Learning from Thailand’s health reforms

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Providing all of Thailand’s population with subsidised health care required radical changes in the health system

Thailand took a ‘big bang’ approach to introducing universal access to subsidised health care. In 2001, after years of debate and slow progress, it extended coverage to 18.5 million people who were previously uninsured (out of a population of 62 million). This move was combined with a radical shift in funding away from major urban hospitals in order to build up primary care. Such an approach has merits but also risks. We discuss the implementation and some of the problems.

Formulating the change

Prime Minister Shinawatra obtained a landslide victory for his Thai-Rak-Thai (Thai love Thais) Party in 2001 on a platform including the “50 baht treat all” scheme for universal access to subsidised health care. Under the scheme, people pay 50 baht (60p, 67c, $0.80) for each visit or admission.

Thailand previously had four public risk protection schemes (Box 1) with widely differing benefits and contribution levels. These schemes protected a total 49.5 million people, leaving 18.5 million paying fees for care from public or private providers.

The initial plan was to merge resources from the four schemes into one universal coverage scheme to remove overlaps in coverage and improve equity. This met resistance from government departments running the other schemes and from civil servants and trade unions benefiting from the two employment-based schemes. The government therefore decided to fund the 50 baht scheme by pooling the Ministry of Public Health budgets for public hospitals, other health facilities, and the low income and voluntary health card schemes and providing some additional money. This could be done without legislation, enabling progress to be made while legislation was prepared and debated.

The National Health Security Act was passed by parliament in November 2001, creating new institutions to regulate the quality and financial elements of the scheme. It preserves all benefit entitlements for members of the civil service and social security schemes but places management of their financing through the national health security office. Private medical benefits are included in the 50 baht scheme, and their dependants.

Factors required for implementation

In low and middle income countries, government capacity is often a key constraint on the design and implementation of policy change. In Thailand, previous experience and investment in health care was essential for implementation of the universal coverage scheme.

Over several decades, comprehensive healthcare coverage had been achieved through developing infrastructure in rural areas, where two-thirds of Thailand’s population resides.