

Sector Brief & SWOT Analysis of Health Sector in Pakistan

By ICMA Research and Publications Department

Historical Background

Since Pakistan's independence in 1947, constructing a healthcare system was a pressing challenge due to a shortage of medical facilities and professionals. Despite this, the government acknowledged healthcare's significance and initiated reforms. A pivotal step was establishing the Pakistan Medical Council to oversee medical education and practice. Initially founded in 1948 under the British Indian Medical Council Act 1933, it underwent reorganization in 1951 under the Pakistan Medical Council Act. The formation of the West Pakistan Medical Council in 1957 and subsequent restructuring under the Pakistan Medical Council Ordinance 1962 led to the establishment of the present-day Pakistan Medical and Dental Council (PMDC), which absorbed all provincial councils.

- In 1947-48, Pakistan established its healthcare system with 1,014 facilities, including 292 hospitals and few doctors with Mayo Hospital as the Pakistan's oldest and largest hospital.
- In 1957, Rawalpindi General Hospital [now Benazir Bhutto Hospital] became the inaugural tertiary hospital serving Rawalpindi and Islamabad.
- Until the early 1970s, local governing bodies managed health services. By then, a decentralized system emerged, with basic health units offering primary care to 6,000-10,000 people.
- In the 1970s, the government laid the foundation for the public healthcare system by establishing Basic Health Units (BHUs) with one in every union council by 1985-86.
- In 1978, Expanded Program on Immunization (EPI) was launched.
- In the late 1980s, there was a significant rise in private clinics and hospitals.
- In 1992, Pakistan initiated its first health management information system and collaborated on the Social Action Programme Project.
- Japanese Official Development Assistance (ODA) began in Pakistan in 1954 and by 2015 cumulative loan and grant aid amounted to 9.9 million yen and 2.6 million yen, with focus on human security, social infrastructure, and regional development.

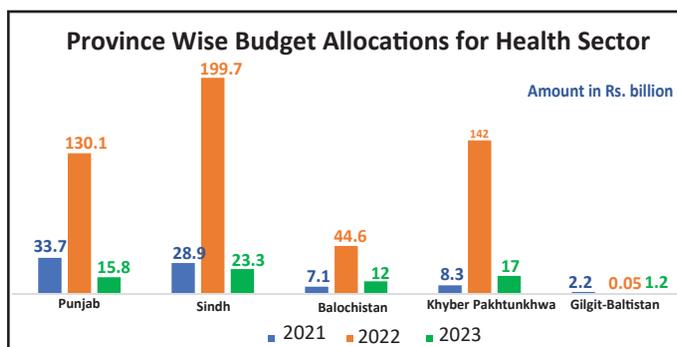
- In 2016, the Government of Pakistan pledged to augment the health sector allocation to 3% by endorsing the National Health Vision of Pakistan 2016-2025.

Health Sector Overview

- WHO data reveals Pakistan's Public sector health care infrastructure having 1,201 hospitals, 5,518 basic health units, 683 rural health centers, 5,802 dispensaries with 123,394 beds available.
- Private health sector addresses rising healthcare demand with limited public facilities, Pakistan now has 529 private hospitals, over 70% health consultations occur in private sector with 90% first-level clinics.
- UNDP reports show Pakistan's stagnant Human Development Index (HDI) ranking at 161st globally from 2019-2021, highlighting lower investment in human development than its neighbors.
- SDG 3 aims to "Ensure healthy lives and promote well-being for all at all ages," necessitating 16% of Pakistan's GDP annually, with a financing gap of US\$3.72 billion for 2020-2030.
- In FY2023, healthcare receives only 2.1% of GDP resulting in deteriorating facilities. Despite health's role in economic development, making this sector a priority remains low in Pakistan.
- In FY2023, Public Sector Development Programme (PSDP) allocated Rs. 22,356.5 million for health, comprising 2.8% of the total development budget and 0.05% of GDP.
- Pakistan's 11th Five-Year Plan (2013-2018) that is currently being implemented addresses Vision 2025's pillars, aiming to save lives, eradicate diseases, and improve healthcare access.
- Pakistan's Digital Health market anticipates significant growth by 2024, with projected revenue reaching a substantial US\$401.40 million.
- Political unrest disrupts policy continuity, affecting Pakistan's healthcare. Prioritizing health regardless of regime changes is crucial for national progress.
- Pakistan ranks 4th globally in type 2 diabetes burden, with over 19 million cases, impacting mortality, healthcare costs, and economic productivity.

Province Wise Budget Allocations for Health Sector

S. #	Provinces	2021	2022	2023
1	Punjab	Rs. 33.7 billion	Rs. 130.1 billion	Rs 15.8 billion
2	Sindh	Rs 28.9 billion	Rs 199.7 billion	Rs 23.3 billion
3	Balochistan	Rs 7.1 billion	Rs 44.6 billion	Rs 12 billion
4	Khyber Pakhtunkhwa	Rs 8.3 billion	Rs 142 billion	Rs 17 billion
5	Gilgit-Baltistan	Rs. 2.2 billion	Rs 0.05 billion	Rs 1.2 billion



Source: Pakistan Economic Survey

SWOT analysis of Health Sector in Pakistan

Strengths

- National Health Vision 2025 by MONHSR&C aims for better health facilities.
- Provision of improved healthcare services
- Public awareness and community support programs
- Potential growth of Pakistan's Digital health market.
- Huge growth potential of pharmaceutical and surgical industry.
- Health card introduction marks significant healthcare progress.
- Increase collaboration with international organizations
- Decreased the reliance on donors' funding
- Multi-Sectoral Committee Initiatives at provincial level to enhance health and climate resilience.
- Advances in medical technology
- Increasing efforts to address maternal and child health issues

Weaknesses

- Management change disrupts health policy implementation.
- Lack of private sector regulation
- Ineffective and inefficient governance
- Lack of proper infrastructure for public health units.
- Lack of research and development capacity in health sector.
- Medicine shortages and rising costs exacerbates health sector woes.
- Physical accessibility and lack of resources in health facilities
- Lack of Health System Governance
- Lack of proper health diagnostic facilities and medical education
- Lack of accountability hampers decision-making authority.
- Load shedding and electrical surges

Opportunities

- Provinces must boost public health financing, restructure facilities through policies.
- Compliance with HR policy under 18th Amendment, to ensure capacity for drug regulation.
- Introduction of Family medicine to prevent non-communicable diseases.
- Increasing healthcare awareness among the population.
- Investment in Healthcare sector promotes medical tourism boosting foreign exchange earnings.
- Establishment of pharmaceutical park to improve availability of life saving medicines.
- Establishment of Disease response and surveillance system.
- Restructuring of public facilities
- Reformed hospitals through decentralization
- Increase in health revenue allocations
- Increased insurance coverage
- Transparently governed, technically sound federal drug regulatory authority.

Threats

- Serious underfunding of the health sector
- Shortage of hospitals, doctors, nurses, paramedics persists.
- Numerous issues of malnutrition and stunting persist in rural areas of Pakistan.
- Pakistan is undergoing deepening human development crisis
- Insufficient training in medical equipment usage and underutilization of primary health facilities persist.
- Environment deterioration harms livelihoods, climate change threatens health sector.
- Unavailability or non-functioning of medical equipment.
- Devolution of power causing irregularities in safety standards.
- Lack of patient safety at different levels.
- Poor collaboration in health departments regarding data sharing.
- Massive brain drains of healthcare professionals
- Large population lacks financial protection for healthcare.