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Bridging Social Protection and Occupational Health Services in Viet Nam

Introduction

Human health is determined by physiological factors and by the conditions in which people are born, grow, live, work, play and age and the systems and forces that shape these – in other words, social, environmental, behavioural and political factors (Marmot 2001). At the individual level, the different determinants of health are not experienced in silo and therefore should ideally be tackled and addressed by employing a coordinated and holistic set of policies and institutional frameworks. Social protection and occupational safety and health systems both aim to address some of the social and environmental determinants of health for the working population and beyond, and in particular, occupational health services (OHS) and social protection schemes covering healthcare and employment injury and occupational diseases. They share a common public health objective of promoting good health, preventing (work-related) injuries and diseases, supporting access to health care without hardship, guaranteeing income security throughout sickness and injury and facilitating rehabilitation. In this respect, both policies directly support the achievement of SDG targets 1.3 and 8.8, respectively, and jointly contribute to the achievement of SDG 3 on health and wellbeing for all.

In support of coordinated and holistic approaches, a research project consisting of a scoping review and three country case studies was undertaken as part of the ILO-France Project "Universal Access to Social Protection and Health and Safety at Work" to generate an understanding of existing linkages and coordination mechanisms between national social protection systems and occupational health services, while also highlighting the current gaps in knowledge that need to be filled. This country case study brings together the findings of the research in Viet Nam, with the aim of providing an overview of the existing coordination mechanisms between the national social protection system and the national occupational health services system, while also highlighting the current gaps that need to be addressed. By examining current practices and identifying areas for improvement, this case study aims to facilitate the coordination of OHS services and the national social protection system, ultimately ensuring enhanced protection and well-being for all workers in the country.

Background

Viet Nam is Southeast Asia's fastest growing economy and Asia's second most dynamic with a forecasted GDP growth of 6.3 per cent in 2023 (Asian Development Bank 2022). A policy of industrialization and modernization has shifted the distribution of employment away from agriculture, forestry and fishery towards manufacturing and services: thus, between 2000 and 2020, employment in the sector of agriculture fell from 62.2 per cent to 34.5 per cent while employment in the industry and construction sectors grew from 13 per cent to 30.5 per cent and from 24.8 per cent to 36 per cent for the service sector (General Statistics Office of Viet Nam 2019; 2020).

Both health and social protection are rights enshrined in the Constitution of Viet Nam, with a range of strategies and plans in place that aim to ensure and enhance access, quality and adequacy of services and schemes. Similarly, several plans and programmes have been adopted in recent years to promote workers' health and improve occupational safety and health. However, the high prevalence of employment in the informal econ-

omy (which represented 67.5 per cent of employment amongst employed persons aged 15 and over in 2019 (ILO 2021b)) results in relatively low coverage of contributory social protection schemes guaranteeing income security and limits access to occupational health services. Thus, according to the Occupational Health and Safety report of 2022 published by the Viet Nam Health and Environment Management Agency (VIHEMA), medical facilities recorded in 2022 some 994,397 cases of work-related injuries, 9,378 of which resulted in fatalities (VIHEMA 2022). However, this data is considered to be a significant underestimate of the prevalence of work injuries and occupational diseases, which largely go under-reported.

Social protection

Viet Nam's social protection system is comprised of both contributory and non-contributory schemes covering all nine life contingencies recognized by ILO Convention No. 102. These schemes include:

- The **health insurance fund**, which is administered by the Viet Nam Social Security (VSS). Coverage is compulsory for all and offers a unique package of benefits. The population is categorized into six broad groups, with different contribution rates, subsidy levels and co-payment levels depending on group and category and relying on a mix of contributions and public funding. The health insurance fund has achieved high coverage, reaching 93.35 per cent of the population (VSS 2024), although out-of-pocket health spending continues to increase, with persistent inequities and coverage gaps among near-poor groups and workers in the informal economy (Bales, Phe Goursat, and Phuong 2021).
- **Social insurance**, covering old-age, survivorship, unemployment, sickness, maternity and employment injury: this is also administered by the VSS. Some 38 per cent of the labour force were covered in 2022 (VSS 2023).
- **Social assistance cash benefits**, catering for specific groups of the population (including orphans, single parents and persons living with HIV) which are narrowly defined, cover a limited scope of benefits and achieve low coverage, although several policies are in place, supporting a more comprehensive and inclusive system that will offer wider coverage (James and McClanahan 2019).

