ELDERLY HEALTH WELFARE IN THAILAND

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The objectives of this study are to analyze health expenditure and the utilization by the Thai elderly of health services provided under the Public Assistance Scheme and to develop an optimal elderly health welfare policy. The study analyzed data on elderly health expenditure and utilization in terms of equity by using Lorenz curve, the Gini coefficient and correlation coefficient based on data for 1997-1998 fiscal years from the Office of Health Insurance, MOPH. In addition, the experience of health welfare for the elderly in Singapore, Japan, and the United States were compared to Thailand's own situation to help determine possible policy options for health welfare for the Thai elderly.

The results of the study show that the distribution of elderly health expenditure and utilization under the Public Assistance Scheme is slightly associated with the incidence of poverty across provinces. The correlation between the incidence of poverty and elderly health expenditure in 1997 is positive but the true coefficient is not significantly different from zero. The correlation become negative in 1998 but again the true coefficient is not significantly different from zero. The Gini coefficients of expenditure and utilization show that there is more inequality in the distribution of health expenditure than in utilization. The Lorenz curve is not far from the line of perfect equality for both expenditure and utilization. In summary, this study has found that distribution of elderly health expenditure and utilization is not based on incidence of poverty. This implies that the provinces with greater health needs do not receive a greater share of the expenditure from this Public Assistance Scheme.

The review of health welfare policy indicates that the older population has been increasing rapidly in all countries. Aging does not affect a country's overall health care expenditures but the elderly do claim a growing share of overall resources. The United States and Japan are searching for cost-saving measures while Singapore has achieved a balanced through savings orientation. The recommendations for policy options are: 1) modernize and reform health welfare for the elderly under the Public Assistance Scheme, the budget allocation should be associated with poverty that varies across provinces, 2) establish a Health and Medical Service Law for the elderly and unify all of the elderly from various schemes into this program, introduce Medical savings accounts with the aim of promoting individual responsibility for maintaining good health and help people build up financial resources to create the means to pay for medical care during illnesses including explicit link to any pro poor elements.

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TABLE OF CONTENTS

	Page
Abstract	iii
Acknowledgements	iv
Table of Contents	v
List of Tables	vii
List of Figures	viii
Abbreviations	ix
Chapter	
1. INTRODUCTION	1
1.1 Problem and Its Significance	1
1.2 Research Questions	8
1.3 Research Objectives	8
1.4 Scope of the Study	9
1.5 Expected Benefits	9
2. LITERATURE REVIEW	10
2.1 Old Age and Health Welfare	10
2.2 Health Care Financing	12
2.3 Concept of Equity	13
2.4 A Review of Health Welfare Programs for the Elderly in Thailand and Other Countries	16
2.4.1 The Thailand Experience	16
2.4.2 The Singapore Experience	23
2.4.3 The Japan Experience	32
2.4.4 The United States Experience	39

Page

3 RESEARCH METHODOLOGY..... 48

3.1 Operational Definitions..... 48

3.2 Conceptual Framework..... 49

3.3 Methods Used 52

3.3.1 Equity in Health Expenditure and Utilization by the Elderly under the Public Assistance Scheme 52

3.3.2 Correlation between the Incidence of Poverty and Elderly Health Expenditure and Utilization under the Public Assistance Scheme 56

3.3.3 International Comparison of Strengths and Weaknesses of Health Welfare Programs for the Elderly 57

4. ANALYSIS AND RESULTS..... 58

4.1 Equity in Health Expenditure on the Elderly under the Public Assistance Scheme..... 58

4.2 Equity in Utilization by the Elderly under the Public Assistance Scheme 62

4.3 Correlation between the Incidence of Poverty and Elderly Health Expenditure and Utilization under the Public Assistance Scheme... 70

4.4 International Comparison of Health Welfare Programs for the Elderly 71

5. CONCLUSION AND RECOMMENDATIONS 82

5.1 Conclusion 82

5.2 Recommendations 88

5.3 Recommendations for Further Research 90

REFERENCES..... 91

BIOGRAPHY..... 99

LIST OF TABLES

Table	page
1.1 Life Expectancy at Birth of Thai People, 1964 - 2020	2
1.2 Provision and Charge for Free Care of All Public Facilities in Thailand, 1995 –1997	7
4.1 Elderly Health Expenditure under the Public Assistance Scheme, MOPH., Thailand, 1997- 1998	59
4.2 Gini Coefficient of Inpatient and Outpatient Elderly Health Expenditure 1997 – 1998, Ranked by the Lowest to the Highest Elderly Health Expenditure per Capita	64
4.3 Elderly Utilization under the Public Assistance Scheme, MOPH, Thailand, 1997-1998	65
4.4 Gini Coefficient of Inpatient and Outpatient Elderly Utilization, 1997 – 1998 , Ranked by the Lowest to the Highest Elderly Utilization per Capita	69
4.5 Correlation Coefficient between the Incidence of Poverty in each Province and Elderly Health Expenditure (OPD and IPD) under the Public Assistance Scheme, MOPH., Thailand, 1997 – 1998	72
4.6 Correlation Coefficient between the Incidence of Poverty in each Province and Elderly Utilization (OPD and IPD) under the Public Assistance Scheme. MOPH., Thailand, 1997 – 1998	72
4.7 Comparison of Demographic Indicators among Countries, 1998 and 2010	73
4.8 Summary of the Strengths and Weaknesses of Health Welfare Programs for the Elderly	74

LIST OF FIGURES

Figure		Page
1.1	Percentage of Population, 1960 – 2020	4
3.1	Conceptual Framework	51
3.2	The Lorenz Curve	53
4.1	Lorenz Curves of Inequality of Elderly Health Expenditure (OPD and IPD) under the Public Assistance Scheme, MOPH., 1997 – 1998, Ranked by the Lowest to the Highest Elderly Health Expenditure Per Capita	63
4.2	Lorenz Curves of Inequality of Elderly Utilization (OPD and IPD) under the Public Assistance Scheme, MOPH., 1997 – 1998, Ranked by the Lowest to the Highest Elderly Utilization Per Capita	68

ABBREVIATIONS

3Ms	=	Medisave, Medishild and Medifun
BBA	=	Balanced Budget Act
CPF	=	Central Provident Fund
CSMBS	=	Civil Servant Medical Benefits Scheme
DRGs	=	Diagnosis Related Groups
FPL	=	Federal Poverty Level
GDP	=	Gross Domestic Product
GNP	=	Gross National Product
HCFA	=	Health care Financing Administration
HI	=	Hospital Insurance
IPD	=	Inpatient Department
MDS	=	Minimal Data Set
MOF	=	Ministry of Finance
MOPH	=	Ministry of Public Health
MSAs	=	Medical Savings Accounts
NESDB	=	National Economic and Social Development Board
NHI	=	National Health Insurance
OPD	=	Outpatient Department
PHC	=	Primary Health Care
QMBs	=	Qualifies Medicare Beneficiaries
RAPS	=	Resident Assessment Protocols
SES	=	Socioeconomic Status
SLMBs	=	Specified Low-Income Medicare Beneficiaries
SMI	=	Supplementary Medical Insurance
U.S.	=	the United States
UN	=	United Nations
WHO	=	World Health Organization