Contents available at **PubMed**
www.anmm.org.mx

PERMANYER

Gac Med Mex. 2015;151:261-3

The strategic purchasing of health services: a big opportunity for the National Universal Health System*

Miguel Ángel González-Block[1], José Alarcón Irigoyen[2], Alejandro Figueroa Lara[3], Ignacio Ibarra Espinosa[4] and Noemí Cortés Llamas[5]*

[1]Policies and Health Programs Design, PricewaterhouseCoopers México; Universidad Anáhuac; Instituto Nacional de Salud Pública; [2]Health Sector, PricewaterhouseCoopers, México; [3]Division of Technological Management and Innovation, Centro Médico Nacional Siglo XXI, Instituto Mexicano del Seguro Social; [4]Evisys, México; [5]Health Sector, PricewaterhouseCoopers, México, México, D.F.

Abstract

Health professionals and sector policy specialists coordinated by the Centro de Estudios Espinosa Yglesias in Mexico propose a policy to anchor the health system in primary care centered on the individual. The vision includes effective stewardship, solid financing, and the provision of services by a plurality of providers – including eventually those in the private sector. A unified approach to financing health through a unique, exclusively tax-based fund would be established. Alternatives are proposed to establish a service packages, whether through a single obligatory list or through the definition of a flexible, high priority set to be offered to specific populations according to their economic possibilities. For the strategic purchasing of services, two alternatives are proposed: to assign the fund either to a single national manager or to each of the existing public provider institutions, with the expectation that they would contract across each other and with private providers to fulfill their complementary needs.

The proposal does not consider the risks and alternatives to a single tax contribution fund, which could have been suggested given that it is not an essential part of a National Universal Health System. However, it is necessary to discuss in more detail the roles and strategies for a national single-payer, especially for the strategic purchasing of high-cost and specialized interventions in the context of public and private providers. The alternative of allocating funds directly to providers would undermine the incentives for competition and collaboration and the capacity to steer providers towards the provision of high quality health services.

It is proposed to focus the discussion of the reform of the national health system around strategic purchasing and the functions and structure of a single-payer as well as of agencies to articulate integrated health service networks as tools to promote quality and efficiency of the National Universal Health System. The inclusion of economic incentives to providers will be vital for competition, but also for the cooperation of providers within integrated, multi-institutional health service networks.

(Gac Med Mex. 2015;151:261-3)

Corresponding author: *Miguel Ángel González Block, miguel.gonzalezblock@gmail.com*

KEY WORDS: *National Health System. Health sector reform. Health financing.*

Correspondence:
*Miguel Ángel González Block
Leibnitz, 117, 4th floor
Col. Anzures, México, D.F., México
E-mail: miguel.gonzalezblock@gmail.com

*Comments to the document: A. Martínez Valle, M. Molano Ruiz, coords. El México del 2013. Propuesta para transformar el Sistema Nacional de Salud. México, D.F.: CEEY Editorial; 2013.

Date of reception: 07-06-2014
Date of acceptance: 11-11-2014

Introduction

The Health Sector Plan 2013-2018 proposes for the Ministry of Health to set the steps for the foundations and development of the National Universal Health System in order to warrant the right to health of the Mexican population[1].

A broad and varied panel of 22 specialists coordinated by the CEEY has recently proposed a huge vision and strategies for the National Universal Health System. Based on a diagnosis of challenges, they propose a policy to anchor the health system in primary care centered on the individual. The vision includes effective stewardship, solid financing, plural provision of services and inclusion of private providers, all this in order to "offer universal coverage with effective, comprehensive, inclusive and viable access and quality supported by a preventive and problem-solving primary health care system model"[2].

The reform strategies include effective stewardship by the Ministry of Health, unification of public funding with the participation of private funding, a comprehensive information system, plural provision of services with institutional freedom of choice in the medium term and inclusion of complementary private providers, all this in order to offer universal, effective access.

The authors propose building a unified fund for health financing exclusively through tax-based contributions. They argue that financial unification is a requirement for convergence, leading to portability of the citizens' right to use health services from any public institution. Two alternative convergence tools are proposed: the establishment of an explicit package of prioritized services for the entire population or alternatively, a more flexible prioritization mechanism that allows for intervention coverage gaps to be closed based on available resources and in a gradual fashion. With either option, there is a shift from inertial assignment of resources to strategic purchasing, for which two options are proposed in turn: to assign the funds to a national "manager" or "administrator" or rather to each of the current provider public institutions.

