PRIVATE
HEALTHCARE PROVIDER PARTICIPATION
IN THE UNIVERSAL COVERAGE SCHEME (UCS)

NHSO
National Health Security Office

REDUCE MAXIMIZE INCREASE INCREASE

WHY UCS INVOLVES PRIVATE HEALTH SECTOR?

Thailand's health service system has evolved over a long time. The service centers range from primary, secondary, and tertiary care facilities, covering the entire country. There are services for health promotion, disease prevention, medical treatment, and rehabilitation,and both the public and private sectors participate in providing these services to people at all levels of society.

TO REDUCE CROWDING IN PUBLIC FACILITIES AND INCREASE ACCESS TO SERVICES

Even though public health service units play the principal role in the health service system, there are still not enough to support patient caseloads in some areas. Therefore, including private health service units in the UCS service network is an alternative way of making the most of the available resources and the government does not need to invest in additional infrastructure. This increases access to services especially for effective primary care which will help reduce congestion in large hospitals.

TO MAXIMIZE THE USE OF EXISTING RESOURCES; THE GOVERNMENT DOES NOT NEED TO INVEST IN NEW INFRASTRUCTURE

Due to the private hospitals distributed widely in the country especially in urban areas with capacity in technology, personnel, and management. To involve private sector resulting in saving of infrastructure costs without additional investment in the public sector will be gain more benefit from more efficient service at a reasonable price.

TO INCREASE THE EFFICIENCY OF HEALTH SERVICES

With the participation of the private primary, secondary, and tertiary care units, the service will be distributed more widely. This allows the patients to access outpatient services more conveniently, and this helps reduce medical-related expenses as well. In addition, having a private hospital to support inpatients and cases who need specialized care helps spread bed occupancy more evenly and reduces the burden of emergency services in public hospitals.

THE ROLE OF PRIVATE SECTOR SERVICES IN THE UCS

1 PART OF THE SERVICE NETWORK

The private sector has a role both as the CUP, the PCU, the referral unit, and joint service units in the following numbers:

- 20 PCU units
- 284 CUP/PCU units
- 34 CUP, PCU and referral units
- 200 joint service units
- 4 capitation referral units, 4 non-capitation units and 272 specialized referral units

One service unit can be registered in multiple types

2 ACCIDENT & EMERGENCY SERVICES

Private hospitals play an important role in accidents and emergencies as follows:

- Accepting accident/emergency patients in the event of a crisis and treating the crisis
- Coordinating to refer patients via the NHSO or the CUP of the patient in order to provide a hospital for the patients to recover.

3 SPECIALIZED SERVICE PROVIDER

Private hospitals with high capacity play a role in the treatment of specialized diseases that require modern technology, such as cardiovascular disease, cancer, knee surgery, cerebrovascular disease, HIV/AIDS, kidney failure, cataract surgery, etc.

4 PROVIDER OF HEALTH PROMOTION & DISEASE PREVENTION (P&P)

- Screening to find health risks
- Enhancing risk behavior modification, giving advice and providing knowledge about health promotion, drug use, and conducting for health promotion and disease prevention in all age groups
- Conducting home visits

5 PRIVATE SECTOR PARTICIPATES IN GOVERNANCE STRUCTURE OF NHSO

1

THE PRIVATE SECTOR AS A NETWORK OF HEALTH SERVICE UNITS

There are four types of service units registered with the NHSO to form a network as follows: Contracted Unit for Primary Care (CUP), Primary Care Unit (PCU), Referral Unit, and Joint Service Unit. These units are linked together as a service network by providing health services according to their potential. The private sector has a role as a network of service units in the UCS by acting as both a CUP, a primary care unit (PCU), a referral unit, and joint service unit.

