Social Health Protection and Health Financing Reforms in Countries of the Commonwealth of Independent States

Knowledge Exchange and Regional Perspectives

Join us on Zoom
20 April 2022
10:00 – 11:30 am CET

Panellists will exchange lessons learned, key achievements, and progress made towards social health protection and health financing.

PANEL
Gafur Muhsinzoda
First Deputy Minister of Health and Social Protection
Tajikistan

PANEL
Farrukh Sharipov
Executive Director, State Health Insurance Fund
Uzbekistan

KEYNOTE
Triin Habicht
Senior Health Economist, WHO Barcelona Office for Health Systems Financing

WELCOME
Bayarsaikhan Dorjsuren, P4H
Mikhail Pouchkin, ILO

P4H Social Health Protection Network
World Health Organization
International Labour Organization

Webinar #2 in the CIS:
Questions and Answers from Speakers

Social health protection and health financing reforms in CIS countries with participation of panellists from Tajikistan and Uzbekistan

Webinar recording in English: https://www.youtube.com/watch?v=aGyWGz4w4pU&t=4863s

Panellists:

Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan

Farrukh Sharipov, Executive Director of the State Health Insurance Fund, Republic of Uzbekistan

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QUESTION (asked by Oxana Abovskaya):

My question is for Dr. Sharipov. Tell me happened to FAP's* in Uzbekistan?

(*FAP is a primary care organization type for rural locations, "feldsher-obstetric station" name comes from staffing composed of a physician assistant and a midwife)

ANSWER: Farrukh Sharipov, Executive Director of the State Health Insurance Fund, Republic of Uzbekistan

We currently do not have FAP's. As you know, in rural areas we had feldsher-obstetric stations where nursing level healthcare workers worked, and in rural areas the population did not have direct access to doctor, they had to first see a lower-level health care worker. And in urban areas, people could come to the doctor at once. We compared these different conditions – and instead of FAPs, we created Rural Medical Stations. In the regions, in rural areas, we had a five-stage medical care: FAP, rural physician ambulatories, district hospitals, central hospitals, multidisciplinary polyclinics.

And we switched to two-stage medical care – these are Rural Physician Clinics and Central District Hospitals with a multidisciplinary polyclinic. A family doctor works in the Rural Physician Clinic.

Now our situation has changed a bit. We now have **Family Medical Centers** in the rural districts instead of Rural Physician Clinics. And we have **Rural Family Polyclinics**, which have 2 to 5 specialist doctors. Next comes the level of the **Central District Polyclinic**.

At present, we have hard-to-reach regions where the population lives far from the Family Medical Centers and Family Polyclinics. In such areas, we created **Medical Stations**. During the pandemic, we had acquired containers for quarantine zones equipped with air conditioning, water supply, sewerage – with all due conditions. So now we sent these containers to the regions, and these containers are being located in hard-to-reach places to provide medical care for people and medical stations are being created.

QUESTION (asked by Zokhid Ermatov):

Good afternoon. I would like to learn about financing of health care organizations in the regions of Tajikistan – whether it is carried out by financial authorities or health authorities?

ANSWER: Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan:

We have two types of financing – these are financing from the republican budget and local financing. The local financing passes through local governments, that is, the locals have their own financing unit, which finances health care locally. As for the Ministry of Health, this is also one of the reform steps healthcare. Back in 2000, the Government decided to decentralize the financial structure of health care, and in fact transferred this responsibility from the Ministry of Health through the state budget to local governments. Therefore, at present, the Ministry of Health has at its disposal the republican budget, and within the framework of the republican budget, we finance mainly republican institutions (national-level health care organizations). As for local financing, the budget goes through local governments.

I would like to return to the very interesting question regarding rural healthcare, about FAPs, and share the experience of Tajikistan as an interesting phenomenon. We have now converted FAPs into **Medical Houses.** And these medical houses are structurally inseparable parts of **Rural Health Centers**. And through the network of the existing 1 761 Medical Houses in the country and 960 rural health centers, the population's access to preventive services, to immunization and many other issues is improving - an area where people's access to outpatient services was previously limited. And thanks to the existence of such a structure (scheme), now the State has set an unprecedented goal to provide them with health sonnel. At present, we do not have a shortage among the nursing staff. Now we are reforming the system in strengthening and transferring more powers to this structure. We train the nursing health workers so that they cover a wider range of medical services, and to ensure quality, so that people's trust in medical services improves Thank you.

QUESTION (asked by Zokhid Ermatov):

Do you consider consolidating health budget at the regional level or at the national level in the future?

