
Ugyen Tshering¹, Jayendra Sharma², Dorji Tshering³, and Tandin Dendup⁴

¹Royal Government of Bhutan Ministry of Health Department of Public Health
²Center for Health Policy
³Phuentsholing General Hospital
⁴Royal Government of Bhutan Ministry of Health

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Abstract

Deeply rooted in its developmental philosophy of gross national happiness (GNH), Bhutan’s healthcare system strives towards achieving a shared goal of universal health coverage (UHC). Despite being primarily financed by the government, the healthcare system faces a plethora of challenges. To overcome these hurdles and achieve UHC goals, expanding the fiscal space for health and improving operational efficiency is crucial. This policy brief aims to address Bhutan’s evolving healthcare landscape and advance the achievement of UHC through two policy options. The first policy option focuses on dual objective of improving health outcomes and promoting financial sustainability by leveraging health taxes, while the second option emphasises reinforcing a systematic Health Technology Assessment (HTA) in the healthcare system. First, to promote financial sustainability, the proposal suggests introducing earmarked taxes on alcohol and tobacco products for the health sector. Global evidence suggests that earmarked taxes are a reliable source of revenue for health, and Bhutan’s high prevalence of tobacco and alcohol consumers assures a reliable revenue base. The Goods and Services Tax (GST) will be implemented in 2024, and it will be a good opportunity for the Ministry of Health to advocate and negotiate with Ministry of Finance (MoF) for the earmarked taxes to the health sector. Second, integration of HTA into policymaking and decision-making processes is essential for effective resource allocation in UHC. Nurturing and strengthening the existing HTA structure under MoH and establishing a dedicated multidisciplinary HTA Committee will ensure informed decision-making and resource optimization. HTA evidence should abided to revise health service standards, develop clinical guidelines, make procurement decisions, and set healthcare priorities. These policy options can assist the country in improving ensure financial sustainability, enhance effective resource allocation and utilisation, and improve healthcare delivery, aligning with its vision of GNH and ultimately accelerating progress towards achieving UHC.

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