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Achieving Universal Coverage; Lessons From The Experience of Other Countries for National Health Insurance Implementation in Indonesia

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Abstract

Indonesia is not the only country that will lead to universal coverage. Several countries took an initiative to develop social security, through Universal Health Coverage (UHC) to achieve health insurance and welfare for all residents. Even, some countries have already reached universal health coverage since a few years ago. The purpose of this paper is to assess the achievement of universal coverage of the health insurance implementation in several countries. In general, some countries require considerable time to achieve universal coverage. Mechanisms and stages that need attention is on the univeral registration aspects that cover the entire population, progressive and continuous funding sources, comprehensive benefits package, the expansion of gradual coverage for diseases that can cause catastrophic expenditure, increasing capacity and mobilizing supporting resource. National Health Insurance policy in some countries can improve access to care, utilization and quality of quality health services to all citizens. Indonesia is expected to learn from the experience of other countries to achieve UHC, so that the projection of the entire population of Indonesia to have health insurance in 2019 will be reached soon.

Keywords: Social Health Insurance, Health Policy, Universal Coverage

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Introduction

Health is an important factor that becomes a basic requirement for a country to have competitive advantage. The right to an adequate standard of living for health and welfare is a human right and recognized by all nations in the world, including Indonesia. The recognition is listed in Declaration of United Nation in 1948 on Human Right. Based on it, some countries take an initiative to develop social insurance, such as Universal Health Coverage = UHC [1].

In March 2005, World Health Organization (WHO) Asia-Pacific regional office, Southeast Asean and Middle East held a meeting in Manila to discuss policy and guidance of social health insurance development in those areas. Since financing system in Asia came various at that time, it was agreed that the purpose of social health insurance was to realize universal access for healthcare [2].

In addition, the annual meeting of WHO (General Assembly) in May 2006 adopted UHC concept to be implemented in all country members. World Health Assembly (WHA) underlines the importance of health financing system development that ensures the availability of healthcare access for public and gives protection to the public againts financial risk. WHA released a resolution stated that sustainable health financing through UHC should be implemented with the mechanism of social health insurance [2].

Before the WHA resolution was released, in 2004, Indonesia issued the Law of National Social Security System (SJSN law) to give complete and integrated social protection for the people. Explicitly mentioned in Article 3 of the law, Social Security Act (SJSN) aims to ensure proper basic needs for each participant and his family. However, the implementation of the law was postponed for almost 10 years and just realized in 2014 in line with the implementation of National Health Insurance (JKN).

The postpone of the JKN impementation will further burden the people because medication cost is expensive in our country. Before JKN is completely functioned, public is not protected againts poverty or death when they get illness. According to Indonesia Ministry of Health (Kemenkes RI) [3] around 36.82% of Indonesians do not have social insurance. Further, the Survey of Demography and Health of Indonesia (SDKI) in 2012 shows that majority do not have social insurance (around 63% women, and 69% men).

Healthcare system which is established based on supercapitalistic system can affect to poverty or death when people suffer from illness, though they are hospitalized in government hospital because they do not have money to get medical treatment. Since healthcare has become trade commodition for dozen of years, the most rational and realistic solution is created a system that is able to "buy" healthcare for public, and it is represented in JKN system [2].

The condition of health system performance in Indonesia needs attention from all parties. Unlike the health system performance in neighbouring countries, the health system in Indonesia is left behind. It is indicated by the condition of health financing in the last 40 years which is about 2-3% of Gross Domestic Product (GDP). Meanwhile, low income countries have paid 5.3% of GDP for health in 2012 [2], in line with the poor population health indicator, such as maternal mortality rate and infant mortality rate in Indonesia, according to SDKI 2012, AKI is 359 per 100.000 live births (kh), while AKB is 32 per 1000 kh. According to WHO, this rate is higher than other ASEAN countries, and too far to meet the MDGs target in 2015 [4].

Looking at a picture of health degree of Indonesians population, like or dislike, government should try hard to develop health sector. Commitment to implement JKN can not be postponed to cover all people. As a part of countries in the world, Indonesia takes responsibility to realize global commitment listed in WHA resolution of 2005. The recommendation of sustainable health financing implementation through UHC should be realized soon.

