

# FINAL REPORT



June 28  
and 29,  
2017

South American Seminar: Data Panel on Health Systems Asymmetries. Equity, regulation and public funding issues during fiscal crises

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## SOUTH AMERICAN SEMINAR: DATA PANEL ON HEALTH SYSTEMS ASYMMETRIES. EQUITY, REGULATION AND PUBLIC FUNDING ISSUES DURING FISCAL CRISES

### Background

As a result of previous ISAGS publications and the collaborative work of countries between 2012 and 2014, several comparative and exhaustive studies of South American health systems have been compiled and disseminated, focusing on the two aspects that were prioritized by the South American Council: equity in universal access to services and the shift towards primary health care.

Due to changes in global situations and aiming to focus attention on asymmetries in health systems in the region, it was proposed in the ISAGS annual plan for 2017 to carry out a set of activities aimed at monitoring the asymmetries and trends of financing and the regulatory role of the State in health systems, as well as its role in expanding universal access. The final result to be achieved for 2018 is the constitution of a Permanent Panel of data on asymmetries of health systems in South America, with an initial section related to the indicators and processes related to the financial and regulatory role of the State in the economic adjustment processes in our countries.

During the last decade, our countries have sought to organize their health systems to be more efficient and at the same time more universal, and although each country has taken different paths as can be seen in the previous ISAGS studies, today we can affirm that unlike the landscape of health systems in South America 20 years ago, there is no country in our region in which:

- **There is no formal right to health;**
- **There is a policy stating that is the market's role to define who should be served according to what they can afford; and**
- **In which the state does not have a major role in guaranteeing this right**

It is also true that, albeit all the differences that still exist, these more universal health systems have produced enormous advances in the health situation. Just to give an example, South America had at the same time the highest increase in the percentage of birth attended by qualified personnel, and the largest decrease in the differences between the 1st. and the last social quintile of this indicator<sup>1</sup>. It also presents the largest decline in infant mortality and under-five mortality rates, coupled with a decrease in the

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<sup>1</sup> Health Equity and Financial Protection Datasheets. The World Bank

differences between the upper and lower quintile of income among the non-industrialized regions of the world<sup>2</sup>. .. In the last decade, the countries of South America have experienced a permanent increase in total health expenditure, and a significant reduction in the number of catastrophic expenditures (family health expenditure, which exceeds 40% of total income)<sup>3</sup>.

From 2016 on, many countries began to question how to continue to develop their health systems in times of macroeconomic tightening, with the concern of the effects of this situation on the asymmetries that already exist in each country and between countries. In order to continue the process of reducing these asymmetries, ISAGS promoted a review of the situation of health systems in the countries, in order to find ways and indicators to monitor the trends and effects of the economic crisis on universality, Access and equity of health systems. Within this process, the Seminar "Data Panel on Health Systems Asymmetries. Equity, regulation and public funding issues during fiscal crises" is a crucial stage, due to the need for Countries of the advisors and technical of the region in this matter.

Representatives from Bolivia, Chile, Colombia, Ecuador, Paraguay, Suriname and Uruguay participated in the seminar, as well as international experts on the subject (Annex 1).

For this purpose, it was developed a preliminary proposal for an Action Plan for the construction of a Panel of Indicators of the responses of health systems in times of fiscal crisis, aimed to monitor the asymmetries and trends of the financing and the regulatory role of the State in the health systems and its role in universal access.

The objective of the seminar was to assess the asymmetries of health systems in South America focused on equity and the role of the public sector, in order to define ways to measure these asymmetries over time, to evaluate their progress and to reduce the differences between countries in times of scarce financial resources.

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<sup>2</sup> Ibidem

<sup>3</sup> Xu K, DB Evans, K Kawabata, et al. (2003): Household catastrophic health expenditure: a multi-country analysis. The Lancet. Vol(362):111-117

## Thematic development

The Seminar was conceived as a process that presented a general framework, some particular thematic cases, progressing in a second moment to the presentations made by the countries. This process was marked at all times by reminders, provocative questions and comments on how these aspects could contribute to defining a panel of indicators and what the usefulness of the initiative was.

On the morning of the first day, an overview of Latin America and Europe was presented, focusing on the economic situation and the repercussions in the health sector, with presentations by Pedro Brito, Luis Andrés López and Gilles Dussault.

In these cases, relevant data from the Social Panorama for South America were analyzed, and European experts commented on various aspects of the impact of fiscal austerity in their respective countries. Several of these presentations showed how some aspects of rights and achievements in terms of universality and coverage of systems were being reversed. Oftentimes these setbacks did not seem to have a direct connection or an impact on fiscal austerity, but could be interpreted as taking advantage of the crisis situation to implement adjustments that responded to other interests related to nationalism (such as cutting off immigrant rights) or simply to sheer austerity social public spending.

On the afternoon of the first day some particular aspects were presented regarding human resources, medicines and epidemiological impacts, and discussed how these aspects are expressed in the countries and what lessons they leave for building a panel of indicators.

