

# Cooperative societies: a sustainable platform for promoting universal health coverage in Bangladesh

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Bangladesh is among the most densely populated countries in the world and has enjoyed a steady annual economic growth of 5–6% for more than a decade.<sup>1</sup> According to the Bangladesh economic review, the incidence of poverty has declined considerably from 56.7% in 1991–1992 to 24.8% in 2015.<sup>2</sup> The demographic structure of Bangladesh is changing more rapidly. The population pyramid is slightly narrower at the bottom than the middle, and the youngest age group constitutes more than half of the population.<sup>3</sup> In addition, the increasing per capita income has resulted in heightened demand for public and private sector health services. Bangladesh has made good progress in almost all of the health-related Millennium Development Goals (MDGs).<sup>4</sup> A new universal set of goals—the Sustainable Development Goals (SDGs)—to eradicate poverty, fight inequality and injustice, protect the earth and advance prosperity by 2030 was launched on 1 January 2016.<sup>5</sup> While it seems that the SDGs are less health oriented than the MDGs, the SDGs have the potential to be a game changer in global health, given that achieving universal health coverage (UHC) is among the core objectives of the health SDG. Based on the UHC theme, all people who need health services should receive them without undue financial hardship and should have 100% financial protection from out-of-pocket payments by 2030.<sup>6,7</sup>

Although introducing UHC remains challenging in resource-poor settings, countries such as Thailand, Rwanda and Mexico have proved that UHC is not only achievable by high-income countries only, but that commitment and political obligation also make it possible to advance on the path towards UHC. Thailand, Rwanda and Mexico have shown that political prioritisation of UHC has yielded major gains in health and financial protection for their citizens.<sup>8</sup> However, Bangladesh is not starting from zero. The

## Summary box

- ▶ Achieving Universal Health Coverage is among the core objectives of the health Sustainable Development Goals, and making healthcare affordable to everyone is fundamental to achieving Universal Health Coverage.
- ▶ Cooperative societies are autonomous groups of persons who voluntarily cooperate for their common economic interest, based on the values of self-help, self-responsibility, democracy and equality, equity and solidarity.
- ▶ There are 190 360 cooperatives in Bangladesh, and the total individual enrolees are 10 333 310 (with about 160 million people covered when spouses or dependents of enrolees are taken into account). Given this large pool, cooperative societies could be a platform to engage a large number of people regarding healthcare financing.
- ▶ Cooperative societies act as a risk management strategy for members, working on the basic principle of risk pooling during illness. This risk-pooling mechanism can mitigate the consequences of dependence on out-of-pocket payments to finance healthcare, thereby facilitating the move towards Universal Health Coverage.

government of the People's Republic of Bangladesh already designed a healthcare financing strategy for 2012–2032 to move towards the long-term objective of UHC. Meanwhile, a community-based health scheme combined with microhealth insurance is being tested in different parts of the country. The coverage of existing community-based health insurance or micro-insurance prepayment schemes currently serve as an interim measure for social health protection and the plan is that they will gradually expand towards greater coverage of the entire population.<sup>9</sup> A holistic approach is necessary because population coverage is among the key dimensions of UHC, that is, nobody should be left out of the shelter of health coverage. In light of this dimension,



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cooperative societies have already proved an important entry point for achieving UHC.<sup>10</sup>

A cooperative is an autonomous group of persons who voluntarily cooperate for their common economic interest, based on the values of self-help, self-responsibility, democracy and equality, equity and solidarity.<sup>11</sup> It is a social institution in which different groups of people, irrespective of their social, racial, political or religious status, come forward to think and work together to promote their socioeconomic development, sharing ownership and making decisions democratically. The goals of cooperatives include the economic development of the members, building up unity and promoting social integration, and cooperation among the members of the group. Through development programmes, cooperative members learn the relationship between serving their own needs and the viability of organisations, including interpersonal awareness about health and family welfare on a large scale. In addition to economic and social development, cooperatives play an important role in accessing health services for Bangladesh's vast population.<sup>12 13</sup>

Cooperatives in Bangladesh are organised under the Department of Cooperatives in the Ministry of Local Government and Rural Development of Bangladesh. According to the latest report, there are 190 360 cooperatives in Bangladesh, among which 22 are at the national level, whereas 1160 and 189 181 are in the form of central-level and primary-level cooperatives.<sup>14</sup> The total enrollees of cooperatives are 10 333 310. Notably, this number includes only members, and not their spouses or dependents. Hence, it can be argued that much of the about 160 million Bangladeshi population is covered in some manner under the umbrella of these cooperative societies. Cooperatives play a significant role in access to equitable healthcare service use at an affordable price, introducing health plans along with their other functions.<sup>10 15 16</sup> Again, by introducing this business model in a cooperative, there may be scope for low-income communities to increase their income and the affordability of purchasing any good or service.

The Healthcare Financing Strategy of Bangladesh proposed extending health coverage to the entire population, together with mechanisms for financing.<sup>9</sup> Cooperative societies can provide a platform to engage a large number of people regarding healthcare financing. Cooperative societies act as a risk management strategy for members, working on the basic principle of risk-pooling during illness. It is possible for cooperatives to consult with public health facilities and other healthcare providers for affordable inpatient care. It is also possible that a public health authority could ensure health service for all members of particular cooperative with an agreed payment basis. This risk-pooling mechanism will mitigate the consequences of dependence on out-of-pocket payments and finance healthcare, moving towards universal coverage.

The government of Bangladesh is committed to spreading the cooperative movement across the country

to ensure the socioeconomic and cultural emancipation of the people.<sup>17</sup> In addition, the Department of Cooperatives is preparing a comprehensive marketing plan that will facilitate the production, storage, processing, transportation and marketing of products provided by the members of cooperatives.<sup>14</sup> However, although cooperative societies represent a strong entry point, there remain some common problems, such as internal conflict among members, lack of democratic practice, lack of leadership, lack of professional management, political interference and lack of investment, which can hinder them from taking advantage of new opportunities.<sup>11</sup> There is no shortcut to UHC. A high level of political commitment, a high societal value placed on health and an effective evidence-based process for policy development and implementation are essential to achieving UHC.<sup>8</sup> Therefore, policymakers, including the Department of Cooperatives and the relevant ministry, might adopt initiatives to promote the concept of UHC. In addition, it is necessary to explore how to best create intersectoral policies to address health needs sustainably and thereby achieve the SDGs in Bangladesh, involving the cooperatives to ensure healthy lives and promote well-being for all, at all ages, by 2032.

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