and the Caribbean. Within the Caribbean, no other country had a maternal death rate that was higher than Guyana, except Haiti. Guyana had made “No Progress” towards achieving the Millennium Development Goal 5A as of 2015, concluded the World Health Organization.<sup>8</sup>

**Graph 5. Guyana Has The Second Highest Maternal Death Rate in the Caribbean**  
(maternal deaths per 100,000 live births, 2015)



Data Source: United Nations (See footnote 7). Data for other CARICOM states unavailable.

<sup>6</sup> World Bank Data. Guyana. Under-Five and Infants Deaths. 1995-2014.

<sup>7</sup> WHO, UNICEF, UNFPA, World Bank Group, and the United Nations Population Division. Trends in Maternal Mortality: 1990 – 2015.

<sup>8</sup> Supra note 6.

### SUICIDE RATE AMONG THE HIGHEST

Guyana had the third highest suicide rate in the world, according to [World Health Organization data](#). The country had an overall rate of 29.2 suicides per 100,000 people in 2016. Men are more inclined to commit suicide, with a rate of 43.7 deaths per 100,000 people, while women report a rate of 14.4 suicides per 100,000.<sup>9</sup> There are many social and economic contributing factors to the suicide including mental health issues. However, the availability and access to mental health services are extremely scarce. Public healthcare providers simply do not have the financial, human, physical and medical resources necessary to adequately provide these services.

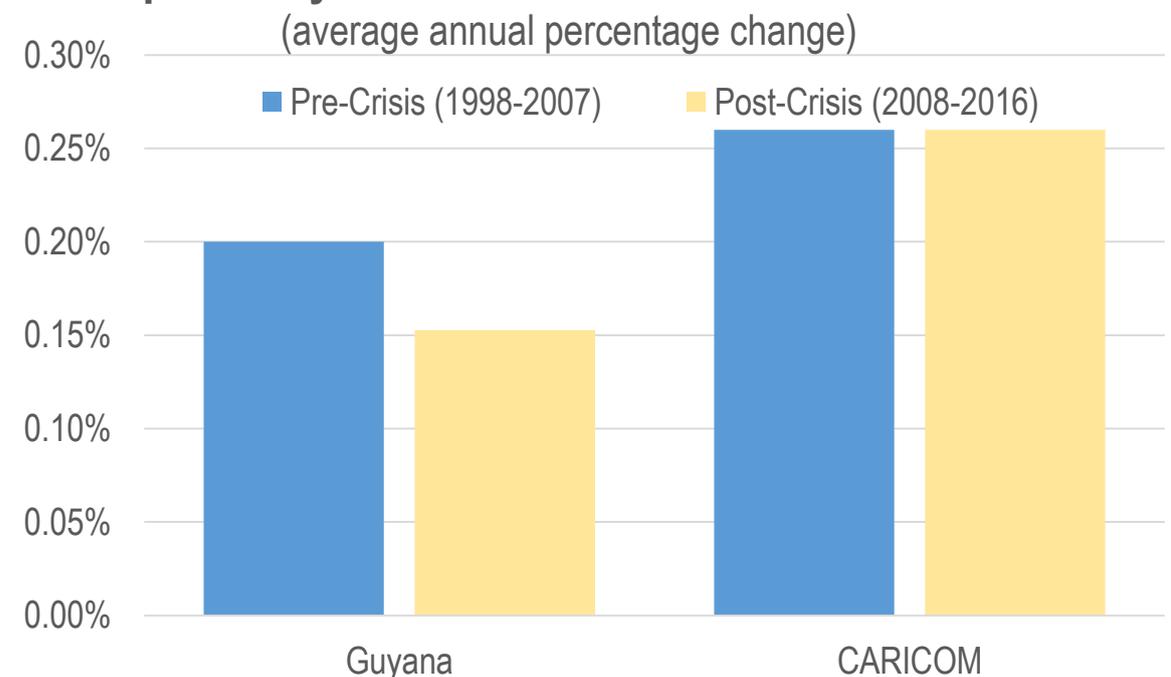
### IMMUNIZATION RATES DECLINED

The percentage of people who received mostly the second and third regimens of vaccines that protect against tuberculosis (TB), polio, pneumococcal disease, and fatal bacterial infections – common preventable illnesses – have declined in 2016 (the latest year for which data is available) compared to 2014, according to [data](#) by the World Health Organization (WHO) and UNICEF.<sup>10</sup> The decline was between 3-5 percent among the different vaccines. The drop in these rates are not isolated events, they are consistent with reports of poor quality care, widespread shortages of basic medicines and other medical supplies, and poor management that characterized the country’s health care system over the last few years.

### PROGRESS IN LIFE EXPECTANCY SLOWED

Improvement in adult life expectancy in Guyana also slowed during the decade after the 2008 recession. During the decade preceding the crisis, life expectancy grew at an average of 0.20% per year. This rate was less than the average of 0.26% for the rest of CARICOM member states.<sup>11</sup> However, during the post-recession period, life expectancy grew at an average of 0.15% per year. Interesting, improvement in life expectancy remained stable for the CARICOM region. At the end of 2015, Guyanese men had a life expectancy of roughly 64.5 years, while Guyanese women had a life expectancy of 69 years.

**Graph 6. Improvement in Adult Life Expectancy Slowed After the Great Recession**



Data Source: World Bank Data, 2018

<sup>9</sup> WHO Data. World Health Statistics data visualizations dashboard, SDG Target 3.4, Noncommunicable diseases and mental health

<sup>10</sup> Ramphul, Ryan (2018). [Deaths By Suicide Remain a Major Public Health Issue in Guyana – Lawmakers Can Do More to End This Tragedy and Save Lives](#). GBPI. Policy Brief.

<sup>11</sup> Supra note 5.

Lawmakers truly concerned about the health and wellbeing of Guyanese can adopt simple steps to strengthen the national healthcare system to better provide for citizens to live healthy and productive lives. Based on a review of the relevant [literature](#) and the experience of other countries, the following recommendations could reduce child and mothers deaths, improve health outcomes, and support long-term economic prosperity:

### INCREASED FUNDING



Significantly increase public investment in the health sector to improve the quality of healthcare services, including quality of health practitioners and managers, and increase the level of services in line with public needs.

### REGULAR EVALUATION



Adopt and enforce stringent quality control measures, such as systematic evaluation, to ensure funds allocated to the health sector are used as intended, in the most efficient and cost-effective way, and deliver intended results.

### SUPPORT PROGRAMS



Develop and adequately fund programs that provide financial, technical, and educational support to the most vulnerable mothers to better care for their children and themselves and empower them to achieve long-term economic independence.

### CLEAN & SAFE COMMUNITIES



Invest in clean and safe communities by expanding and improving the quality of public health services, such as access to potable water and sanitation, widespread immunization, malaria, and acute respiratory infections prevention, and diarrhea prevention.

### STRENGTHENED HEALTHCARE SYSTEM



Further develop the national healthcare system to achieve universal healthcare. Adopt policies to reduce the high out-of-pocket expenditures, increase coordination of service provision and encourage greater pooling of resources to reduce financial risk and economic hardship.

#### Suggested Citation:

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