

Financial protection in Vietnam: Measurement, trend and policies

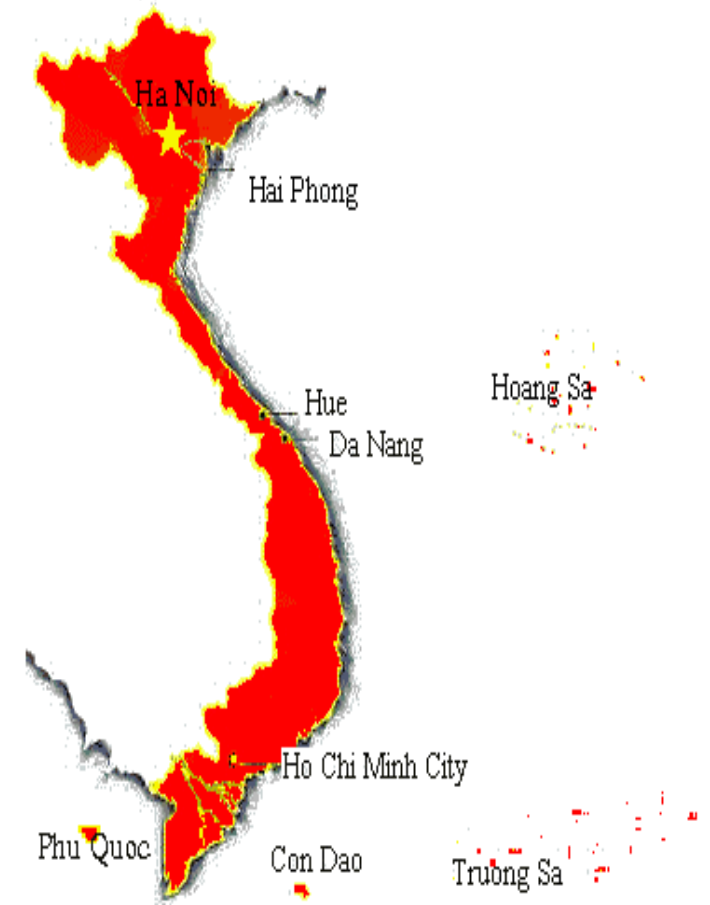
Nguyen Khanh phuong

Outlines

- Background
- Measurement of financial protection in Vietnam
- Trends of financial protection in Vietnam
- Policies to improve financial protection in Vietnam

Background

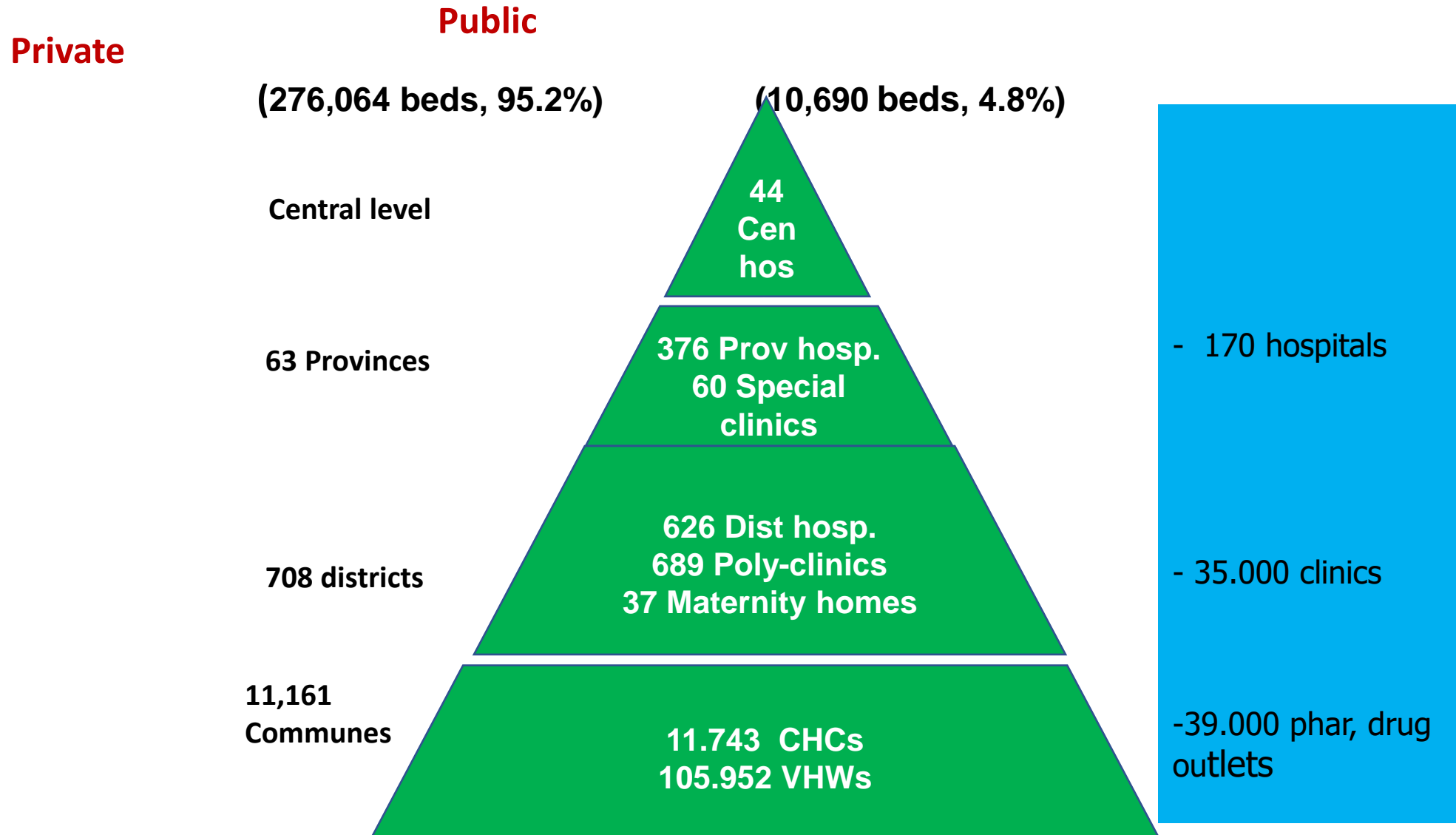
- Vietnam is a South East Asia country
- Area: 332,600 km²
- Population: 97 mil (2018)
- GDP per capita = 2,700 US\$ (2019)
- GDP growth rate: 7.02% (2019)
- Poverty rate: 5.7%
- LEB: 73.2 years
- IMR: 14.2/1000 life births
- U5MR: 21.4/1000 life births
- MMR: 46/100.000 life births



