

The Effect of Health Subsidies on Poverty Level in Indonesia

Authors : Ikhsan Fahmi, Hasti Amanda Ilmi Putri

Abstract : The COVID-19 pandemic caused large scale social restrictions which have an impact on aspects of the nation's life, such as the level of poverty. One of the causes of poverty is the lack level of public health. The calculation of poverty is seen as an inability from an economic side of basic food and nonfood needs, which is measured from the expenditure side, one of which is health expenditure. The purpose of this study is to analyze the effect of health subsidies on society on the level of poverty in 2020 in Indonesia. The main source used is the National Socio-Economic Survey of Consumption Expenditure and Cor, March 2020. From the result of the analysis, it was found that the percentage of poor people increased from the previous 9.78 percent to 9,92 percent, or there were 391,000 people who were previously not poor people who became poor when the health subsidies were revoked. There is a pattern of distribution of provinces in Indonesia between the average cost of health subsidies per capita per month if the government does not provide health subsidies and the increase in the percentage of poor people. This indicates that government intervention related to health subsidised is important in terms of poverty alleviation in Indonesia.

Keywords : poverty, health, subsidy, expenditure

Conference Title : ICP 2022 : International Conference on Poverty

Conference Location : Athens, Greece

Conference Dates : October 13-14, 2022