

Strengthening Social Health Insurance in Mongolia
Stakeholder Consensus Building Conference

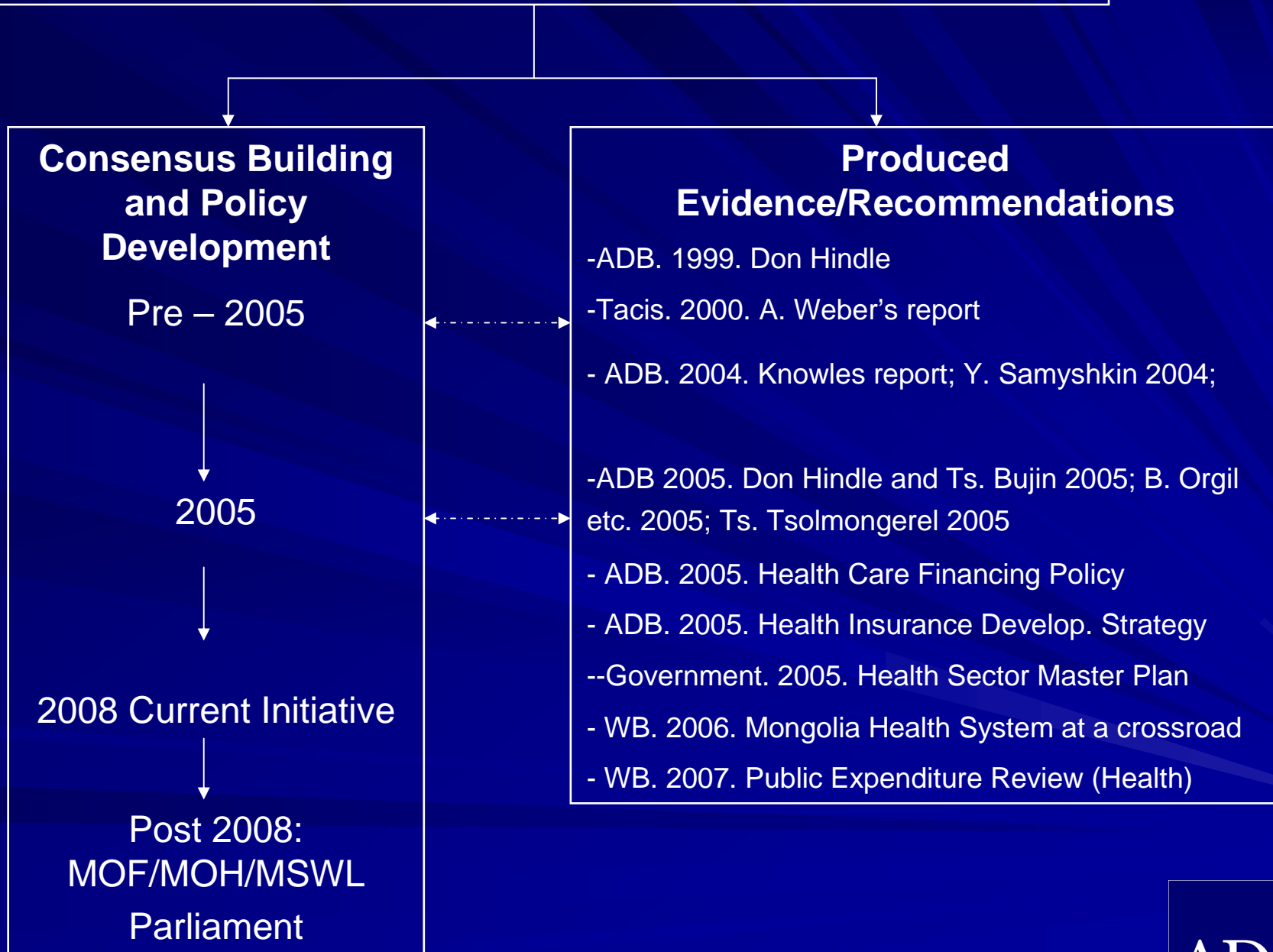
Ulaanbaatar 28 – 29 April 2008

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Outline

- 1. Strengthening Social Health Insurance: Content & Process**
- 2. National and International Evidence**
- 3. Government – ADB Agreement**
- 4. ADB Support 2008 - 2013**

