

PATIENT PAYMENTS IN CENTRAL AND EASTERN EUROPEAN COUNTRIES
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Informal payment in health care and intra-household allocation of resources in Albania

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Abstract:

Informal health care payments are an important part of out-of-pocket payments and may influence negatively the access to health care services. If formal arrangements fail to provide the protection and fairness in health care provision, the market for informal payments may increase the burden on the household's budget. The purpose of this paper is to investigate household strategies in allocating financial resources over their members for out-of-pocket payments and informal gifts in health care. Data from the WB Living Standard Measurement Survey 2002 and 2005 in Albania, are used for the analysis. Both the probability and the amount paid in in-patient and out-patient services are analysed. The different types of families are also considered in order to analyse the behaviour of households.

The results show that there are differences between in-patient and out-patient services. Health insurance influences negatively informal gifts and out-of-pocket payments (especially in out-patient) and there is no significant difference between family types. In in-patient services, where the health insurance has a minor role, payments are higher. Also, households allocate more resources (as informal gifts) to children than spouses. In in-patient services, payments for spouses are lower in extended families than in nuclear families. Methods to raise money for payments differ mostly in out-patient rather than in-patient services. The differences between the amount paid in in-patient and out-patient services suggest that the type of services and also formal arrangements may influence the amount that households allocate to different members of the family as informal payments in health care. This is an important consideration given that the consequences of such payments are felt mostly by poor households with higher number of children and elderly.

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