

# IMPLEMENTATION OF SOCIAL HEALTH INSURANCE POLICY IN VIETNAM – SOME EXPERIENCES

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# General country profile



## Social economic conditions (2012)

Pop: 90 millions

GDP per capita: 1,500 US\$

GDP growth rate: 5%-5.5%

## Health indicators (2012)

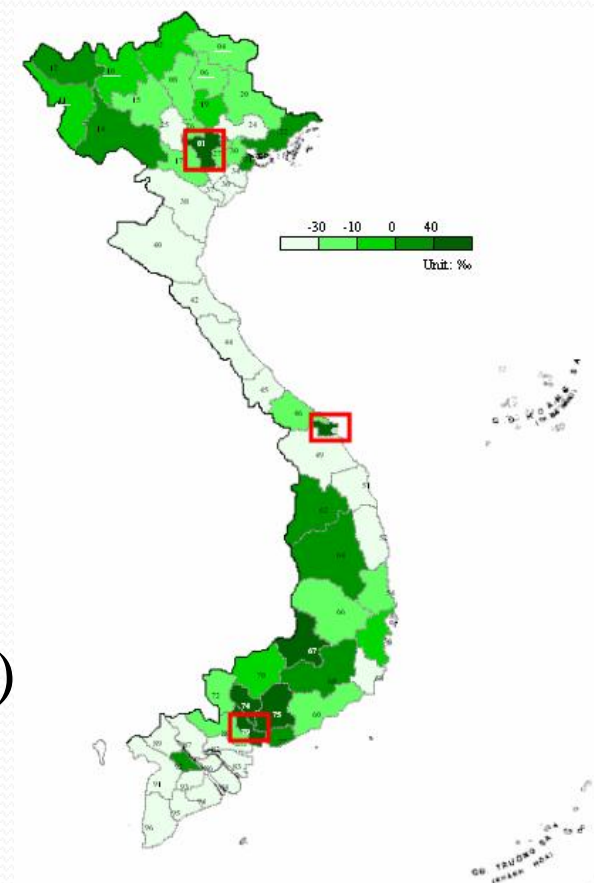
Life expectancy: 73.2 years

Maternal mortality rate: 67/100,000  
(live births)

