Impact of Economic Crisis on Thai Health System

Sorawuth CHUONGSAKUL*1

Overview

- Economic Recession
- Thai Health Insurance System
- Major Health Issues
  - Increase healthcare expenditures
  - Drug use and access
  - Shortage of healthcare resources
  - Medical tourism

Impact of Economic Crisis on Thai Health System

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Economic Recession

- US Subprime mortgage crisis in 2007
- Thailand’s political turmoil in 2008-2009

Thailand GDP: 2006-2008

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Thai Health Insurance System

- Universal Coverage (UC)
- Social Security Health Insurance (SSHI)
- Civil Servants Medical Benefit Scheme (CSMBS)
- Private Health Insurance (PHI)
- Motor Vehicle Traffic Accident Insurance

Universal Coverage (UC)

- First established in 2002 after National Health Security Act
- ‘30-Baht Scheme’ or ‘Golden Card Scheme’
- Coverage: 47 millions Thai
- Budgets (Year 2009):
  - Capitation payment: 103 billion baht (3 billion USD)
  - 2,202 baht (66 USD) per capita
  - HIV/AIDS services: 3 billion baht (89 million USD)
  - Renal failure services: 1.5 billion baht (45 million USD)

Universal Coverage (UC): Benefits

- Outpatient/Inpatient
- Promotion/Prevention
- High cost services
- Accident/Emergency
- Disease Management
- Leukemia/lymphoma
- Hemophilia
- Cardiac surgery
- Cataract/Cleft lip & palate surgery
- Stroke/Coronary heart disease
- Bone Marrow Transplantation
- Rehabilitation
- Traditional Thai Medicine
Universal Coverage (UC): Providers

- Public hospitals (MOH)
- Public hospitals (non MOH)
- Private hospitals
- Satellite clinic

Health Utilization per Capita

Impact on Healthcare Providers

- Provider payments
- Outpatient: Point system w/ceiling
- Inpatient: DRG w/global budget
  - 10,300 baht/RW (300 USD/RW)
- Additional payments on certain high cost services

Social Security Health Insurance (SSHI)

- After Social Security Act enacted in 1990
- Total Beneficiaries: 8.8 millions

Social Security Health Insurance (SSHI)

- Payment:
  - Capitation (2,156 baht (64 USD) per capita)
- Benefit coverage:
  - Medical care (non-work related)
  - Maternity
  - Disable
  - Death
  - Pension
  - Child allowance
  - Unemployed

SSH! Fund: Contribution vs Benefits
SSHl Fund: 1991-2008

SSHl Fund: 2009
- Total fund 609 billion baht (18 billion USD)

SSHl: Health Utilization

Civil Servants Medical Benefit Scheme (CSMBS)
- Total Beneficiaries: 6.4 millions (2008)
- Payment: 5,800 baht (170 USD)/person
  - Outpatient: Fee for service with ceiling
  - Inpatient: DRG plus

CSMBS Expenditures

Major Health Issues
- Increase healthcare expenditures
- Drug use and access
- Shortage of healthcare resources
- Medical tourism
Major Health Issues

- Increase healthcare expenditures
- Epidemic spread of infectious diseases
- Reemerging HIV/AIDS
- Chronic diseases
- Road traffic accidents
- Overutilization:
  - Moral hazard problem
  - High-cost medical technologies

Ratio of High-cost Medical Technologies: 2006

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Number of High-cost Medical Technologies, 1976-2006

CT Scanner & MRI

CT Scanner

MRI

Major Health Issues

- Increase healthcare expenditures
- Drug use and access
- Shortage of healthcare resources
- Medical tourism

Major Health Issues

Drug use and access

- Generic-drug utilization policy
- Compulsory licensing
**Major Health Issues**

- Increase healthcare expenditures
- Drug use and access
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**Physician per 1,000 population and GDP per capita**

**Major Health Issues**

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Medical Tourism: Effects on Domestic Health

- Advantages
  - Subsidizing local economy
  - Increase standard of care

- Disadvantages
  - Diversion of healthcare resources
  - Brain-drain of physicians and nurses from public to private/rural to urban facilities
  - Prolonged waiting lists for complex medical cares

• Thank You