World Health Organization

European Region

Can people afford to pay for health care? New evidence on financial protection in Portugal: summary

This review assesses the extent to which people in Portugal experience financial hardship when they use health care. It covers the period from 2000 to 2025 using data from household budget surveys carried out between 2000 and 2022 (the latest available year), data on unmet need for health care up to 2024 (the latest available year) and information on coverage policy (population coverage, service coverage and user charges) up to May 2025. See UHC watch (2025) for updates.

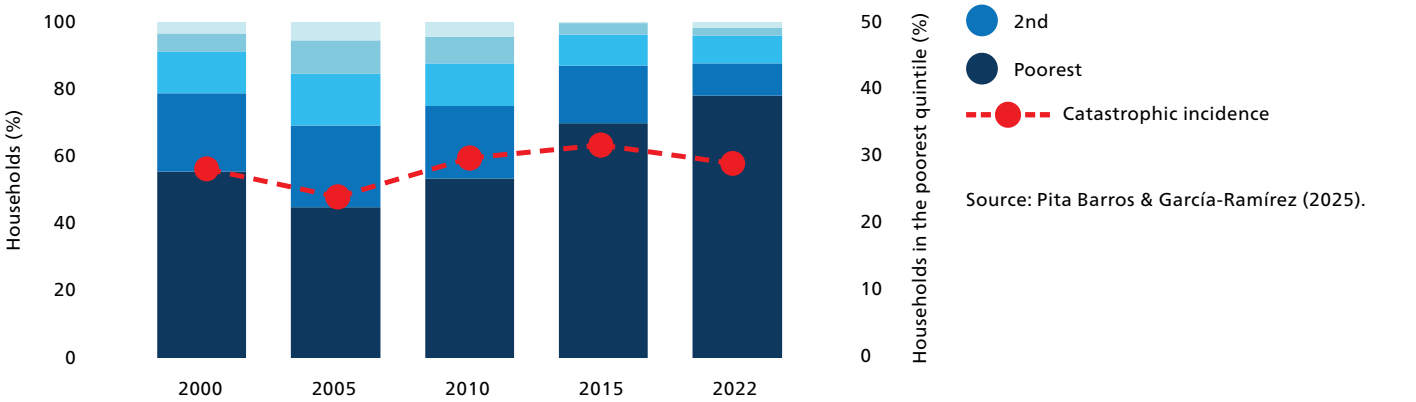
In 2023 3.3% of households were impoverished or further impoverished after out-of-pocket payments (data not shown; Pita Barros & García-Ramírez, 2025) and 7.5% of households experienced catastrophic health spending (Fig. 1).

Catastrophic health spending is heavily concentrated in households with low incomes (Fig. 1). It is also concentrated in households headed by older people and pensioners (data not shown; Pita Barros & García-Ramírez, 2025).

Outpatient medicines, followed by medical products and dental care, are the main drivers of catastrophic health spending on average (Fig. 2). In the poorest quintile catastrophic health spending is mainly driven by outpatient medicines, medical products and outpatient care (Fig. 2). Dental care and inpatient care are much smaller drivers in the poorer quintiles than the richer quintiles. This is likely to reflect a substantially higher degree of unmet need for dental care in households with lower incomes over time (data not shown; Eurostat, 2025a).

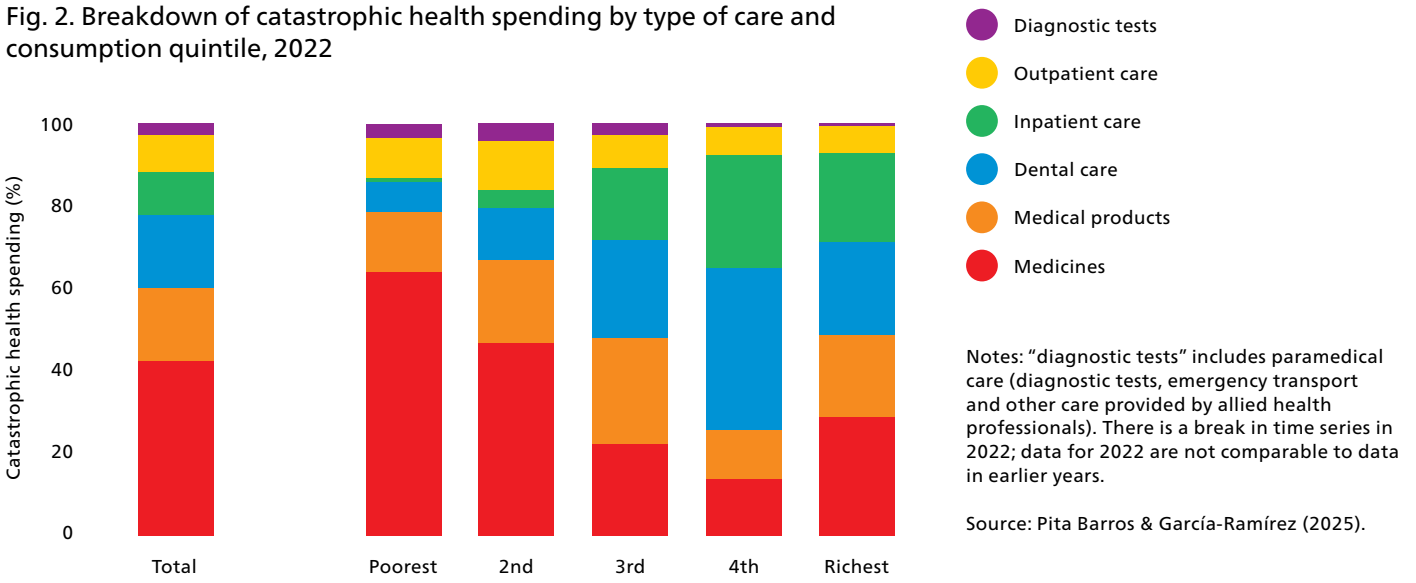
Unmet need is mainly driven by cost for health care and dental care. During the study period there was significant income inequality in unmet need for both types of care (data not shown; Eurostat, 2025a; 2025b).

