# PATIENTS' WILLINGNESS TO PAY FOR THEIR OWN MEDICATIONS IN HEALTHCARE SETTING IN PERLIS, MALAYSIA



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### INTRODUCTION

- Healthcare services provided by the Ministry of Health such as medical, dental and pharmaceutical services are highly subsidized, which leads to increase burden in government financial.<sup>7</sup>
- In Malaysia, the public health care is highly funded by government where patients only contribute about 3% of the total cost of providing health care services.<sup>8</sup>
- Public has been relying on the subsidized healthcare system which has contributed to the negative perception towards any proposed user fees in this setting eventhough the idea is to reduce government's burden.<sup>3</sup>
- Dependency towards government subsidy can deprive the necessary development of the nation. 3

**Rational of study**: Based on Pharmaceutical Services Division Annual Report 2016, national drug expenditure was MYR 2.1 billion for all MOH hospitals, institutions and health clinics. For each visit to government facilities, Malaysians only pay a user fee of only RM1 for general clinic and RM 5 for specialist clinic for consultations, investigations and medications. With the increase in the cost of healthcare, the current fees are no longer suitable.<sup>1</sup>

**Objectives:** To investigate the value in ringgit Malaysia that patients are willing to pay for their medications and to study socio demographic factors that influence the patients' willingness to pay for their medications.

### **METHODS**

# Study design and population

- A cross-sectional study via questionnaires survey. Convenient sampling method was used.
- Target population: Residents living in Perlis (both high and low income group). Distributed in Hospital Tuanku Fauziah, Klinik Kesihatan Kangar and Universiti Teknologi Mara Cawangan Perlis.

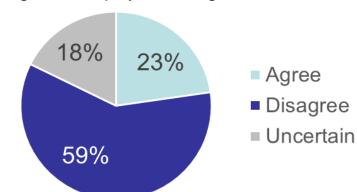
Survey tools
(Validated
questionnaire that
consists of 4 parts)

- · Socio-demographic data
- Patient's treatment expenses
- Patient's willingness to pay
- Maximum amount that patient is willing to pay for drugs procurement
- Study visits and procedure
- Statictical analysis
- A set of questionnaires was distributed to the public during the data collection period. Data was classified based on socio-demographic, patient's willingness to pay for their drugs and factors associated with patient's willingness to pay for their drugs.
- Data analysis was performed using IBM SPSS Statistics for Windows Version 20.0. Data obtained was validated using Chi square test and a value of p<0.05 was considered significant.

#### **RESULTS**

- Majority of the participants belong to younger age group (83.1%), are female (69.3%), Malay (96.6%), married (57.0%), have lower level of education (62.2%), higher personal income (71.1%), lower household income (54.7%), no insurance (62.5%) and agree towards the implementation of national health insurance (51.6%).
- Lower level education comprises of primary school, secondary school and diploma while higher level of education comprises of degree, master and PhD.

Figure 1: Willingness to pay for drugs



- Factors affecting this outcome was analysed. Marital status and level of education significantly influence the willingness to pay for drugs among respondents with a p value of 0.005 and 0.001 respectively.
- Personal income, household income and number of household dependent also affect respondents' willingness to pay for their drugs with a p value of 0.024, 0.025 and 0.001 respectively.
- Age, gender, ethnicity and prior insurance does not play a role in affecting respondents' willingness to pay.

#### **DISCUSSIONS/CONCLUSION**

From the data obtained, only 22.7% are willing to pay and 17.7% are uncertain and 59.6% are not willing to pay for drugs. This is in line with the statistics reported by Department of Statistics Malaysia in Report on Household Expenditure survey 2016 where average Malaysians spend 24% of their monthly income on housing and utilities, 18% on food and beverage and only 1.9% on health.

- 1. Marital status and WTP: Married people are more inclined to pay for their medications than those who are single. According to Lang (2010), people with family to take care of are more willing to pay for the treatment than those without family around.
- 2. Education level and WTP: Higher level education group (29.7%) are more willing to pay than lower level education group (18.4%). A study found a significant relationship between level of education and willingness to pay.<sup>1</sup>
- **3. Income and WTP**: Group who earned a higher income are more inclined to pay more for medications. This is consistent with a few prior studies.<sup>2,5,6,7</sup> The relationship between income and willingness to pay is relevant as the implementation of drug charges might be a burden to lower income group.
- 4. Household dependents and WTP: Group with household number of 3 and less are more willing to pay compared to group with 4 or more household dependent. Having to pay more for medications than they used to pay will contribute to a higher expenses and thus lead to less willingness to pay.<sup>7</sup>

In conclusion, this study showed that a high percentage of patients are still not prepared to pay for their medications as they have been receiving a highly subsidized healthcare all this while. Patients who agree are only willing to pay at a median of RM 15 for chronic illness and RM 10 for acute illness.

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