ANSWER: Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan:

We are now considering this question and we want to introduce a health insurance system in one of the regions, of which we have four in the republic, if we consider districts of republican significance as a region. And in one of the regions – this is the Sughd region – while it is still a pilot, not approved by a government decree, we are planning to create a system of unified procurement and accumulation of funds at the regional level. We want to adopt all relevant regulations at the national level. This work is underway, but it has not yet been presented to the Government.

QUESTION (asked by Ainur Aiypkhanova):

How do your countries resolve the issue of the self-employed?

ANSWER: Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan:

Yes, this is one of the risks that we have - the issue on self-employment of the population. In fact, our registration of all the working people is not set up properly. It

goes through the patenting of private service providers in the private sector. The work is more or less adjusted, but still needs improvement.

And in this regard, we have a **QUESTION** for our colleagues from Uzbekistan:

How do you accumulate funds for financing health insurance? Because we have the same difficulties with precisely that cluster of people who, sort of provide for themselves, but probably they are not registered, because the tax burden would apply to them if registered as taxpayers. How do they try to solve this issue? Considering the Syrdarya region is deemed as one of the poorest in Uzbekistan.

ANSWER: Farrukh Sharipov, Executive Director of the State Health Insurance Fund, Republic of Uzbekistan:

When we started the pilot in the Syrdarya region, it was the second half of 2021, the budget had already been formed and approved by law. Therefore, there was no consolidation in 2021, but the entire healthcare budget of the Syrdarya region was transferred to the State Health Insurance Fund. The accounts remained in the district departments of financial management, and we made payments through the Fund. We (the Fund) take money from them and accumulate them. We now spend 10% on fee for service cases, and 90% on the global budget. But all the money is with the Fund.

Since 2022, the budget of the Syrdarya region is 522 billion. We signed contracts with 29 health care organizations of the Syrdarya region. In the central district hospital, regional and higher level health care organizations we have centralized accounting departments, under which there are the outpatient units. But the entire budget is with us (in the Fund). And starting from the second half of the year (this year) all of the funds will be accumulated in the Fund. A new order of the President of the Republic of Uzbekistan has been issued recently, that from 2023, when the budget will be formed, all these issues will be taken into account and all the money will be accumulated in the State Health Insurance Fund.

QUESTION (asked by Zokhid Ermatov):

Does Tajikistan have experience in implementing private practice of family medicine? For example, the transfer of a single clinic or an entire district to a private operator?

I also wish to share with colleagues from Tajikistan a link to the WHO report: https://www.euro.who.int/en/health-topics/Health-systems/health-systems-financing/publications/2021/feasibility-study-for-the-introduction-of-mandatory-health-insurance-in-uzbekistan-2021

ANSWER: Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan:

Yes, we are discussing this extensively now. Of course, we have not yet adopted a law even on piloting compulsory health insurance. But since we have a body - the Republican Center for Healthcare Accreditation, we want to first accredit all health care organizations, and raise their quality to a competitive level, and set all the requirements that apply to the performance of their services at a fairly acceptable level of quality. And then we can consider a private provider as an alternative. So far, our only provider type is a state (public) health care organization.

Regarding the relationship between the buyer and the provider of health services, we are piloting this in one of the regions of the republic. This is in Spitamen (district), where, as I indicated, we are introducing a “patient register” - a single digital register, and after entering citizens' data into this register, we want to accurately identify the amount of per capita funding, and then carry out the calculations. After that, there will be an electronic referral system to the second level - the hospital sector, and we need to establish these relationships. With regard to fee-for-service payment for treated cases, it is being piloted in three regions.

QUESTION (asked by Ainur Aiypkhanova):

Earlier, I asked about the self-employed as a moderator. I would like to add: in Kazakhstan there was a problem with the self-employed before the introduction of the mandatory social health insurance reform. The self-employed was a large proportion of the population, almost a quarter of the population, that is, people without official income, but at the same time they were not unemployed. These were people with unofficial income, whose salaries was not visible in the tax system. We have been solving the problem for five years, and as a solution Kazakhstan introduced the **Single Aggregate Payment (CAP)** for the self-employed. When a person pays this payment, it automatically goes into four routes: 1) social contributions to the state social insurance

fund; 2) pension payments to the unified pension fund; 3) health insurance - contributions to the Social Health Insurance Fund; 4) individual income tax.

