Health Systems Reform under the Reform of Thailand

1. Background

1.1 Thailand has developed and reformed systems relating to health/well-being since 1977. It began with the acceptance of the primary health care concept that emphasizes public participation in health care. Then it proceeded with **the improvement of health-oriented monetary and financial systems** that resulted in the establishment of the Health Promotion Fund in 2001 and the introduction of universal health care in 2002, **the improvement of health system governance** that led to the promulgation of the national health law in 2007 which resulted in the formation of the National Health Commission (NHC) that is a mechanism supporting the development of the healthy public policies which emphasize participation, and the tentative transfer of clinics to be under the jurisdiction of local administrative organizations. At the latest development, the Ministry of Public Health which is the main mechanism of health system governance by government changed its roles, responsibilities and organization in 2013. For example, it introduced health service regions where its local hospitals share resources. (Important developments of health system reform are in the Health Assembly 6/ Main 10/ Annex 1 document.)

1.2 "The Reform Committee" and "The Reform Assembly" formed in 2010 worked out 18 proposals for the reform of Thailand and reached 21 resolutions in the 1st, 2nd and 3rd meetings of the Reform Assembly from 2011 to 2013.The Reform Assembly viewed that the accomplishment of three of these tasks would help reduce causes of conflicts. They are power decentralization, the reduction of social inequality and the empowerment of citizens. (Summaries on the matters are in the Health Assembly 6/ Draft Resolution 9/ Annex 1 document on health system reform under the reform of Thailand and the Health Assembly 6/ Draft Resolution 9/ Annex 2 document on the list of resolutions by the National Heath Assembly and issue-based health assemblies, the proposals of the Reform Committee and the resolutions of the Reform Assembly.)

1.3 Afterwards the National Health Commission Office (NHCO) presented results from the brainstorming session on the reform of health systems and Thailand by representatives of all partners on February 24, 2014, to an administrative sub-committee of the committee organizing the 2013 National Health Assembly. It resolved to add another agenda item on **"Proposals for Health System Reform under the Reform of Thailand"** (in accordance with Regulation No. 12 for the organization of the 2013 National Health Assembly) so that members of the National Health Assembly would consider policy proposals in

compliance with the important principles, directions and guidelines for **health system reform under the reform of Thailand**.

2. An overview of contexts and an outlook for situations in Thailand

2.1 **In the dimension of politics and policies** Thailand continues to experience political uncertainties and conflicts. The society does not accept forms of authority abuse, frauds and corruption. Citizens and the civil society will play more roles, be more aware of rights and duties, increasingly demand participatory democracy to have their say in the public policies that have impacts on people's living conditions, life and health, seriously and concretely take part in checking the exercise of government authority and call for power decentralization so that communities can handle their own issues. To reduce conflicts in the society, there must therefore be a public policy system that increasingly welcomes participation.

2.2 **In the economic dimension** Asia will play more important roles in the global economy. The formation of the ASEAN Community will result in the rapid development of member states. If the Thai economy had grown in accordance with its potential in 2013, the gross domestic product of the country would have expanded by 5.3%. If the country remained trapped in its political problems, its economic growth rate would be 3.3%. If its educational, social, economic and political structures are improved, Thailand will experience an economic growth rate of 6.6% and become a developed country.[1] However, the economic growth that depends on consumption stimulation not only undermines the independence of rural people but also worsens inequality and insecurity in the society. This leads to subsequent social problems consisting of juvenile problems, narcotics, crimes, violence, weak families, the deterioration of merits, morality and values, and the congested, rushed and competitive life of urban people that results in the unhealthy environment, imbalanced life and high tension. Meanwhile, there can be health problems including epidemics and traffic accidents that are the side effects of the convenient cross-border transport of people and cargoes.

2.3 In the social dimension Thailand will bear greater burdens of caring for the elderly in both health and social contexts. Old citizens are expected to form a quarter of the Thai population in 2030. People increasingly accept urban and western lifestyles and follow globalization. The middle class will further grow. People will have access to resources and information and have better education, careers and incomes. The migration of rural and alien workers into urban areas will be easier, increase and have impacts on health, disease control and the provision of health services. Demands for health services will change in terms of quantity and quality. There will be a wider and more complicated range of health services. For example, people will demand more health care for the elderly, beauty services and

[1] Somchai Jitsuchon, Thailand Development Research Institute (Sakulpanich, Jitsuchon and Prasitsiripol, 2013)

auxiliary services. People and patients will increasingly demand and protect their rights.

