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Health Sector Evolution in Iran; A Short Review

Morteza Arab-zozani [1], Saeed Husseini barghazan[2*]

1 Iranian Center of Excellence in Health management, School of Management and Medical Informatics, Tabriz University of Medical Sciences, Tabriz, Iran
2 Student's Scientific Research Center, School of Public Health, Tehran University of Medical Science, Tehran, Iran

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***Corresponding Author:**
Saeed Husseini barghazan
School of Public Health, Tehran University of Medical Science Enghelab St., Ghods St., Poursina St., Tehran, Iran.

Email:
barghazan1993@yahoo.com

Tel:
+98- 9146730975

ABSTRACT

Despite noticeable progresses and visible changes in health system of Iran, there are many shortages and gaps which make this system far away from ideal. In order to solve these problems and to visit goals set by the government a plan was launched to reform the health system in May 2014. These reforms encompassed seven sub-plans: decreasing in-patients' out of pocket (OOP) payments, supporting physicians to stay in deprived areas to improve healthcare services quality, planning presence of physicians in public hospitals to improve quality of their services, improving public hospital's clinic visits quality, upgrading hoteling care quality in public hospitals, financial protecting of non-treatable diseases and special needs, as well as promoting natural childbirth. This manuscript reflects opinions of an expert dealing with this reform. On the one hand, there have been noticeable changes and achievements in this realm, such as 8.5 to 37 % reduction in in-patient OOP payment, coverage of 10.2 million people under national health insurance, and many other significant short-term achievements. On the other hand, instability of financial resources, irregularity of plans, weakness of the private health sector, and costs of reforms' implementation are main disadvantage of reforms. Reforms' designers are now working on payment systems of the providers to solve problems that arose as consequences of reforms and formulate structures to ensure about stability of financial resources even in future governments.

Keywords: Health Reform, Policy Making, Reforms Agenda, Iran

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Introduction

Today, the entire world and specially Asia is subject to rapid and extensive social, political, economic, environmental, and technological changes. Health outcomes are one of the main consequences of these changes. To make the health system responsive to such changes, the health system functions have to be strengthened (1, 2).

The health condition of Iran has improved during the last decades; however, many challenges threaten the health system, such as high degree (near 55%) of out-of-pocket payment (3), lack of improvements in services due to increased number of referrals, and increase in patients' illegal/under the table payments (4).

A plan entitled as "Health Sector Evolution" was launched in May 2014 to reform the health system of Iran. It was -one of the priorities of the new government which aimed to accomplish the health system's goals, such as the stewardship, financial protection, and improvement of health services (5).

In this regard, the current study analysed Iran's experiences of health system reforms and discussed new lessons for other countries. The study specifically addressed the following questions; 1. What factors did lead Iran government to implement such reforms? 2. What are the objectives and major strategies in Iran's new health system reforms? 3. What are the consequences of this reform (short-term and long-term effects)?

Background

Based on Alma-Ata declaration, Iran's public sector was responsible to provide primary health care services, even to its villages' populations since 1979. Trained health house staffs, i.e., "Behvarz" or community health workers were responsible for this. These health houses were linked to networks of health centres and district teaching hospitals in the centre of each province. A wide range of services were recorded impeccably. Significant decrease in child mortality over the last 40 years and the regionally high life expectancy of 74 years were among the achievements. This approach has been so effective in eliminating health disparities between rural and urban populations that inspired other countries such as Mississippi to emulate Iran's PHC model in rural areas (6).

Iran's public sector provides primary, secondary, and tertiary level health services. Emphasis of the government on primary health care lasted two decades and made the public sector main provider of primary health care services. Some primary health care services such as vaccination are free in public facilities. The public sector also provides a considerable part of the second and third level health services. The private sector plays a significant role in health care provision of Iran. This sector mainly focuses on the second and third level health care services just in urban areas. There are many nongovernmental organizations working in health issues in Iran's health system (3, 7).

The Public Health Insurance Law which was established in 1994 covers nearly 60% of uninsured Iranian population (8). The Medical Services Insurance Organization was established based on this law in October 1994 to cover individuals within 5 years (9). These included governmental employees and all community members from different classes who were not covered by other health insurance organizations.

Despite these progresses and visible changes, there are still many shortages and gaps which have put Iran's health system far from ideal (10). Limited financial resources, lack of sustainability, waste of resources, lack of improvements in services were due to increased number of referrals, patients illegal payments, absence of physicians in public hospitals, high levels of out of pocket payments, high level of caesarean rate, and etc. (4, 11).

To meet these goals and along with the vision of Islamic Republic of Iran in 2025, a plan was launched in May 2014 to reform the health system of Iran.

