Health financing can be defined as means of creation of resources necessary to cover health care costs. Aim of health care financing is to create sufficient and sustainable resources to ensure all individuals to access health care. There are also other aims that are productive use of resources, insurance of equity in finance while providing financial protection for all, and protection of households against poverty with means of creation of resources.

Equity in health means absence of systematic differences among groups who have different levels of social advantaged and disadvantaged, and major social determinants of health. Equity in health financing means that individuals make contributions to health care financing in proportion with their financial power. Vertical equity in health financing means that individuals who have different levels of income contribute health financing differently, and horizontal equity means that individuals who have the same level of income contribute health financing the same amount.

In this study, vertical equity in out of pocket health expenditures of 2004 – 2013 years in Turkey was researched. Data of 2004 – 2013 Household Budget Surveys done by Turkish Statistical Institute were used. Descriptive statistics were held by analysing data with SPSS. Concentration indexes, Gini coefficients and Kakwani indexes were produced by analysing data with STATA. Research period of this study includes implementation of Health Transformation Programme that changed Turkish Health System substantially, and transition years of Universal Health Insurance.

Out of pocket health expenditures in Turkey are regressive from 2004 to 2013 years. There is -0,01 increase in regressivity from 2004 (Kakwani index is -0,31) to 2013 (Kakwani index is -0,32). From Health Transformation Programme implementation in 2003 that changed Turkish Health System substantially to transition to General Health Insurance in 2010, and after three years of this, equity in out of pocket health expenditures couldn’t be ensured.

The most important improvement in equity in out of pocket expenditures is after two years of Health Transformation Programme implementation (Kakwani index is -0,29 in 2005). Then, an increase in regressivity in out of pocket expenditures is seen due to effects of economic crisis in the World. There is an improvement again in equity in out of pocket expenditures due to transition to General Health Insurance trough out the country after 2010. As a result, equity in out of pocket expenditures in Turkey for the years of 2004 – 2013 remained regressive and vertical equity couldn’t be ensured.