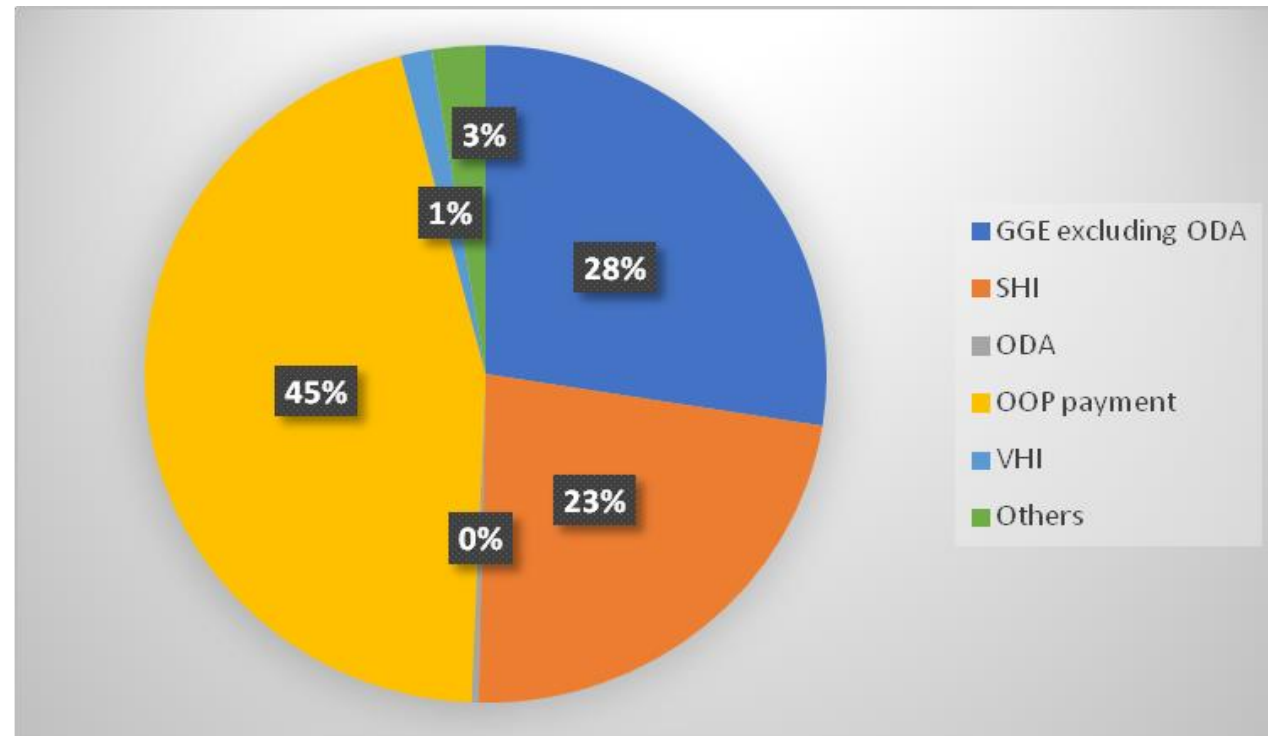
Vietnam health system snapshot

- Healthcare financing (2017):
 - Total health expenditures per capita: 146 USD
 - THE as % of GDP: 6.3%
 - Public financing: 47%
 - Household expenditures: 45.1% (OOP: 41.7%)
 - Coverage of SHI: 89% (2019)
- Health service delivery:
 - Mixed public-private:
 - Dominated by public healthcare providers: 4 levels of care: commune, district, province and central level

