

# Evidence based health financing reform: the case of Thailand

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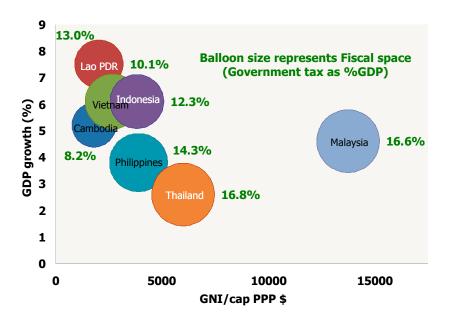


#### Objectives

- ☐ To review health system development over the last 4 decades
  - $\hfill \square$  Health service infrastructure development
  - □ Financial risk protection extension
- □ To review the evolution of institutional capacities in health policy and systems research and how it supports health care reform in Thailand

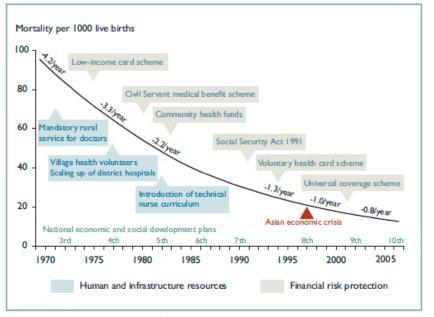


### Economic and fiscal indicators seven ASEAN countries in 2008





### Selected health indicator (U5MR) and related health interventions



U5MR data from Institute for Health Metrics and Evaluation 2010. Infant and child mortality estimates by country 1970-2010

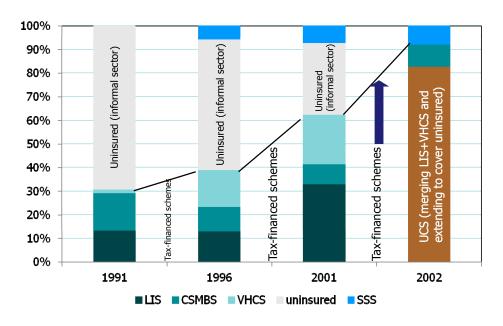


## Health system development over the last 4 decades

- □ Investment in healthcare infrastructures including HRH in rural area
  - □ Primary care and district health system
- Financial risk protection started from covering specific population groups and then expanding to cover entire population
  - □ Low income and civil servants and their dependences were financed through taxation
  - □ Formal sector employees were financed through payroll contribution
  - □ Informal sector employees: a challenging policy option between tax based system and payroll contribution



# Fill the gap (informal sector) by tax-financed scheme (UCS)





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#### Key financing reforms

- □ The use of taxation to achieve UC
- □ Establishment of a UC system based on purchaser-provider split approach
- □ Development of provider payment methods
  - Capitation contacted model
  - □ Thai Diagnostic Related Group (DRG) version 1-5
  - □ Pay for performance (P4P)
- □ A systematic approach to fine-tuning the benefit package
- □ Establishment of a sin-tax fund to support health promotion activities



#### Building system capacity for UC 1

- □ Institutional capacity to generate evidence
  - Establishment of HSRI and its associated institutions focusing on health system research in specific areas
  - □ The introduction and sustaining national data platforms and consistent improvement the quality of data such as NHES, NHA, SES, HWS, admin data of health services
- □ Key success factors
  - □ Strong ownership and self-initiation of HCR programs
  - □ Linkages and supports from international partners
  - □ Long term fellowship program from various sources
  - Research networks aim to produce policy relevant research with equitable sharing of benefits, political impartiality, programmatic and financial accountability and a collegial environment.

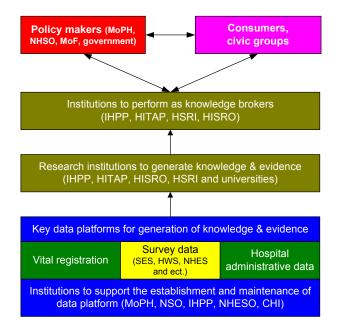


#### Building system capacity for UC 2

- □ Translating evidence to policy decisions: two case studies demonstrate the importance of
  - □ A critical mass of qualified researchers and institutional umbrella for them to work in a sustainable way
  - National committee where evidence interacts with policy makers in a deliberate and transparent manner
  - □ Institutions perform as an effective knowledge broker
  - □ A need to understand stakeholders and to mobilize their supports esp. from civic groups



## Institutional arrangement for HCR knowledge generation and translation





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#### Conclusion

- □ Financing reforms are country specific and national capacity to generate evidence for reforms is needed to ensure the success
  - □ Long-term investment for qualified health researchers with appropriate institutional arrangement for HSR
  - Establishment, maintenance and improvement of evidencebased decision platform
  - □ Long-term commitment of key partners i.e. health researchers, knowledge brokers, health system developers and advocacy coalitions (including civic groups)
- Multiple policy interventions are needed to achieve objectives of financing reform



#### Acknowledgement

- □ International Monetary Fund (IMF)
- □ International Health Policy Program (IHPP)
- □ Health Insurance System Research Office (HISRO)
- ☐ Health Intervention and Technology Assessment Program (HITAP)
- □ Ministry of Public Health (MoPH)
- □ National Health Security Office (NHSO)
- □ Thai Health Foundation (Thai-Health)
- National Statistic Office (NSO)





Sawasdee Thank you for your attention