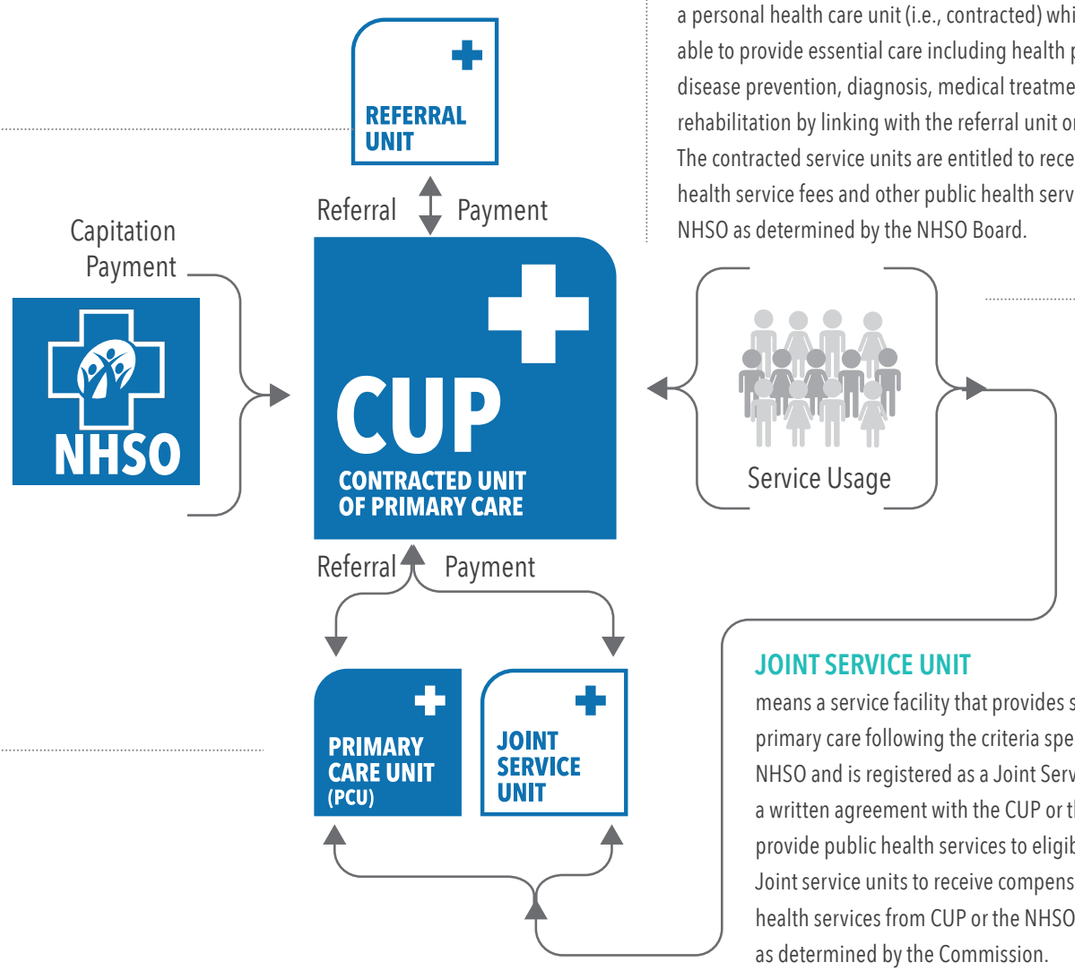
NETWORK OF HEALTH SERVICE UNITS

REFERRAL UNIT

means a service unit registered as a unit that can receive general or specific referrals. Referral units must be able to provide secondary, tertiary, or specialized health services. A person can use public health services at the referral unit when receiving the referral or receiving approval from the CUP or the NHSO, or as determined by the Commission.

PRIMARY CARE UNIT :PCU

is a service unit that is registered as a primary care unit in the network of CUP which can provide primary health services holistically, including health promotion, disease prevention, diagnosis, treatment, medical care, and rehabilitation. Those who have chosen CUP can use public health services at PCU in the network. However, PCU is entitled to receive reimbursement for expenses for public health services from CUP or the NHSO as determined by the Commission.



CONTRACTING UNIT FOR PRIMARY :CUP

means a service facility or service group that is registered as a personal health care unit (i.e., contracted) which must be able to provide essential care including health promotion and disease prevention, diagnosis, medical treatment, and rehabilitation by linking with the referral unit only as needed. The contracted service units are entitled to receive per capita health service fees and other public health services from NHSO as determined by the NHSO Board.

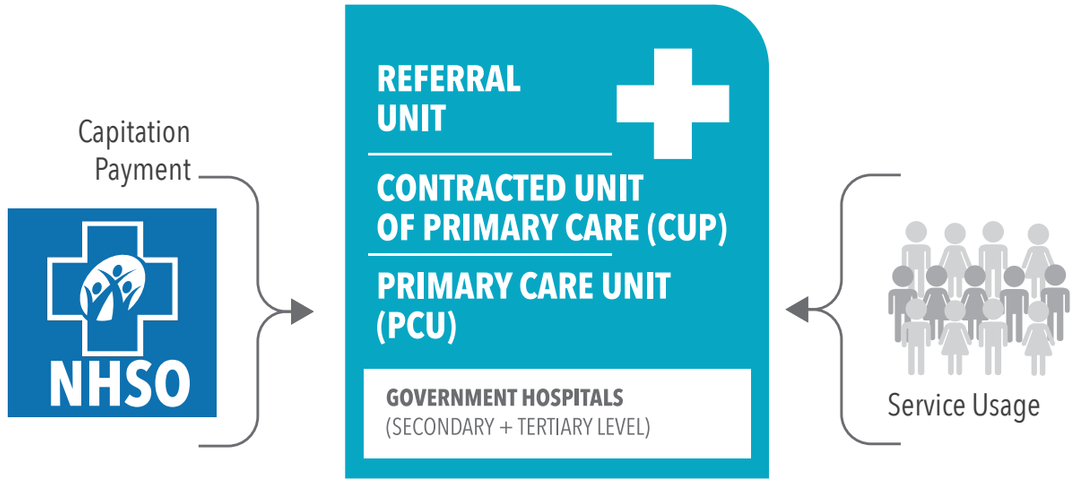
JOINT SERVICE UNIT

means a service facility that provides specific primary care following the criteria specified by the NHSO and is registered as a Joint Service Unit with a written agreement with the CUP or the NHSO to provide public health services to eligible patients. Joint service units to receive compensation for health services from CUP or the NHSO as determined by the Commission.

UNDER THE NHSO SYSTEM, THESE SERVICE UNITS CAN BE CLASSIFIED INTO THE FOLLOWING FOUR TYPES:

1 | THE SERVICE UNIT ACTS AS ALL THREE TYPES OF SERVICE FACILITY

A single health facility may function as the primary care unit, the CUP, and the referral unit, all in one. This type of service unit is mostly found in Bangkok especially tertiary hospitals under public sector.