Strengthening Social Health Insurance: Process and Content



Main Findings of the Reports

Major Diagnosis:	Poor utilization of resources
Causes:	Fragmented financing Poor leverage of Health Insurance; Poor coordination between MOH and SSIGO, Inefficient resource allocation Lack of purchasing capacity, Inadequate provider payment arrangements
Results:	Negative impact on the performance of the sector, namely quality, efficiency and effectiveness
Open Questions:	Is the Sector Under-funded?

Government Budget for Health More than Doubled over Last Three Years

GOVERNMENT HEALTH EXPENDITURES (BILLION TUG.) AND AS A % OF GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008*
Government Health Expenditures	46.8	54.2	57.6	62.3	77.6	83.7	103.1	155.4	229.1
As a % of GDP	4.6	4.9	4.6	4.3	4.1	3.3	3.2	4.5	4.2

Source: MOH 2008

Hospitals Get a Diminishing Share of the Budget and FGPs are Neglected

GOVERNMENT HEALTH EXPENDITURES BY PROVIDER (million tugriks)

	2004	%	2005	%	2006	%	2007	%	2008	%
Tertiary care hospitals	20,217	26	23,310	28	28,189	27	32,000	21	43,476	19
Aimags and District hospitals	24,599	32	26,186	31	32,251	31	51,000	33	59,330	26
Soum hospitals	14,344	18	15,362	18	19,003	18	26,000	17	41,500	18
FGPs	2,202	3	3,455	4	4,409	4	5,900	4	9,700	4
MOH and Aimag Health depts	2,737	4	2,893	3	3,318	3	4,766	3	7,800	3
Capital expenditures	3,576	5	3,460	4	6,460	6	20,701	13	25,109	11
Others	9,896	13	9,059	11	9,508	9	14,999	10	42,243	18
	77,571		83,725		103,138		155,366		229,158	

Source: Ministry of Health 2008

Decreasing Share of Funding from HI and Diminishing Coverage in Aimags

SHARE of GOVERNMENT HEALTH EXPENDITURES

	2000	2001	2002	2003	2004	2005	2006	2007	2008*
Central Government	73.8	66.1	64.0	69.0	70.9	69.1	72.9	76.6	76.6
Social Health Insurance Fund	20.4	27.6	31.5	24.9	25.4	26.1	23.3	20.2	21.4
Official OOP to public providers	5.8	6.3	4.5	6.1	3.7	4.8	3.8	3.2	2.0

Source: MOF 2008; MOH 2008

HEALTH INSURANCE COVERAGE (%)

	2002	2003	2004	2005	2006	2007
Nation-wide	80.2	80.3	79.7	77.6	73.4	77.4
Ulaanbaatar	73.0	82.8	79.4	74.0	79.2	85.7
Aimags	82.3	77.4	78.1	77.9	69.9	72.1

Source: SSIGO, Health Insurance Department. 2007

International Evidence

Contextual Evidence: difficult to generalize! There is no one right financing model. It depends on what is the political and socio-economic context and the objectives of the reforms?

Policy Measures

Effect

- | | | |
|---|---|---|
| ■ Strong Purchaser | → | ■ Quality and efficiency |
| ■ Pooling of Funds | → | ■ Efficiency |
| ■ Autonomy of Provider | → | ■ Mixed Evidence |
| ■ Provider – Purchaser Split | → | ■ Efficiency |
| ■ Prospective payment methods | → | ■ Cost containment; mixed effect on quality |
| ■ Gatekeeper; enrollment; limited drug list | → | ■ Cost containment |

Agreement Government - ADB

Grant Covenants for Third Health Sector Development Project (THSDP)

1. By April 2009:

Plan: outlining the main financial reforms to be introduced in the health sector.