IMR (<1): 15.5/1,000

CMR (<5): 24/1,000

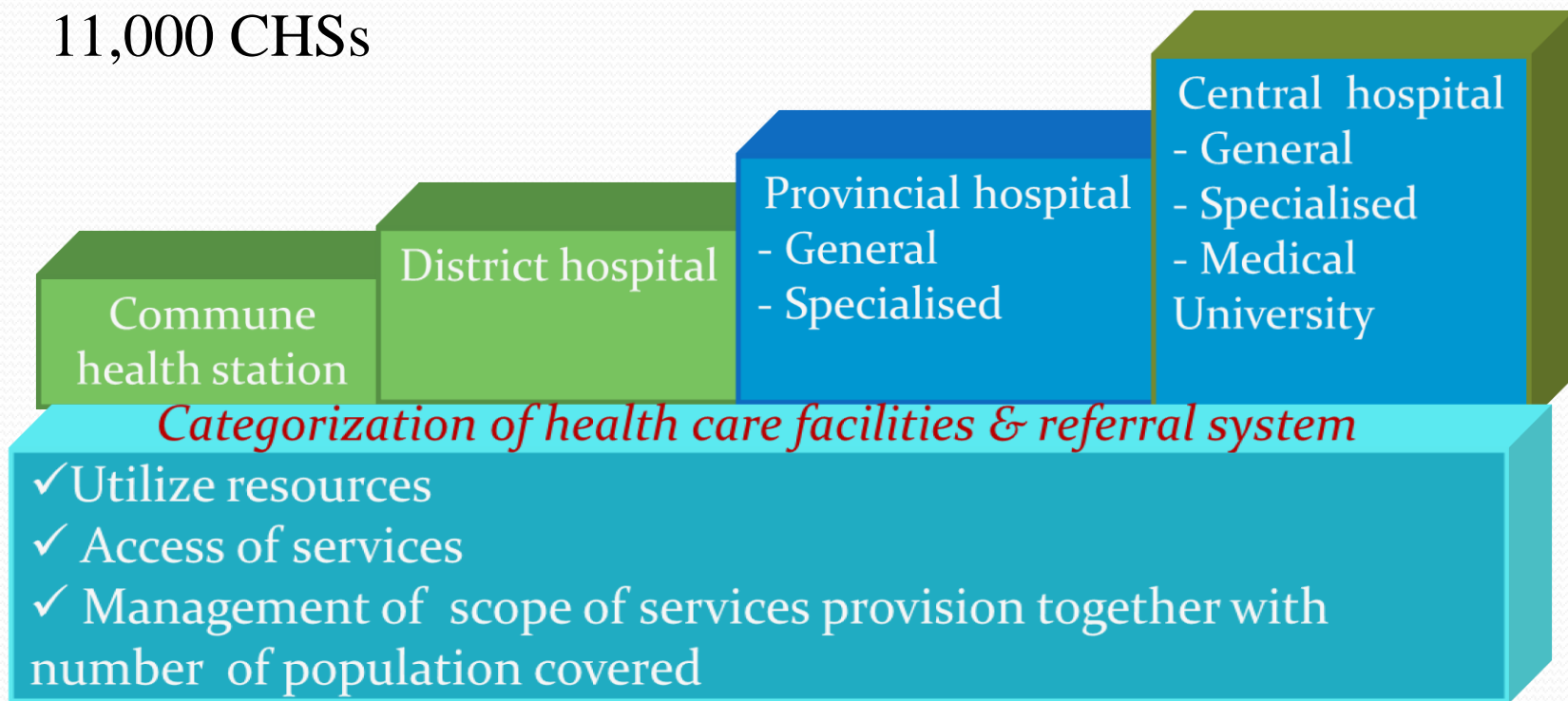
Weight malnutrition children < 5y: 18%



# General country profile

## Health care system:

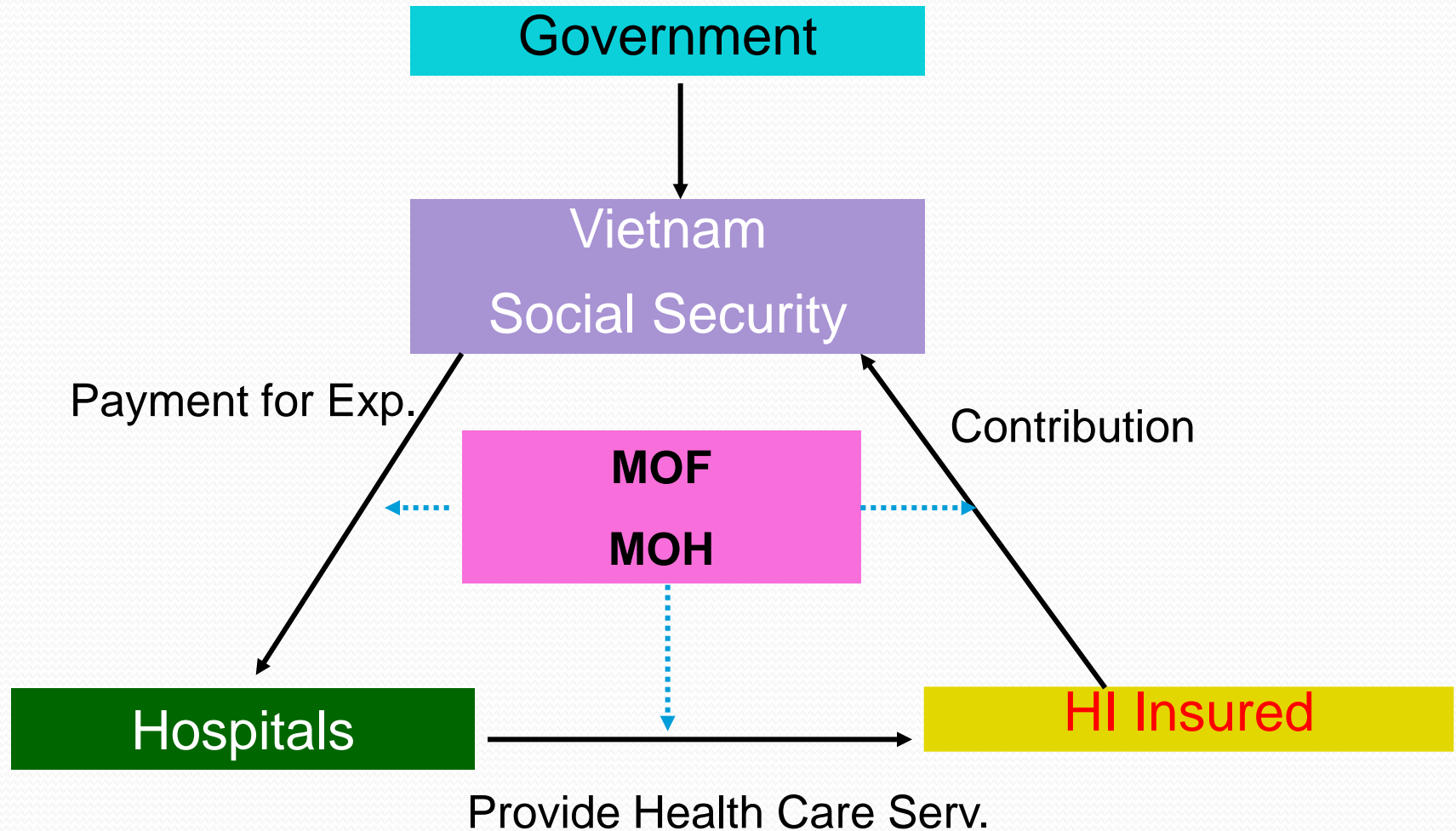
- 21 beds/10,000 people
  - 7.2 doctors/10,000 people
  - 2150 Hospitals (121 private hospitals = 3% N° of beds)
- 11,000 CHSs