HEALTH SERVICE SYSTEM IN VIETNAM



Composition of health financing



Measurement of financial protection

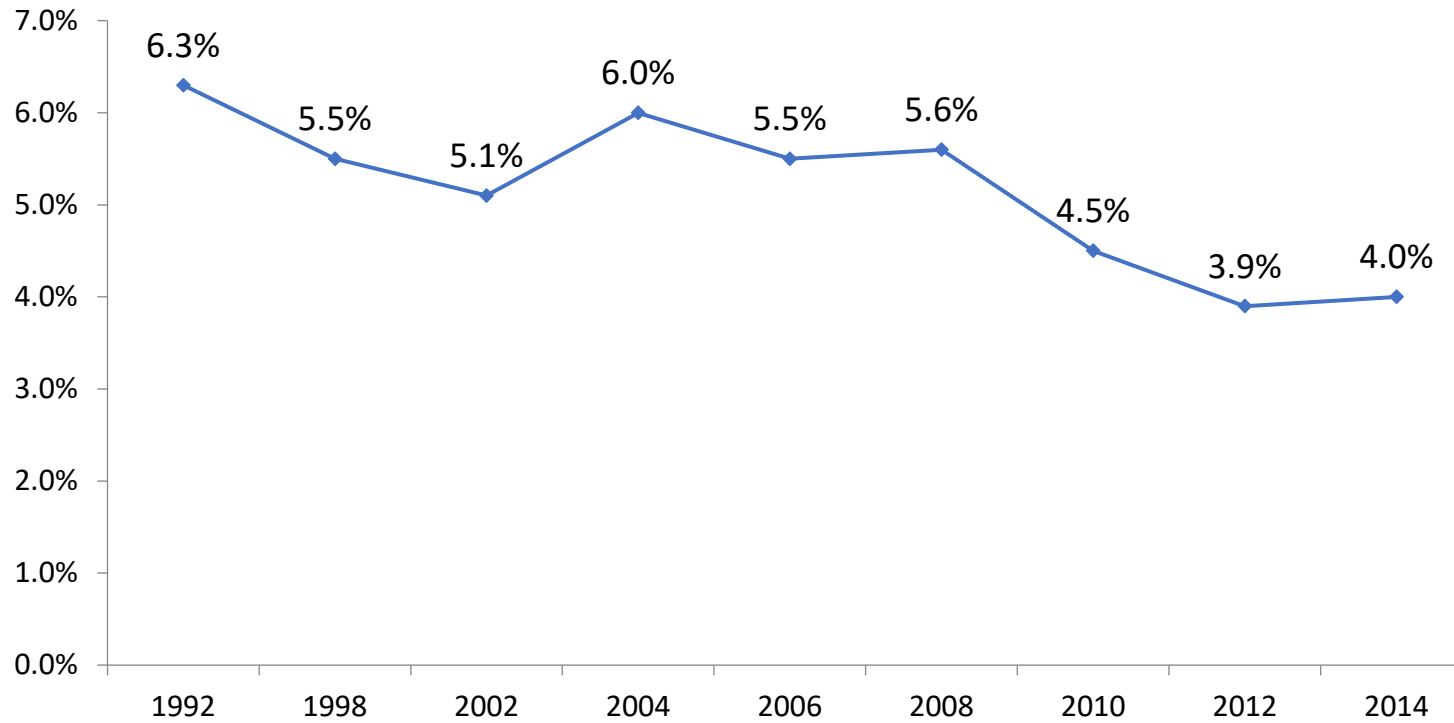
➤ Coverage of financial protection:

- Catastrophic expenditure : Proportion of the population with large household expenditure on health as a share of total household consumption expenditure or income (10% and 25%)
- Impoverishment: Changes in the poverty headcount ratio due to health care payments: proportion of the population below the poverty line.

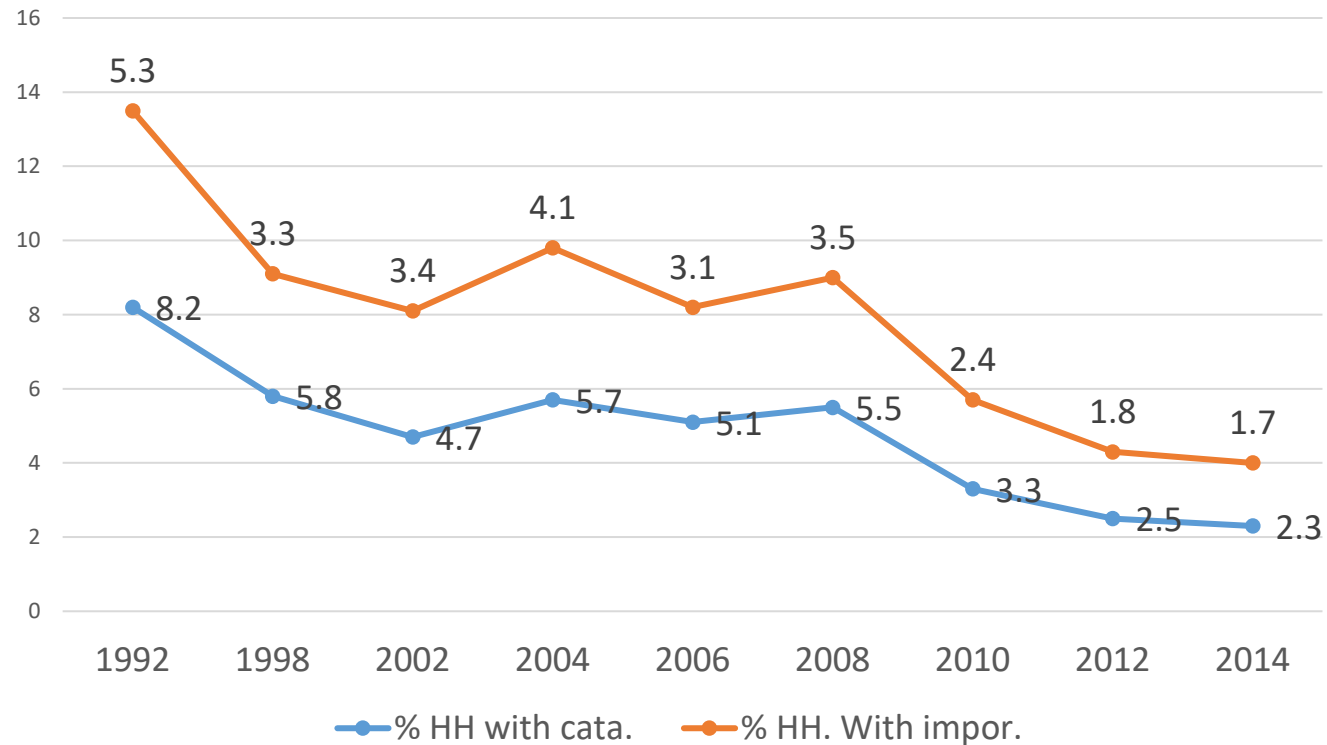
➤ Source of data:

