

PROVIDING FREE TREATMENT FOR COVID-19 PATIENTS: TRUE OR FALSE

Mohammad Meskarpour-Amiri, Ali Mehrabi Tavana

Health management research center, Baqiyatallah university of medical sciences, Tehran, Iran

Correspondence: mailer.amiri@gmail.com

ABSTRACT

The policy of providing free treatment for covid-19 patients currently exists in many developing countries. At this short editorial comment, we discussed a crucial question "whether the free treatment for covid-19 patients leads to an increase in the number of cases or not?"

It is very important question that we think will change the financing policy of covid-19 treatment in a large number of countries.

KEYWORD

COVID-19, health financing, health care cost, health policy.

The policy of providing free treatment for COVID-19 patients is current in many developed countries [1] as well as in some developing countries such as India and Saudi Arabia. [2, 3] This policy along with early isolation has been cited in some scientific papers as a lesson for developing countries in combating the COVID-9 pandemic. [1, 4] However, providing free treatment for COVID-19 patients will impose high direct and indirect costs to the health system and insurance organizations and will go on to grow along with outbreak flow. The average health care cost for non-severe COVID-19 patients has been estimated US\$ 939 per patient while in the severe cases the average will increase to US\$ 8,878. Providing intensive medical care for complicated patients will also cost more than US\$ 25,578 per case. [5] Therefore, the fiscal space for the health sector must be carefully planned and managed to be ready for a relatively long-run exposure to COVID-9 pandemic.

Although the policy of free treatment for COVID-19 patients seems somewhat reasonable due to its positive externality, but given the durability of this pandemic, health policy-makers need to be more careful about planning and consuming resources in the long run. Evidence based management of health care system is necessary more than ever in this situation. [6] According to the principle of "moral hazard", the reduction in the price of health care services for the patients, through negligence in self-care, can lead to an increase in demand for these services. [7] Negligence in self-care and disregard for health protocols is now reported in countries with free treatment policy. [8] In this situation, the crucial question is that whether the free treatment for COVID-19 patients leads to an increase in the number of cases or not?

There is currently no credible scientific evidence to

measure the price elasticity of demand for COVID-19 health care. Therefore, it is still not possible to say whether the demand for these services is sensitive to price or not. While certainly with increasing number of patients and vaccination coverage, the positive externality of treatment will decrease. On the other hand, according to moral hazard principle, free of charge treatment for COVID-19 patients may increase the likelihood of neglect in personal health care. Thus, due to resource limitation, it cannot be said that completely free treatment for these patients is a right policy for the long run as well as for all patients.

Reference:

1. Lee, D., K. Heo, and Y. Seo, COVID-19 in South Korea: Lessons for developing countries. *World Development*, 2020. 135: p. 105057.
2. Free treatment for COVID-19 patients. 2020 [cited 2021 12Agust 2021]; Available from: <https://www.thehindu.com/news/national/other-states/free-treatment-for-COVID-19-patients/article31212401.ece>.
3. Meo, S.A., COVID-19 Pandemic: Saudi Arabia's Role at National and International Levels. *Journal of Diabetes Science and Technology*, 2020. 14(4): p. 758-759.
4. Raoofi, A., et al., COVID-19 Pandemic and Comparative Health Policy Learning in Iran. *Arch Iran Med March*, 2020. 23(4): p. 220-234.
5. Jin, H., et al., Economic burden of COVID-19, China, January-March, 2020: a cost-of-illness study. *Bulletin of the World Health Organization*, 2021. 99(2): p. 112-124.
6. Hasanpoor, E., et al., Evidence-based management as a basis for evidence-based medical consultation. *BMJ Evidence-Based Medicine*, 2020. 25(3): p. 83.
7. Einav, L. and A. Finkelstein, Moral Hazard in Health Insurance: What We Know and How We Know It. *Journal of the European Economic Association*, 2018. 16(4): p. 957-982.
8. Christian, A.C.S., Obedience Towards Health Protocols During COVID-19 Pandemic. *Soshum: Jurnal Sosial dan Humaniora*; Vol 11 No 2 (2021): JulyDO - 10.31940/soshum.v11i2.2549, 2021.