Social health insurance development to get universal health coverage in Vietnam: situation, challenges an recommendations

Desenvolvimento do seguro social de saúde para obter cobertura universal de saúde no Vietnã: situação, desafios e recomendações

Dao Xuan Hoi¹
Tran Cong Thinh²
Nguyen Vinh Hung³

Abstract

Universal health insurance is currently a risk-sharing solution that aims to provide healthcare coverage for all citizens of Vietnam. However, in the current context, health care costs are increasing, especially the cost of treating diseases. Universal health insurance is increasingly becoming an important support tool that helps to share the financial risks of people and protect their health. Therefore, the article studies the importance of universal health insurance in the social health care system in Vietnam, its direct impacts on patients, and the current situation, challenges, and some recommendations to improve the development of social health insurance towards the goal of universal health coverage in Vietnam.

Keywords: Health Insurance. Law. Law on Health Insurance. State. Vietnam.

¹ PhD Candidate in Law Science, Law Faculty, University of Labour and Social Affairs, 43 Tran Duy Hung, Trung Hoa, Cau Giay, Ha Noi, Vietnam. E-mail: xuanhoidsa@gmail.com
Orcid: https://orcid.org/0000-0001-7366-8376

² PhD Candidate in Law Science, Vietnam National University, Hanoi, University of Law, 144 Xuan Thuy, Dich Vong Ha, Cau Giay, Ha Noi, Vietnam. E-mail: trancongthin1686@gmail.com
Orcid: https://orcid.org/0000-0001-7140-5951

³ PhD Candidate in Law Science, Vietnam National University, Hanoi, University of Law, 144 Xuan Thuy, Dich Vong Ha, Cau Giay, Ha Noi, Vietnam. E-mail: nguyenvinhung85@gmail.com
Orcid: https://orcid.org/0000-0002-9750-4453
Resumo
O seguro de saúde universal é atualmente uma solução de partilha de riscos que visa fornecer cobertura de cuidados de saúde a todos os cidadãos do Vietname. Contudo, no contexto actual, os custos dos cuidados de saúde estão a aumentar, especialmente os custos do tratamento de doenças. O seguro de saúde universal está a tornar-se cada vez mais um importante instrumento de apoio que ajuda a partilhar os riscos financeiros das pessoas e a proteger a sua saúde. Portanto, o artigo estuda a importância do seguro saúde universal no sistema social de saúde no Vietnã, seus impactos diretos sobre os pacientes e a situação atual, desafios e algumas recomendações para melhorar o desenvolvimento do seguro social de saúde em direção ao objetivo da saúde universal. cobertura no Vietnã.


Introduction

It can be seen that universal health insurance is a policy that is very suitable for the circumstances and conditions of all classes of people in Vietnam. When a citizen is ill in Vietnam, he/she presents his/her health insurance card, which is obtained by paying a certain amount of money. The cost of medical services is paid by the health insurance system directly. In addition, universal health insurance also helps reduce the burden on families in paying health care costs, creating more favorable conditions for people to access high-quality medical services in the near future.

“Vietnam is a country with fast economic development” (Nhung, D. H et al., 2023). Therefore, the people's healthcare system needs to be secured along with economic development. Universal health insurance is an integral part of the social health care system of the country. Universal health insurance increases people's access to quality medical services, thereby helping to improve the quality of social health care. Universal health insurance also contributes to reducing disease, increasing life expectancy and quality of life. Accessing timely and quality medical services can help people prevent and treat diseases more effectively. This can help to reduce morbidity and mortality rates, as well as increase life expectancy and quality of life. Universal health insurance also supports socio-economic development; it helps to create conditions for people to have good health, confidence in life, and contributes to the economic development process of socio-economic.
Therefore, universal health insurance plays a vital role in sharing financial risks and
enhancing access to health services, greatly contributing to the socio-economic development
of Vietnam. This research provides an overview of health insurance, universal health
insurance in Vietnam in terms of theory, legal practice, achievements, and challenges. And, it
is very necessary and essential to provide solutions to improve the law.

Methodology

The authors have used traditional research methods of the social sciences and legal
sciences, such as legal analysis, legal efficiency evaluation, and legal comparative.