2.4 In the technological dimension rapidly developing and expanding information technologies provide people with easier and greater access to them. People can communicate with networks swiftly and broadly and exchange information in particular groups of interest. However, the technologies may have impacts on life. Negative impacts include technological addiction and misleading product and service advertisements. Positive impacts are limitless access to health information, health independence, reduced inequality in access to physical services, education, the development of strong groups of consumers, the communication of in-depth information in particular groups, the creation of virtual communities and support for health-related work among others. However, the inadequate networks of basic telecommunications services block the access of people in remote areas, the poor and the underprivileged.

2.5 In the environmental dimension escalating and spreading global warming changes weather conditions and poses the risks of severe natural disasters such as heat waves, catastrophic floods, drought, earthquakes, landslides and tsunamis. These have impacts on ecosystems and food chains, cause the shortage of resources, raise energy consumption and prices, affect living conditions and cause new health-related problems. World powers that have more knowledge and opportunities will compete for resources including soil and water and thus cause conflicts. The changing environment also enables diseases to develop. Animal-to-human diseases will grow in number. They will become more complicated and more difficult to control because humans and animals live closer to each other than they did in the past.

3. The situations and outlook of health systems

3.1 Health promotion systems[2], disease control and health threats

The factors that will significant affect health systems in the next 10 years will have impacts on the patterns of service provision, surveillance and disease prevention. They are the complete aging society, the growth of urban communities, severer and frequenter natural disasters, the declining biological diversity, increasing emphasis on food security and safety, emerging diseases of plants and animals, the animal-to-human diseases that are likely to be more complicated, severer and more difficult to control, people's migrations, and the arrivals of alien workers.

[2] Look at the definitions of health promotion in the definitions of terms in the Health Assembly 6/ Main 10/ Annex 4 document

Besides, some health threats result from the implementation of government policies including industrial development, the granting of mining concessions, and the promotion of agriculture that depends more on chemicals. Meanwhile, control on advertisements and public relations are weak. Therefore, systems to assess health and environmental impacts must improve.

3.2 Health service systems, quality systems, Thai traditional medicine and consumer protection

Regarding their burdens of diseases, Thai people are likely to suffer more from non-communicable and chronic diseases (except males who develop illnesses from alcoholic beverages and accidents which are the illnesses that cause the greatest losses). Emerging infectious diseases (including drug-resistant diseases) tend to spread and most of them are animal-to-human diseases. Active disease transmitters will be wild animals.

Universal health care provides more people with greater access to health services. Primary health services and community-based health services must be more efficient and be expanded to reach more people. The management of public hospitals has not served the demands of communities. Problems remain with the referrals of patients. Rural and remote service facilities continue to suffer the shortage of doctors and health personnel. As the majority of medical personnel in Thailand are specialty doctors[3], health systems are likely to reflect specialties. The intention to promote Thailand's excellence in health products and services in Asia tends to affect health service systems in the country. Commercial medicine and growing aesthetic medicine do as well. Besides, there are conflicts between patients/relatives and doctors/hospitals and lawsuits against doctors and hospitals are growing. This results in defensive medicine. Therefore, service quality and systems as well as consumer protection systems must improve simultaneously.

Thai traditional medicine is increasingly applied in health services, so its quality and the standard of relevant personnel production must be developed to expand the practices. The systems of emergency medicine, chronic care and palliative care will be gradually more essential.

3.3 Health-related monetary and financial systems[4] and health security

[3] In 2013 specialty doctors accounted for 86.2% of all doctors. If specialty doctors in family medicine (with relevant certificates) and those in preventive medicine who formed 5.1% are excluded, specialty doctors will constitute 81.1% of all doctors. (The Medical Council. The information can be downloaded from http://www.tmc.or.th/statistics03.php.)

