

### Summary of Panel discussion 3

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#### How have countries reached universal coverage: A reflection on peer approaches

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**Mr Tim de Meyer, Director, ILO Country Office for China and Mongolia**, introduced this panel discussion, inviting each speaker to identify the main factors of success in their efforts to reach universal coverage and the main challenges they had to face.

**Mr Xu Yanjun, Deputy Director-General, Social Insurance Administration Center, Ministry of Human Resources and Social Security (MOHRSS), China**, shared some reflections and lessons learned regarding the extension of coverage in China.

After three decades of reforms and the opening of the economy, China has established a social security system for urban and rural areas with five pillars: old-age insurance (858 million people covered), medical insurance (1.3 billion covered), employment injury, maternity insurance and unemployment insurance. China has the world's largest social protection system.

The social protection system in China is underpinned by: a strong legal framework (with the enactment of a social insurance law in 2010); continuous improvements to increase coverage and integrate/consolidate existing schemes (i.e. urban and rural residents schemes have been integrated); incentives to encourage workers and enterprises to join the social insurance system (subsidies for contributions); specific awareness and enrolment campaigns; and enhanced monitoring. Also, the development of a strong public social security administration and service centres located close to the people has been instrumental in providing better services to the population.

One of the remaining challenges is to extend coverage to informal economy workers who still have difficulties paying regular contributions. The social protection administration is also facing difficulties maintaining the coverage of migrant workers who move from one region to another and workers in certain sectors where jobs are insecure.

***“All citizens can receive social security services within 15 minutes.”***

**Mr Supasit Pannarunothai, Centre for Health Equity Monitoring Foundation, Thailand**, presented how Thailand reached universal health coverage.

In 1996, studies showed that the health system was inequitable. It was mainly financed from out-of-pocket expenditures and financial barriers limited access to health care. The studies also indicated that if the government wanted to control the health-care market, only relatively minor increases in public investments would be needed. Thailand also needed to increase the efficiency of the health-care system by increasing health outcomes while limiting health expenditures.

In 2001, the general elections opened a window of opportunity to introduce a universal health-care scheme. Also, a number of “policy entrepreneurs” and a social movement led by non-governmental organizations (NGOs) pushed for health-care reform by preparing and selling a policy package based on evidence. The health-care financing reform aimed to improve equity, quality of care, efficiency (high value health-care spending) and social accountability that involved civil society.

The Law on the National Social Security Act was passed in 2001. It introduced a capitation payment for outpatient services and diagnosis related group (DRG) payment for inpatient care. By law Thailand has to have yearly national health assemblies and commissions that involve civil society. The Universal Coverage Scheme (UCS) was implemented in less than two years. Thailand also implemented a purchaser-provider split with purchasers who manage the budget and pay for services provided by the Ministry of Health.

Universal health coverage in Thailand is a multi-pillar system with three main institutions: the civil servants scheme (CSMBS); social security for private sector employees (SSS); and the UCS. The idea is to progressively reduce the gaps between the three schemes. The social movement is the guarantor of the Universal Coverage Scheme and the Thai people are committed to protect the Scheme.

*“In 2001, the introduction of the universal health care system was a big bang policy change.”*

*“To move up the mountain and push for health-care reform we used a triangle composed of (1) knowledge, (2) social movement that understands and supports the change and (3) political decisions.”*

**Mr Oscar Centragólo, University of Buenos Aires, Argentina,** described and assessed the recent performance of social protection in Argentina, summarizing the main policies oriented to improve the horizontal and vertical coverage of social protection and its funding.

The social protection system in Argentina includes social protection programmes for the working age population, children, older persons and health care. In particular, the basic income guarantees for children is one of the best examples of South-South cooperation in Argentina’s history. Argentina introduced this scheme relatively late, in 2009, and used the experiences from Brazil, Mexico and other countries in Latin America that had already implemented similar schemes.

The old-age pension scheme went through a number of reforms from a pay-as-you-go to capitalization and back to pay-as-you-go in 2009. The Government recently launched a basic pension scheme for older persons who have not contributed to the contributory scheme. To include self-employed in the social protection system and enhance the formalization of informal sector workers, Argentina has a “monotax” system (like in Brazil and Uruguay) where self-employed can pay a fixed amount of money covering their taxes and social security contributions.

The health-care system in Argentina is fragmented and therefore inefficient. The public system that provides free access to public health-care services is highly inequitable. This system is run by provincial governments, which causes considerable variation in services from one region to another. In 2002, a number of initiatives were introduced to improve access to health care for the uninsured population, including Plan Remediar, Plan Nacer and Programa Sumar. Despite the increase of coverage, we still have a number of challenges, such as fragmentation of the system, uneven rights to social health protection and high fiscal deficits.

*“Emphasis must be placed on the need to move beyond an always short-term perspective for the sake of a strategic vision that anticipates possible structural changes.”*

**A selection of questions and answers:**

What are your biggest challenges?

Mr Oscar Centragólo: Our biggest challenge is fiscal deficit.

Mr Xu Yanjun: Our biggest challenge is the extension of coverage to low-income groups because the social security system is mainly contributory. We have two types of old-age pension schemes: the contributory scheme for employees and the residents' scheme. There is a big difference in the levels of pensions between these two schemes. To improve the adequacy of benefits of the residents' scheme we will increase government investments in the pension scheme. We are looking at international experience to improve the adequacy of benefits under this scheme.

Dr Supasit Pannarunothai: We are now setting up a single clearinghouse that will manage information for the three insurance schemes. Based on the information generated from the clearinghouse, we will be able to make good recommendations to reduce the gaps between the three different schemes.

To what extent has Thailand supported the development of social health protection in ASEAN?

Dr Supasit Pannarunothai: I used to work with Naresuan University. As I said, knowledge is one of the core elements of the triangle that helps us to move up the mountain. We have developed a master course on social health protection. We have supported students from ASEAN countries. We also developed short visits to show the Thai social health protection system to ASEAN participants. If we can continue this programme we will be able to create a critical mass of researchers and technocrats that can support social health protection in ASEAN countries.