- Household survey: Vietnam Household Living Standard Survey every 2 year

OOP as shares of total household expenditure (EXP) in Vietnam during 1992-2014



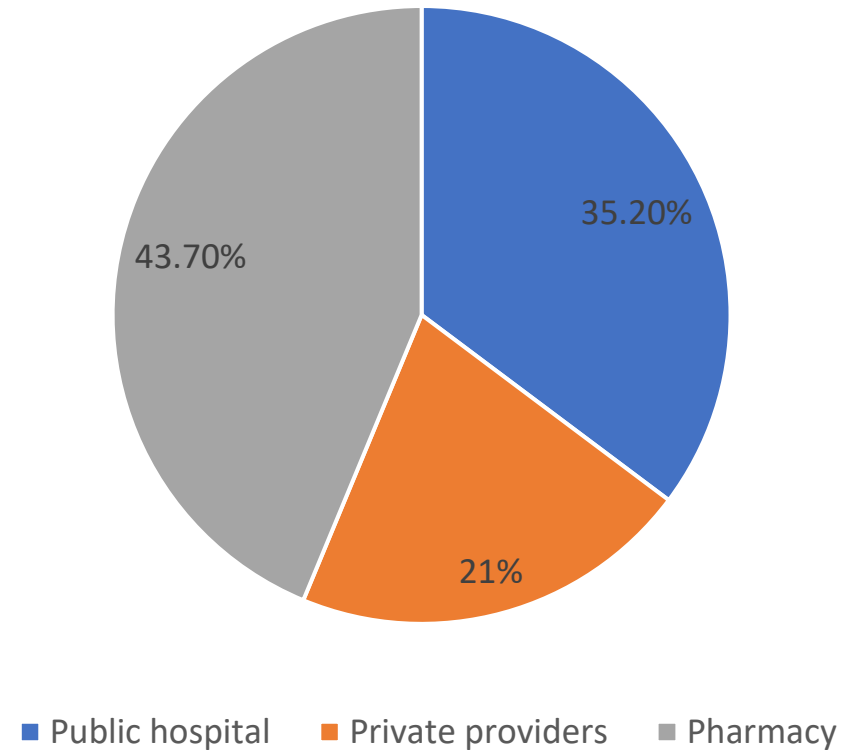
Trend of indicators on financial protection (2002-2010)



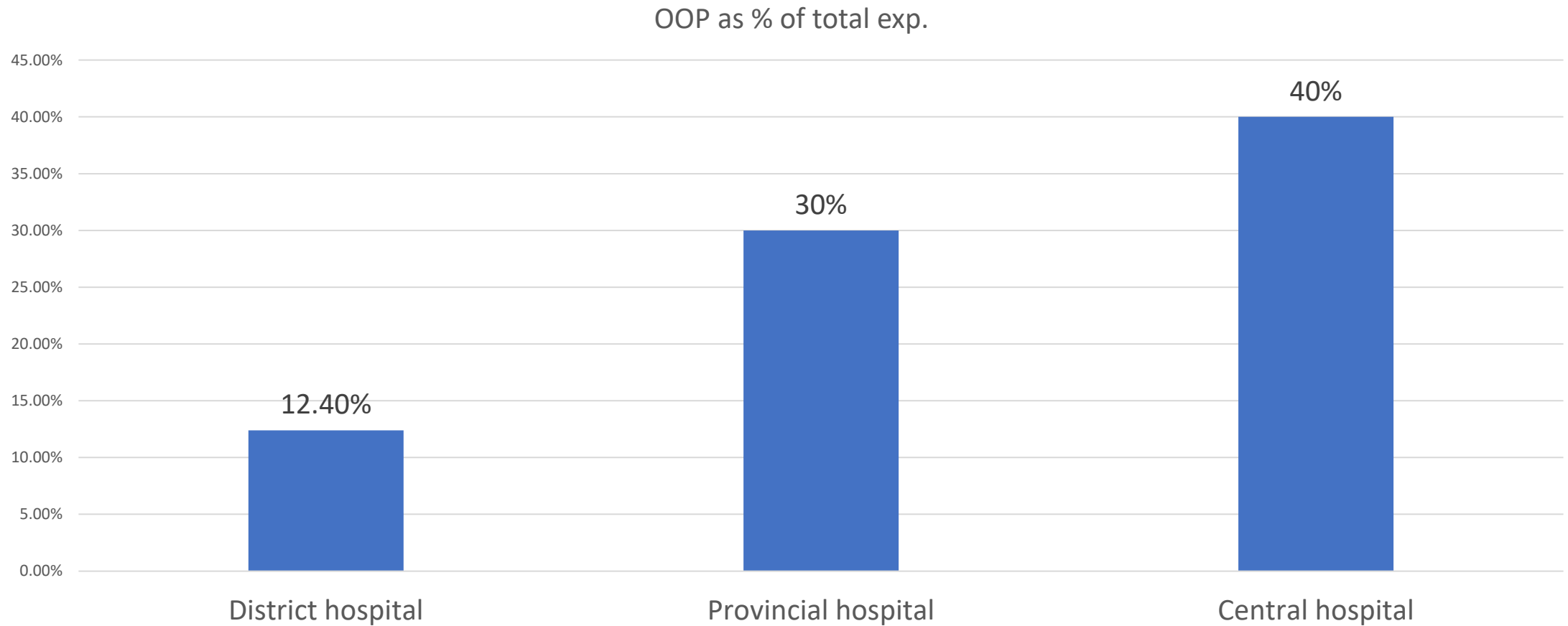
What is OOP spending for?