Because health personnel are a financially important item in health services, the participants discussed several ways in which budget cuts can affect them, taking into account the reality of many countries where there are decentralized and outsourced forms of contracting. In relation to medicines and technology, it is necessary to distinguish between what are cuts and what should be a prioritization with technical criteria. Finally, the epidemiological picture shows that there are long delays between the deterioration of health services and the reflection in indicators, but that early detection mechanisms must be set up to avoid the consolidation of adverse trends.

The second day began with presentations by Ligia Giovanella and Renato Tasca regarding the monitoring of changes in health systems and what aspects we can and should measure, including possible matrices of comparison and setting an order of indicators. Subsequently, the country presentations began and commitments and guidelines for future joint action were discussed.

## Contributions from countries and experts

- The presentations and discussions of the Seminar focused on describing the main elements and the ways in which macroeconomic situations can impact the equity and universality of systems.
- In a second moment, the Seminar concentrated on identifying more precisely what would be the best aspects and indicators that can be collected using existing data and research.
- For the participating countries, there is a clear trend towards economic restraint, but it does not necessarily affect health systems at the present moment. However, it is possible to observe that in some countries there are directives in relation to avoiding significant progress in the expansion of public services or in the creation of new health entitlements.
- This situation makes it convenient for participating countries to set up a joint mechanism and technical discussions to monitor these trends, which could affect universality and equity in the future.
- It was highlighted the fact that some of the sub-regional bodies, and especially the ORAS CONHU already have technical groups dealing with health economics, that can support this initiative.
- At the same time participants recalled that they are presently in the process of defining an important set of indicators, related to sustainable development indicators, including several that can be included in the proposed monitoring.

## Recommendations for joint action

The participants reached a consensus upon the following points:

**The importance of joint monitoring of countries on indicators that show the response of health systems to regional economic changes.**

**That in different databases, there are important indicators that ISAGS can gather and systematize without repeating efforts, adding value to this process.**

**That the data panel to be constructed is not exclusively made up of economic indicators, but has to monitor changes in health status, as well as specific studies by subjects (e.g. Mental Health) and qualitative studies.**

**That there is a consensus basis on using the Health Accounts indicators, which countries complete on a routine basis.**

In order to select the initial indicators, especially those that help answer a set of key questions should be considered:

- **Dimensions of universality.**
- **Level of coverage of public funding.**
- **Proposals to reduce public spending on health in austerity programs.**
- **What percentage of health expenditure is publicly and / or severally covered?**
- **What is the evolution of the share of public health expenditure in total health spending in the country?**
- **Annual change in per capita public expenditure on health by country and province/state.**
- **What is the evolution of the proportion of out-of-pocket payments?**
- **Are there copayments? Changes in copayments.**
- **Extent of coverage of the population by public system / social security**
- **Who is covered? What proportion of the population enjoys social health protection?**
- **Is the coverage segmented? Are there any changes in targeting (groups that are added or excluded)?**
- **What is the evolution of the proportion of the population covered by the public system / social health insurance?**
- **Are changes in entitlements observed? Changes in inclusion / exclusion rules for public segments?**
- **Has the population covered by private insurance increased?**
- **Has the population excluded from access to health services increased?**

## Conclusions

It is possible to begin this process, under the responsibility of ISAGS and with the support of the Technical Group of Universal Health Systems of the South American Health Council.

The ISAGS on its website will create an initial version of the South American data panel with those basic indicators available and will maintain contact with the countries to update and validate them. At the same time, it will seek to identify existing studies and essays that may be underway, in order to have more specific and qualitative approaches regarding aspects of health systems that are not correctly reflected in indicators.

## ANNEXES

*Annex I – Country representatives*

*Annex II – Agenda Seminar “Data Panel on Health Systems Asymmetries. Equity, regulation and public funding issues during fiscal crises”*

*Annex III – Proposal for Action: Monitoring conditions for equity and access*

## ANNEX 1 COUNTRY REPRESENTATIVES

Country	Name	Agency	Post
Bolivia	Víctor Reynaldo Aguilar Álvarez	Ministry of Health	Jefe de la Unidad de Seguros Públicos (Public Insurance Unit Chief)
Chile	Andrea Guerrero Ahumada	Ministry of Health	Jefa Secretaría Técnica GES (Chief of Technical Secretariat, Explicit Guaranteed Provision of Health)
Colombia	Diana Isabel Cardenas Gamboa	Ministry of Health	Profesional de la Dirección de Financiamiento Sectorial (Technical Officer, Sectoral Financing Directorate)
Ecuador	Adriana Pavón Palacio	Ministry of Health	Directora Nacional de Políticas y Modelamiento del Sistema Nacional de Salud (Health Systems Policies and Modelling National Directorate)
Paraguay	Hugo Martínez	Ministry of Health	Director de Presupuesto de la Dirección general de Vigilancia Sanitaria (Health Surveillance Directorate, Budget Chief)
Suriname	Pedro Roep	Ministry of Health	Focal Point Technical Group for Universal Health Systems (Punto focal GT SUS)
Uruguay	Ida Oreggioni	Ministry of Health	Directora Área Economía de la Salud (Health Economics, Unit Chief)

