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Progressive Health Spending and Health Outcomes in Nigeria: The Case of Malaria

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ABSTRACT

In Nigeria, malaria incidence has been observed to impose sizable economic burden on households and national health outcomes at large. Evidence suggests this illness affects production by reducing household's labour supply and the household's ability to effectively utilize resources. Successive Nigerian governments have been making efforts at ensuring that there is an improvement in the level of health outcome through health expenditure on malaria incidence, in addition to increased health spending nationally to meet a subset of the millennium development goals six which is malaria reduction. Yet, health outcomes reports in Nigeria are still worrisome. Thus, this study investigated the progressive implication of Malaria incidence and malaria spending on Nigeria health outcomes using the production function health model with macroeconomic variables from 1970 to 2013. The study observed that health expenditure and educational expenditure are the major means government spends on malaria incidence in terms of providing essential infrastructural services. This paper argues that implementing necessary health policies will enhance national productivity. This is because healthier people work more and are physically and cognitively stronger.

KEYNOTES: *Incidence, malaria spending, health outcome, Malaria cases and under_5 mortality*
JEL Classification: I1; H50; J13;

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1.1 Introduction

Health outcomes have been described as measures of the end result of what happens to patients or individuals as a consequence of their encounter(s) with a particular disease or the healthcare system, (Krousel-Wood, 1999). Health outcomes can be classified into two categories; positive and negative health outcomes. The positive health outcomes for people include being alive; functioning well mentally, physically, socially; and having a sense of well-being. Negative outcomes include death, malfunction, and lack of well-being. Meanwhile, diseases are the intermediate factors that influence the likelihood of achieving a state of positive health outcomes, (Henderson, 2002). As such, malaria incidence has been observed to impose sizable economic burden on households and national health outcome at large. Evidence suggests this illness affects production by reducing household's labour supply and the household's ability to effectively utilize resources, (Singh, Shukla & Sharma, 1999). The effect is higher among poor households who spend a significant proportion of their income on medical expenditures, and are less able to rely on employed labour, thus reducing farm output significantly.

However, different government regimes have contributed in their effort for malaria eradication in Nigeria. Some of the progress that have been made in the financing and implementation of the malaria control agenda which include increased coverage of preventive interventions such as insecticide-impregnated bed nets for malaria control as well as the provision of free artemisinin-based combination therapies to treat malaria in children, through improved health behaviour and improved quality of health service delivery, (Olufunke & Olumuyiwa, 2011). For example, it was observed that between the period 1977-1979 economic plan, which was during the military regime led by General Olusegun Obasanjo, an average of 0.6% was spent on malaria control out of 11.5% of the total government health expenditure during the period. This is in contrary to Buhari/Idiagbon regime that placed austerity measure on government spending. At this period also, much focus was not on the health sector despite the fact that there were some diseases that were prevalent, (Akintunde, 2011).

Successive Nigerian governments have been making efforts at ensuring that there is an increase in the level of health outcome through health expenditure on malaria prevalence. For instance, successive years like, 1980, 1990, 2000 and 2010, the public expenditure on health were N302.5m, N658.1m, N20,201.8m and N76,876.5m. All these reveal that there has been an increase in the level of public expenditures on health and progressive spending in malaria eradication efforts with the hope that this will boost the level of health output in Nigeria.

Even in the recent times, the proportion of these government health spending goes to malaria control and eradication effort as in line with MDG and Nigeria Vision 20:2020. In pursue of this, government invests in different malaria programmes and campaigns as efforts to eradication of this disease in human society as well as actualization of MDGs and Vision 20:2020, thus suggesting a progressive malaria spending. For instance, government has made investment so far in malaria control which included; the distribution of insecticide nets, the scaling-up of access to case management using Artemisinin Combination Therapy (ACTs) and Rapid Diagnostic Tests (RDT) for malaria.