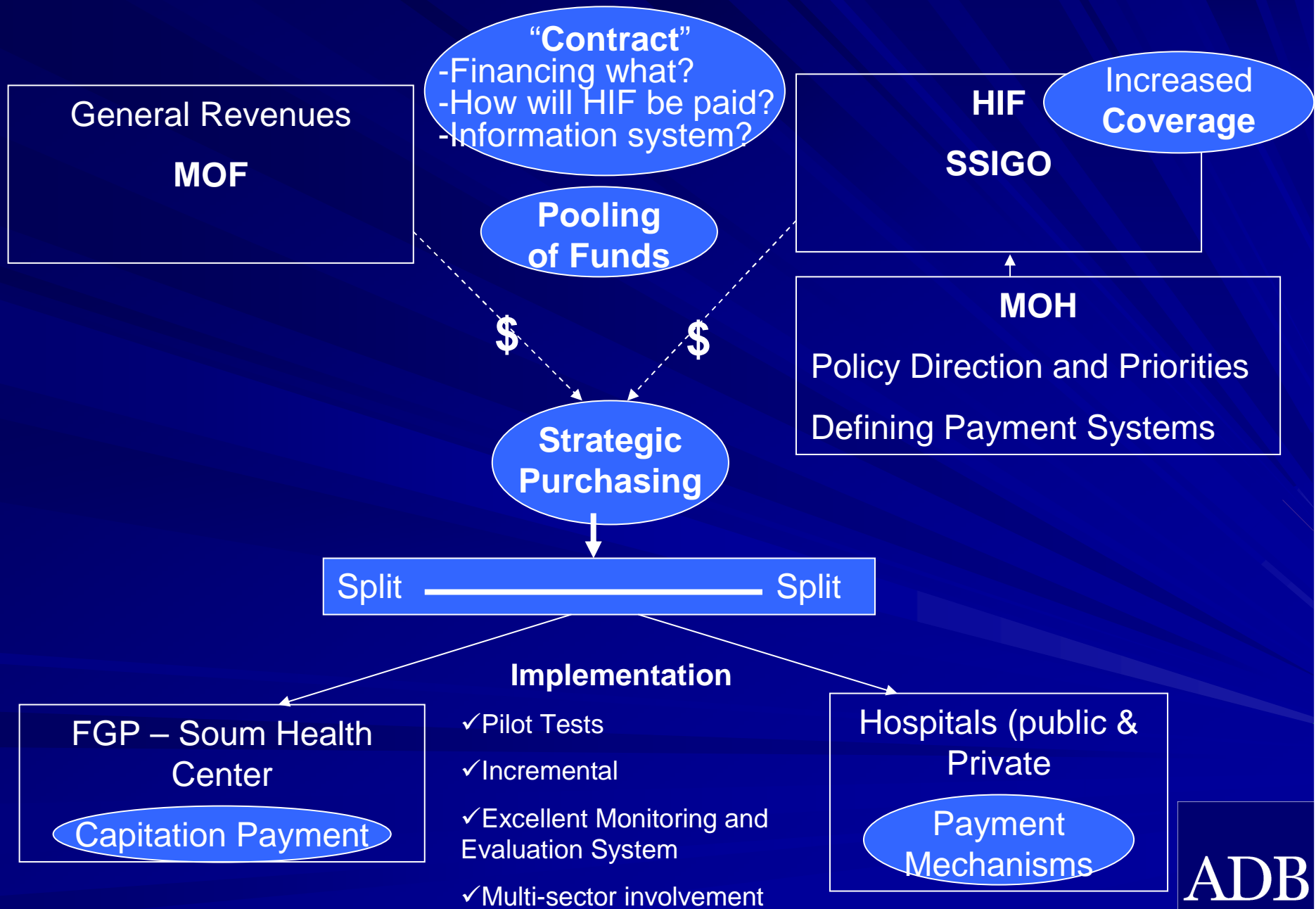
Implementation arrangements: including piloting and timeframes.

2. By October 2010:

Memorandum of Understanding: MOF – MOH - MOSWL on pooling of funds and single purchaser.

Pilot Implementation: within the duration of the Project

ADB Support 2008 - 2013



**ADB is Very Pleased to Be Part of the
Present Stakeholder Consensus
Building Conference**

Thank You!

ADB