

# **HOW FINANCING AND PAYMENT MECHANISM INFLUENCE DRUG USE**

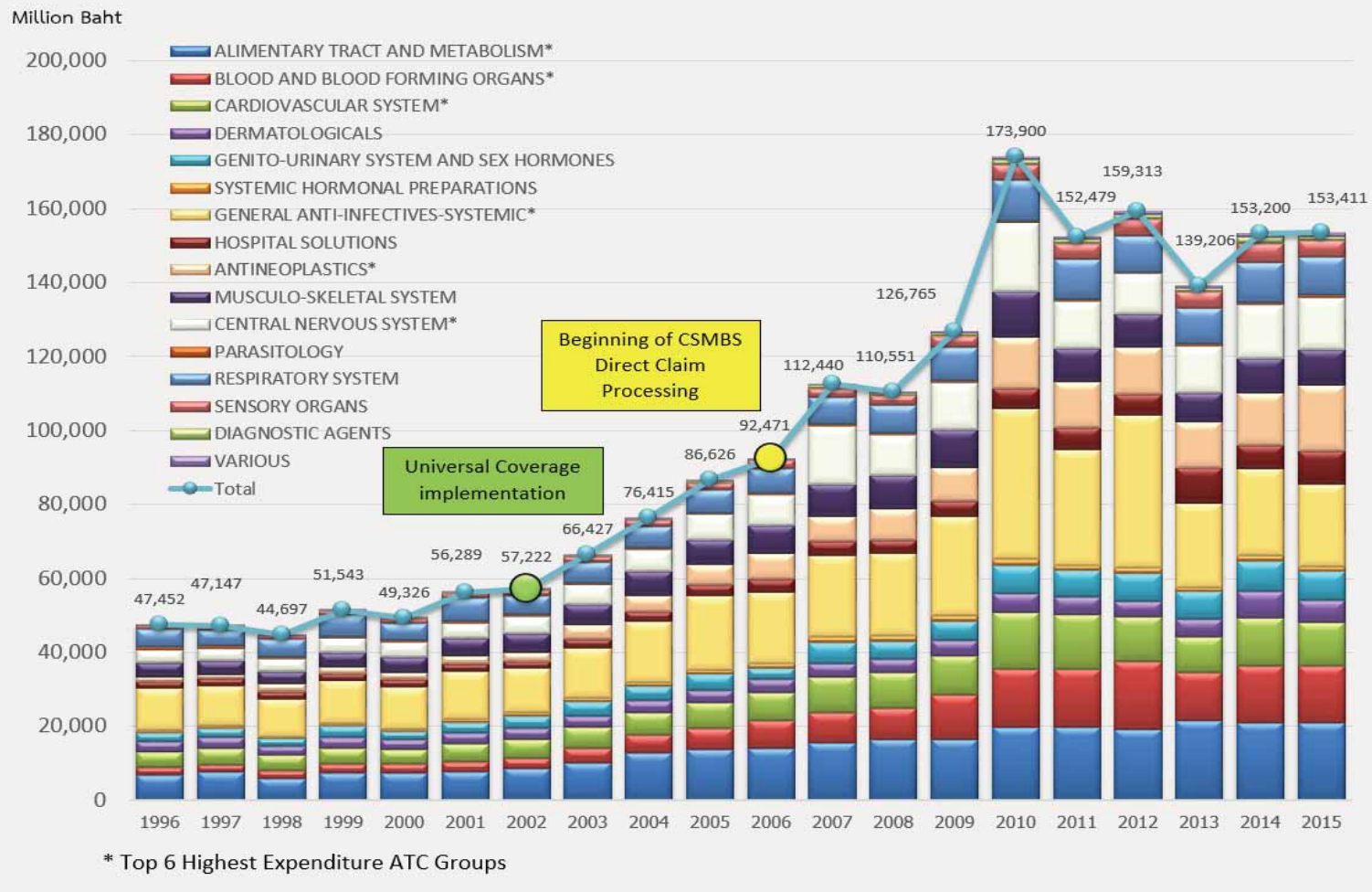
**Khunjira Udomaksorn, Ph.D.  
Prince of Songkla University**

**Writer team of Drug System Book : Chapter 5**

# THAILAND HEALTH INSURANCE SCHEMES

	Civil Servant Medical Benefit Scheme (CSMBS)	Social Security Scheme (SSS)	Universal Coverage Scheme (UC)
<i>Beneficiary (N)</i>	Government officers and dependents (5.1 m)	Employees in private organizations (12.2 m)	All Thai population beyond 2 schemes (47.8 m)
<i>Responsible agency</i>	Comptroller General's Department (CGD)	Social Security Office (SSO)	National Health Security Office (NHSO)
<i>Source of fund</i>	Government budget from taxation	Tripartite contribution	Government budget from taxation
<i>Drug benefit package</i>	- ED (NLEM) - NED	- ED (NLEM)	- ED (NLEM)
<i>Payment method</i>	- OP: Fee-for-service - IP: DRGs	- OP: Capitation - IP: DRGs	- OP: Capitation + - IP: Capitation + Top up if RW $\geq$ 2