The development of health insurance in Indonesia runs more slowly than other neighboring countries. Up to 1968, there was no significant development in the health insurance field in Indonesia [2]. The beginning of 2014 is a historical moment for implementation of health insurance in Indonesia, especially JKN system. Through mandatory Social Health Insurance mechanism,[1] JKN is developed with the concept that ensures people universally. However, the coverage will be gradually realized, so in 2019, it can cover all people [5]. According to data in 2014, there are 132 millions people registered in JKN.

Indonesia is not the only country that will lead to UHC. Some countries even have achieved UHC since a few years a go with different ways and various health systems. Thus,

Indonesia can learn the experience from those countries. Therefore, this study aims at reviewing general pattern of universal coverage achievement on the implementation of health insurance in some countries. This study is expected to be a suggestion for related parties to implement JKN to immediately realize Universal Health Coverage for all Indonesians before 2019.

Health Insurance as Social Security

Social security is a form of social protection to ensure all people to fill proper basic needs [5]. Social security system is a mechanism created by a country to ease a transition process in a difficult condition due to a number of risks facing humane situation such as illness, delivering a baby, nursing children, work accident, the elderly with any consequences or death [6].

Social insurance or social security is an insurance that must be followed by the entire population or a part of them. Its premium is a percentage of wage which is mandatory to be paid. The advantage is equal to all participants [2]. Kinds of ocial security include health insurance, work accident insurance, old age insurance, pension insurance, and life insurance. Social insurance in the field of health suggests healthcare financing to be borne by public or workers with government or company aids depending on their work status. If the participant is a privat company employee, the cost is borne by the employee or company [7].

Health insurance is a social instrument to ensure a person to get the benefits of healthcare and protection to fill health basic needs without considering economic condition when the person needs healthcare. Therefore, with health insurance, people can reduce the risk of bearing the cost from their own pocket when they get illness, with the unpredictable cost and sometimes needs high amount of funding [1, 8].

Health Universal Coverage

The term “Universal Coverage”, or “Universal Health Coverage” originally came from WHO. It was further developed from a jargon “health for all”. Currently, the term “universal coverage” is widely used in social security, especially health insurance [9].

Universal Health Coverage is a system where each person in a community is able to access healthcare without suffering financial hardship [10]. WHO clearly defines universal coverage as an access for community to get comprehensive healthcare with reasonable price and without suffering financial hardship through protection againts catastrophic health expenditure [11]. Therefore, JKN is also insurance or universal health coverage because it has a principle to free people from high amount of medication cost when they get sick**.**

The World Health Report 2010 explains the concept of UHC into three dimensions: 1) how many percent of people insured; 2) how complete the service insured, and 3) how big the proportion of direct budget borne by people. In short, universal coverage includes: universal participant coverage, access of equal healthcare, the cost proportion of public (out of pocket) which is getting fewer [5, 9, 11, 12].

Healthcare implementation includes: prevention, promotion, medication, rehabilitation, and palliative care. This healthcare shoud be enough to fill the health needs, both in quantity or quality. It should be also ready to face unpredictable condition, such as disaster, nuclear or chemical accident, pandemy, etc [11].

The Purpose of Universal Health Coverage

There are two motivations related to commitment of implementing universal health coverage. First, each individual has a right of health. Second, poor health has negative externality from an individual to community, or from poor countries to the rich countries. Therefore, public has an obligation to make sure that poor people get access to health coverage [13].

In the beginning, health assurance concept was not implemented to ansure all people, but current development proves that the social insurance concept in a country becomes a reliable concept. Social insurance aims at ensuring an access for all people who needs healthcare without considering economic status or age. The principle is called social equity. It is a life philosophy of all people around the world. Social insurance functions as redistribution

of right and obligation between a group of people: rich-poor, healthy-sick, old-young, low risk-high risk, as a realization of human civilization [2].

A country which has achieved health universal coverage focuses on three problems, such as: who is covered, for what service they are covered, and in what level the financing contribution? People who wants to improve the health service access is always debated whether they have filled the requirements and what is the reason. Other components are what kind of healthcare insured, inpatient or outpatient, and expensive or cheap care. Also, financing resource are funded through public levies, privat contribution, or payment when they get the healthcare.

Therefore, the purpose of UHC is to make sure that everyone gets health service (it could be prevention, promotion, medication, rehabilitation, and palliative) without financial catastrophic risk or poverty, now and in the future [11].

Stages to Implement Health Universal Coverage

Health Universal Coverage is an attempt that consists of three stages [14]:

1. Universal registration, strongly related to legal coverage, and right for all people to get the benefits of health service funded by public insurance
2. Universal Coverage implies access to comprehensive health service package with financing protection for all.
3. Effective insurance universally covers all people based on equility, where health result can be achieved optimally with high quality health package, as well as prevent financial impact due to out of pocket payment.