Occupational health services

The Law on Occupational Safety and Health of 2015 defines the preventative actions to be made available to workers and outlines the legally enshrined duties of the state, workers, employers and other relevant stakeholders with regard to the safeguarding of workers' health. However, the Law does not clearly define the organizational model for the provision of OHS (for example, in-house services, external services, state-led services etc), nor does it identify the main entity responsible for organizing and providing OHS. Thus, the responsibility for the provision of OHS is shared among various actors (Matsuda 1996; Diep 2020), namely:

- **The Ministry of Labour, War Invalids and Social Affairs (MOLISA)**, responsible for conducting safety inspections via labour inspectorates, which have been established at all levels.
- **The Ministry of Health**, responsible for the provision of basic OHS to workers via a network of occupational health centres and health stations. The VIHEMA is subordinate to the Ministry of Health and supports the implementation of occupational health regulations.
- **Industry-related ministries**, which play a key role in the organization and management of OHS, as well as monitoring of the working environment, health check-ups, occupational disease examination, occupational safety and health (OSH) training for employers and employees and first aid training and also the surveillance and reporting of occupational accidents and diseases.
- **Employers**, responsible for the provision of training on OSH regulations, provision of occupational equipment and health care and medical examination and also the investigation, reporting and surveillance of occupational accidents and diseases.
- **The Viet Nam Fatherland and Front[1] and its member organizations (state)**, collaborate with relevant agencies to organize education and training in OSH and also in the development of OHS.

[1] According to Law on Vietnam Fatherland Front 2015, the VFF is the political base of people's power, representing and protecting lawful rights and the interests of the people.

- **Trade unions**, responsible for collaborating with employers to develop and supervise the implementation of OSH plans, investigate occupational accidents as requested, as well as inspect and supervise OSH activities including the adequate provision of workers' compensation and vocational training for affected employees. They are also actively engaged in organizing educational campaigns on OSH and advocacy activities.

OHS centres are financed by the state budget through the Ministry of Health, although the budget allocation for OHS is still considered limited in all provinces. It is estimated that only workers in formal employment, who accounted for 32.3 per cent of the workforce in 2023 (General Statistics Office of Viet Nam 2023), have effective access to these services.

There are several linkages within the social protection system but also between the social protection system on the one hand and occupational health services on the other. These linkages are embedded in the legislative and regulatory framework and are presented below.

Linkages between occupational health services and social protection

Linkages within the social protection system

The design and operation of the employment injury insurance (EII, known locally as the Occupational Accident and Disease Insurance Fund), the pension scheme and the health insurance fund are interlinked to provide financial protection for workers affected by diseases or accidents, whether occupational or otherwise. In practice, responsibilities for contribution payment, payments of benefits to workers and health facilities' settlement claims are interwoven among the three schemes.

Indeed, benefits for the survivors of workers who die as a result of a work injury or occupational disease (WIOD) are covered under the pension scheme according to the Law on Occupational Safety and Health, while medical examinations and treatment in cases of WIOD are implicitly included in the list of eligible services covered by the health insurance fund. Coverage of medical costs in the event of a WIOD had not been included in the past two laws on social insurance but were instead the liability of the employer. These services were also excluded from coverage under the Law on Health Insurance of 2008, but amendments introduced in 2014 removed such services from the list of exclusions. As such, medical examinations, treatment and functional rehabilitation in the event of a WIOD are now implicitly included in the list of eligible services covered by the health insurance fund, for which they are not reimbursed by the EII. On the other hand, if an employer does not pay contributions for employees subject to compulsory social insurance or if a worker is not covered by the health insurance fund, then according to the Law on Occupational Safety and Health, the employer still remains liable to cover the benefits to which covered workers would be entitled under each scheme.

▶ **Table 1: Entitlements for workers affected by WIOD and their survivors by social protection scheme and employer liability in Viet Nam**

	Number of affiliated enterprises	Number of covered workers
Occupational Accident and Disease Fund	29.6 per cent of the labour force	• Costs relating to medical assessment • Lump-sum, monthly and service allowances • Assistive and orthopaedic devices • Expenses for convalescence and part of expenses for health rehabilitation • Reskilling • Health insurance contribution • Reimbursement to employers of part of co-payments incurred (see below)
Health Insurance Scheme	93.35 per cent of the total population	Medical care in the event of occupational disease or accident is not excluded from the benefit package
Survivorship Allowance Regime	31.5 per cent of the labour force are active contributors	• Monthly survivorship allowance • Funeral allowance
Employer liability	32.5 per cent of the labour force (e.g. formal)	• **For workers not covered by above-mentioned schemes:** all above-mentioned entitlements • **For workers covered by above-mentioned schemes:** reimbursement of co-payments and expenses that are not covered by health insurance (themselves partly reimbursed by the Occupational Accident and Disease Fund – see above)

Source: Data available under the ILO social security inquiry, (VSS 2024; General Statistics Office of Vietnam 2023), Law on Occupational Safety and Health of 2015, Law on Health Insurance 2008 (amended in 2014), Law on Social Insurance of 2024.

