

handshake

IFC's quarterly journal on public-private partnerships

In this issue

INTEGRATED HEALTH SYSTEMS: Lesotho's pioneering model

ACCESS TO HEALTHCARE FOR THE POOR: Lessons from Ghana, India, and Mexico

COST EFFICIENCY: Singapore's secret to healthcare



Healthcare & PPPs



Protecting the uninsured

How Mexico's tripartite scheme ensures universal coverage for its citizens

Mexico's decade-old Seguro Popular finances healthcare through a broad package of care that extends coverage to citizens not eligible for social security

By Claudia Macias

In 2003, Mexico was among the lowest spenders on health (only 5.8 percent of GDP), and out-of-pocket payments for health were high. Mexican families already vulnerable to poverty were offered few options for healthcare, especially those that covered catastrophic expenses. That changed with the introduction of the Social Protection System in Health (SPSS) and its Seguro Popular (Popular Insurance), a policy for financial and health protection for the uninsured. The goal is to extend healthcare coverage to citizens not eligible for social security.

Through SPSS, the Mexican government has incrementally expanded coverage for the uninsured. Seguro Popular now covers around 48.5 million individuals, or almost 95 percent of citizens without social security. The budget for SPSS has increased alongside recognition of its success: in 2004, it was approximately \$385.6 million, and in 2010 it reached almost \$4,160.0 million, according to the Results Report of the National Commission of Social Protection in Health (June 2011). In the plan's first decade, it has already reduced out-of-pocket and catastrophic health expenditures for the poorest segments of the population, provided greater incentives for the efficiency of the system, promoted a more equitable allocation of the financial resources in health, and offered a better quality of care.

FINANCING

The financial model of the SPSS is a tripartite scheme with federal and state government contributions as well as contributions by patients in accordance with their ability to pay. However, federal and state financing constitutes the principal source of resources to ensure equitable

coverage. A benefit package includes the interventions and medicines associated with first and second level care at no cost to the patient.

ENROLLMENT AND RENEWAL RATES

Enrollment began in 2002 in five pilot states and was already in place in 24 states two years later. Since then, there has been a notable increase in coverage. By the end of 2004, 5.3 million people were insured, and of that number, 94 percent belonged to the lowest two income deciles. By mid-2005, all Mexican states had joined the plan. By the end of 2009, more than 31 million individuals were enrolled, and by the end of June 2011, this number reached 48.5 million. This most recent figure represents 94.5 percent of the federal target of universal health coverage.

Extending coverage within indigenous communities has been a special priority for the government. As of the first half of 2011, 4.4 million people have enrolled from localities with 40 percent or more speaking an indigenous language. The states with the highest number of insured in indigenous communities include Oaxaca, Chiapas, Veracruz, Puebla, Yucatán, and Guerrero. Of the total enrollment, 17.3 million people live in rural areas (35.6 percent of the total) and 31.2 in urban areas (64.4 percent).

Ongoing challenges include ways to create the right balance of incentives, accountability, and innovation at the level of the decentralized entities. However, universal health coverage is expected by the end of 2011, and reaching that milestone signifies real progress for citizens of Mexico. 🍎