Results & Discussion

3.1 Perspectives on Universal Health Insurance in Vietnam

Social health insurance: In Vietnam, health insurance can be organized in many forms
such as state insurance, private insurance, and voluntary insurance. The health insurance
structure is built on the foundation of tax collection, fee collection, and contributions from
people, businesses, and the Government. Health insurance can take the form of social health
insurance (SHI) and private health insurance (PHI). In the scope of this article, health
insurance is considered as a form of social insurance (SHI) (Peter Zweifel, 2007). In this,
an insurance organization (usually managed by the State) collects contributions from the insured
to create a general fund. The organization uses this fund to pay for the medical expenses of
participants. Social health insurance (SHI) is a form of health care funding and management
based on risk aggregation. Social health insurance covers both people's health risks and the
contributions of individuals, households, businesses, and the Government. Thus, it protects
people from financial and health burdens and it is a relatively equitable method of financing
health care (World Health Organization, 2023_1). According to the World Health
Organization, “Social health insurance (SHI) is one of the possible organizational mechanisms
for raising and pooling funds to finance health services, along with tax-financing, private
health insurance, community insurance, and others” (World Health Organization, 2023_2).

Health insurance operates on the principle of risk collectivization; that is, the insurance
organization collects contributions from participants and creates a common fund, which is
used to pay for the medical expenses of participants. Thus, health insurance system helps
people not to be responsible for paying all medical expenses in case of force majeure, and at the same time provides them with peace of mind about the cost of their health care. Levels of assistance health insurance plans often have different levels of assistance depending on the participants’ needs, including insurance plans, contributions, and levels of assistance with medical expenses (Saltman, R. B., 2011). The more participants contribute, the more benefits they would receive from the health insurance system in paying for their medical expenses.

3.1.1 National Health Coverage

National Health Coverage (NHC), also known as National Health Insurance (NHI), is the national coverage of Universal Health Coverage (UHC). It is a concept in the field of health insurance, in which each member of a society participates in health insurance in order to access quality health services without being hindered by financial constraints. Universal health coverage means that everyone has access to the full range of quality health services they need, at the right time and place, without financial hardship on a global scale. In some countries, the majority of health care costs are covered by the State (Angela M. Downey et al., 2007). It covers the full range of essential health services continuum, from health promotion to prevention, treatment, rehabilitation, and palliative care (World Health Organization, 2023_3). Universal health coverage is seen as an important step towards equity in health care spending; it improves health coverage outcomes and reduces the proportion of people living in poverty due to health costs within the country on a global scale.

3.2 Policies for Developing Universal Health Coverage in Vietnam

3.2.1 The process of formation and development of health insurance and universal health coverage in Vietnam

To achieve the goal of NHC, many countries around the world adopt UHC, and many international organizations are interested in it. Vietnam is considered as a country with many actions, results, and progress in the implementation of NHC, UHC (Somanathan Aparnaa et al., 2014). This has made Vietnam’s health insurance develop and mature to date (Vietnam Social Insurance, 2023_1).
In the 1980s, Vietnam began to implement the health insurance policy, though it was in its infancy. Gradually, this policy was perfected and applied more widely. The health insurance card is the link between participants, the medical facility, and the fund management agency. It has undergone many changes to accommodate an ever-improving health insurance policy.

Previously, in the 1980s, providing medical care for people and workers at health facilities was very hard due to lack of funding. Medical costs are increasing due to the application of advanced medical technologies and the use of expensive equipment. Although the State invests heavily in health care, the budget only meets 50-54% of the actual cost needs. To solve this problem, some localities raise funds/donations from people to have more financial resources for medical care. These changes have helped improve the quality and access to health services for people.

Policies to develop universal health insurance coverage in Vietnam were issued right after the State implemented the pilot model of health insurance in the late 1990s. Based on the pilot results, Decree No. 299, the Government's Council for Health Insurance issued the Health Insurance Charter. This marked an important turning point in the development of universal health insurance in Vietnam (Nguyen, V.T et al., 2008). After that, a system of health insurance organizations was formed from the central to local levels, under the management of Vietnam health insurance. In 2002, the Government decided to convert Vietnamese health insurance to Vietnamese social insurance. After 2003, health insurance coverage increased rapidly and the proportion of the population participating in health insurance also increased from 58.3% (in 2009) to 66.8% (in 2012) and 89.3% (in 2019).