Implications

There are several implications to such arrangements. Firstly, the implicit inclusion of medical care for persons WIOD in the benefit package of the health insurance fund ensures that financial protection in accessing such services achieves wide coverage. Indeed, while the health insurance achieves a coverage of 93.3 per cent of the total population, EII covers only 29.6 per cent of the labour force, where the self-employed are legally excluded and workers in informal employment face challenges to access.

From an administrative perspective, the "non-exclusion" of medical care in the event of a WIOD from the health insurance benefit package may remove a layer of bureaucratic complexity within the administration of both the health system and EII. This arrangement facilitates the payment of claims submitted by health care providers, based as it is on the experience and expertise of the health insurance fund in provider management and payment. Given that both EII and the health insurance fund are administered by the same institution (VSS), it also makes administrative sense to deliver and cover medical benefits in the event of a WIOD through the health insurance scheme, thus avoiding potential duplication of certain functions, for example: contracting with healthcare facilities, negotiating fees and processing and paying claims.

On the other hand, the amendment to the Law on Health Insurance was not accompanied by other necessary adjustments to take account of the financial implications, particularly as no mechanisms for the reimbursement of the health insurance fund through EII was identified. Indeed, it is not clear whether the adoption of this amendment was informed by an actuarial assessment or estimation of the cost of this inclusion and hence, the additional expenses to be borne by the health insurance fund. In turn, it is unclear whether the share of expenses incurred by the health insurance fund as a result of the delivery of services in such events is monitored, which hinders any analysis of these financial implications.

Further, a large share of the workforce, principally in the informal economy, have with access only to financial protection against the costs of healthcare but without income security as administered by EII. It is important to ensure that the complementary objectives and outcomes of financial protection and income security are achieved through the expansion in coverage of EII.

Finally, reimbursement mechanisms for co-payments are complex and could usefully be rationalized. In Viet Nam, co-payment levels vary from 0 to 20 per cent of eligible treatment charges, depending on the membership group and category

to which an individual belongs. The Law on Occupational Safety and Health attempts to limit the financial burden borne by workers and employers by first requiring employers to compensate workers for co-payments incurred in the event of an occupational disease; and second, by providing for the reimbursement of co-payments by EII to employers. However, these cost-sharing arrangements have their own limitations, with reliance on employer liability in the first instance potentially undermining access for workers, as well as limitations to the scope of application of these reimbursements, as these provisions apply only to occupational diseases and not to work injuries and do not cover rehabilitation costs. Owing to the complexity introduced by such provisions in relation to which party bears which expenses, consideration could be given to the introduction of provisions into the Law on Health Insurance waiving co-payments for services accessed in the case of WIOD, such as is the practice in Kazakhstan, for example (ILO 2024)).

Linkages between OHS and employment injury insurance

Another linkage identified in the research and which has been alluded to above is that between the legal frameworks for OSH and EII. Indeed, provisions on the qualifying conditions stipulating the nature and level of entitlements under the EII and use of funds are outlined in the Law on Occupational Safety and Health, article 92 of which repeals all provisions within the Law on Social Insurance pertaining to the EII.

Another linkage is the use of EII resources to finance "risk sharing", prevention and rehabilitation activities. Article 56 of the Law on Occupational Health and Safety provides for up to 10 per cent of its revenue to be allocated to the "payment of expenses for prevention and sharing of risks of occupational accidents and diseases". Related activities include health check-ups and medical treatment of occupational diseases (see Occupational Accident and Disease Fund in table 1 above); working function rehabilitation: investigation of occupational accidents and diseases at the request of the VSS; and occupational safety and health training for affiliates and specific categories of workers, including training activities organized by employers. Thus, affiliated employers are reimbursed by the Occupational Accident and Disease Fund for up to 70 per cent of the costs of training on occupational safety and health they organize for their workers.

Hence, in 2020, some VND 200 billion were imputed to the fund to support prevention and risk sharing, representing 0.07 per cent of total insured earnings in 2020, or equivalent to roughly a third of the expenditure of the fund on periodic benefits in 2019 (that is, VND 551 billion) (ILO 2021a). From the perspective of OHS, the allocation of resources from EII can represent an important addition to the available resources to organize OHS. This is particularly important, as these are generally underfunded, as is the case in Viet Nam. However, owing to the fact that the resources are allocated to reimburse employers for the activities they undertake, these consequently do not contribute towards the funding of public occupational health service institutions. This stands in the way of opportunities for such resources to finance activities or functions that could otherwise reach workers uncovered by EII.

Coordination between OHS, social health protection and EII

There are also legal provisions, programmes and resolutions that call for coordination between OHS, the health insurance fund and EII.

Firstly, the VSS participates as a member of the drafting committee for regulations guiding the implementation of the Law on Occupational Safety and Health, particularly with respect to provisions concerning the Occupational Accident and Disease Insurance. This follows on from the fact that the provisions concerning the scheme are set out in this Law and not in the Law on Social Insurance.