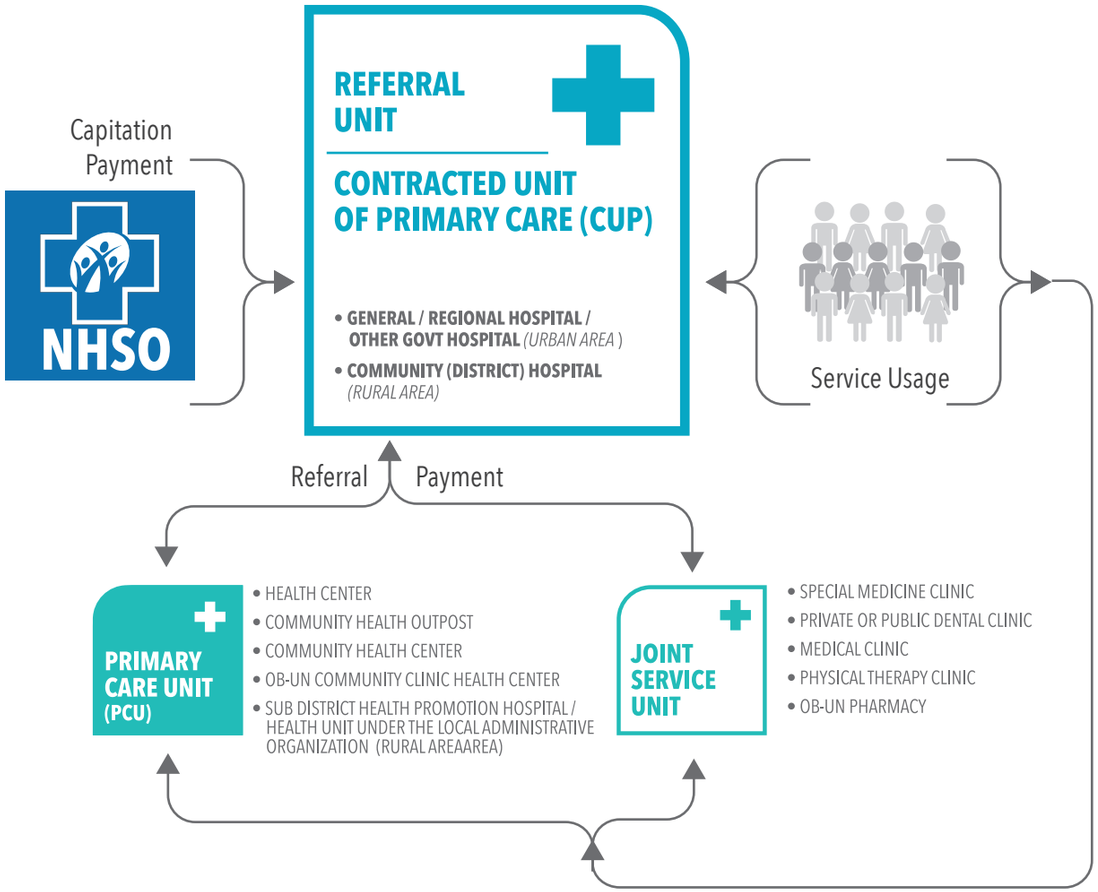


NETWORK OF TYPE 1 SERVICE UNITS UNDER THE NHSO SYSTEM

2 THE CUP AND REFERRAL UNIT ARE THE SAME FACILITY; THE PRIMARY CARE UNIT IS SEPARATE

In urban areas, the general (provincial) hospital, the regional hospital, and other hospitals outside the MOPH serve as the CUP and referral unit for patients in the catchment area. These hospitals have direct links with the primary care facility which a patient is assigned to (e.g., health center or community health outpost). In rural areas, the community (i.e., district) hospital is the CUP and referral unit for patients in the catchment area. The Tambon Health Promotion Hospitals (THPH), health centers and community health outposts serve as the primary care facilities in the network . This type of network is found mostly in public sector.

This system of Type 1 and 2 service units in the network exacerbated crowding and hindered convenient access to the health service system. These units also had long wait-times for patients to be served.

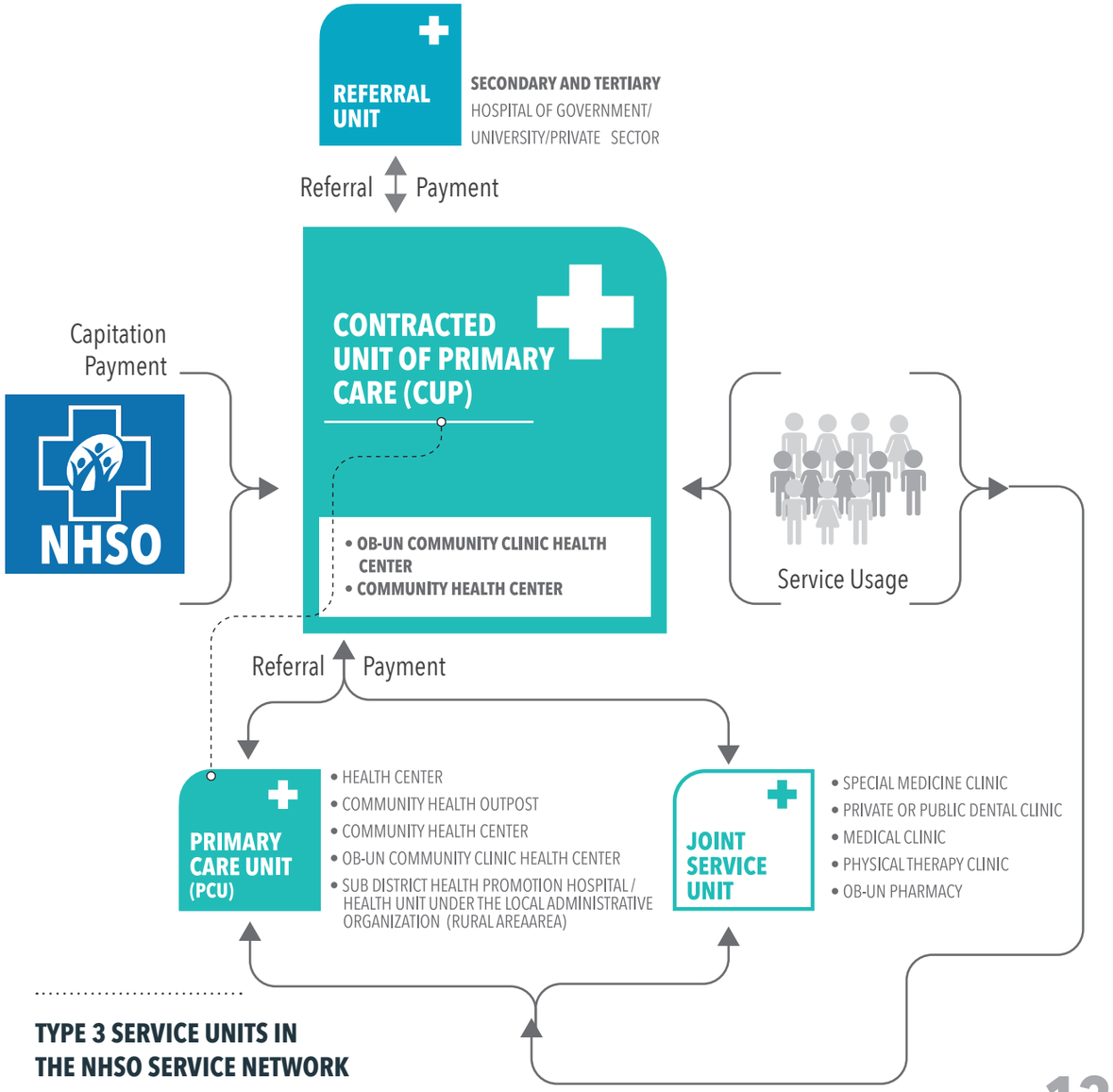


TYPE 2 FACILITIES IN THE NETWORK OF SERVICE UNITS IN THE NHSO SYSTEM

3 THE PRIMARY CARE, CUP, AND REFERRAL UNITS ARE EACH CONTAINED IN A SEPARATE FACILITY

A primary care unit can be registered as the CUP such as the Ob-un Clinic or local health center. Primary Care units (e.g., Ob-un Clinic, Public Health Center, Ob-un Community Drug Store, dental clinics, specialized medicine clinic, physiotherapy clinic, etc.) may be adjuncts to the CUP. Most of these auxiliary units are private. The referral units include secondary and tertiary care hospitals of the government, medical school, or private sector. Those patients registered with these CUPs will be able to seek service for basic health needs near their home.