This stage tends to run progressively, but with the degree of overlapping interest. As an example, registration result has covered all citizens, expanding healthcare package coverage, so that the financing protection increases. In line with that, the quality is also increased because the system adjusts to new demands. Primarily, WHO tends to see reciprocal relationship between three important dimentions of UHC, namely population coverage, service coverage, and financing coverage [11].

Some countries have achieved universal health coverage with different ways and various health system. However, the way to achieve universal health coverage usually has three main fitures: (1) political process pushed by social power to create public program and regulation that expands service access, improving equity, and collection of financial risk; (2) income growth which is able to buy health service for many people; (3) The increase of health financing portion whch is higher than household out of pocket payment [15].

Mechanism of Health Financing to Achieve Universal Coverage

Health financing is a part of important attempt to ensure social protection in the field of health. Theoritically, the way to universal health coverage is relatively simple, such as doing these important things: a country should provide adequate budget, reduce dependency on direct payment to finance healthcare, and also improving efficiency and equitability.

Many low-income and middle-income countries have achieved universal coverage in the last decade, such as Brazil, Chili, China, Mexico, Rwanda, and Thailand. Recently, they have made a big step to overcome the three financing problem. Gabon has introduced inovative ways to collect fund for health, including retribution of cellphone use. Cambodia has introduced equity health finance which cover poor community health finance, while Lebanon has improved efficiency and quality of its primary care network [11].

It should be noticed that the health financing in several countries are varied. Some countries develop social health insurance, which is established with basic principle. Mostly, it covers mandatory participation, the equal health insurance package (relatively equal, egalitarian equity) and proportional fee of income [8]. There is also financing system through tax (also known as National Health Service concept, NHS) by providing free healthcare when they get sick. NHS model is financed from income tax when the people are healthy and productive (receiving salary). This model is practised in Malaysia, Srilanka, and Thailand.

Health outcome is a result of many complicated factors inside or outside the health system. Poverty affects the health outcome, not only through access to formal health sector, but also through adequate nutrition, home enviromental safety, water and sanitation quality, exposure of toxic subtances, knowledge limit about health seeking behaviour, and direct effect of low social status to phisiological stress and psychosocial welfare [13].

Experiences in Some Countries

UHC achievement with those three dimensions are various among countries, depending on political will and country financing ability. The richer the country, the easier the country to ensure healthcare for the citizens. Duration required to achieve UHC is also different from one another. Austria, for example, has achieved UHC for 79 years since the first law on health insurance was issued. Belgium achieved UHC within 119 years, Costa Rica (20 years), German (127 years), Japan (36 years), South Korea (26 years) and Luxemburg (72 years).

According to Carrin and James, the success of the achievement is determined by 5 factors, namely: citizens income level, country economic structure, especially related to the proportion number of formal and informal level, country citizen distribution, the ability of country to manage social health insurance, and social solidarity level in the community. Those five factors should be considered by government to create guidance and regulation (stewardship) in order to achieve UHC through social health insurance. Below is the explanation of the experience of some countries to implement Health Universal Coverage (UHC), and also its impacts on some aspects.

Mexico

Health Insurance Program of 'Seguro Popular' in Mexico achieved UHC in 2012 after it was introduced in 2003. This program succeeded to ensure health protection for 52,6 millions of Mexican who never received insurance (informal worker). The financing came from public income (tax), and it provided comprehensive healthcare package

In the beginning, until 2010, the benefits offered in outpatient clinic and general hospital did not cover expensive intervention for non-communicable diseases, such as heart disease, cancer and diabetes complication [16]. However, a year later, the coverage was expanded to ensure medical treatment of cronical diseases, [14] because according to evidence of prevention and medication of cronical diseases, cancer is a disease which is urgent and prioritized to get insurance. .

Knaul FM, et all (2012), analyzed some ways of achieving UHC in Mexico. There are three dimensions of protection: for health risk, for patients with healthcare quality insurance, and for financial consequences of disease and injury.

After 9 years, this program has improved healthcare access and reduced the prevalention of poor and catastropic health financing expenditure, especially for poor people [14]. Program evaluation result of health insurance program in Mexico indicates that this program is effective to reduce out of pocket payment of the poor, and they accept this program [17]. Financing inovation in Mexico succeeds to improve insurance coverage, infrustructure availibility, and basic health input, service utilization, effective service coverage, and financial protection level especially among the poor. Other effect is the increase of immunization coverage and death due to diarrhea, acute respitory infections, and decreased reproduction case [16].