Secondly, article 91 of the Law on Occupational Safety and Health specifies the mechanisms for coordination in the area of occupational safety and health, setting out the primary responsibility for the implementation of activities coordinated with other ministries, ministerial level agencies, local government and other relevant agencies. The activities to be coordinated include the formulation of occupational safety and health policies; laws, standards and technical regulations; programmes; information on occupational safety and health; communication, education and training; statistical work and reporting; and other related activities besides the aforementioned. In practice, various resolutions and decrees have been adopted to establish programmes to coordinate actions on worker's health and occupational safety and health.

Thirdly, two separate programmes, implemented by the Ministry of Health and the MOLISA, also call for the improvement of coordination among all stakeholders, as well as the pooling of resources in support of workers' health. Thus, the Programme on Care and Improvement of Workers' Health and

Prevention of Occupational Diseases 2020–2030 of the Ministry of Health aims to provide a coordinated framework for the protection, care and improvement of workers' health; the promotion of healthy lifestyles and nutrition; the prevention of occupational accidents and diseases; and the safeguarding of workers' lives. The National Programme for Occupational Safety and Health 2021–2025, under auspices of the MOLISA, also calls for strengthened coordination among a wide range of actors to achieve improvements in working conditions of workers, the prevention of occupational accidents and diseases and the safeguarding of workers' lives. With respect to both programmes, the resolutions and decrees call for the pooling of resources, specifically by the health insurance fund and EII, to expand available funding for the programmes – although it is unclear whether this is applied in practice.

However, despite legal and regulatory documentation calling for collaboration, some lack of clarity persists as to the actual level of collaboration in the implementation of activities, with limited available information in this area. The involvement of stakeholders in annual meetings and joint initiatives on occupational safety and health dissemination might facilitate the garnering of lessons and eliciting of recommendations for improved collaboration, whether at the central, provincial, district or communal level.

Conclusion

The case study has also identified additional opportunities for coordination besides those identified and discussed above and all within the ambit of the legislative and regulatory frameworks. The first is in relation to the monitoring and reporting of WIOD. Currently, both the Ministry of Health and MOLISA hold responsibilities in relation to the **monitoring and reporting** of different aspects of occupational health and safety and WIOD. The regulatory framework states that MOLISA and VSS have oversight on annual reporting to the Government on the implementation of EII and its accounting work and the gathering of associated statistics. MOLISA further collates data on occupational accidents, which is informed by data to be provided by the Ministry of Health on workers affected by work injuries undergoing medical examinations and treatment. The Law on Occupational Safety and Health further sets out how the Ministry of Health is also in charge of preparing statistics and developing a database on occupational diseases, as well as monitoring, aggregating and disseminating information on OHS. Conversely, VIHEMA monitors working environments to confirm whether there is evidence of occupational hazards, which is the essential criterion for classifying any disease diagnosis as being occupationally related. Thus, while reporting on occupational health may be fragmented, it is nevertheless a shared process. Notwithstanding the importance of this fact, there is apparently limited reported coordination between the Ministry of Health and the VSS with regard to the collection and collation of data relating to persons with WIOD and their receipt of benefits from EII. Accordingly, the health insurance fund, despite covering the costs of services accessed in such events, is not mandated in any regulation to contribute to these monitoring and reporting efforts. Therefore, there is scope for better coordination of surveillance and reporting with the social protection system.

Furthermore, the institutional arrangements create **opportunities for improving access to OHS for workers in the informal economy and expanding the coverage** of different social protection schemes. OHS are integrated in the network of public health facilities through the Centres for Disease Control (Diep 2020). Such services are delivered both to formal and informal workers as the Ministry of Health is responsible for implementing basic OHS packages for small and medium-sized enterprises and for workers without labour contracts. This arrangement contributes to expanding access to OHS, particularly to vulnerable workers and those in the informal economy. This arrangement may also represent an opportunity to share information about social protection rights and entitlements or to make referrals of affected workers by the health facilities to the health insurance fund or to EII, the income protection from which is complementary to the preventive and curative services delivered by the public health facilities. Similarly, the health insurance fund and EII scheme are both administered by the VSS, suggesting opportunity for greater coordination and potential referrals.

Despite the limited evidence of concrete activities implemented in a coordinated fashion, there is an important legal basis for stronger engagement between OHS and social protection. Several of the linkages themselves also offer incentives and opportunities for such coordination. The financing of prevention activities by EII could represent a strong basis for coordination with formal OHS providers. That medical costs in the event of WIODs are covered by the health insurance fund represents an incentive for greater collaboration on health promotion and occupational risk prevention activities. More broadly, there are opportunities for coordination with respect to coverage and reach.

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