# DRUG EXPENDITURE TRENDS: BIG PICTURE



# CLOSE – ENDED PAYMENT

## PROS

- Effectively promote use of ED
- Cost containment

## CONS

- Under treatment
- Provider has no incentive to use high-cost ED
- No mechanism to investigate drug use

# EFFORT to RATIONALIZE DRUG USE :

## CLOSE-ENDED PAYMENT

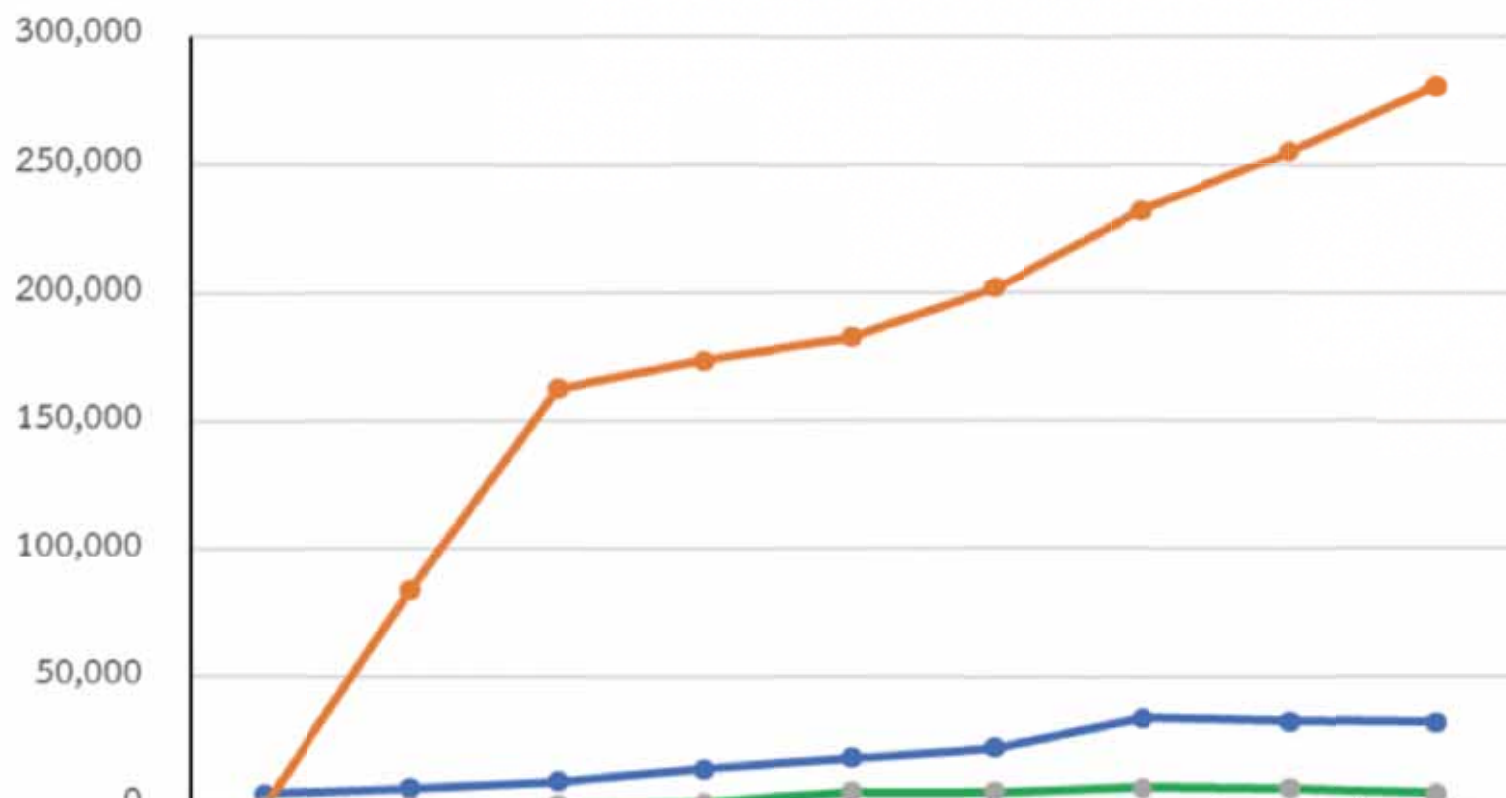
### UC

- Special access programs  
:NLEM-E2 group, Antidote, Antiplatelet, etc.
- Anticancer reimbursement:  
protocol as condition
- P4P: top up based on KPI