This modification is most relevant for the situation in large cities and Bangkok, which usually have an extensive network of Ob-un Community Clinics. The advantage for both patient and provider is that this modified system increases options for the patient with basic care needs and reduces crowding in the larger hospitals.



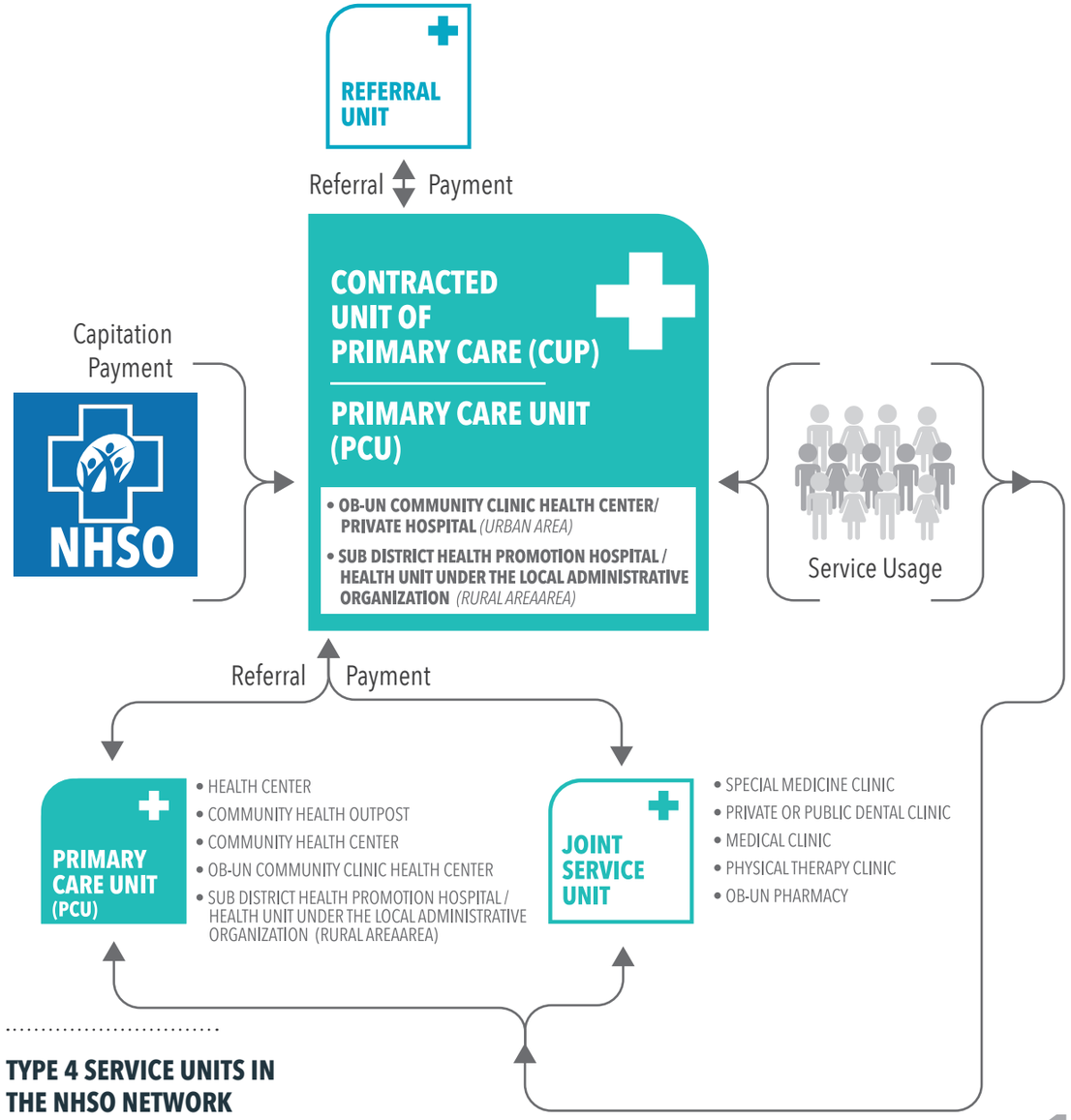
TYPE 3 SERVICE UNITS IN THE NHSO SERVICE NETWORK

4 THE PRIMARY CARE AND CONTRACTED UNIT OF PRIMARY CARE (CUP) ARE ONE AND THE SAME, BUT THE REFERRAL UNIT IS A SEPARATE FACILITY

In this type, the primary care and CUP are one and the same, and may include the Ob-un Community Clinic or a private hospital, with links to primary care facilities such as the community health outpost, dental clinic, Ob-un Community Drug Store, etc. All of these facilities have an assigned referral unit which may be the general hospital, the regional hospital, or a specialized-care hospital in the public or private sector. In Bangkok, the referral units include the 28 hospitals under the BMA .

In rural areas, the THPH and service units under the local administrative organization serve as the CUP and primary care unit. The health center and community health outpost are adjunct primary care facilities, while the community hospital is the referral unit. Types 3 and 4 have the advantage of allowing patients to seek primary care at a facility nearer their home. That improves convenience and reduces crowding and wait times at the large hospitals. That gives those hospitals more space and personnel to attend to emergency and critical-care patients.

A limitation of the Types 3 and 4 components is that on ensuring the participating units to provide quality care for the catchment population.



TYPE 4 SERVICE UNITS IN THE NHSO NETWORK

2 ACCIDENT/ EMERGENCY SERVICES

The NHSO has a policy to allow patients with emergency illnesses to receive medical care at the nearest hospital according to the crisis illness emergency policy, i.e., Universal Coverage for Emergency Patients (UCEP). Private sector plays an important role in this service. In cases of accident/emergencies, all participating private service units must accept cases admitted until the case is stabilized. They must not collect medical fees from patients during that time. They are to coordinate with the NHSO for referral to registered hospitals. In the case that the registered hospital bed is not available, then the patient can be referred to a reserved-bed private hospital.