Fig. 1. Breakdown of households with catastrophic health spending by consumption quintile and incidence of catastrophic health spending in the poorest quintile



Source: Pita Barros & García-Ramírez (2025).

Fig. 2. Breakdown of catastrophic health spending by type of care and consumption quintile, 2022



Notes: "diagnostic tests" includes paramedical care (diagnostic tests, emergency transport and other care provided by allied health professionals). There is a break in time series in 2022; data for 2022 are not comparable to data in earlier years.

Source: Pita Barros & García-Ramírez (2025).

How does Portugal compare to other countries?

The incidence of catastrophic health spending is higher in Portugal than in many European Union (EU) countries. However, it is lower than in Hungary, Italy, Poland and Romania, even though Portugal relies more heavily than these countries on out-of-pocket payments to finance the health system (Fig. 3). In the poorest quintile it is more heavily driven by out-of-pocket payments for outpatient medicines than most EU countries (Fig. 4). Unmet need for health care in Portugal has been similar to the EU average in the study period but unmet need for dental care has been much higher (data not shown; Eurostat, 2025a; 2025b).

What strengthens and undermines financial protection in Portugal?

Coverage policy in Portugal has notable strengths. First, entitlement to publicly financed health care is based on residence. Second, refugees, asylum seekers, the children of undocumented migrants and some undocumented migrants are entitled to the same benefits as residents. Third, the benefits package is relatively comprehensive. Fourth, several co-payments have recently been abolished (co-payments for primary care visits and diagnostic tests in primary care in 2020 and copayments for some emergency care in 2022).

However, persistent gaps in coverage undermine financial protection, particularly for people with low incomes.

Outpatient medicines incur heavy percentage co-payments (ranging from 10% to 85% of the price) and are also subject to reference pricing. Although there are exemptions in place, they only apply to percentage co-payments and to some health conditions. Exemptions on the basis of income were only introduced in 2024 and apply to a small group of people (people aged over 65 years with low incomes receiving social support), and exemptions are not automatically applied. There are no caps on co-payments. Reference pricing for covered medicines leads to "avoidable co-payments"; there is no protection from these co-payments and people may pay out of pocket for a medicine that is more expensive than the lowest-priced alternative due to stock issues in pharmacies.

Coverage of medical products (corrective lenses) is limited in the benefits package and heavy percentage copayments are applied to covered products (mostly in the form of percentage co-payments ranging from 15% to 85% of the price) without exemptions and caps in place.

Access to publicly financed dental care is restricted due to a lack of public facilities. A system of National Health Service (NHS) dental care vouchers provides access to regular check-ups and preventive treatment in private facilities without payment but these only cover 20% of the population. A pilot project set up in 2016 to improve access to dental care in NHS primary care centres for people with specific conditions and people with low incomes has been expanded over time but it still only operates in around a third of municipalities in mainland Portugal.

Waiting times are an issue in primary care, for outpatient specialist visits and for elective surgery.

Existing exemptions from co-payments for outpatient specialist visits and diagnostic tests are not applied automatically and there is no cap on co-payments for any user charges.

Fig. 3. Households with catastrophic health spending and out-of-pocket payments as a share of current spending on health in the WHO European Region, latest available year

Notes: data on catastrophic health spending and out-of-pocket payments are for the same year, except for Greece, the Republic of Moldova and Slovakia where out-of-pocket payments are for 2022. Dots are coloured by the incidence of catastrophic health spending: green < 2%, yellow < 5%, orange < 10%, red < 15%, dark red > 15%. See page 5 for country codes.

