

## New Health Insurance Policy in Thailand<sup>1</sup>

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Before launching the new health insurance policy in Thailand in the year 2001, the Royal Thai government has gradually increasing the health care coverage for the Thai people. Since 1975 the social welfare in health care has been started and gradually expanded. In 1998 the scheme covered 27.5 millions or 45.1% of the population. This social welfare health insurance in designed for the underprivilegedes and also for children under 13 year of age and old people over 60 of year age. Apart from this, there has been various health insurance schemes as shown:

### Percentage of Health Insurance Coverage by Scheme 1998

Health insurance scheme	Coverage, percent (1998)
1. Medical care for the poor and the socially supported (underprivileged groups)	45.1
1. Medical services for civil servants and state enterprise employees	10.8
3. Compulsory health insurance <ul style="list-style-type: none"><li>• Social security fund</li><li>• Workmen's compensation fund</li></ul>	8.5
4. Voluntary health insurance <ul style="list-style-type: none"><li>• MoPH health insurance</li><li>• Private health insurance</li></ul>	15.9
	13.9
	2.0
<b>Total : people with health insurance</b>	<b>80.3</b>
<b>Total : people without health insurance</b>	<b>19.7</b>

By the year of 1998, 80.3% of Thai people were covered by health insurance, but there was 19.7% or about 12 millions without health insurance of any scheme.

Under the new constitution (1997), article 52 stated that "... people has equal right for standard public health care, and the poor has the right for medical services from public health facilities without any payment...".

In 2001, the government decided to launch the new health insurance policy to expand the coverage for all Thai people under the slogan " 30 bahts for curing every disease". Apart from the coverage of health care, the ministry of public health has tried to integrate health care reforms into the project. The expected results should be, not only the social safety net and to decrease the burden on house hold expenditures during the economic crisis, but the project also emphasizes on health promotion,

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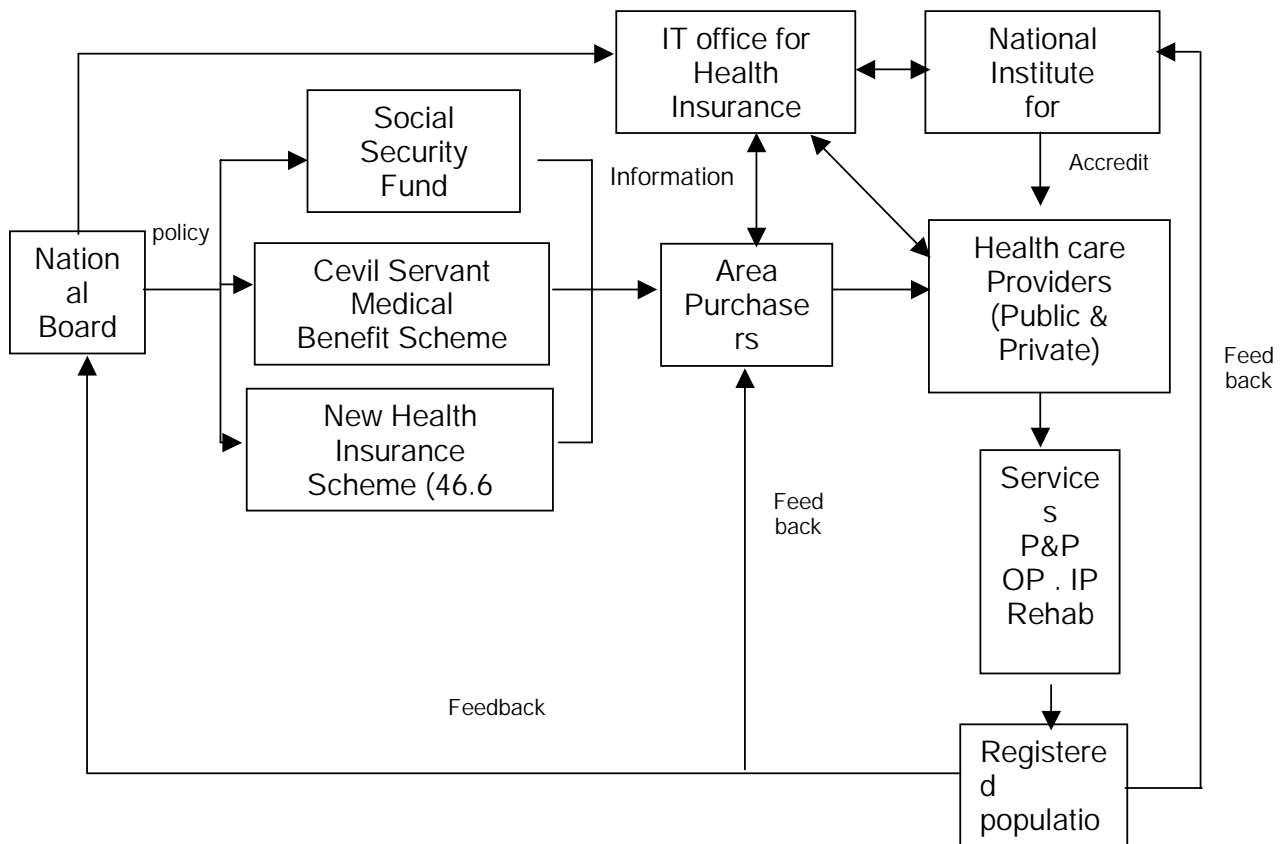
prevention and primary care (gates keeper), and also to more efficient health system with long term cost containment in the total health expenditures.

The implementation has started since April 2001 in 6 provinces and expand quickly to cover nationwide in April 2002.