- ❖ Mainly for curative care
- ❖ Spending at public and private hospitals, drug retailers
- ❖ People having health insurance still have to pay OOP
 - ❖ In-patient: 30% of total exp.
 - ❖ Out-patient: 15.3% of total exp.
 - ❖ Higher OOP at higher level of care

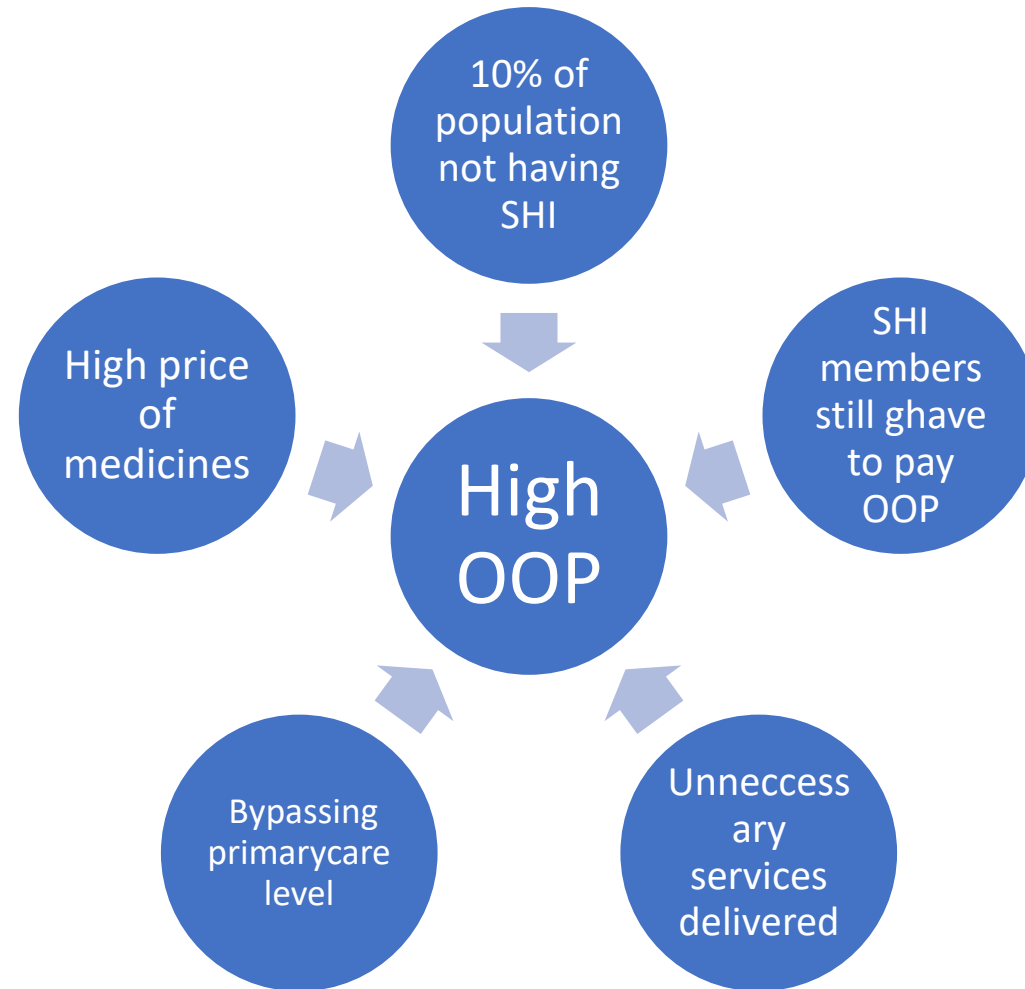
Structures of OOP (2014)