### SSS

- Top up: high burden disease with global budget
- E2, ARV: reimburse by products
- Pay to the beneficiary instead of provider
- Hospital's KPI

Number of Patient



	2010	2011	2012	2013	2014	2015	2016	2017	2018
● Patient Access to Category E2	4,446	6,891	9,546	14,635	18,980	22,931	34,487	33,162	32,664
● Patient Access to Clopidogrel	0	84,455	162,562	173,745	182,432	201,795	232,052	255,257	280,783
● Patient Access to Antidote	0	0	134	1381	5505	5708	7141	6917	5312

# OPEN – ENDED PAYMENT

## PROS

- Promote accessibility
- Able to use NED
- Drug use review can be done using claim data

## CONS

- Overutilization
- Difficult to contain expenditure

# **EFFORTS to RATIONALIZE DRUG USE :**

## **OPEN-ENDED PAYMENT**

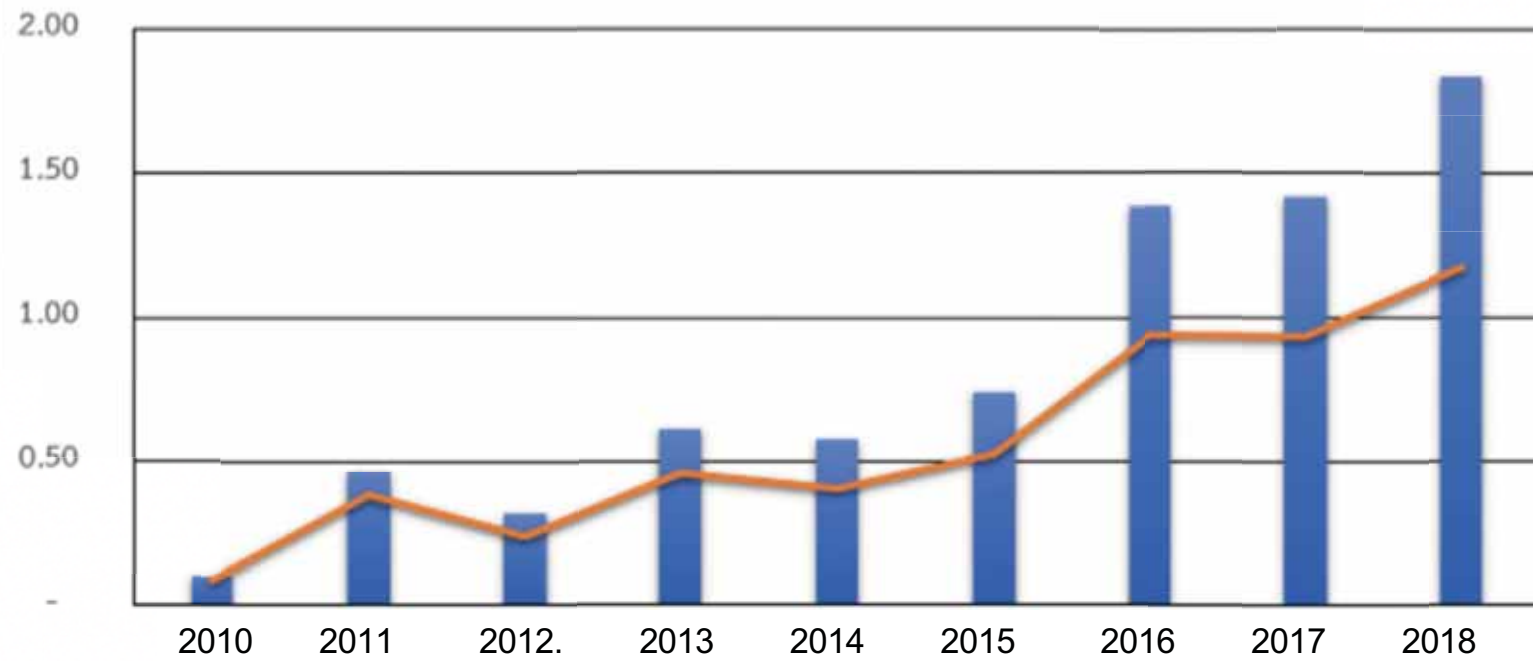
- Auditing system
- Declare a reason to prescribe NED
- Prior authorization program: OCPA, RDPA, DDPA
- Unlisted NED: Pay OOP first and case-by-case reimburse



# CHALLENGINGS

- ❑ Strengthen the information system for monitoring drug utilization
- ❑ Affordable pricing and patient access system for high cost drugs
- ❑ Cost containment for open-ended payment scheme
- ❑ Strengthening domestic drug industry

Purchasing Budget of E(2) Category During Fiscal Year 2010 - 2018



■ Purchasing Budget of E(2) Category (thousand million)  
— Percentage of E(2) Purchasing Budget from Capitation Rate