

P4H Webinar Series (two webinars) on the Commonwealth of Independent States

Summary of webinar #1: Social Health Protection and Health Financing Reforms in Countries of the Commonwealth of Independent States, 16 March 2022

On 16 March 2022 the P4H Network hosted its **first webinar** on social health protection and health financing reforms in three countries of the **Commonwealth of Independent States (CIS)**. **P4H hosted the webinar** in collaboration with the **World Health Organization and International Labour Organization (ILO)**.

The webinar was intended to respond to interest expressed by CIS government representatives and expert communities in knowledge exchange and information sharing. The event coincided with a much-welcomed expansion of the P4H Network's activities in the CIS. The first webinar focused on the experiences of three countries – **Azerbaijan, Kazakhstan** and **Kyrgyzstan.** The webinar included over 150 attendees, consisting of high-level government officials and experts working on social health protection and health financing reforms in the region. The P4H Network will continue to plan other events in collaboration with CIS experts and P4H member organisations.

Opening remarks

Claude Meyer, Coordinator of the P4H Network, opened the webinar by introducing the P4H Network to the attendees. Next, **Olga Koulaeva**, Director, Decent Work Technical Team and Country Office Moscow, ILO, gave a welcome speech underlining the importance and value of this timely event. She reminded the participants that ILO is carefully monitoring and supporting social health protection reforms in the CIS . She emphasized the importance of Member States exchanging experiences, including the lessons and achievements of CIS countries since their national independence.

Before starting the panel discussion, **Lou Tessier**, Health Protection Specialist at ILO headquarters, provided an overview of social health protection coverage globally and in the region by referring to international standards and country-specific social health protection reforms. She provided a global and regional overview of recent trends in social health protection reforms with a focus on CIS countries.

The three panellists followed with presentations on key features of social health protection and health financing reforms and experiences in Azerbaijan, Kazakhstan and Kyrgyzstan. **Ainur Aiypkhanova**, the P4H Network's Community Manager for the CIS, moderated. While the initial speakers spoke in English, the panellists all presented in Russian. To accommodate everyone, simultaneous interpretation was provided between English and Russian. The webinar is recorded and posted on the P4H Network's YouTube channel in English: https://www.youtube.com/watch?v=hSR9ODEEqEE&t=255s and in Russian languages: https://www.youtube.com/watch?v=MyAj-ksi25E

Panellist presentations

Mrs Nigar Bayramova, Deputy Chair of the Executive Board of the State Agency on Mandatory Health Insurance of the Republic of Azerbaijan, highlighted health coverage, financial protection, and equity aspects in the provision of state-guaranteed health service benefits under mandatory health insurance. The presentation focused on recent progress as well as related challenges. Currently the country spends 6% of the general government budget, or 2.3% of its gross domestic product (GDP), on health care.

Azerbaijan's experience is unique in that it has created the Administration of the Regional Medical Divisions (TABIB), a subsidiary of the Social Health Insurance Fund that governs all public health care provider organizations across the country. Mrs Bayramova reported that it took five years to roll out the health insurance reform from pilot to full-scale national implementation. The single health benefits package is now universally accessible, including by foreigners and refugees living in Azerbaijan.

A lesson seen as valuable by attendees from other countries was that in addition to social health insurance funding from the state, employers, employees and entrepreneurs, funding also comes from other sources, such as special taxes on imported fuels and sin taxes on alcohol, tobacco and energy drinks.

Among the challenges the speaker from Azerbaijan mentioned were uneven distribution of human resources, low trust in the health system in general, a high proportion of informally employed people and the ongoing COVID-19 pandemic.

Dr Maksut Kulzhanov, Chairman of the Board of Directors of the Social Health Insurance Fund of Kazakhstan, shared key reform insights aimed at universal health coverage by forming mandatory funds with social contributions and subsidies. After briefly summarizing the longstanding history of health reforms in Kazakhstan since 1992 in five stages, Dr Kulzhanov shared Kazakhstan's recent successful second attempt to fully introduce the mandatory social health insurance reform. Justifications and arguments in support of the reform included changing demographics, the growing costs of care due to escalating burden of noncommunicable diseases in recent years and the penetration of expensive new technologies.

The highlight of Khazakstan's reform experience was the country's ability to expand health financing by 97% in 2020, the first year of the national implementation of the reform *(that is, in 2020 health services expenditure almost doubled from a pre-reform year 2019),* which helped to improve access to specialized outpatient care, day care and modern cancer care among other services. The total health expenditure (THE) breakdown includes budgetary funds from the state (92%), including contributions for defined groups (91% of the 92% of THE) and earmarked

funds for health agencies outside the insurance system (9% of the 92% of THE), as well as injections into health infrastructure by local governments (6% of THE) that bypass the insurance system, and vertical funding of health facilities in other sectors of the economy by other government branches (defense, intelligence service, and others providing 2% of THE). Thanks to the mandatory health insurance reform, the guaranteed basic benefits package is available to 100% of the population, and the social health insurance benefits package coverage reached 84% of the population in 2021.

Plans for improvement include a review of tariffs, introducing automated digital care quality monitoring by the payer and progress in patients' rights protection related to the use of health services. Dr Kulzhanov also shared that Kazakhstan is considering decentralized management of the Social Health Insurance Fund.

Dr Klara Oskombayeva, First Deputy Chairman of the Mandatory Health Insurance Fund, the Ministry of Health of the Kyrgyz Republic, provided a comprehensive overview of reform Kyrgyzstan over the last 20 years. She emphasized the importance of public subsidies in covering vulnerable populations, including children and the elderly, and providing essential and basic health services and pharmaceuticals to the entire population regardless of their insurance status. One key factor for success has been the good collaboration between the Ministries of Health and of Finance since 1996 and throughout the reform process as of 2020.

Kyrgyzstan was able to effectively grow and sustain health spending per capita between 2005 and 2020 under the insurance system, allowing for better access and coverage. One of the webinar attendees, a member of the Parliament of Kazakhstan, **Mr Galymzhan Eleuov**, wrote during the webinar that he found it of particular interest that instead of punishing those providing substandard care, Kyrgyzstan effectively motivated health care providers by providing incentive payments for better care provision and health outcomes.

Before moving to the questions, the moderator announced that the P4H Network is open to hear ideas about potential collaboration in the region and invited attendees to visit <u>P4H.world</u>, the P4H Network's digital platform.

Conclusions

Each of the country presentations prompted interesting questions and discussions among the attendees related to experiences in health benefit provision, strategic purchasing, efficiency in resource allocation, reducing fragmentation and ensuring the sustainability of health insurance funds and health financing as a whole.

The common features and lessons learned from implementing health insurance reforms in the three countries were the mandatory nature of the reforms, public funding and a significant share of subsidization; that studying best practices from other countries prior to designing the reform is instructive; piloting reform at small scale has value; and, in contrast to the promised but vague all-inclusive basket, explicitly defining covered services enhances quality of care.

Webinar attendees found it valuable to discuss global experiences in different geopolitical and economic conditions, as well as region- and country-specific experiences. Each panellist received several questions from the audience which were documented and are provided with answers in a separate file.