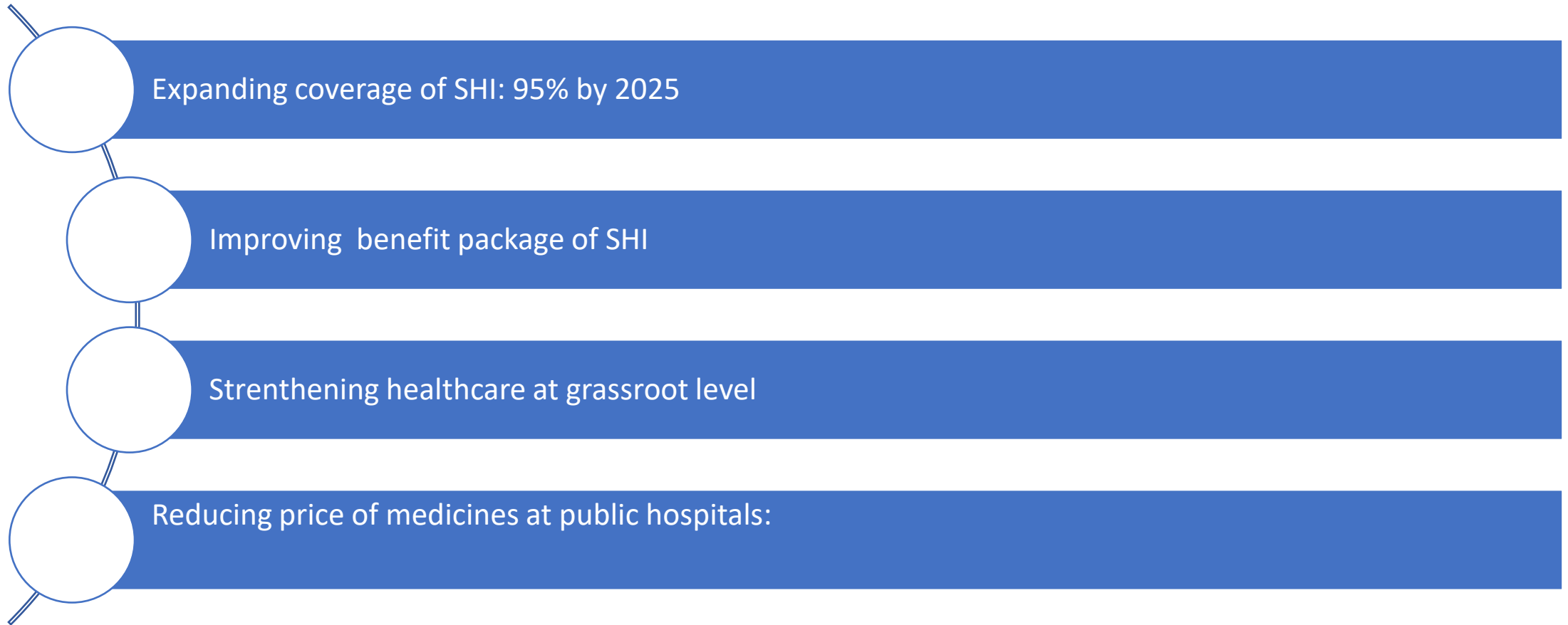
Higher OOP at higher level of care



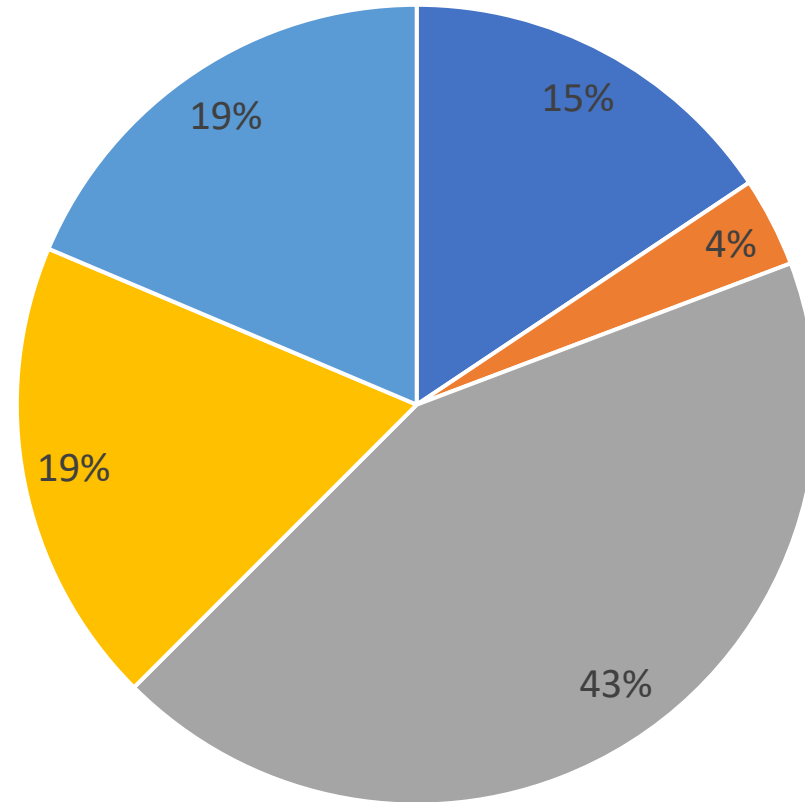
Main causes of high OOP in Vietnam



Key policies to improving financial protection in Vietnam



