Chapter VI

Discussion and Conclusion

6.1 Discussion

Summurizing the findings about impact of economic crisis on health and health care into a clear pattern is usually difficult. While resources available to the health sector reduced drastically and diminish of income changes the behavior of health consumers some effects of the crisis operate with a lag that may still not have been felt in full, and the kinds of data needed to measure the effects that have already occurred are not enough, out of date or of doubleful accuracy (Musgrove, P., 1987). Such problems appear, to a greater or lesser degree, in many countries. In Thailand e.g. while total health spending was cut sharply, unemployment increased, vaccination coverage decreased, public providers were over crowded with patients and at least 20% of population had no insurance coverage, data that show promoting life expectancy, infant mortality rate and nutrition seem ambiguaus.

However it seems possible to conclude that the extent to which the economic crisis affects peoples' health it very much determined by how a government responds to the crisis by trying to protect health the significance of government routed in failure of health market. The crisis can be seem as detasteful but useful opportunity to review allocating of resources. Before the economic crisis the ratio of health spending to GDP in Thailand was 5.1 against 3.7 for other developing countries. But its attainment was not concide with spending such huge money.

6.2 Results of Study

Increasing private component elasticity of health expenditure to 1.63 against 1.02 for other developing countries, reflect growth of private health facilities in Bangkok and some of the big cities, which where providing luxury services while crucial needs to health services of population remained unsatisfied.

Health sector of Thailand is a fragmented one. There are many health schemes with different sources of finance and different payment mechanisms which are administered by various ministries and organizations and following different policies and presenting various packages with poor coordination and control. Public hospitals which are relying on non-tax revenues to finance up to 45 percent of their expenses are impacted both by cutting the governmental budget and decline of consumers purchasing power while are over loaded by influx of demand which further agravate hospital frail financial status. MOPH tried to respond the crisis by cutting investment and insisting on "good health at low cast "strategies", and allocation of more budget to public assistance schemes to guarantee their sustainability while efficiency of public facilities which was supposed to increase to cope with the escalating demand, did not realized.

Social security scheme, which its financing did not depended only on tax revenue or voluntary payments survived during the crisis but its growth was shower due to increase of unemployment and postponement of government, moral harate of providers and insured increased expenses.

Workman's compensation fund which benefited compulsary payment of employers and employees survived. But lack of efficiency, moral hazard of providers and insured are evident in this Scheme feet or service payment escalates the expenses.

Growth of health card project which was growing up rapidly before the crisis, diminished because commitment of government were unfulffailed and it was suffering moral hazard and adverse selection and target setting difficulties.

Budget Civil Servent Benefit Scheme was declined dramatically during the crisis due to its unefficiency, some reforms were proposed with execution of them may this scheme survive.

There was not enough information about private schemes but some evidences show that they are affected more than other schemes before the crisis they had unutilized capacity which burden more charges to patient benefiting assymetry of information and moral hazard that during the crisis may increased.

6.3 Suggestions for Policy Implication

As economic recovery begins, it will be possible once again to expand health budgets. It this expansion is to improve efficiency of resources use and avoid structural problems, particular attention needs to be given to two issues. First investment has been cut in the crisis need to be recovered in order to avoid serious capacity constraints in future. Second, to the extend that supply imbalances have appeared, when budgets increase such imbalances should be corrected. Taking account of shifts in relative prices, which are likely to persist for years, this probability means a larger share of spending on drugs and supplies and a smaller one on personnel. It would be a costly error to worsen imbalances among different medical inputs when spending increases. As with economic structure and performances, the crisis can be thought of as revealing two kinds of problems in the health sector : the immediate constraints that must be dealt with, such as temporarily stopping of investment, and the long-term or structural problems, which become more visible or more acute in difficult time and reacal the nature of health market and led to substantial structural transformations of economy and society in many countries. Some of these changes such as introduction or expansion of social security systems. had for reaching consequences for health care and health expenditure. If as now appears to be the case, the worst of the current crisis has passed, the time is ripe to consider what structural changes in the health sector would have the most beneficial effects in coming years and would best serve to protect the health of the population against future economic hardship. The lesson can be detected from economic crisis for health sector is that government has considered more to its take against health of population and did not leave physicians and patients to their own shift and government should continues its efforts to establish a comprehensive health care financing system that cover all the population, to sew this fragmented health sector and International Money Fund some of international organizations as World Health Organization and World Bank have accepted that expending on health and education is an investment in human resource, so they insisted that the budget of them should not decline during the economic crisis. Thailand is not a poor country and did not

rely on international donation but it is not same for other members of united nation family.

As a matter of fact as far as health economic concerns, international economic system is running health market unequitly and unefficiently by accumulating health facilities in one pole and morbidity in another pole of globe (World Bank discussion paper 365, 1997) while human resource is the main factor of production, protecting the health of human resource providers needs acute and urgent consideration of International Community.

6.4 Suggestions for the Further Study

Target of this study was applying a logical analytical tool including a set of main indicators of sustainability and efficiency in indicators to measure impact of economic crisis on health insurance Schemes in Thailand. The indicators that could reply the question of research were designed and scored by some of the experts in ministry of public Health and Social Security Organization. but limitation of time did not let to attain more experts to score all of indicators, so some of the schemes were analysed by complementary methods but the results were similar. It is suggested that study be continued with completing scoring the indicators and weighting them by proposed criteria. Some of the impacts need more time to appear clearly may by passing the time more data be collected to complete the study