# Organizational structure of VSS

- Vietnam Social Security (VSS) is a Government agency organized in three administrative levels:
  - VSS Headquarter: 24 Departments, Centrals
  - Provincial SS Office: 63 offices
  - District SS Office: 705 offices
- Total workforce of VSS system is over 20,000 people

# Parties related to HI System



# HI POLICY IN VIETNAM

- From 1989 to 1992: Pilot in some Provinces
- From 1992 to 2009: Comply with Government Decrees
- From 1/7/2009 – now: Comply with the HI-Law
- 01/01/2015: Implementation of Compulsory Health Insurance to the entire population

# Health Insurance Scheme:

- **The insured :**
  - Civil servants, workers and pensioners
  - Children under six, students and pupils
  - The poor, people living just above the poverty line (near poor),.....
- **Premium rate:** Based on individual contribution
  - **Employee:** 4.5% of salary (employer 3%, employee 1.5%)
  - **The poor:** 4.5% of minimum salary (\$30, paid by government)
  - **Near poor:** 4.5 % of minimum salary (Gov. supports 70% of the premium)
  - **Others:** 4.5% of minimum salary (paid by participants)
  - **Students:** 3.0 % of minimum salary (Gov. supports 30% of the premium)

# Health Insurance Scheme (Cont.)

- **Benefits:**

- Examination and treatment, rehabilitation, antenatal care and birth giving;
- Screening and early diagnosis of some diseases;
- Traveling expenses from district hospitals to higher-level hospitals (for some particular group).

- **Level of Insurance Benefit:** 100% - 95% - 80% health care expenditure.

