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## **The Impact of Out-of-Pocket Expenditure of Diabetic Patients on Household Consumption:**

### **A Case Study in Kurunegala Teaching Hospital**

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According to the World Health Organization, diabetes is a chronic disease that requires medical treatment and care for a prolonged time. Despite the existence of free healthcare system in the country, patients are compelled to bear the cost of medication and related expenditure for a considerable period of time, perhaps throughout the lifetime. Therefore, the financial burden of diabetes may have a significant impact on household expenditure. Then the question emerging from this problematic situation, 'whether Out of Pocket Expenditure (OPE) for treating and caring diabetes has an impact on household consumption'. Since diabetic population in Sri Lanka is nearly four million, findings of this study may be useful to identify the attributes of OPE for diabetes of this larger population. Therefore, this study is based on Kurunegala teaching hospital. The major data collecting instrument was by a questionnaire developed, after translating cost concepts into questions which are pre-tested to understand whether respondents clearly understand the questions targeted to collect data and data were collected from a sample of 50 patients attended to the Diabetes clinic of the hospital. Due to time constraint, convenience sampling method was applied to collect data from patients in the diabetes clinic of January 2016. Data were analyzed using SPSS. Simple linear regression was calculated to predict the impact of OPE on household consumption ( $F_{1,48} = 1.643$   $p < .206$ ) with  $R^2$  of .033. These results suggest that the impact of OPE on household consumption is not significant. The results of this study also suggest that treatments for diabetic patients by state hospitals are satisfactory and out of pocket expenditure for diabetic treatment has no significant effect on household consumption.

**Key words:** *Out of pocket expenditure, Diabetes, Household consumption, Consumer Health*

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