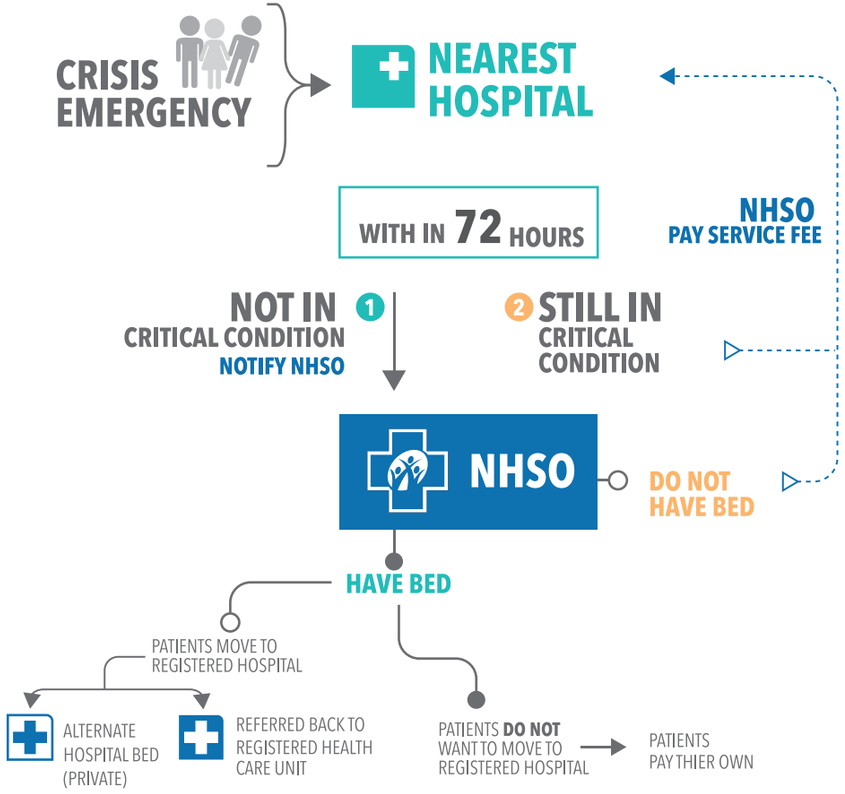
Accident/emergency services consist of three types:

- Critical condition
- Non-critical condition emergency/ accident cases
- Indicated cases

CRISIS EMERGENCY

Cases can get services at a hospital nearest the site. If admitted to a private hospital, the hospital will assess the symptoms by emergency level according to the criteria of the Institute of Emergency Medicine. If the criteria indicate the case is a crisis emergency, patients are entitled to treatment from the private hospital without having to pay service fees.

Emergency patients will be transferred to their registered hospital after they are out of critical condition or within 72 hours. If the case cannot be referred within 72 hours because the crisis has not yet passed, or due to lack of an available bed, the participating hospital can charge service fees to the NHSO at the agreed rate or per actual costs incurred. If in case bed is available but a patient refuses referral, they are responsible for their cost of care.



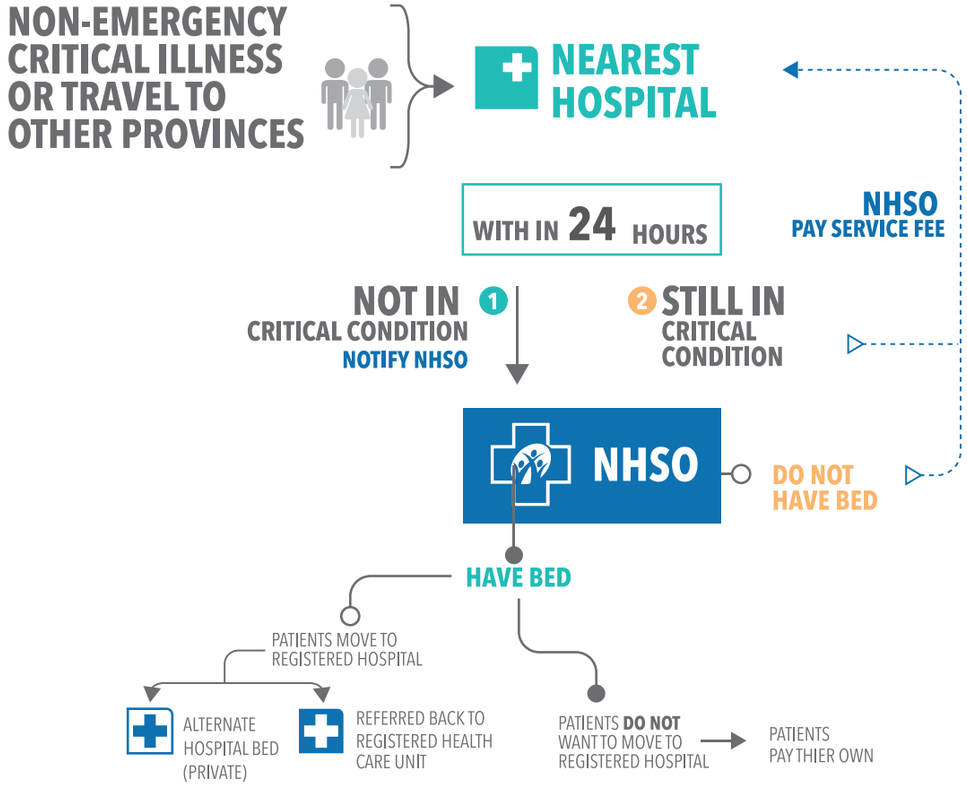
CRISIS EMERGENCY

IN CASE OF NON-EMERGENCY CRITICAL ILLNESS OR TRAVELING TO OTHER PROVINCES

If there is a need to be hospitalized, such as for high blood pressure, extreme headache, severe diarrhea which is not life-threatening and which is under NHSO regulations, or in the event of accident/emergency illness, then that case can receive treatment at facility outside NHSO network both at the private and government hospital. When a case is admitted to a private hospital outside the network, the hospital will notify the NHSO within 24 hours. The NHSO will process the cost of treatment and pay the hospital at the rate specified by the NHSO. If the notification is later than 24 hours, or in the case that after 24 hours the patient cannot yet move back to their registered hospital (i.e., since they are still critically ill, or there is a lack of a bed), the hospital will receive compensation for the service fee as agreed with the NHSO. However, if the case is no longer critical, and the patient refuses to be referred, then they are responsible for their own care.