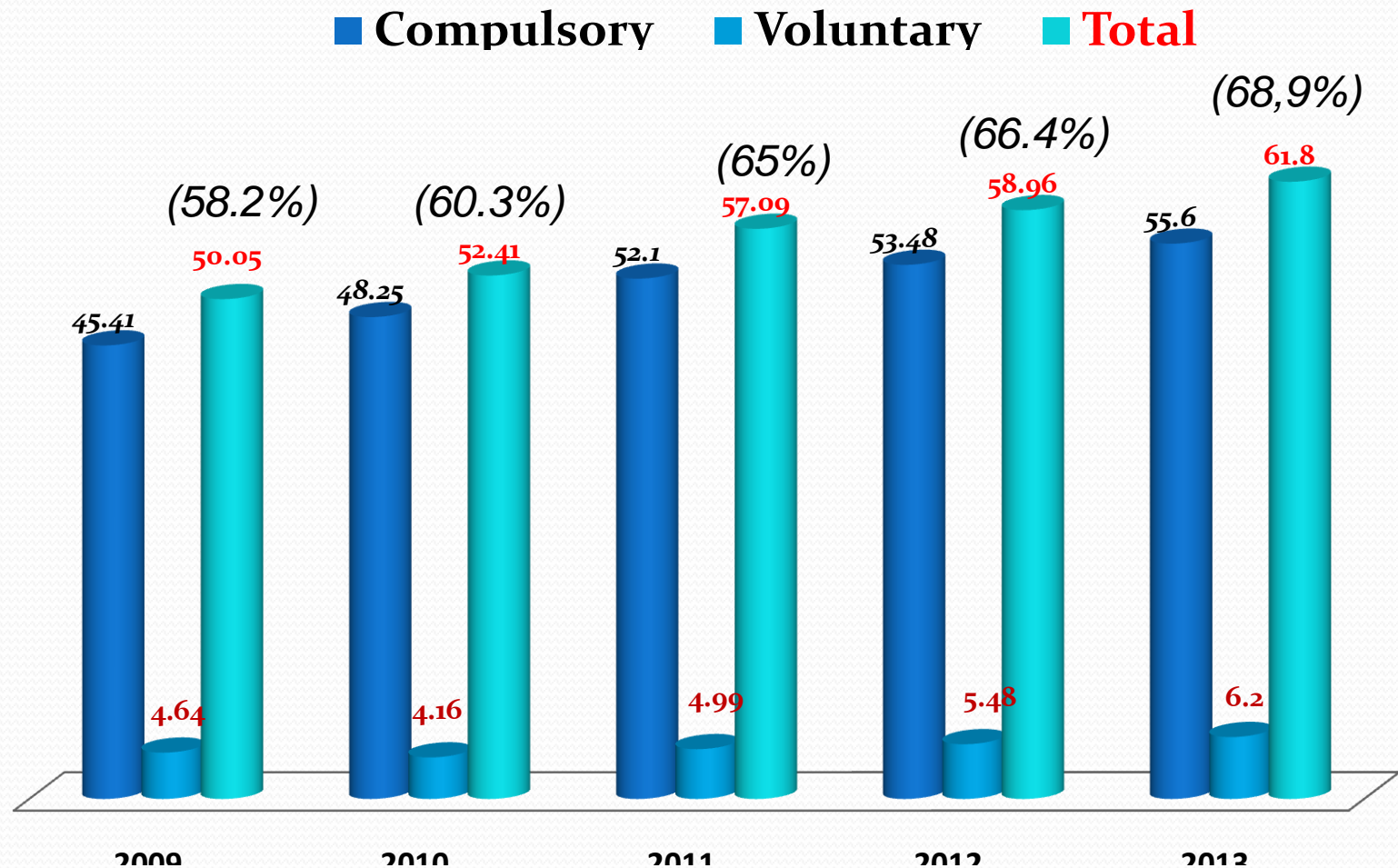
- **Services not be covered**

- Medical costs covered by other sources;
- Routine health check-up, family planning services, infertility treatment; Aesthetic services;
- Occupational diseases; work related accidents; suicide, self-harm activities, substance abuse, consequences of law violation, etc.

