ABSTRACT

Appropriate Financing of the Health Sector in the Caribbean

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The health status of the population is of great importance because it affects the productivity of labour and economic output. Health sector evaluation is therefore an important element in public policy.

With economic decline facing the Caribbean in the 1980s and onwards, there has been growing interest in health sector analysis and skepticism about governments' ability to provide funding to supply services of adequate levels and quality.

The purpose of this thesis is to evaluate the health systems in Barbados, Jamaica, St. Lucia and Trinidad and Tobago, determine whether governments' financing and involvement was sub-optimal and recommend alternative strategies where warranted.

Through analytical and inductive methods, the level of efficiency, equity and financial stability of health financing mechanisms in the four countries is tested and alternative options determined. The thesis therefore is chiefly a study in welfare maximization. Upgrading the financing (and management) of health resources to a more efficient level would ultimately affect the welfare of the citizenry.
The study sources the current health sector crisis to inefficient and inequitable provision and consumption of resources and to the supply of revenue from a vein that is financially unstable.

These results indicate that Caribbean health systems need to be de-linked from their present source of revenue and recommend the introduction of user charges and national health insurance systems as the feasible solution.