[4] The National Health Account shows that health expenses grow faster than the economy does. This refers to health expenses in the government sector and health insurance expenses in the private sector. Health expenses in the government sector accounts for 76% of total health expenditure (THE). This is mainly funded by taxation. Voluntary health insurance expenses in the private sector forms 8% of all health insurance expenses in the sector. In 2010 THE was equivalent to 3.9% of the gross domestic product. The proportion was small but the financial

Since 2002, universal health care has increased the number of people having access to health services and public health has improved. However, the society will be different in the future. Increasing cross-border travels have impacts on health service demands[5] and the management of health security systems. At present, legal alien workers enjoy health security under the social security system. Illegal immigrants may be treated with leniency from the government but many of them have no health security. Health problems may have undesirable impacts (externalities). Therefore, health security systems should cover everyone in Thailand. Subsidies and privileges in the national health security system, the social security system and the medical welfare system of government officials remain unequal. They must be managed to be fairer. The National Health Account shows that the health expenditure of the government sector accounts for 16.9% of its total expenditure. This is a financial burden. Total health expenses of the country increase faster than the growth rate of its economy does. The expenses of health service systems will affect financial sustainability if the national economic growth rate is lower than 3.3%.[6] At present road casualties are protected in accordance with the Protection for Motor Vehicle Accident Victims Act B.E. 2535 (1992). Experience shows that parties are unwilling to pay compensation. Criteria for the payment are stringent and complicated and obstruct access to medical treatment. This increases the burdens of the national health security fund, the social security fund and the medical welfare fund for government officials and employees of the government sector. Meanwhile, the insurance companies that collect premiums do not have to pay compensation. They focus more on profits than social benefits. Besides, it is difficult for work accident victims to prove that their illnesses result from work to obtain health compensation from the workmen's compensation fund.[7] Therefore, the reform of health service systems must happen together with the reform of health security funds in the government sector in order to relieve the financial burden of the government.

3.4 The governance of health systems and public policies[8]

burden is quite heavy for the government as it accounted for 16.9% of the total expenditure of the government sector.

5 Researches in England find out that people will be more knowledgeable about health and demand more alternatives of health services. Health personnel will play more advisory roles rather than decision-making ones. The changes will result significantly from information, communication and biological technologies and tailor-made health care. (Wanless, 2002)

6 Somchai Jitsuchon, Thailand Development Research Institute (Sakulpanich, Jitsuchon and Prasitsiripol, 2013)

7 Source: http://ilaw.or.th/node/321

8 There are three forms of health system governance: governance by government, governance by market and governance by network. The government mainly through the Ministry of Public Health has been responsible for the governance of the Public Health System. Markets play more roles in the governance of health services, especially rapidly growing ones. Health governance by network takes shape when organizations established under particular laws such as NHCO, HSRI, NHSO, ThaiHealth, NIEM and HAI support partners including foundations, associations and clubs in contributing more to health care. Health-related policies fall into the two categories of public health policies and healthy public policies. Look at the definitions of the terms in Annex 4

The Ministry of Public Health has taken the lead in health-related work and been a major mechanism to produce public health policies of the government in the area of governance by government. Other organizations and partners are supportive. The National Health Commission (NHC) and the National Health Commission Office (NHCO) coordinate and support the development of healthy public policies in accordance with the National Health Act B.E. 2550 (2007) with such instruments as the Statute on the National Health System, the National Health Assembly and health impact assessment. They emphasize the participation of all parties in accordance with the principle of governance by network. Health systems are likely to be complicated, connect to other sectors and be influenced by market mechanisms and globalization and some policies may have negative impacts on health. The public health sector may have limited bargaining power. Therefore, health governance by government, network and market must be integrated so that they support one another constructively and lead to universally good health in the manner of prevention being better than cure. Besides, power and resources can be decentralized to local communities so that they can increasingly take charge of health system governance, the development of healthy public policies and the management of health-related work.

4. Proposals for health system reform under the reform of Thailand

From late 2013 to 2014 Thailand suffered from a serious political crisis that resulted from severe corruption and the failure of national administration. Consequently people lose confidence in representative democracy and are divided in stances. Modern communications are bringing people closer to equal access to information and linking worldwide societies with one another. All parties call for the reform of national systems and structures to quickly solve the crisis. Health systems (that cover medical, public health and social well-being systems) do not exist separately. As contexts are changing, health systems should be reviewed and prepared for their reform so that they evolve appropriately.

5. Issues for the consideration of the National Health Assembly

The National Health Assembly is requested to consider the Health Assembly 6/ Draft Resolution 9 document on health system reform under the reform of Thailand.

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