Resource scarcity is a common problem facing the health sectors of many developing countries, including Iraq. While allocation and identification of adequate resources is a common planning and decision making problem, many governments focus on more effectively utilizing the available resources as alternative solution to this problem. With the increased demands on limited resources, health economics can be used to exert influence on decision making at all levels of health care. Health economics seeks to facilitate decision making by offering an explicit decision making framework based on the principle of efficiency, i.e., maximizing the benefits from available resources or, in another term, ensuring benefits gained exceed benefits forgone. One particular method in health economics that is used for priority setting among health interventions and effective resource allocation in health sector is economic evaluation. The concept of economic evaluation emphasizes efficiency choices in health care. It relates the benefits of alternative interventions to the resources incurred in their production. Economic evaluation is used to varying degrees in different countries. The widespread of the use of economic evaluation and the purpose of its use depend primarily on the country’s dominant health system, whether public, social insurance, private insurance or out of pocket private based. Many countries now use some forms of economic evaluation in deciding whether their national health systems should fund a particular project or activity like introducing new technologies, pharmaceutical products, vaccines or prevention programs. In general, it helps in making decisions on whether or not the health system should introduce and fund these aspects of health care. Although economic evaluation is very important for effective use of resources, the research-base for economic evaluation of health and health-related interventions in developing countries is weak and the available studies this area have many limitations. These limitations are mainly related to not following the scientific methods of economic evaluation and lack of robustness of analyses. Moreover, research evidences from the developed countries do not always fit to the contexts of developing countries. Therefore, policy making needs locally generated research evidence that take into the consideration the local circumstances. In Kurdistan Region and Iraq as whole, the field of health economics including economic evaluation is very primitive and has not been given enough attention by researchers and policy makers. In fact, no single published paper from Iraq on this important field could be identified. It is extremely unlikely that the policy makers in Iraq or Kurdistan utilize economic evaluation evidence in making resource allocation decisions or setting priorities in achieving health coverage goals. Unfortunately, the field of health economics is neglected in Kurdistan and Iraq as whole. There is no existing specialty of health economist, nor a particular degree based study course. Research is very limited, if not absent at all, in this important field. The weaknesses in health economic evaluation in Kurdistan and Iraq may be due to lack of training on economic evaluation methods among the non-economist researchers like public
health specialists and shortage or complete lack of trained health economist in this area of research. Lately, the College of Medicine of Hawler Medical University has introduced a study unit on health economics for postgraduate students in community medicine and family medicine that includes 10 theoretical hours. However, the study unit is provided by community medicine academics who are medical doctors and not health economists and are not specifically trained on health economics but are only interested in this topic. The study unit provides only the very basic theoretical principles of health economics without including practical sessions or research-based or problem-based teaching. There have been thousands of students from Kurdistan Region who have received governmental scholarships to pursue postgraduate studies abroad within the Human Capacity Development Program (HCDP) of the Kurdistan Ministry of Higher Education and Scientific Research. Although the mentioned focus of this program has been on the rare and needed specialties, health economics has been poorly covered by this program. It is not clear whether the concerned ministries have not asked for such specialty or the students are not interested in this topic. In both cases lack of awareness about the importance of this field and its potentiality to effectively contribute to policy making play important role. The context of limited resources for health in Kurdistan Region is currently overburdened by the budgetary problem faced by the region as a result to Iraqi central government’s holding of Kurdistan budget. The Kurdistan Regional Government has already started strict measures towards more effective use of resources and has promised important financial reforms to cut on wasteful spending. Therefore, the use of robust economic evaluation of health related interventions and programs should be conducted routinely to help in guiding policy making and priority setting in healthcare sector. This can only be accomplished by enhancing the capacity building on health economics and economic evaluation of health related programs in Kurdistan Region through provision of training courses, better integration of health economics in the study curriculum in both medical and general economics fields and provision of opportunities for degree based study courses in health economics. Then, researchers and health sector policy makers should identify important areas of economic evaluation to be studied considering the national and regional burden of diseases, possible alternative interventions and investment in health.

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