From 2017, Vietnam Social Security started to collect information on households participating in Health Insurance and issued identification numbers to each citizen. This code is unique and does not change throughout the life of the people. This is considered an important policy to improve management efficiency and support people in using health insurance services (Nguyen, H., Tran et al., 2018). The issue of this code helps to eliminate duplicate health insurance cards and improve health insurance medical examination and treatment.

From 2019, the health insurance card no longer has an expiration date, but only the date of participation. People can use the long-term health insurance card, and the card value is updated on the database. This helps to reduce administrative procedures, reduce printing, and card replacement costs.
In April 2019, Vietnam Social Insurance launched the service of Message Service to notify and look up the process of payment, entitlement, and settlement of social insurance, health insurance, and unemployment insurance records via Call Center 8079. This is one of the policies to help people and employees to be more proactive in capturing and updating information on the process of participating in and benefiting from the policies (Vietnam Social Insurance, 2019).

3.2.2 Policies for developing universal health insurance in Vietnam

Expanding health insurance coverage: In the development of health insurance in Vietnam, expanding health insurance coverage is one of the important goals to ensure that all people have access to quality health services and health insurance payments. According to Resolution 32/NQ-QH15 in 2021 on the socio-economic development plan in 2022, the health insurance coverage rate will reach 92% (National Assembly, 2021). This is considered an important step for improving health insurance coverage, ensuring the health benefits of the people and reducing the financial burden on households when paying for medical expenses. In addition, it also helps to make health insurance accessible to the poor (Nguyen Thi Y, 2020).

Health insurance in Vietnam is governed by a relatively complete and synchronous system of legal documents. The main ones are the Law on Health Insurance in 2008 and the Law on Health Insurance Amended and Supplemented in 2008 and 2014. Accordingly, health insurance is a form of compulsory insurance that is applied to the subjects as prescribed by the Law for health care. It is not for profit, and it is organized by the State (National Assembly, 2008). Accordingly, Article 4 of the Law on Health Insurance 2008, revised in 2014 provides for the State's policies on health insurance as follows: The State pays or supports health insurance premiums for people with meritorious services revolution and some social target groups; The State has preferential policies for investment activities from the health insurance fund to preserve and grow the fund. The fund's revenues and profits from investment activities from the health insurance fund are exempt from tax; The State creates conditions for organizations and individuals to participate in health insurance or to pay health insurance premiums for groups of subjects; The State encourages investment in the development of advanced technology and technical means in health insurance management. These are regulations that allow health insurance coverage to be expanded towards universal health insurance coverage. Accordingly, the subjects participating in health insurance specified in Article 12 include groups of employees and employers, groups paid by social insurance, and
groups paid by the state budget. The state policy supports the level of contribution and the groups participating in health insurance based on household composition.

3.2.3 Improving the quality of health services:

The policy of "improving the quality of health services" is one of the important goals of a country's health system. Some important measures that can be taken to improve the quality of health services include: 1, Strengthening diagnostic and treatment capacity: Health facilities increase investment in advanced medical technology and training of medical staff to improve diagnosis and treatment. 2, Improving the knowledge and skills of doctors, nurses, and other health care workers to increase accuracy and efficiency in the diagnosis and treatment of diseases. 3, Ensuring patients’ safety.

As a result of implementing this policy, the health sector has exceeded the set target. Specifically, the health sector is assigned three key indicators in the main targets of the Socio-Economic Development Plan 2022 according to Resolution No. 32/2021/QH15 dated November 12, 2021, of the National Assembly, Resolution No. 01/NQ-CP dated January 8, 2022, of the Government. The target number of doctors/10,000 people reached 9.4 doctors; 11.5 doctors were achieved, exceeding the assigned target; the target number of hospital beds/10,000 people reached 29.5 beds; 31 beds were achieved, exceeding the assigned target; the health insurance participation rate reached 92% of the population; 92.03% of the population was achieved, exceeding the assigned target (Government Newspaper, 2022).

Based on the above measures and programs, the policy of "improving the quality of health services" in Vietnam is being implemented and continuously improved to meet the needs of medical care and improve the quality of people's lives.