## ANEXO II: PROGRAM

June 28		
09h00	<b>Opening and presentation of participants</b>	Carina Vance – Executive Director of ISAGS
10h00	<b>Social Panorama of South America</b>	Pedro Brito – Andalusian School of Public Health
10h30	<b>Panorama of Health Systems in periods of fiscal crisis in Europe and reflections in America</b>	Gilles Dussault – Nova Lisboa University  Luis Andrés López – Andalusian School of Public Health
11h30	Debate	
12h30	<b>Official Photo</b>	
12h35	<b>Lunch</b>	
14h00	<b>Impact on provision and distribution of professionals in critical areas</b>	Carlos Rosales – PAHO Brazil
14h30	<b>Containment of drug expenses, coverage and financing - Experiences of monitoring, measuring results and impact</b>	Ángela Acosta – ISAGS
14h50	<b>Main impacts on health situation. Points of attention and epidemiological alerts</b>	Eduardo Hage – ISAGS
15h30	Oriented debate: <ul style="list-style-type: none"> <li>• How do fiscal restrictions shape the health systems in the participating countries?</li> <li>• Stages and strategies of fiscal adjustment and their repercussions on health</li> <li>• Impacts of fiscal tightening in the regulatory function of the Government</li> <li>• Response of the population in the event of service cuts</li> </ul>	
17h00	Closing	
17h30	Welcome cocktail	

<b>June 29</b>		
09h00	<b>What we should monitor to know the impacts of the global fiscal crisis on health services systems in South America</b>  <b>Crisis of the Sustainability of Health Systems</b>	Ligia Giovanella – Fiocruz  Renato Tasca – PAHO Brazil
10h00	<b>Taking stock in the South American countries</b> (20 minutes each country)	a. Bolivia b. Chile
11h20	Coffee break	
11h40	<b>Taking stock in the South American countries</b> (20 minutes each country)	c. Colombia d. Ecuador e. Paraguay
13h00	<b>Lunch</b>	
14h30	<b>Taking stock in the South American countries</b> (20 minutes each country)	f. Suriname g. Uruguay h. Venezuela
15h50	Debate	
17h30	Conclusions and commitments	
18h00	<b>Closing</b>	

## ANEXO III: PROPOSAL FOR ACTION

### Proposal for action: Monitoring of asymmetries and conditions of equity and access

ISAGS, due to its mandate to support countries to improve their health systems in the direction of universality and equity, and due to its mandate emanated from its Council and its twelve country members, invites country technical officers and other social actors to open a dialogue on the reduction of asymmetries in health systems, focusing on equity, the role of the state and public spending, during periods of fiscal crisis and macroeconomic adjustments.

For this, it is deemed necessary to create a panel that permanently alerts on aspects such as public expenditure on health, how much of this expenditure is borne directly by citizens, how this affects different social groups, how the availability of health professionals evolves in different regions and how much each population group has access to essential medicines. All these indicators are contained in goals 3.8 of the Sustainable Development Goals, and therefore they might contribute to measure progress towards common commitments of our countries.

In order to implement this initiative there are already several tools that can be adapted to be measured at different levels of depth. At the same time, these indicators are in line with the measurement of the Sustainable Development Goals, especially with SDG Objective 3. In this way, the Asymmetry Data Panel can be synergistic with other SDG efforts.

#### A proposed list of indicators includes:

Objective and elements of the Sustainable Development Goal: 3.8 Universal health coverage 3.8.1 Universal coverage: financial protection (public spending and out-of-pocket health expenditure); Indicator 3.b Access to medicines and vaccines; Indicator 3.c Density and distribution of the health workforce

As an example the following indicators are usually available:

- Number / percentage of people covered by state-mandated health insurance or a public health system per 1000 population
- Lack of coverage through a form of financial protection, defined as the proportion of the population with a large household health expenditure as part of total household expenditure or income (e.g. 25 per cent)
- Percentage of total expenditure on health from public funds. If possible with a breakdown by social situation of the recipients of the transfers.
- Percentage of out-of-pocket spending in total health expenditure, broken down by income levels

- Access to essential medicines. Definition of the indicator Percentage of health centers with essential drugs. Availability is defined as the percentage of drug outlets where a particular drug was found on the day of the survey. If routine inventory information on stocks is accurate and complete, it may also be possible to use routine system data
- Health workforce density per 1000, defined by WHO as the rate of Doctors + Nurses + Midwives in the country and by subnational regions (provinces, states)

The call to action emerging from the workshop organized by ISAGS is related to a special alert situation: we have a responsibility to make our universal health systems a common good to watch and defend.

The final result is the formulation of a Project for the constitution of a Permanent Panel of data on asymmetries of health systems in South America, with an initial section related to indicators and processes of financing and regulatory role of the State in the processes of economic adjustment that are underway in our countries.