



# Turkey Health Project

Turkey's Commitment to Health Reforms  
Delivers Better Service to More



IBRD Results

## SYNOPSIS

The coverage and quality of Turkey's health sector was lagging behind other middle-income countries despite solid economic success in recent years, but by turning to IBRD expertise and funding, the government expanded health insurance coverage by 75% in three years among indigent families (and helped bring about deep cuts in health care costs for all as well as it helped bring about increased utilization of health services and enhanced consumer satisfaction.)

## Challenge

Turkey has seen a steady improvement in health conditions over the past decade, one that has been characterized by accelerating economic growth and modernization. However, despite this progress, there are several challenges remaining in the health sector.

In 2003, the government of Turkey adopted the Health Transformation Program in cooperation with the International Bank for Reconstruction and Development (IBRD), a ten-year health reform initiative targeting major challenges in the Turkish health sector. Foremost among these was the need to bring Turkey's health indicators in line with other middle-income countries and those in the Organization for Economic Cooperation and Development (OECD). Turkey's health financing system was fragmented, contributing to inefficiency and inequity, and there was a lack of insurance coverage for the poor, who usually were left more exposed by not having work in the formal sector. Finally, health care in rural areas was expensive and usually hard to reach. The Health Transformation Program aims to help Turkey raise its health indicators at least to the average level of other upper middle-income countries and to sustain these improvements in an affordable way.

A related challenge is attaining this improvement in average health indicators while maintaining the sustainability of public spending on health. Turkey will need to make substantial and prolonged efforts if the country is to deliver better overall health and service standards

## Results

**With the support of IBRD financing and technical support, Turkey has made considerable progress since 2003 expanding health insurance coverage for its population, especially the poor. It has improved access to health services, particularly for those living in rural areas, and critically, has built greater institutional capacity to sustain these reforms. Results include:**

- ▶ To help the poor cope with health care costs, the government-financed Green Card health insurance expanded coverage to include pharmaceuticals and outpatient benefits. As an immediate impact of a policy change the numbers increased after the benefits were expanded. The number of Green Card holders also jumped to 10.2 million in 2006 from 2.5 million in 2003, a 75 percent increase in three years.



- A new pay-for-performance program at all 850 Ministry of Health (MOH) hospitals enhanced accountability arrangements, gave hospital directors more autonomy over hospital budgets, and introduced outsourcing of diagnostic care in hospitals to the private sector.
- Subsequent to the introduction of an administrative law allowing health insurance scheme mergers, Turkey's three social insurance schemes were integrated, and a single claims system for insurees was put in place. In 2008, 57.7 million people, representing 82 percent of the population, were insured under the new Social Security Institute of Turkey.
- The percentage of people reporting difficulty in meeting the cost of pharmaceutical and other health expenses dropped steeply to 19 percent in 2008 from 50 percent in 2003.
- Following the implementation of the IBRD-supported Health Transition Project in 2003, hospital and clinic directors were given more flexibility over the health facility budget and were given the discretion to take decisions on the use of a revolving budget fund, and to make procurement and investment decisions. This is addition to other reforms in the hospital sector including the introduction of a performance-based pay system and of quality assurance mechanisms. Streamlining the processes for managing patient load, and improving diagnostic facilities through outsourcing to private service providers has led to a more motivated health work force, while more patients now have access to hospital and other health care facilities given improved services and wider coverage.

- Turkey is on the path to establishing universal health insurance, with integrated management systems and appropriate benefits packages for patients.
- The Turkish health ministry has also introduced a fully computerized health and social security information system.

## Approach

IBRD has been active in the health sector in Turkey for the past two decades. It has financed four lending operations and has provided analytical and advisory services on a range of major health programs, especially health insurance reform. With the Health Transition Project, IBRD helped the government of Turkey expand the capacity of its Ministry of Health and Social Security Institute to formulate and effectively implement a wide range of health policy initiatives. It also supported the implementation of critical health services delivery reforms like family medicine and hospital autonomy, to ensure more people had access to health services that are delivered with greater efficiency, quality and fairness. The parallel efforts to build government management capacity will ensure these benefits are sustained over time.

IBRD's global knowledge and technical experience in health reforms and institutional development makes it an important partner for the Turkish government in the implementation of the Health Transformation Program. Monitoring and evaluation of these reforms and increasing results orientation in the public sector are critical for sustainability and here, too, the government has relied upon IBRD for technical support. Over the years, World Bank staff expertise and sustained dialogue helped to develop innovative and coherent packages of assistance that have achieved substantial results. From all these perspectives, IBRD has been uniquely-positioned to contribute to the continued implementation of Turkey's health service reforms.