3.2.4 Restructuring the health insurance system:

Reforming the structure of Vietnam's health insurance is an important policy that has been implemented to improve and enhance the quality of health care services for the people of Vietnam. This policy aims to make it easier for people to access quality health care and to protect people from the financial risks of illness. This policy encourages the promotion of both resources and technological progress in the health sector, in order to meet the growing needs of the population. One of the important features of this policy is the creation of a social health insurance system that covers the entire population. The inclusion of the entire population into
the health insurance system will help ensure that everyone can access needed health services and receive the medical care they need. The policy also focuses on improving the quality of health services internationally.

The results of this policy are reflected in a number of contents such as: The system of policies and laws on social insurance, and health insurance has been and continues to be perfected in a manner suitable to the economic development situation in the society; the payment of health insurance regimes and policies must comply with the provisions of the law; the quality of health insurance services is improving, people's satisfaction with health insurance is increasing, administrative procedures have been improved, reducing troubles for people (Vietnam Social Insurance, 2023_2). The whole Vietnamese social insurance industry has implemented and succeeded in many fields such as: Vietnam Social Insurance is the first unit to successfully connect with the national database of the population to share, cooperate, collect, and authenticate citizen information between the national database on insurance and the national database on population; Implement integration of online public service portal. As of May 9, 2023, the system of Vietnam Social Insurance received and extended 1,248 health insurance cards made through this public service; Deployed a biometric technology application in Quang Binh, Hanoi, and continuing in many localities; Deployed an electronic health book, sharing data on VneID application; Complete digitization of all results of settlement of administrative procedures for health insurance (Vietnam Social Insurance, 2023_3).

3.3 Some Challenges to the Goal of Universal Health Insurance Coverage

3.3.1 Limited quality of medical services in the health insurance system

Although the restructuring policy of health insurance has introduced measures to improve service quality, there are some issues that need to be addressed.

One of the main limitations is the disparity in the quality of health services across regions. While a number of developed urban areas have standard health systems that meet the needs of the people, in rural, mountainous, and remote areas, the quality of health services is still poor. This problem causes injustice and difficulty in accessing quality health services for people living in these disadvantaged areas.

Along with that, some hospitals and medical facilities still lack modern and safe equipment, affecting the quality of diagnosis and treatment. Moreover, even health human
resources need to be trained and improved to meet the increasing requirements of the health sector.

Another issue is the quality awareness of healthcare providers, including doctors, nurses, and medical staff. Sometimes, the carelessness, lack of quality, or unscrupulous attitude of some medical staff can cause problems with safety and quality of service for patients.

In summary, although there have been significant improvements in the quality of health services in the Vietnamese health insurance system, continued efforts are needed to overcome current limitations and to ensure that everyone enjoys a quality, equitable, and effective health service.

### 3.3.2 Difficulties in managing, monitoring, and evaluating the effectiveness of health insurance

Lack of accurate information and data: This can make it difficult to accurately assess and apply appropriate management measures. Besides, the difference in performance evaluation standards is also an issue. Each party may have its own goals and standards, making it difficult to evaluate and compare the effectiveness of systems. In addition, the issue of measuring the effectiveness of health insurance requires considering a variety of factors, including the definition of indicators, the right target evaluation criteria, and their precise calculation. This poses a challenge in choosing the right measurement and data collection methods to evaluate effectiveness.

### 3.3.3 Reliance on the state budget and health insurance revenue poor and low

The health insurance policy depends greatly on the country’s budget, as it is one of the social security policies. In this respect, there are several budget-related challenges of health insurance.

To build and maintain health insurance programs, financial resources are an important factor. The state budget often acts as the main donor in providing funds to support the operation of the health insurance system. Dependence on financial resources from the state budget can create pressure on affordability, affecting the scope and quality of support policies implemented. In addition, the dependence on the state budget for policies to support health insurance also poses challenges on how to prioritize and allocate resources. In the allocation
of a limited fund, various factors must be considered, such as need, cost-effectiveness of interventions, and equity in access to health care services. The decision-making process and transparency in resource allocation are critical to ensuring fair and efficient use of the state budget.