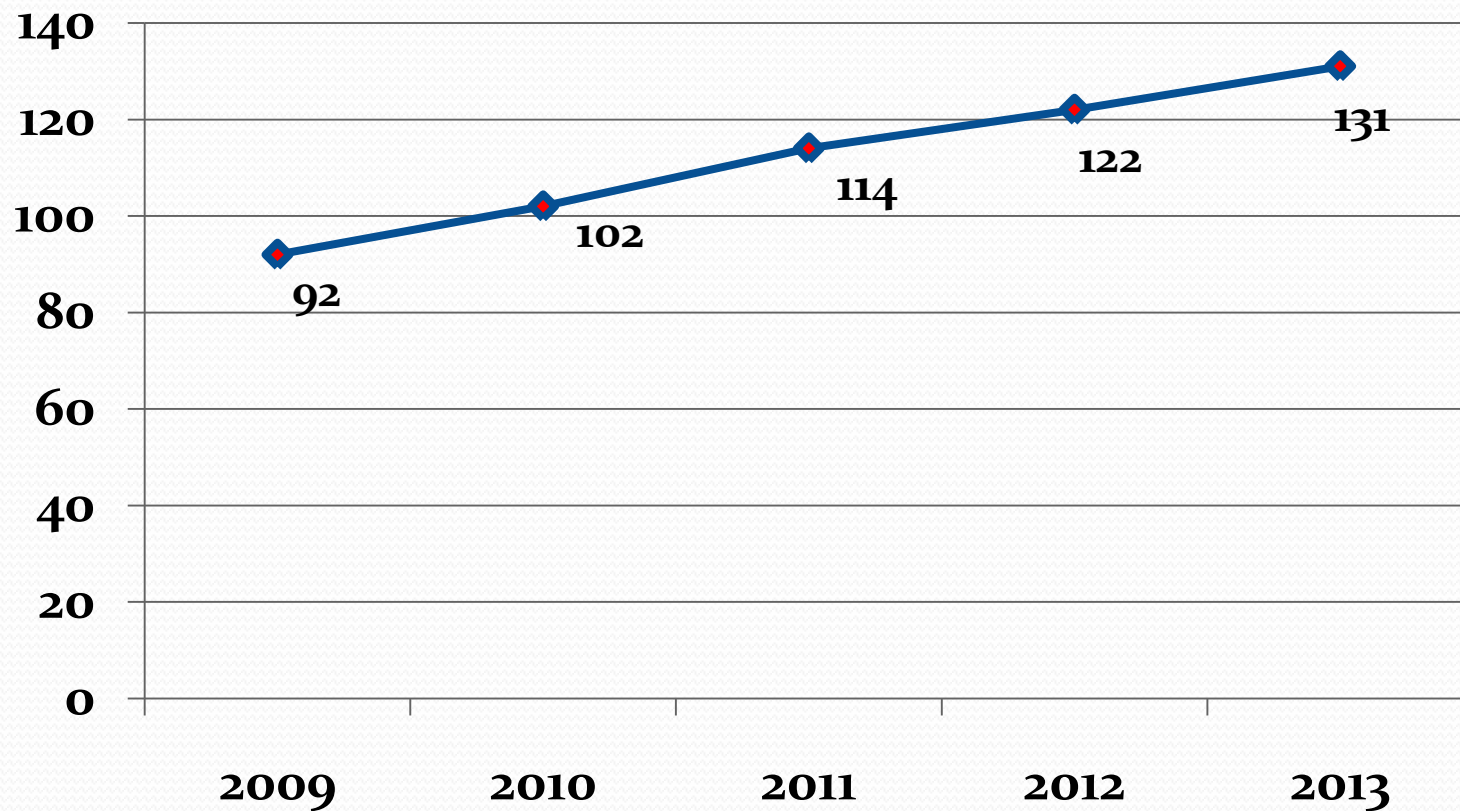


# Health Insurance Coverage in Vietnam

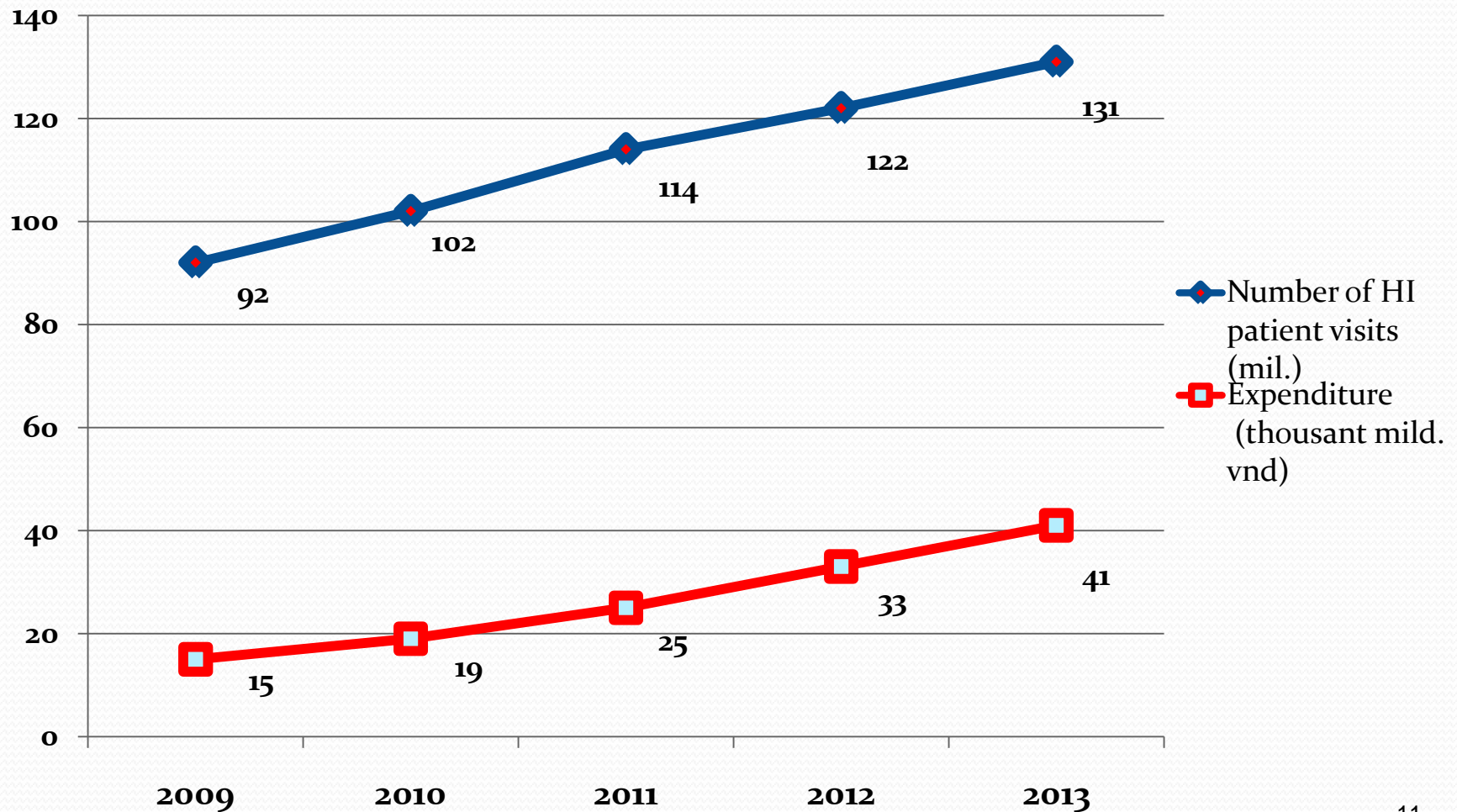
*(number of insured: mil., rate of population: %)*