INDICATED CASES

If there is a referral of an emergency patient from a CUP unit to a private hospital outside the UCS system because the treatment is beyond the capacity of the CUP, in this case, only NHSO will refer the patient to the private hospital outside UCS system and NHSO will pay the service fees at the rates of the referral hospital or according to the agreement.



NON-EMERGENCY CRITICAL ILLNESS OR TRAVELING TO OTHER PROVINCES

3

SPECIALIZED SERVICE PROVIDER

Specific services are organized to solve problems of the hospital in the areas that do not have sufficient capacity, or the public hospital is full or unable to support patients or having to wait in a long queue.

The NHSO has enlisted private hospitals that can treat specific diseases to join the UCS. The public facility may lack technology or specialized doctors for treatment in those cases, but can refer to hospitals outside the network, with the NHSO paying service fees. But in the case of a referral to a private hospital outside the network, payment is made by "reimbursement of reserved-bed " by the NHSO based on a negotiated service fee with private hospitals.

SPECIFIC SERVICES ARE ORGANIZED TO SOLVE PROBLEMS OF THE HOSPITAL IN THE AREAS THAT DO NOT HAVE SUFFICIENT CAPACITY, OR THE PUBLIC HOSPITAL IS FULL OR UNABLE TO SUPPORT PATIENTS OR HAVING TO WAIT IN A LONG QUEUE

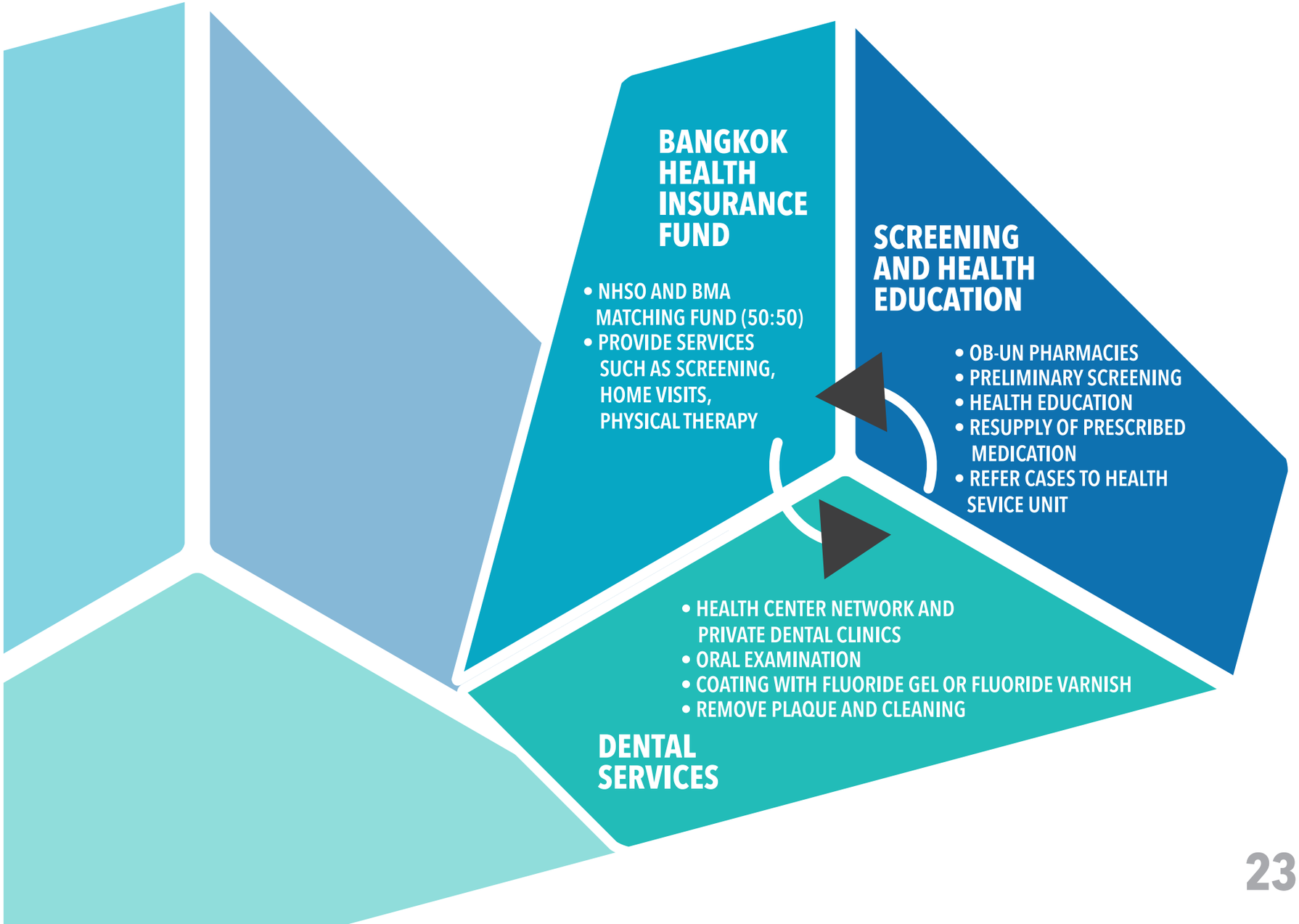
SPECIFIC CONDITIONS

Currently, the disease-specific services are:1) Cataract Surgery 2) Osteoarthritis Surgery 3) Cardiovascular Disease Services 4) Stroke Patients 5) HIV Infection Services and AIDS patients, and 6) Chronic renal services.

4

HEALTH PROMOTION AND DISEASE PREVENTION (P&P)

The private sector participates in health promotion and disease prevention services such as screening, health education and immunization.