Thanks to clear and specific proposals, *El México del 2013. Propuesta para transformar el Sistema Nacional de Salud* contributes to profile the direction of the health system transformation. However, risks and alternatives should be considered with regard to the single tax-based contribution fund, especially in the light of the tax reform. The alternatives of single or independent payers should also be addressed, considering the type of services being delivered, but separated from, the financial and service provision functions.

Releasing entrepreneurs and workers from the social security contributory burden poses advantages for the country's economy. However, disrupting the tax collection system carries large risks and, especially, it is not central to the achievement of a National Universal Health System. It could be argued in favor of the current health funding model that it allows for plural funds, without modifying the tax collection function. Indeed, any change in this direction would require a tax reform, which already had its opportunity in the current administration in Mexico, and any change now would face enormous political obstacles.

On the other hand, leaving purchases to service-provider institutions by directly assigning them the financing funds would be nullifying the reform as a whole. In effect, Indeed, the only function that would have been modified would be the collection of funds, leaving the institutions to freely assign resources to their own providers and to follow the current inefficiency patterns. The incentives to assign the resources to external providers would, therefore, be very poor.

Strategic purchase through a national single payer is attractive, but it poses the challenge of assigning the resources in a detailed manner to the providers' network, as to Foster both collaboration for quality and continuity of care as well as the competencies to achieve more efficiency and to reduce costs. Therefore, the participation of local articulating agencies could be proposed to undertakete the retail purchasing of services following the principles of acceptability, quality and efficiency[3]. These agencies would be able to integrate different public and private providers in provider networks centered on the individual and the community, something that hardly could be accomplished by a centrally-based purchasing agency. It could be argued that the solution to the various problems of the national health system lies more in the strenghtening of strategic purchasing through a single payer and articulating agencies than in the integration of a single fund.

By being exempted of the direct responsibilities for the purchase and provision of services, social security institutions would emphasize their responsibility with the funding of the basic package, as well as a complementary package of interventions according to the rights acquired by their beneficiaries and the financial capabilities of each fund. The funds would then have the freedom as well as the challenge to gradually close the coverage gaps according to available resources, together with the opportunity to broaden coverage

according to needs. Above all, the funds would have as their main responsibility the funding of high quality and effectiveness interventions to fight against the urgent needs of their affiliates. Funding could be directed to provide incentives to form articulated service networks in primary health care and to support to communities.

In the context of a plurality of funds, the proposals made by *El México de 2013* on the establishment of a single universal package or of a more flexible priority-setting mechanism – now mutually excluding – would become complementary. A national organization such as the General Health Council (*Consejo de Salubridad General)* would establish the basic package, as well as the hierarchy of cost-effective interventions of a complementary plan. Each fund would be obligated to cover the basic package and would have a set of guidelines based on ethical and cost-effectiveness analyses in order to close intervention funding gaps between different populations, as well as to broaden its coverage.

Conclusions

The document analyzed establishes the steps and the scope for a reform aiming to implement a single payer and a set of articulating agencies reform implementation. However, there are questions that remain to be answered. Will the articulating agencies be able to be competitive? What would be the role of private articulating agencies? Will they be able to gradually advance in their functions, perhaps starting with tertiary level interventions? What would be the importance of fixing a clear horizon in order for the citizen to freely choose the articulating agency that would give him/her access to public or private primary health care services?

It is important to move forward with research evidence on funds and payers options and it needs to be highlighted, the importance of payers for the achievement of universal coverage. This will contribute to the urgency of debate on the subject.

References

1. Programa Sectorial de Salud 2013-2018. SS. México D.F.: Secretaría de Salud; 2013.
2. Martínez-Valle A, Molano-Ruíz M, coords. El México del 2013. Propuesta para transformar el Sistema Nacional de Salud. México D.F.: Centro de Estudios Espinosa Yglesias; 2013.
3. Londoño J, Frenk J. Structured pluralism: Towards an innovative model for health system reform in Latin America. Health Policy. 1997; 41(1):1-36.