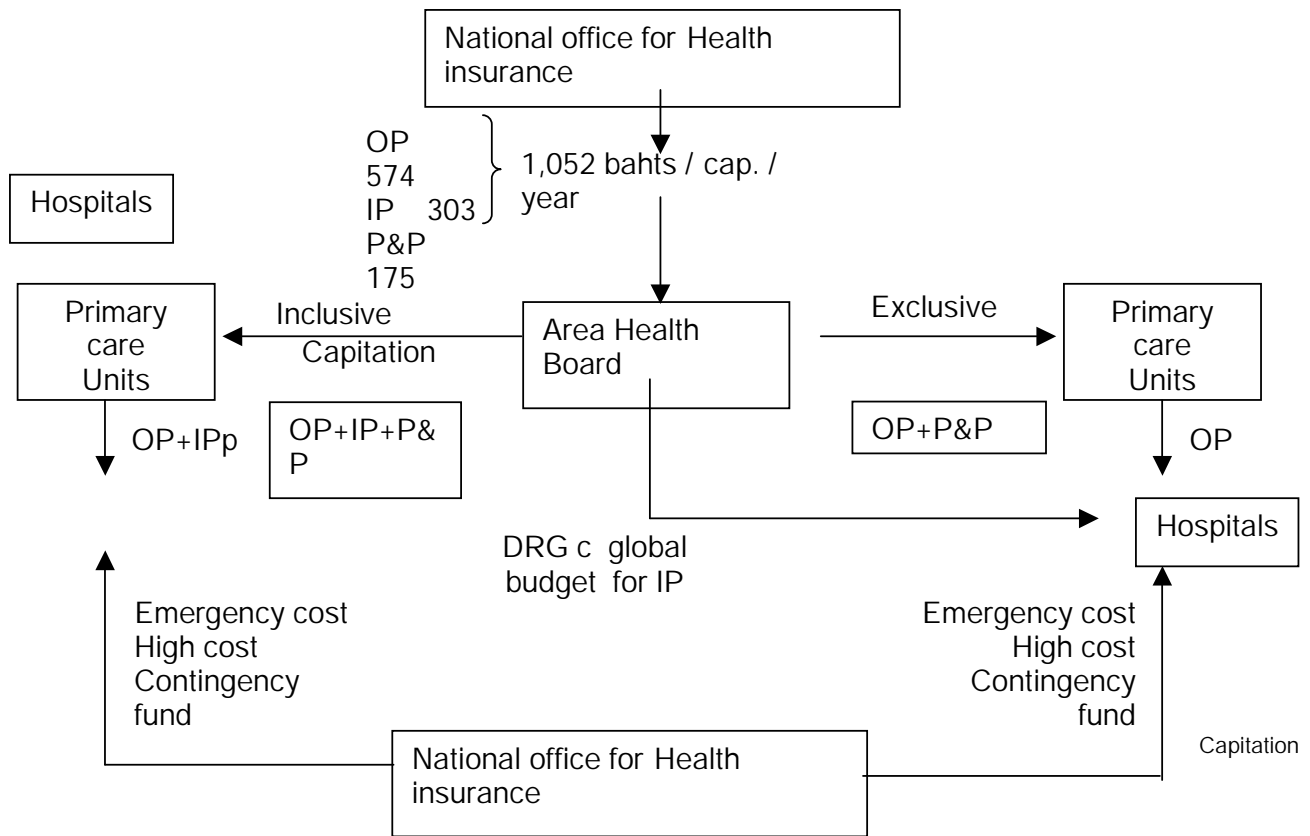
The new health insurance scheme is to combine some previous schemes i.e., social welfare (27.5 millions), voluntary public health insurance (8.5 millions), with the rest of the people not covered by any scheme, altogether there are about 46.6 millions of people under the new scheme. The other two major public schemes, the civil servant medical benefit scheme (6.6 millions) and the social security fund (5.2 millions), are still managed separately.

The financing system is redesigned to be a global budget and allocate to the providers related to population registered. The total budget was 66,367.84 million bahts in 2002. The unit cost was calculated from previous information to be 1202.40 bahts / capita / year, 56,031.84 million bahts for 46.6 millions people. Administration and human resources development cost was planned for 5,168 million bahts, and another 5,168 million bahts for contingency fund. The contingency fund was designed for supporting some hospitals that might be facing deficit during the transformed period for 2-3 years.

**The organization for managing the project is shown:**



The Financing mechanism in a province is shown:



Emphasizes are put on primary care units which will provide holistic health care with health promotion and prevention included.

After 1 year of the project, 96.6% of target population were registered, the utilization of the services was 50.7% with 83.8% satisfaction. The poll confirmed 89.2% supporting of the project.

There were some problems during the previous year. Due to new financial mechanism, there were some delayed payments to lower levels of providers. There were lots of misunderstandings in the system, both from the providers and from the

people. There has been some personnel dissatisfaction due to the new payment mechanism and the new working system. All the problems have been dealt and solved meticulously, so when time goes by, there are not much obstacle left. The government decided to propose the "National Health Insurance Bill" which was recently approved by the parliament.

The Ministry of Public Health has set goals for improvement in 2003, Those are:

1. Emphasize more on "Health promotion and prevention"
2. Improve services quality.
3. Improve the financial allocation and payment mechanism.
4. Improve personnel allocation to the areas of needs.
5. Improve the management quality to decrease conflicts.
6. Improve personnel satisfaction.

The new health insurance policy in Thailand is part of the continuing health care reform. "Health for All and All for Health"