

Pharmaceutical expenditure share by households in Malaysia: A regional comparison

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ABSTRACT

Introduction: In Malaysia, out-of-pocket expenditure on pharmaceutical products is alarmingly high. However, the topic related to how profound the monthly spending is relative to household income remains unexplored. To our knowledge, there is a lack of nationwide studies investigating factors associated with the expenditure share for pharmaceutical products using a nationally representative household sample. This study aims to conduct an in-depth investigation of the sociodemographic and household factors associated with pharmaceutical expenditure share (PES) among households in different regions in Malaysia. **Methods:** The Household Expenditure Surveys 2014 and 2016 were used for pooled cross-sectional analyses (n=29,389). Two-part models were used to estimate consumption (yes vs. no) and amount (PES) decisions of pharmaceutical products. The regressions were stratified by regions categorised based on Gross Domestic Product (GDP) per capita. **Results:** On average, a Malaysian household had a PES of 0.8%, which was equivalent to pharmaceutical expenditure of RM30-40 per month. Households with younger, male (high-income states), less-educated and Bumiputera heads while not owning insurance (low- and high-income states) were less likely to consume pharmaceutical products and had lesser PES than others. Households with higher income, having tobacco users and in 2016 were more likely to consume but spent lesser on pharmaceuticals. Separated household heads had lesser PES than single heads in middle-income states. Urban households in low- and middle-income states had a higher PES than rural households. **Conclusion:** More public health clinics in urban areas of low- and middle-income states and townships with more elderly are among the recommendations this study suggests to improve access to essential medicines.