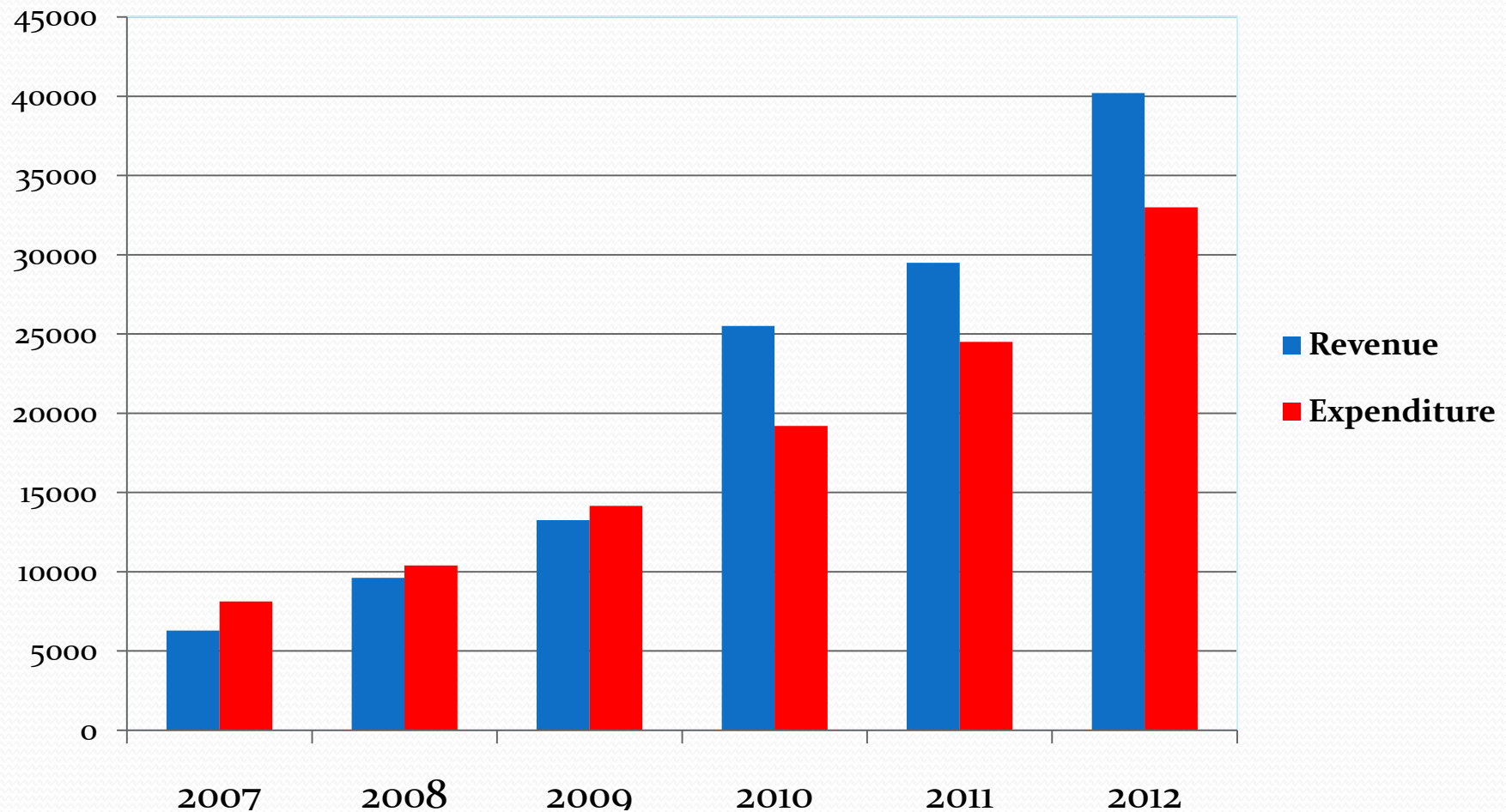
# Number of HI Patient Visits (mil.)



