The global movement toward universal health coverage (UHC) has gained momentum, with the World Health Assembly and the UN General Assembly calling on countries to “urgently and significantly scale up efforts to accelerate the transition toward universal access to affordable and quality health care services.” Achieving this goal remains a major challenge, however, with an estimated 400 million people still lacking access to essential health services—including prenatal care, skilled birth attendance, childhood immunization, antiretroviral therapy, tuberculosis treatment, and access to clean water and safe sanitation.

UHC means ensuring that everyone has access to quality health services without financial hardship or the risk of being forced into poverty. As one of the most cost-effective life-saving health interventions, immunization figures prominently in UHC. In practical terms, this means immunization is typically among the health services that a government commits to making accessible and affordable by including it in the country’s essential services package or the national health insurance system’s benefits package.

UHC requires adequate financial resources to pay for necessary health interventions, including supplies and services. The way a country generates funding for UHC, redistributes those funds to achieve equity, and purchases services from health care providers forms the overall health financing architecture within which immunization is funded. This brief provides an overview of the main approaches to UHC and their implications for immunization financing.

Sources of Revenue for UHC

Universal health coverage is costly. Ensuring adequate financial resources for UHC requires sufficient budgetary room, or fiscal space, to expand or maintain coverage without jeopardizing the sustainability of the government’s finances. Economic growth creates fiscal space naturally through increased tax revenues. But economic growth alone is usually not enough to bring about sufficient increases in government health spending; governments must also make health a priority in their budgets. Countries can also create fiscal space for UHC by broadening the tax base and improving tax administration, introducing dedicated revenue sources for the health sector such as social health insurance contributions, improving efficiency, obtaining grants, and temporarily borrowing. Within health budgets, immunization programs require adequate allocations for purchasing vaccines, injection supplies, and cold chain equipment; managing and transporting vaccines; and delivering immunization services.
**Equity in Health Coverage**

Health needs vary across a country’s population, so providing UHC and financial protection for the entire population requires significant redistribution and cross-subsidization—from rich to poor and from healthier people (such as the young) to those with greater health needs (such as the elderly). Perhaps the most important equity issue related to immunization in many settings is adequate funding for—and attention to—extending services to hard-to-reach areas and populations to ensure at least 90% coverage overall and 80% in every district (Global Vaccine Action Plan goals for DTP3-containing vaccine by 2015 and for all vaccines in the national schedule, unless otherwise recommended, by 2020).

**Value for Money**

All countries face resource constraints in achieving or maintaining UHC, so getting the most from available funding is critical. One important way to improve value for money is through strategic purchasing—strategies that help countries pay lower prices for health commodities (such as drugs and vaccines) and create incentives for health providers to improve the quality and coverage of their services and to do so in the most efficient way. (See Briefs 11, 12, and 14.)

**National Health Financing and Immunization**

How a country finances UHC, and the health financing and service delivery arrangements it puts in place, can affect the priority given to immunization and how access to immunization services is ensured. Low- and middle-income countries are increasingly moving toward mixed health financing models, which combine national budgets with public health insurance schemes and, to a lesser degree, private financing through voluntary insurance.* In many countries, private health providers play a growing role in health service provision and are increasingly contracted through public financing arrangements.

---

*Experience has shown that private voluntary insurance cannot be the basis for achieving UHC, although it may have a limited role, such as for supplemental insurance (Kutzin 2012).*
Some health systems that rely on tax-based financing and public service provision, such as Malaysia and Sri Lanka, perform well in general and achieve high immunization coverage rates. But many other countries that use the national health service model have difficulty securing adequate funds in the yearly budget process. These systems are often characterized by chronic underfunding and staffing shortages. A parallel, and typically poorly regulated, private sector often emerges to meet the demand for health services; together with the chronic underfunding of public facilities, this often leads to high out-of-pocket payments for patients and weak financial protection.