Taiwan

Health Financing System in Taiwan is known as National Health Insurance (NHI) with national pooling. NHI program was started by integrating 3 social health insurance programs, labor insurance, civil servant insurance, farmer and informal worker insurance. The integration has improved eficiency and service quality which ensures equal access to all citizens [2]. Comprehensive insurance package ensures Western and Chinese medication style, including outpatient, prescription cost, home care, and dentists [18].

Taiwan has learned a lot from several countries such as England and U.S which earlier implemented health insurance system. Since it was introduced in 1995, they achieved universal health coverage for about 99% from the population in 2004. All citizens received health insurance from the government by paying insurance premium. The calculation is based on 6 different categories, to ease low-income people. Some employee premiums are paid by company, but the poor is subsidized by government [18].

Thailand

National Health Insurance implementation in Thailand has been proposed since 1996 managed by three organizing bodies. It is currently under the process of integration into one governing body [2]. This program has achieved UHC since 2002 by using Universal

Coverage Scheme (UCS) for 47 millions of people or 75% out of all citizens who have not got the benefits, such as Civil Servant Medical Benefit Scheme = CSMBS or Social Security System (SSS) [19, 20]. This program is funded by Muangthai government about 2.600 bath for each person every month in 2006 (around 80.000 rupiah). It is too far compared to Indonesia which only around 19.500 every month for each.

Comprehensive healthcare package includes antiretroviral for HIV in 2004, and renal replacement therapy for renal desease in the end of 2008. [19]. Thailand who has succeeded to introduce Universal Health Coverage for high-cost intervention, like renal replacement therapy, gives valuable lesson for other countries [21].

Research shows that UHC impact is not only reducing financial burden on family expenses for health, but also effectively giving wider access for health, increasing hospital admissions for more than 2%, increasing outpatient visit for 13%, and increasing prevention activities [22].

Empirical evidence shows that UCS has improved health equity financing and provided high-risk financial protection. Some UCS design which contributes to this result are: tax financed scheme, comprehensive benefit package, and gradual coverage expansion for desease that causes catastrophic household expenses, and capacity to mobilize adequate resource [23].

Rwanda

Community-Based Health Insurance Program (Mutuelle de Sante) in Rwanda has been the focus for several large setudies in global health policy. Comprehensive insurance reformation has changed Multuelle de Sante into tiered premium system for more progressive and sustainable financing. Many countries in Africa and Asia to study approaches Rwanda, in particular mechanisms to achieve high coverage. During the first decade in 2010, NHI program in Rwanda includes more than 90% of the population, managed to reduce the out-of-pocket spending on health from 28% to 12% of total health spending, and increased use of services for 1.8 contacts per year [24].

This program was originally developed as a scheme of basic target community, and was modified to register the most vulnareble citizens in national social protection programs.

Each person progressively collects premium with tiered system that includes a full subsidy for the poorest. Besides, local leaders and 45.000 community health service workers have an incentive to support registration of individuals in Mutuelle de Sante by involving the level of region coverage as a key indicator in performace-based financing scheme. Finally, the mechanism of household cooperative savings (Ibimina), developed by rural areas, has spread throughout Rwanda. Some districts report that 40% of pre-paid premium have been paid three months before fiscal year [24].

Conclusion

The implementation of Universal Health Coverage (UHC) achivement in several countris is not instantly achieved, but it needs time and support from international world. Mechanism and steps that needs attention is in the universal registration aspect which includes all citizens, progressive and sustainable financing resourse, comprehensive benefit package, and gradual coverage expansion for desease that can cause catastrophic expenditure, capacity improvement and supported resource mobilization.

Implementation of National Health Insurance is a policy that has been decided to be implemented by many country. The problems that arise in the context of a policy evaluation is what the impact of the implementation of the policy. World Health Assembly also suggested to WHO to encourage member countries to evaluate the impact of changes in health financing systems on health services as they move towards Universal Health Coverage. National Health Insurance policy in some countries can improve access to care, utilization and quality of quality health services to all citizens.

Indonesia is expected to learn from the experience of other countries to achieve universal health coverage by implementing UHC achievement mechanism. Thus, the projection of the entire citizens to have health insurance in 2019 will be reached soon.

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