Source: UHC watch (2025) and WHO (2025) for data on out-of-pocket payments.

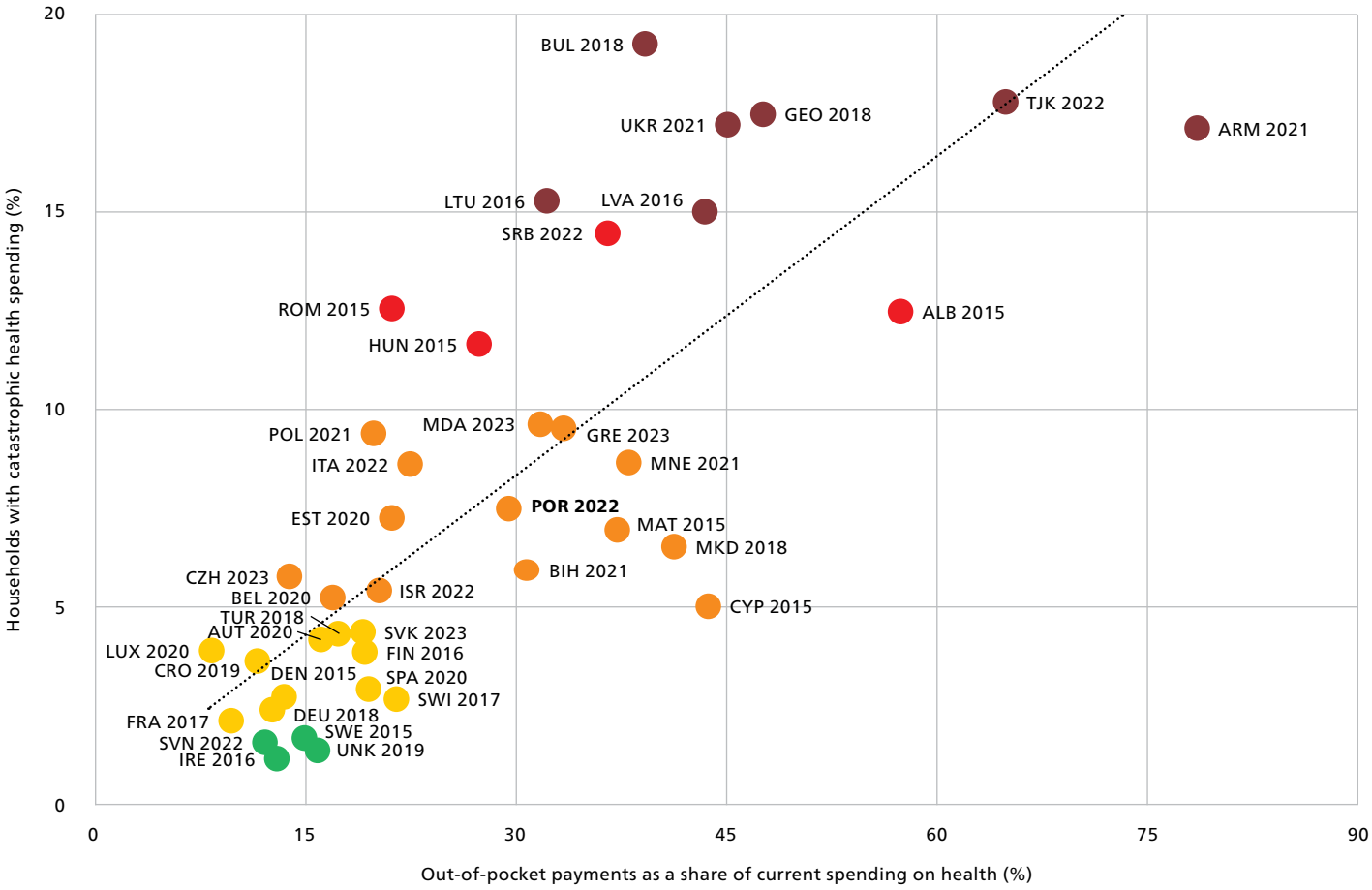
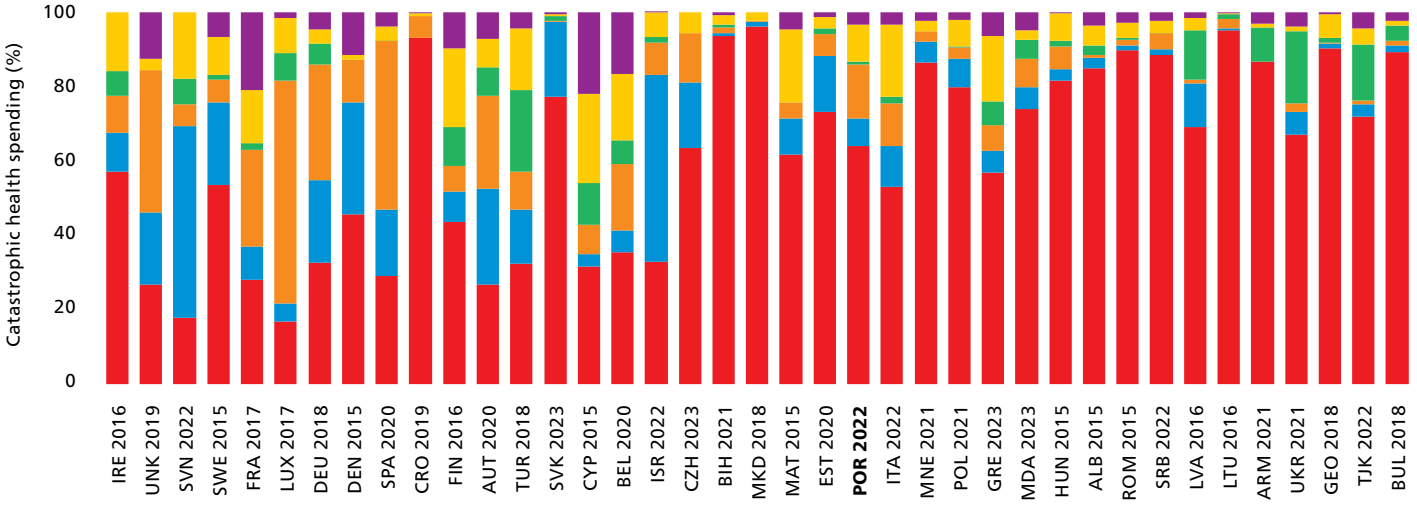


