

6.8 Impact of Demographic Transition on Health Care Expenditure of the Elders in Sri Lanka

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ABSTRACT

Demographic experts have identified Sri Lanka as one of the few Asian countries which reached the advanced phase of their demographic transition in a comparatively short period, particularly with an abnormal phenomenon of having a low per capita income (CBS, 1996). In this setting, two major characteristics of the Sri Lanka's demographic behaviour are seen clearly. One is the long run decline in fertility resulting in a significant decrease of the proportion of population less than 18 years. The other is the rapid increase in population ageing caused by a rapidly increasing life expectancy which tends to transform the age pyramid depicting a bulge of population aged over 60 at its apex in the future (Siddisena, 1998). For example, 5 % of the aged in the total population in 1960 increased to 10 % by the year 2000, and, now it has been forecasted to be increased up to 20 % by 2030 (CBS, 2005).

Under this phenomenon, the health care system of the country also should be consistent with the changing pattern of the country's demographic structure. In Sri Lanka, the health sector has concentrated on several aspects up to now, first on control of epidemics, then on family planning matters and health care of children and mothers. However, the issue of provision of health care for the elderly has not yet been addressed. Consequently, experts are of the opinion that an urgent and more consideration should be given to the health care needs of the elderly without delaying it further (ESCAP, 1989).

This need has now been further increased by eroding the traditional home based family care system of the aged with fast emerging of more nuclear families. In this transition, the informal support system so far prevailed cannot be sustained, and alternative support system for the aged has to be found which will be certainly more costly.

The majority of the research on this issue (Lubitz, et. al, 2003; Seshamani and Grey, 2002; Wanless, 2002) have been associated with the ageing and its impact on the public health care system rather than its impact on health care expenditure or cost to be born by individuals. Therefore, this study attempts to fill this gap based on a sample of 50 families with elderly persons living in the Gampaha District and collecting the relevant data through administering a comprehensive questionnaire.

Data analysis revealed the following facts. About 70 % of the elders do not have their own income and mainly depend on their children's income for their living and health care needs. Almost 80 % of the elders are not covered by any kind of pension or insurance scheme. Even the public sector retired people find that their pension and other means of income are not sufficient enough to cover their health needs. More than 60 % of the elderly depend on the public health care service, and they spend much lesser amount of money for their health care than those who go to the private sector consultants. Within the last 10 years this latter group's health care bill has increased approximately by 4 times: the consultancy fee has increased by 4 to 5 times; and the cost of medicine has increased more than 4 times in a background of rapidly soaring cost of living which in terms of the Colombo Consumers' Price Index (CCPI) has increased from 1,906.7 in 1996 to 4610.8 units in 2006 (CBS, 1997 and 2006).

Key words: *demographic transition, ageing, fertility, life expectancy and health care.*