# Number of HI patient visits and Expenditure of Health Care



# Balance revenue & expenditure of HI fund 2008 - 2012



# Payment methods:

- **Capitation:**

- Mainly at district hospitals: above 60%
- Some provincial hospitals and equivalent: 73 (13.4%)

- **Diagnostic-related groups (DRGs)**

- Pilot in 02 hospitals (Hanoi)

- **Fee-for-service:**

- The rest hospitals

# Medical claims review:

## Medical claims review system:

- VSS Headquarter: The Department for Implementation of HI Policies: direct the implementation of medical claims review of VSS system.
- Local Social Security offices: Medical claims review Division.
- There are around 2,100 assessors in the VSS system

## Medical claims review methods:

- Review directly medical records and receipts at health care facilities.
- Review through health care expenditure statistical software.

# Challenges:

- Expanding the HI coverage :
  - Households;
  - Workers in informal sectors;
  - Workers in private companies (60% of them are currently participating in the HI scheme);
- Drugs for HI patients
  - List of Drugs for HI patients
  - Management of drugs prices
- Improving quality of care and removing unnecessary administrative procedures.

# Challenges (cont.):

- Inequity of fee payment because of inconsistency in health care prices between provinces;
- Undefined basic health care package;
- High ratio of co-payments for high – tech services;
- Unsuitable payment method;
- The spread of HI fund abuse.



# Amendment of Health Insurance Law 2009

- National Assembly passed the amendments of Health Insurance Law which will be effective from 01 Jan 2015:
  - All Vietnamese citizens compulsorily participate in the national health insurance scheme ;
  - Family based members compulsorily participate in health insurance: from the second member, HI contribution rates reduce 70%, 60%, 50% 40% compared to the first member's contribution rate;
  - The employees of the army and public security compulsorily participate in the health insurance;
  - Expand coverage of beneficiaries;
  - Increase health insurance benefits for some group of beneficiaries.

# Amendment of Health Insurance Law 2009

- Consistency of prices of health care services nationwide according to the rate of hospitals;
- Free access of examination and treatment:
  - Free access to hospitals of district level (inpatient and outpatient) from 01 Jan 2016;
  - Free access to hospitals of provincial level (inpatient) from 01 Jan 2021.
- Strengthen the enforcement:
  - Administrative punishment;
  - Criminal prosecution.

# Solutions:

- The Government's strong commitment:
  - Direct Ministries, Provincial People's Committees to implement health insurance policies.
  - Allocate State budget:
    - Purchase health insurance cards for groups which cannot afford to pay contribution (the poor, children under six, social protection groups).
    - Partly subsidize contribution for some groups (school children, the near poor households ).
- Close coordination between VSS and Ministry of Health in the implementation of health insurance policies;
- Improve VSS's implementation capacity.



THANK YOU!