The mandatory social health insurance reform in Kazakhstan was delayed due to the problem of the self-employed. Despite the small size of the Single Aggregate Payment (about five dollars per month per person), such a mechanism was introduced to legalize the status of the self-employed. Payment can be made at payment terminals installed in every public health care organization (including at the rural hospitals). After making the payment, a person is immediately insured and becomes a full participant in all of the social protection programs. The amount is small, so as not to "scare off" the population, who previously, as it was said, hid their income. But on the other hand, this allowed the self-employed to participate in the social protection programs.

ANSWER: Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan:

You have touched on an important question that those who are just starting to implement a health insurance system always have. Of course, the informal sector is a phenomenon in any developing country. We are doing this work, but when we start to consider what sources to form this budget from, to be honest, even if there would be a single payment, it would be very difficult for us to divide it into four parts. This issue needs to be decided at the level of the Government, we need to convince our Parliament – how to distribute it all correctly. Because the payment size in absolute terms is negligible. But maybe that makes sense too.

ANSWER: Farrukh Sharipov, Executive Director of the State Health Insurance Fund, Republic of Uzbekistan:

As for the self-employed, I would like to say that in the Syrdarya region we are implementing the mechanisms of state health insurance, and we do not have deductions from salaries or any deductions from citizens. All categories of the population have the right to receive free medical care under the package of guaranteed medical services, including all of the 850 000 people of the Syrdarya region.

QUESTION (asked by Bayarsaikhan Dorjsuren):

I have a common question for both of the speakers. As already noted by Triin Habicht in her presentation, both countries have similar problems and I would say barriers to

achieving universal health coverage. For example, high out-of-pocket payments exceeding 50% of total health care spending, low levels of public health spending below the recommended level of 12%. But I would like to hear in brief – how are these issues planned to be addressed in the course of the reforms?

ANSWER: Gafur Muhsinzoda, the First Deputy Minister of Health and Social Protection of the Population, Republic of Tajikistan:

In fact, this issue is on the agenda of both the Ministry and the Republic. This question pertains to private payments from the pocket of citizens. As a result of implementing the strategic reforms in health care, and as a result of reforms in the economy and in the scope of the Ministry of Labor and Employment, efforts are directed to cover the needs of the poor in the best possible way. And in this regard, we need to conduct a separate study. The data that this figure is 60% are outdated, we now have an initiative under the auspices of WHO to conduct a new study. The new data will be showing a lower figure, but the change will not be significant. Therefore, it is important for us to introduce a compulsory health insurance mechanism in order to compensate for this risk of payment. On the other hand, we have a lower level – the co-payment system. Instead of talking about out-of-pocket private expenses, it is better to introduce some kind of co-payment. Thanks, Ainur (the moderator), for the tips about the single payment. But again, our latest studies suggest that at the outpatient level, private payments are related to the private pharmaceutical sector – these are citizens' expenses on medicines. In terms of spending on services, we are more or less putting it in order.

ANSWER: Farrukh Sharipov, Executive Director of the State Health Insurance Fund, Republic of Uzbekistan:

First, the allocation of funding for health care by the state is increasing every year. And this year the funding allocated from the general budget is about 14%. Secondly, we have a pilot for state health insurance in Syrdarya, where there are no deductions from the salaries of citizens, and we try to provide the guaranteed package free of charge to the entire population. And now another Presidential Decree has been issued on high-technology medical care forb the vulnerable social strata of the population. Money has been allocated for this, and this money has been transferred to the State Health Insurance Fund. The Fund made an agreement with all of the specialized state health care organizations in the city of Tashkent and in the regions with 52 of their branches and centers, as well as with private medical centers, where high-tech medical care will

be provided to 16 vulnerable segments of the population. And we are creating an electronic referral which creates an electronic queue. This care is provided to people free of charge, whether the care will cost $10,000 or $50,000, including liver and kidney transplants, all this is free for the population. The State Health Insurance Fund pays for this after the fact per treated case at the expense of the state budget.

QUESTION (asked online in the chat box by Oxana Abovskaya):

Based on the experience of implementing the Single Aggregate Payment in Kazakhstan, this question is to the moderator: do the self-employed pay? Or is it declarative? Because there are countries where the self-employed can buy a policy, but they don't.

ANSWER: Ainur Aiypkhanova, the Moderator:

Yes, they do, because there are two packages in Kazakhstan: 1) the basic guaranteed "GOBMP" package is free to everyone, but it does not include some expensive types of treatment, such as elective surgeries, etc.; 2) the package for the insured: in order to receive care from this package, the self-employed began making the Single Aggregate Payments.