

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: MKSS

TA No. and Name TA 2997-THA: Health Management and Financing Study			Amount Approved: \$571,860.74	
			Revised Amount: \$571,860.74	
Executing Agency: Ministry of Public Health	Source of Funding: JSF Sub-source: Regular Contribution		TA Amount Undisbursed \$118,343.25	TA Amount Utilized \$453,517.49
Approval 12 March 1998		Date Signing 4 May 1998	Fielding of Consultants June 1998	
			Original 31 Dec. 1999	Closing Date Actual 31 Dec. 1999
Description				
<p>Thailand's health system needed reforms to provide equitable access to health care to its rural population, contain the spiraling cost of health care and identify resources for financing health services. In the background of the economic crisis, the country's health care system appeared to be at a crossroads: it faced daunting challenges, more than ever before, but with likely shrinking resources. The TA aimed to assist the government in undertaking much needed reforms in the sector.</p> <p>Under the Social Sector Program Loan the Government made commitments to undertake substantial policy reforms with a view to: (i) protect the poor; (ii) shift budget focus towards programs for women and children; (iii) improve health care service delivery in rural areas; and (iv) enhance efficiency in health care delivery through corporatization of hospitals. In addition, the Government planned to undertake reforms in the health financing areas to ensure equitable access to health care and effective risk-pooling. To achieve these ambitious reforms, detailed information and analytical support were required. In the area of health care provision, the following issues were considered to be of importance: (i) rural-urban differences in provision of services; (ii) ineffective referral system; and (iii) high cost of providing health care. In the area of health financing, the following areas demanded attention: (i) overlap between Social Security Scheme (SSS) and Workmen Compensation Scheme (WCS); (ii) spiraling expenditure under the Civil Servant Medical Benefit Scheme (CSMBS); (iii) poor targeting of the Low Income Card Scheme (LICS); and (iv) absence of health coverage for a large proportion of the population.</p>				
Objectives and Scope				
<p>The TA aimed to assist the Government in its goal of providing efficient and equitable health service, specifically: (i) to reduce rural-urban disparities in the access to health care services; (ii) to enhance the efficiency of the Thai health system by improving the referral system; and (iii) to rationalize different financing schemes.</p> <p>The TA comprised two components: (i) examination of the management of health services; and (ii) investigation of the financing aspects of health services; and four outputs:</p> <ul style="list-style-type: none"> (i) The TA aimed to identify the constraints to deploying health personnel in rural areas through surveys of health personnel and meetings, and studying the adequacy of the existing incentives for attracting health personnel to the underserved areas. It aimed to develop a more effective incentive structure and strategy for redressing the existing rural-urban imbalance in the deployment of personnel. (ii) The TA sought to identify the reasons for the inefficient functioning of the referral system through quick surveys of selected health facilities and users. It would suggest a methodology and guidelines for making the referral system more efficient. (iii) Under the Thailand Social Sector Program Loan, the Government committed to convert at least one rural hospital into an autonomous entity. The TA aimed to support the pilot effort by preparing operational guidelines and drafting required legislation, operational manual and model contracts and instructions. (iv) The TA would study the payment system and coverage under different health financing schemes and develop policy recommendations to address the issues of overlap and inefficiency. In particular, policy recommendations were developed for (a) integrating WCS and SSS; (b) modifying CSMBS; (c) popularizing Voluntary Health Card Scheme; and (d) improving the targeting and effectiveness of LICS. 				
Evaluation of Inputs				
<p>The TA design was adequate and the TORs clear and comprehensive, and no significant modifications were called for during the implementation. The TA was implemented by a joint team managed by Management Sciences for Health of the US and the Health Systems Research Institute of Thailand. The TA provided the services of 3 international consultants totaling 16 person-months and 6 domestic consultants totaling 30 person-months. The</p>				

TA also supported field surveys (including the cost of a field survey coordinator, a data analyst, data enumerators and necessary operational costs) and dissemination of the study findings. The performance of the consultants was satisfactory.

A steering committee headed by the Permanent Secretary of the Ministry of Public Health and consisting of 31 additional representatives from the Civil Services Commission, Ministry of Public Health, Budget Bureau, NESDB and other related agencies was set up to oversee the progress of the TA, which also received guidance from the Project Coordination and Management Committee headed by a Deputy Prime Minister and set up to oversee the Social Sector Program Loan. The performance of the EA (Ministry of Public Health) is rated as satisfactory. Inputs from technical UN agencies and bilateral agencies interested in the issues were actively sought. The TA was adequately supervised through regular meetings and discussions with the consultants and four review missions. The performance of ADB in supporting the TA is rated as satisfactory.

Evaluation of Outputs

The following reports were produced under the TA: (i) Health Management and Financing Final Integrated Report, May 1999; (ii) Health Financing in Thailand Summary Review and Proposed Reforms, May 1999; (iii) Thai Autonomous Hospitals Operation Manual, May 1999; (iv) Human Resources for Health in Thailand Technical Report, May 1999; (v) Health Financing in Thailand Technical Report, April 1999; (vi) Referral System Improvement in Thailand Technical Report, December 1998; and (vii) Technical Assistance Inception Report, July 1998. These reports fully met the requirements specified in the agreed TORs and were of acceptable quality. The consultants sought active participation of affected stakeholders including health care providers in developing these reports and recommendations. The reports were disseminated through a website and special dissemination meetings. The operational manual for autonomous hospitals helped the Government in starting the pilot project for hospital corporatization. The recommendations about the human resources for health formed the basis for a health personnel redeployment action plan implemented under the Program Loan. The Government and EA were fully satisfied with the outputs of the TA. The TA incurred substantial savings because a local firm (Health System Research Institute) received a large part of the contract. However, this did not negatively influence the quality of the TA outputs in any way.

Overall Assessment and Rating

The TA is rated as *successful*. It has succeeded in achieving the objectives of improving the understanding of the constraints faced in deploying health staff to rural areas and developing realistic recommendations for an incentive structure for attracting staff to rural areas. The TA also analyzed the capacity building and system improvement needs for establishing autonomous hospitals and developed necessary tools to do so. These outputs were produced within the agreed time frame. The analyses of the health financing system and referral hospitals were also insightful and helped the government in developing feasible options for making health services more equitable and efficient. The TA outputs have helped in making the health financing more sustainable in Thailand.

Major Lessons Learned

Regular and close involvement of civil servants affected by the policy recommendations in the policy reform process is critical to develop acceptable policy options and create institutional support for reforms.

Recommendations and Follow-Up Actions

Some of the work done under the TA needs updating in view of the Government's new scheme of universal health coverage. Universal health coverage entails significant outlays of public sector budgets and has implications for equity of access. The Government is faced with the challenge of ensuring that the poor and remote areas have quality services so that the poor population can reap proportionate benefits from this laudable initiative. Sustainability and equity analysis of the universal health coverage scheme would be a logical next step. Monitoring of the reform process for redeployment of health workers to rural areas, hospital autonomy and improvement of referral system in the health sector will also be needed. The Government is closely following up on the implications of the policy recommendations on hospital autonomy.

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