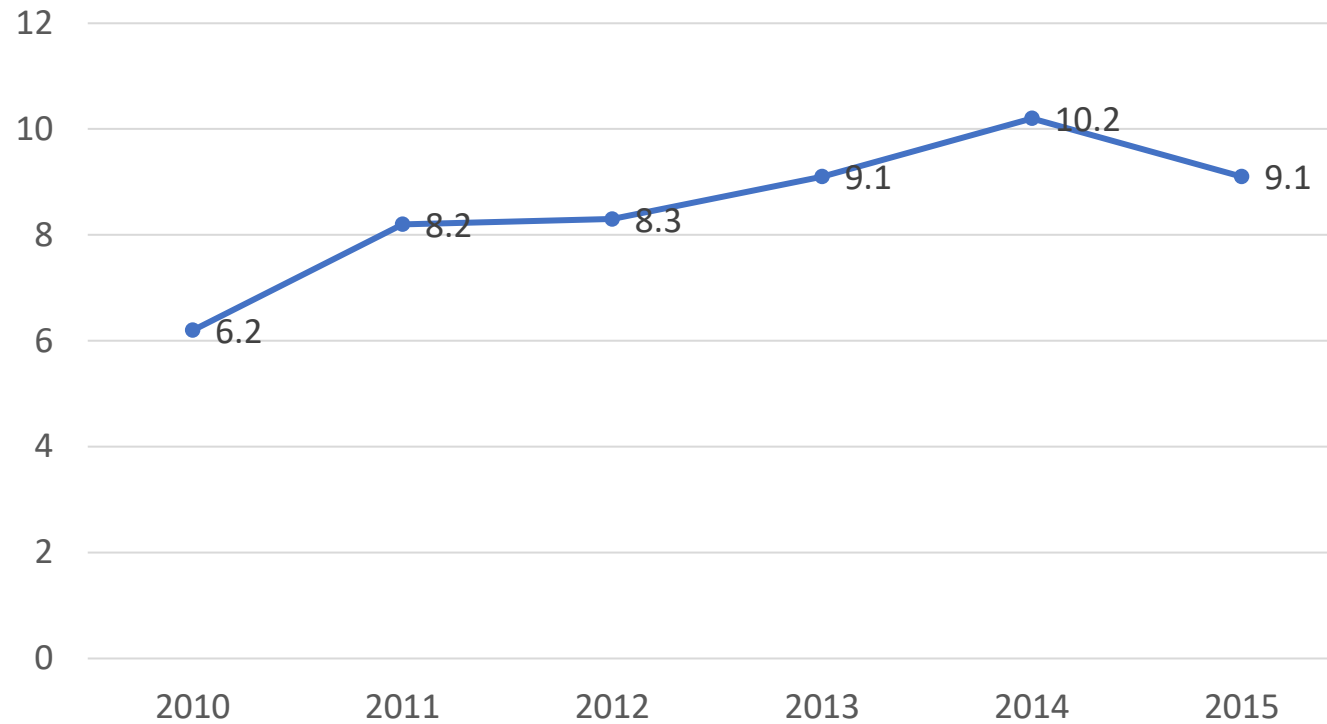
Composition of HI members in 2018



■ Employees and employer ■ Social security ■ Government fully subsidized ■ Government partly subsidized ■ HH