## IBRD Contribution

- [1] World Bank sector study "Reforming the Health Sector for Improved Access and Efficiency" (Report No.: 24358-TU) 2003

- [2] Turkey Health Transition Project (Board approval, May 2004 Closed: December 2009) (US\$ 60 million)
- [3] Turkey Health Transformation and Social Security Reform Project (Board approval, June 2009) (US\$ 75 million)
- [4] Turkey – First Programmatic Public Sector Development Policy Loan (PPDPL 1) (Board approval: June 2006) (US\$ 500 million)
- [5] Turkey – Second Programmatic Public Sector Development Policy Loan (PPDPL 2) (Board approval: June 2008) (US\$ 400 million)
- [6] OECD/World Bank Review of the Turkish Health System, 2008 (ESW)

## Partners

Ministry of Health, Ministry of Labor and Social Security, Social Security Agency, Ministry of Finance, Undersecretariat of Treasury, State Planning Organization.

## Next Steps

A follow-on Health Transformation and Social Security Reform project was approved in May 2009. This project will expand upon the successes of the Health Transition Project, and address new areas of reform. Specifically, the new project provides support to the Ministry of Health's strategic plan for the health sector, which encompasses broadening reforms across the public hospital system. This next generation

of reform will increase hospital autonomy, expand family medicine services throughout the country, and performance management and pay-for-performance initiatives will be broadened and further entrenched in the health system.

One innovation will introduce output-based financing to enable the Ministry of Health to fight non-communicable diseases in the most cost-effective way—a challenge that Turkey is beginning to face with the epidemiological transition<sup>1</sup>. The follow-on project, which is expected to continue up to 2013, will mark a decade of health sector reforms in Turkey, with results that will benefit the Turkish people for a considerably longer period.

### (Endnotes)

1 The shift from infectious diseases (malaria, TB etc.) to chronic non-communicable diseases (cancers, heart disease, stroke) as the dominant cause of death and disability in the population is referred to as “epidemiological transition”. Chronic illnesses affect individuals over a long period of time requiring constant medication and tests, can mean more time away from work, and can be very costly to treat if not detected early and managed properly at the right level of care. In the new project, providing incentives to family medicine practitioners to actively identify populations at risk for chronic illnesses and raise their awareness of their risks while at the same time detecting cases early and managing them at the primary care level could (i) ensure that chronically ill patients can live longer and healthier lives (as they will learn to manage their illness better), (ii) reduce disease prevalence by educating people—fewer smokers means less people likely to suffer tobacco related illnesses etc. and (iii) delay the onset of such illnesses thus increasing longevity.

## LEARN MORE

### LINKS TO IN-DEPTH INFORMATION ABOUT EACH PROJECT AND DETAILED DOCUMENTS:

- Turkey Health Transition Project  
<http://projportal.worldbank.org/servlet/secmain?menuPK=109012&theSitePK=213348&piPK=69345&pagePK=112935&PSPID=P074053>
- Turkey Health Transformation and Social Security Reform Project  
<http://projportal.worldbank.org/servlet/secmain?menuPK=109012&theSitePK=213348&piPK=69345&pagePK=112935&PSPID=P102172>
- Programmatic Public Sector Development Policy (PPDPL)  
<http://web.worldbank.org/external/projects/main?pagePK=64283627&piPK=73230&theSitePK=40941&menuPK=228424&Projectid=P071052>
- Second Programmatic Public Sector Development Policy Loan (PPDPL 2)  
<http://web.worldbank.org/external/projects/main?pagePK=64283627&piPK=73230&theSitePK=40941&menuPK=228424&contentFed=yes&Projectid=P088837>
- Turkey – OECD/World Bank Review of the Turkish Health System  
<http://www.worldbank.org.tr/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/TURKEYEXTN/0,,contentMDK:22081093~pagePK:1497618~piPK:217854~theSiteP>

### LINK TO IBRD WORK IN COUNTRY/SECTOR:

- Turkey Country Office website of IBRD  
<http://www.worldbank.org.tr>

### LINKS TO PARTNER WEBSITES:

- For more information on the Ministry of Health please visit: [www.saglik.gov.tr](http://www.saglik.gov.tr)
- For more information on the Undersecretariat of Treasury please visit: [www.hazine.gov.tr](http://www.hazine.gov.tr)
- For more information on the Undersecretariat of State Planning Organization please visit: [www.dpt.gov.tr](http://www.dpt.gov.tr)
- For more information on the Ministry of Finance please visit: [www.maliye.gov.tr](http://www.maliye.gov.tr)
- For more information on the Ministry of Labor and Social Security please visit: [www.calisma.gov.tr](http://www.calisma.gov.tr)
- For more information on the Social Security Agency please visit: [www.sgk.gov.tr](http://www.sgk.gov.tr)

### MULTIMEDIA:

- A short movie prepared for the OECD/World Bank Review of the Turkish Health System  
**Published:** February 2009  
**Related Site:** <http://go.worldbank.org/TRKAQ6N-WS0>
- A short movie prepared for the Annual Meetings 2009 in Istanbul- Turkey Local Clinics Nurture Healthier Villages  
**Published:** September 2009  
**Related Site:** <http://go.worldbank.org/LVPO-6SE1E0>