Fig. 4. Breakdown of out-of-pocket payments by type of care in households in the poorest quintile with catastrophic health spending, WHO European Region, latest available year

Notes: countries are ranked from left to right by the incidence of catastrophic health spending. Types on care are sorted by unweighted average across all households and all countries. See page 5 for country codes.

Source: UHC watch (2025).



How can Portugal improve financial protection?

Building on recent efforts to improve access to care (e.g. abolishing some co-payments for primary care and enhancing access to dental care in NHS primary care centres), the Government could consider further steps to reduce financial hardship and unmet need, particularly for people with low incomes.

- Enhance access to outpatient prescribed medicines as part of primary care. Options include replacing percentage co-payments with low fixed co-payments (which are more transparent) (WHO Regional Office for Europe, 2023); ensuring people can access at least one of the three lowest-priced medicines in each reference group free at the point of use.

- Improve the mechanisms used to protect people with low incomes from co-payments, especially for outpatient prescribed medicines. Extend exemptions from outpatient prescribed medicines to all people with low incomes, not just pensioners; introduce a cap on all co-payments and link the cap to household income; and make sure exemptions and caps are applied automatically, using digital tools, for everyone (García-Ramírez et al., 2025).

- Continue with efforts to reduce waiting times and improve access to primary care.

- Expand access to publicly financed dental care.

- Expand coverage of medical products (corrective lenses), especially for people with low incomes.

- Evaluate the benefits and costs of tax subsidies for out-of-pocket payments and voluntary health insurance premiums.

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1. All references were accessed on 18 July 2025.

Countries

ALB: Albania; ARM: Armenia; AUT: Austria; BEL: Belgium; BIH: Bosnia and Herzegovina; BUL: Bulgaria; CRO: Croatia; CYP: Cyprus; CZH: Czechia; DEN: Denmark; DEU: Germany; EST: Estonia; FIN: Finland; FRA: France; GEO: Georgia; GRE: Greece; HUN: Hungary; IRE: Ireland; ISR: Israel; ITA: Italy; LTU: Lithuania; LUX: Luxembourg; LVA: Latvia; MAT: Malta; MDA: Republic of Moldova; MKD: North Macedonia; MNE: Montenegro; POL: Poland; POR: Portugal; ROM: Romania; SPA: Spain; SRB: Serbia; SVK: Slovakia; SVN: Slovenia; SWE: Sweden; SWI: Switzerland; TJK: Tajikistan; TUR: Türkiye; UKR: Ukraine; UNK: United Kingdom.

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Monitoring financial protection in Europe

This study is part of a series of country reports generating new evidence on financial protection – affordable access to health care – in health systems in Europe and central Asia. Financial protection is central to universal health coverage, an indicator of the Sustainable Development Goals, part of the European Pillar of Social Rights and at the centre of the European Programme of Work, WHO's strategic framework for the European Region. The WHO Regional Office for Europe monitors financial protection in over 40 countries through the WHO Barcelona Office for Health Systems Financing. See UHC watch for data, analysis and other resources (https://apps.who.int/dhis2/uhcwatch).

WHO Barcelona Office for Health Systems Financing

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