

INTERNATIONAL REMITTANCES ON HEALTH EXPENDITURES OF FILIPINO HOUSEHOLDS

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An Undergraduate Research Presented
to the Division of Social Sciences
College of Arts and Sciences
University of the Philippines Visayas

In Partial Fulfillment of the degree
Bachelor of Science in Economics

June 2024

ABSTRACT

International remittances have become a substantial source of income for recipient households, which are utilized to finance different household expenditures such as consumption expenditures and investments. Previous studies in other countries have determined the impacts of international remittance on households' different expenditure types, but studies on its effect on health expenditures are limited. This study analyzed the marginal effects of international remittances on Filipino households' health expenditure and its types - medical products, outpatient medical services, and hospital in-patient services, utilizing the 2018 Family and Income Expenditure Survey of the Philippine Statistics Authority. Using the ordinary least squares regression method, the researchers find a positive significant effect of international remittances on household health expenditure and its types. A one PHP increase in international remittances significantly increases the total medical care of a household by 0.026 PHP, the medical products expenditure of a household by 0.014 PHP, the outpatient medical services expenditure of a household by 0.005 PHP, and the hospital in-patient services expenditure of a household by 0.007 PHP. However, the effects of international remittances on Filipino households' health expenditures vary across regions.