In systems that rely primarily on tax-based financing and public service provision, immunization financing may benefit from coherent policies and transparent budget allocations at the national level. But potential challenges include general underfunding of the health sector, staffing shortages in rural and remote areas, unclear division of responsibilities for immunization financing between national and subnational levels of government in more decentralized systems, and weak incentives at the health provider level. The high levels of out-of-pocket payments and reliance on private providers that often emerge for many health services can also affect access to immunization, although there is limited evidence of this globally. (See Brief 8.)
**Mixed Public Financing and Mixed Public and Private Service Provision**

Some countries—including Ghana, Indonesia, Peru, and Vietnam—have introduced public insurance systems to inject additional resources into the health system and provide financial protection against out-of-pocket fees. (See the figure below.) These systems have also introduced new arrangements between the purchasers of services and the providers (although public providers still typically receive ministry of health allocations). These new purchasing arrangements can provide an opportunity to introduce new payment systems, including results-based financing, and other strategic purchasing approaches. These systems have increased financial protection for consumers in many cases, and funds that flow through insurance systems can often be used more flexibly than traditional budget funds.

In some countries, immunization coverage has increased as the national health insurance system has grown. But expansion of an insurance program, particularly one that focuses on curative services, can crowd out resources for immunization and other preventive services. Challenges arise in extending insurance coverage to informal-sector workers and achieving equity, particularly when the country has multiple insurance programs. Health promotion and preventive services, including immunization, typically continue to be funded through the ministry of health budget, as in Ghana and Vietnam. In Indonesia, immunization is included in the benefits package of the national health insurance system. Either way, countries should ensure that immunization financing and service delivery responsibilities are clear, and that people understand where immunization services can be obtained and how they are covered.
so immunization is not neglected by the financing system and service providers. Cold chain supply and maintenance can be particularly vulnerable in mixed systems with multiple institutional actors and unclear lines of responsibility.

**Primarily Public Health Insurance Financing and Mixed Public and Private Service Provision**

Some countries finance nearly all health services through a social health insurance system funded primarily by an earmarked payroll tax (as in Estonia and Moldova), or with mainly general tax funding through a public purchasing agency (as in Thailand). These approaches are termed “primarily public insurance financing and mixed public and private service provision” in this brief. In these systems, immunization services are included in the benefits package and providers are paid to deliver those services. Vaccine procurement and other national functions are typically carried out by the ministry of health using budget funding, although in Thailand the purchasing agency is responsible for procuring vaccines and distributing them to health providers. The Ministry of Health typically no longer funds service provision. (See the figure below.)

Social health insurance systems often clearly delineate functions within the health system, such as regulation, financing, and service provision. This creates opportunities to use strategic purchasing and payment systems to create incentives for health care providers that are more comprehensive than in a mixed budget/insurance system. But this approach comes with the risk that responsibilities for particular

---

**Diagram:**

**Funding Sources**
- External assistance
- General government revenue
- Earmarked taxes, premiums, etc.
- Household out-of-pocket payments

**Agents**
- National medical stores
- Ministry of Health (central immunization program functions)
- Public health insurance fund

**Providers of Immunization Services**
- Regional/district health offices
- Private providers

**Financial Flows**
- In-kind

---
immunization functions may be unclear and payment incentives may disadvantage immunization services. Some social health insurance schemes tie specific financial incentives to immunization coverage to ensure that immunization services are not neglected. For example, Estonia’s social health insurance system combines capitation payment for primary health care with a pay-for-performance program and additional financial incentives for achieving immunization coverage targets.

Social health insurance systems that clearly specify responsibilities for immunization functions across the ministry of health and the health insurance agency tend to achieve high immunization coverage rates. In Moldova, for example, the Ministry of Health has overall stewardship of the National Immunization Program, but the responsibilities of all cooperating agencies, including the National Health Insurance Fund as the payer of services, are clearly outlined in its comprehensive multi-year plan for immunization. This has resulted in a well-functioning program and high immunization coverage rates.

**Sources and Further Reading**