Source: VSS, 2018

Increase of government budget for health care

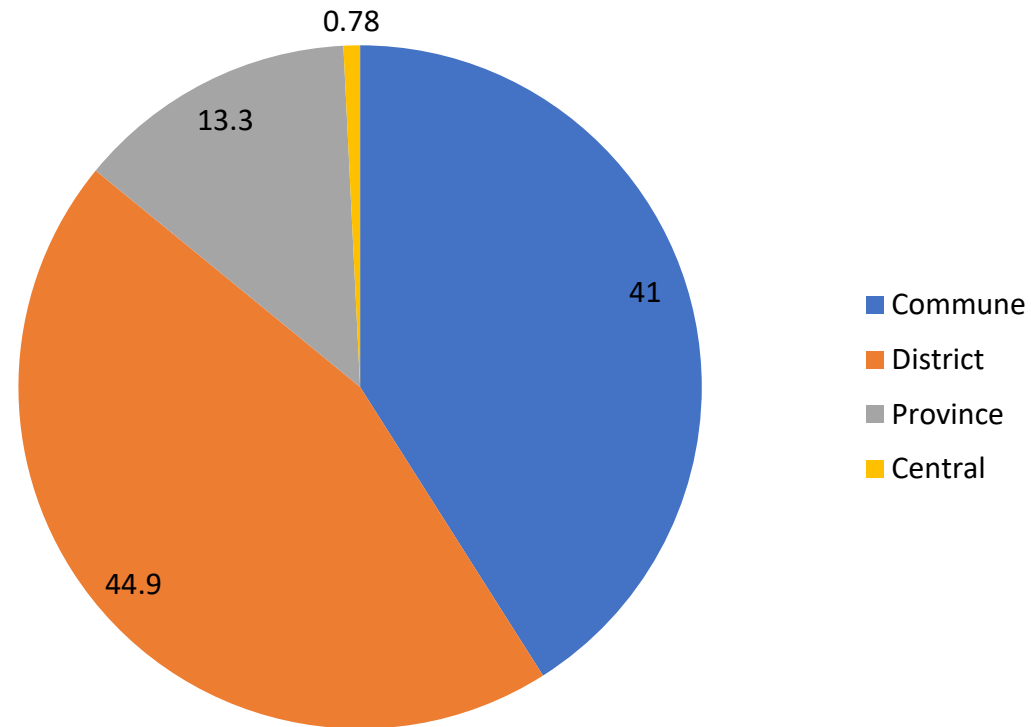


Source: Vietnam Health Financing towards to UHC, 2017

Benefit package

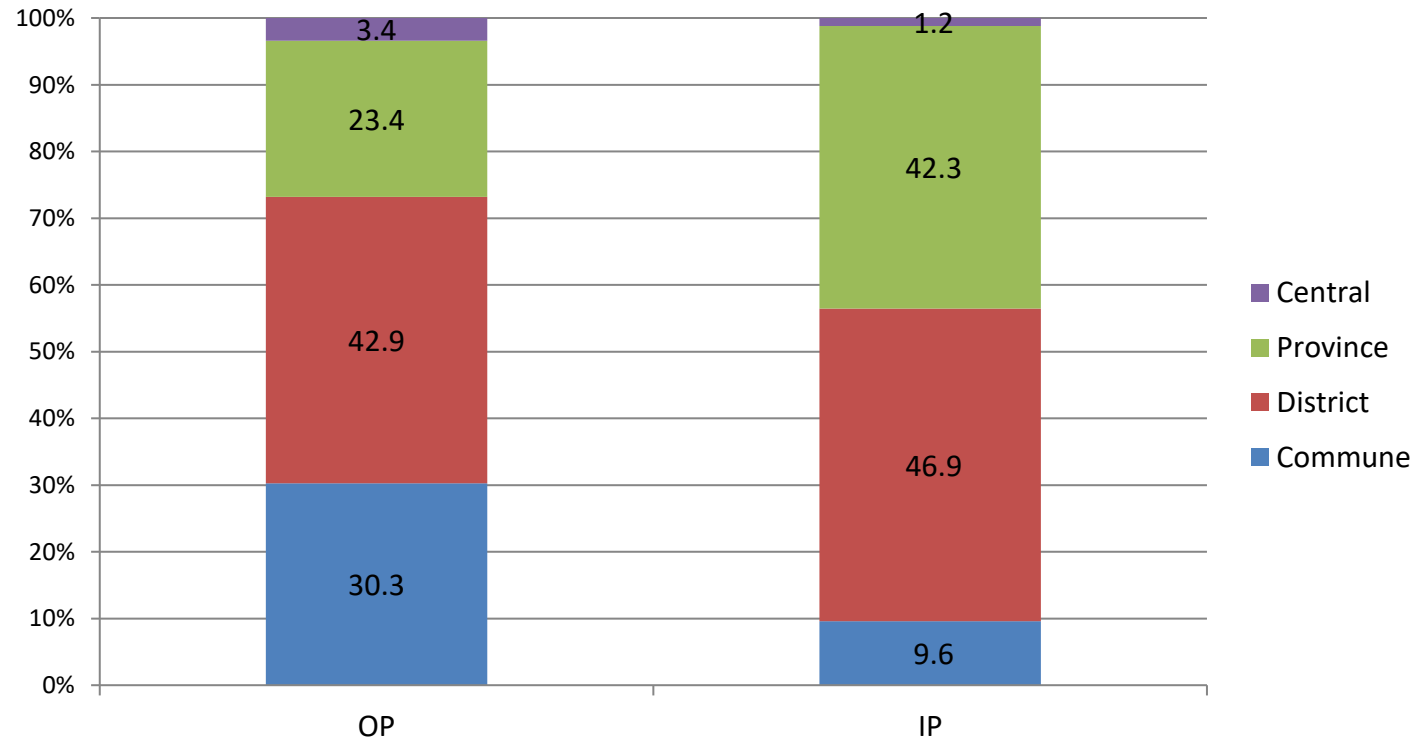
- Inclusive list of health services: wide range of services covered by SHI from basic to advanced ones (RRT, organ transplantation, invasive cardiovascular treatment, MRI...)
 - List of excluded services: services paid by govt. budget, rehabilitation, home care, suicide, drug addiction, health planning, teeth, glasses, hearing aids, occupational diseases...
- List of reimbursed medicines: last updated in 2008 with 1,143 active ingredients and 20,000 medicines
- Co-payment:
 - 3 exempted groups: high ranking officers, meritorious people, children under 6
 - Regular: 5- 20% by groups of membership
 - By pass: 30-50-70% by level of hospitals
 - High cost services: 100% when cost beyond 40 months of minimal salary
 - Cancer medicines out of the reimbursed list: 50%

Registration of primary care by type of providers



86% registration at commune and district level

Services delivered by level of care



- Out-patient: 73,2% at commune and district level
- In-patient: 90% at district and province level

Reducing price of medicines at public hospitals

- Centrally procurement of medicines at central level: since 2017- now:
 - Medicines reduced price at average of 43.35% in 2017, 43.85% in 2018
- Price negotiation of brand medicines: since 2018
 - Medicines reduced price at average of 18% in 2018

Thank you!