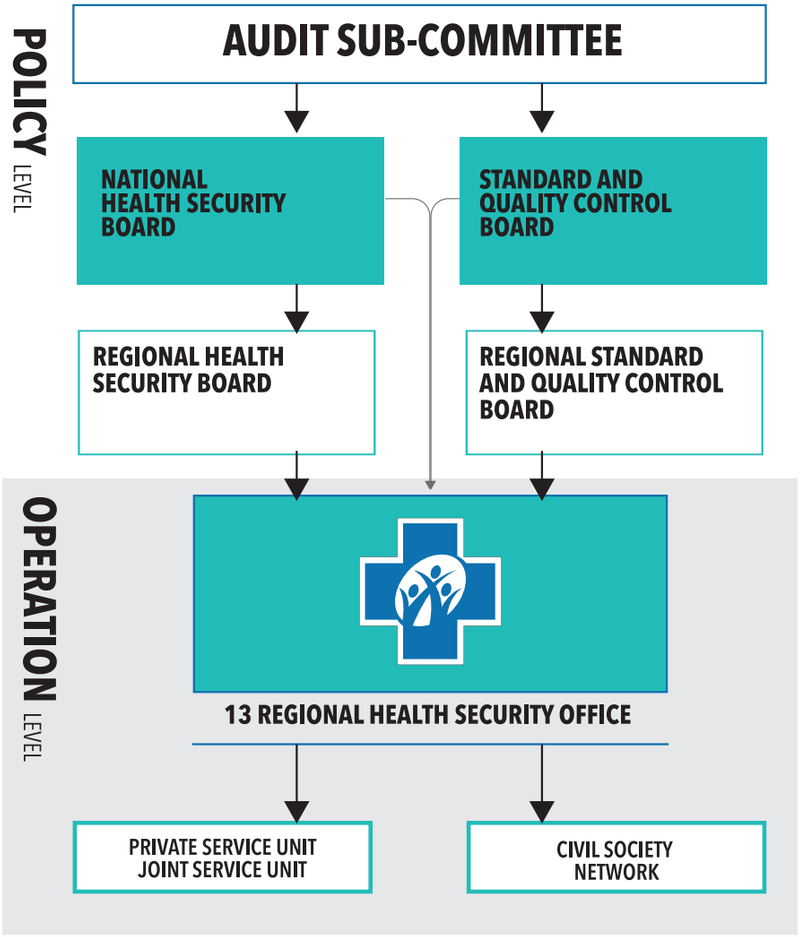


5

PRIVATE SECTOR PARTICIPATES IN GOVERNANCE STRUCTURE OF NHSO

The private sector is involved in the governance structure of the UCS by participating in two levels of governance: policy and operation levels (Figure 10). At the policy level under the National Health Security Act 2002, Article 13 (5) stipulates that five representatives of public health professions, namely representatives from the Medical Council, Nursing Council, the Pharmaceutical Council, the Dental Council, and the Private Hospital Association serve on the NHSO Board. In addition, Article 48 (3), stipulates that one private hospital representative who is a private hospital association member serves on the Quality Control Board of Public Health Service.

PARTICIPATION OF THE PRIVATE SECTOR IN THE NHSO



REGISTRATION OF SERVICE FACILITIES AND BENEFICIARIES

AS OF FY 2018, THERE WERE

12,151

REGISTERED SERVICE UNITS
IN THE NHSO SERVICE SYSTEM

NUMBER OF GOVERNMENT AND PRIVATE SERVICE UNITS REGISTERED IN UCS IN 2018

PRIMARY CARE UNIT 11,587 **UNITS**	
MINISTRY OF PUBLIC HEALTH	94.31%
OTHER GOVERNMENT SECTORS	1.54%
PRIVATE SECTOR	2.35 %
LOCAL GOVERNMENT ORGANIZATION	1.80%
PRIMARY CONTRACTED UNIT 1,331 **UNITS**	
MINISTRY OF PUBLIC HEALTH	68.59%
OTHER GOVERNMENT SECTORS	11.50%
PRIVATE SECTOR	19.01%
LOCAL GOVERNMENT ORGANIZATION	0.90%
REFERRAL UNIT 1,335 **UNITS**	
MINISTRY OF PUBLIC HEALTH	70.48%
OTHER GOVERNMENT SECTORS	7.98%
PRIVATE SECTOR	21.03%
LOCAL GOVERNMENT ORGANIZATION	0.51%

PROCESS OF REGISTERING

SERVICE UNIT | **BENEFICIARIES**

1. The NHSO, publicizes the system to private unit to join as a service unit
2. The interested private unit must submit a request and fill out an application
3. The private unit audit team assess the qualifications and readiness in accordance with the criteria set by the NHSO Board
4. The private unit passes the assessment criteria, the NHSO will announce registration as a service unit

REGISTERED HEALTH SERVICES

ELIGIBLE PERSONS APPLY FOR REGISTRATION WITH LOCAL OFFICE

SELECT CONTRACTED UNIT FOR PRIMARY CARE (CUP)

47.8

MILLION
POPULATION REGISTERED IN UCS

BENEFITS

ARISING FROM THE PARTICIPATION OF PRIVATE HEALTH SERVICE UNITS IN THE NATIONAL HEALTH SECURITY SYSTEM

REDUCED CROWDING IN THE HOSPITAL

From the performance of Bhumibol Hospital in partnership with the PCU network, including both Ob-un community clinics and public health centers, it was found that the number of outpatients in the hospital was reduced to about 30 people per day from over 500 patients, and the waiting time for doctors was reduced to only 30 minutes from the previous one and a half hours.

INCREASING ACCESS TO SERVICES

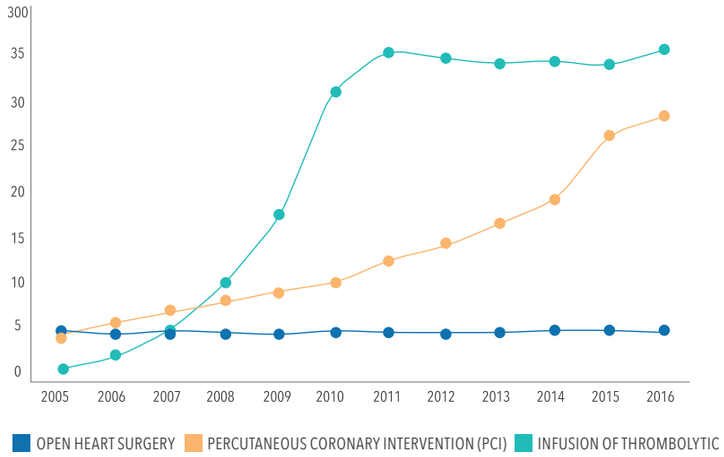
INCREASE IN ACCESS TO SERVICES

The number of patients accessing antiretroviral drugs has increased steadily from 178,264 people in 2014 to 261,936 people in 2018.

The use of renal replacement therapy in chronic kidney disease patients has increased from 25,876 in 2014 to 57,288 in 2018, while access to services for acute myocardial infarction has improved since 2009, with 73% more cases receiving anti-coagulants or wireless PCI in Bangkok in 2018.