Situation before reforms

Based on several published reports by Iran Statistical Centre, World Bank and WHO, the

health status before reform included 50-60% out of pocket payments, inadequate health expenditure between urban and rural area, and worrying ranks of health international indicators among 191 countries. These indicators were financial fair participation (rank 112), total situation of health system goals (rank 114), health distribution (rank 113), physician density index of 0.89 per 1000 population, density of nursing and midwifery personnel of 1.4 compared to Qatar 11.9 , Uzbekistan 12, and turkey 2.4, hospital beds 1.7 (per 1000 people), near 25% uninsured population, 6.7% of GDP related to total health expenditure, non-communicable diseases, and many other health challenges (2, 6, 12, 13).

Sub-plans of reforms

Iran's recent reforms can be summarized into seven sections based on the published programs and reforms' blueprints by Iran's health ministry:

1. Decreasing in-patient admitted out of pocket payments in public hospitals with the aim of population's financial protect against catastrophic health expenditure. To meet this goal, targets such as OOP payment decrease to 10 % of hospital costs as well as supply of medicines, medical equipment, consumer appliances, and diagnostic services within the hospital were considered. Based on this goal, a public hospital is not allowed to deny some patients or refer them to private or other hospitals under the pretext of services and inputs' shortage.

2. Support of physician to stay in deprived areas to improve healthcare services quality in less developed and rural areas. Increase people's access to the second and third level cares such as removing informal payments, adjusting and distributing specialists, promoting justice in benefit of health care and strengthening the referral system in this country.

3. Plan presence of physicians, specialists, and fellowships needed in public hospitals to reach 24 h-responsiveness. Payment to physicians is based on the number of nights they stay in hospital and their performance assessment criteria, these payments are additional to their basic monthly payment.

4. Plan to improve the quality of public hospitals clinic visits to use available facilities completely. Keep academic staffs in medical-educational hospitals and raise patients' satisfaction.

5. Improve hoteling care quality in public hospitals by considering nonmedical features of these hospitals through qualitative and quantitative changes in such settings.

6. Financial protection of non-treatable diseases and special needs of patients by identification, franchise cover, and development of systematic care for them.

7. Promoting natural childbirth to develop child and mother health indicators by decreasing caesarean rate about 10 % per year and free natural childbirth cares in public hospitals.

Short-term achievements

Since it is very novel, discussing over achievements of health reform implementation is too soon. But, based on the claims presented by this plan's designer, there have been some noticeable short-term achievements: decrease in out of pocket payment from 37 % (just in-patient admitted) to 8.5 %, near 42 % decline in using medical equipment, decrease out-of-hospital drug purchase from 100 % to 3.2 %, 9 million patients benefited from implementation of this reform until now, 10.2 million people were insured and health insurance covered 95 % of population, and increase access to medication and drug from 329 to 962 types. Regarding the natural childbirth promotion, the rate of caesarean operations decreased 5.5 %, 548,000 children were born naturally during the implementation, 366 childbirth settings were developed and optimized, 30,000 hospital beds were substituted, and 1,400,000 m^2 of physical spaces of settings were modernized to improve hoteling quality of these settings. Furthermore, the presence of resident doctors in 406 hospitals at 198 cities and 7242 specialist resident in 19 specialties, presence of resident encompass 4800 general, specialist and post-specialist physicians, 594 specialized clinics were established, which had 11000 physicians and about 35 million out-patient clinic visits with public tariff

Challenges

In spite of the significant achievements in reducing out of pocket payments (the most successful plan), having regulatory levels (supervision on good implementation of reforms), and extra lateral plans beyond main seven reform factors (like air emergency), these reforms have had many disadvantages. Structural, executive, economical, and managerial problems, such as instability of the financial resources, non-physician employees resent from the provider's payment systems and the gap between medical and non-medical employees, costs and priorities of reforms' implementation in country, simultaneous implementation of sub-plans and irregularity of plans, weakness of the private sector, and competitive market of health are the major problems. The situation before reforms may be a good reason to select the health sector compared to other sectors such as education for making changes. Reforms' designers are now working on the provider payment systems to solve the consequent problems of the reform. They are formulating structures to ensure about stability of the financial resources even in future governments.

One of the most important approaches to ensure about financial resource stability when there are not enough resources is decreasing overuse and increasing underuse in the health system. If the unnecessary interventions be identified and removed from the system, additional resources can be provided to replace cost effective interventions without adding new resources. Balancing between overuse and underuse of resources in health system is a practical approach in this regard (14).

Health system integration

Health system integration is a key element in all health system reforms worldwide. Its main goal is to improve outcomes for all health system stakeholders. Integrating health system can help a system to prevent fragmentation that is one of the biggest challenges in all health systems. Fragmentation leads to resource loss and system defects. Successful Health Systems Integration can lead to effective health system reform. Health policymakers need to integrate the health system as a key tool if they want to succeed in health reform plans (15, 16).

Conclusion

Reforms are sophisticated processes and problems are inseparable parts of them, but they should not affect reforms' important values. One important thing is that political orientations should be prevented due to their adverse effects. Furthermore, because of scarce sources of information on recent reforms, data should be collected based on information published by the government and ministry of health on dispersed and different sources. Health system integration can help to harmonize approaches, increase the system's ability to identify costly interventions, and, ultimately provide financial sustainability of the health system.

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