There was a significant increase in the participation of the private sector in cataract surgery resulting in doubling the use of the service during the four years after the program began in 2008.

RATE OF ACCESS TO INTERVENTIONS FOR HEART DISEASE: 2005-16



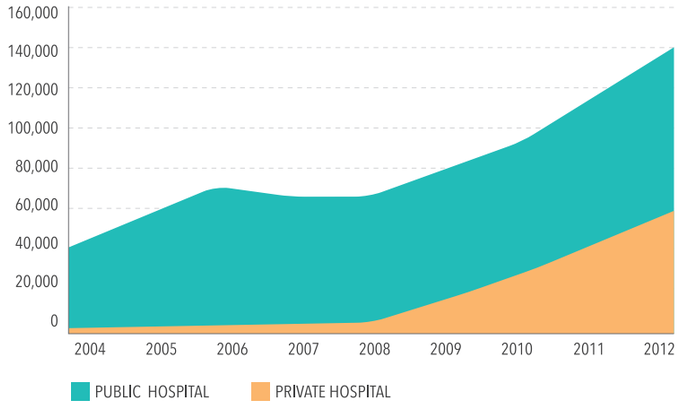
Source: Universal Health Coverage Report for 2014 and 2016

CHALLENGES
AND LESSONS LEARNED

INCREASE IN HEALTH PROMOTION AND DISEASE PREVENTION

The population in the 35-74 year age group who received screening for diabetes, high blood pressure, cervical cancer in women aged 30-60 years, and ANC in the first 12 weeks of pregnancy had increased.

NUMBER OF CATARACT SURVEY BEFORE AND AFTER UNBUNDLING FROM DRG AND REPLACED BY SPECIAL FIXED FEE SCHEDULE



Source: NHSO, 2012

REFERRAL PROBLEMS

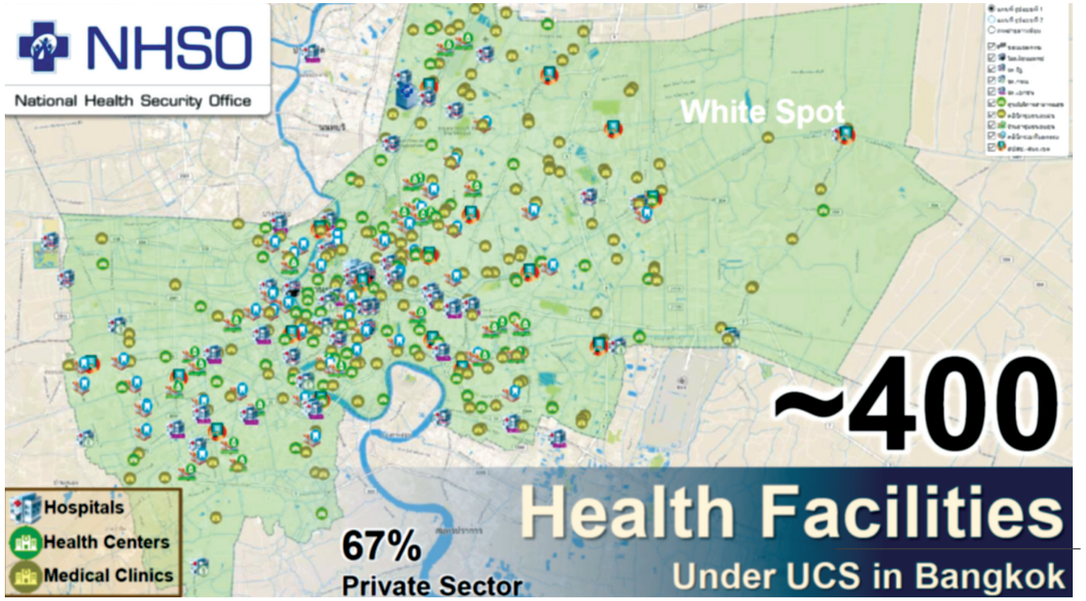
The referral system from the CUP, Ob-un community clinics created a burden for the Ob-un community clinics since they had to cover costs incurred at the referral site. With more patients requiring referral to secondary and tertiary hospitals, healthcare costs mounted. This system also discouraged Ob-un community clinics from referring patients.

HEALTH PROMOTION AND DISEASE PREVENTION IN BANGKOK STILL LACKS COVERAGE COMPARED TO THE PROVINCES

The context of Bangkok's area and population is complex, and that poses an obstacle to proactively cooperate between the public and private sector, especially the work in health promotion and disease prevention (P&P). Effective P&P requires outreach and home visits in vulnerable communities. But because of the haphazard expansion of the city, the communities have changed in ways that are hard to track and reached. Plus, many migrant workers in Bangkok do not live in a formal residence or registered domicile. There are a variety of housing conditions, such as condominiums, rental rooms, slum communities, group housing, etc., making it difficult to access communities in Bangkok with P&P.

CREATING INCENTIVES FOR PRIVATE HOSPITALS

Creating incentives for private hospitals to participate in the NHSO system is still a challenge because health services are public goods, i.e., are not for profit. As a result, some private hospitals have withdrawn from the UCS because they face losses. One incentive for participation of private service units is more creative use of the budget of the BMA for P&P. That is, private service units could be paid according to the price per unit (Itemize), causing the private service unit to recover the full cost of activity. That would differ from the payment system in the provinces which is a capitation system.



DISTRIBUTION OF HEALTH SERVICE UNITS IN BANGKOK
Source: NHSO Zone 13 Bangkok (PowerPoint presentation)

UNEVEN DISTRIBUTION OF SERVICE UNITS

Private hospitals and hospital for specific diseases are not yet widely distributed, such as in the northeast and southern regions. In Bangkok, most service units are still concentrated in the inner city. Therefore, it is a challenge to encourage the private sector to have more investment in those areas.

SUMMARY

Current health services have the characteristic of participation between the public and the private sector, but the government still plays the main role in the allocation of the budget and laying out the service format and monitoring the quality and service standards through a committee mechanism with multiple partners.

The private sector is responsible for providing health services, including outpatient services, inpatient services, preventive services, and specialized services. In addition, private hospital representatives are also involved in the NHSO Board which is involved in policy formulation and management. Therefore, it is considered that the private sector in Thailand plays an important role in the national health insurance system, by helping to make it more comprehensive and more efficient.

BY HELPING TO MAKE IT MORE COMPREHENSIVE AND MORE EFFICIENT

National Health Security Office