3.4 Recommendations

“In the context of judicial reform in Vietnam, the issue of complete law system has always been paid special attention by the Party and Vietnam State” (Hung, N. V, et al., 2022). In particular, the improvement of the health insurance legal system plays a very important role in the sustainable development of Vietnamese society. If assessed objectively, the current legal system on health insurance is relatively complete and synchronous to serve the goal of universal health insurance coverage. However, the current coverage rate in Vietnam is not 100%. In order to continue to improve the coverage rate for 100% of the people to have health insurance, and access and receive medical care at the lowest cost, the legal system as well as the law enforcement agencies should pay attention to some of the following recommendations.

**Firstly, increase the revenue of health insurance:**

The goal of expanding health insurance coverage is not an easy task. There are many challenges to be faced and specific measures are needed to ensure the effectiveness of the expansion process. To do that, it is necessary to increase the revenue of health insurance. It is possible to note the solution to strengthen the implementation of anti-collection and recovery of arrears of health insurance. Social insurance agencies need to direct their affiliated units to implement many measures to implement collection as follows: Close contact with local authorities to inspect and inspect fixed units, evading health insurance for employees; coordinating with the Confederation of Labor to initiate lawsuits against the debt units that are protracted to Court; disclosing the list of debtors in the mass media and suggest not to honor or reward these units; implementing radical administrative reform to create the most favorable environment for employers participating in health insurance. At the same time, it is necessary to strengthen the management of collection and handling of outstanding debts as follows: Assign a number of full-time officers to regularly check, review and promote units and enterprises to fully and timely make deductions and payments, as prescribed by the law; regularly coordinate with the Labor Confederation to supervise the implementation of the Labor Code in 2019, the Law on Health Insurance 2008 (amended and supplemented in 2014),
as well as enhance information exchange and provision documents for filing lawsuits in Court for violations of the law on health insurance.

**Secondly, continue to expand health insurance coverage:**

The coverage of health insurance coverage should be expanded to ensure that everyone has the opportunity to access health insurance, thereby realizing the goal of universal health insurance coverage. To do that, the State can consider the following solutions:

- Increase awareness and education for people about the benefits of participating in health insurance. Many people still lack adequate information about how health insurance works and its benefits.
- Measures should be taken to encourage people to register for health insurance, especially the poor and rural populations. This may include providing appropriate subsidies, financial assistance, and pricing to motivate people to take up health insurance. It is possible to consider encouraging organizations and individuals to carry out voluntary, volunteering and supporting activities by paying health insurance premiums for those who need support in addition to other material or spiritual support. This method can be called a combination of health insurance and social assistance measures; it is also one of the pillars of social security.
- There should be cooperation between authorities at all levels and relevant partners, including the Government, civil society organizations, insurance companies, and other stakeholders to ensure the expansion of health insurance coverage is successful.

**Thirdly, improve the quality of medical services in the health insurance system:**

Health insurance is usually applied when people receive treatment at medical examination and treatment facilities at lower levels than the central medical examination and treatment facility. Therefore, to continue to have universal health insurance coverage, it is necessary to continue to improve health infrastructure and health services in rural and remote areas to ensure that people can easily access medical services. This includes investing in the construction and upgrading of health facilities, and training schools, and attracting doctors, nurses, and other health workers to rural health services. Besides, there should be policies to encourage health workers at local levels and in rural, remote, and isolated areas.

Patients’ information should be managed with technology. Each patient only needs to have a medical examination and treatment book that is managed online and uniformly throughout the country, regardless of whether they go to any medical facility. This can help
to monitor people's health, and at the same time prevent taking advantage of insurance benefits.

**Fourthly, strengthening propaganda and education to raise people's awareness:**

Propaganda, education, and awareness creation about health insurance have been done continuously in Vietnam. However, towards the goal of universal health insurance coverage, it is necessary to continue to strengthen propaganda and education as important methods to raise people's awareness about health insurance participation. Propaganda plays an important role in informing people about the benefits of participating in health insurance. Possible measures that can be taken include the use of flyers, and other media, to explain the benefits of health insurance and how it works. Propaganda messages should focus on explaining the benefits of health insurance, how to apply and contribute, as well as how to access medical services, and receive insurance in the event of an accident, or illness.

**Fifthly, strictly implement the supervision, inspection, and evaluation of the effectiveness of health insurance:**

Strict implementation of monitoring, testing, and evaluation of health insurance effectiveness is one way to ensure the efficiency and fairness of the health insurance system. The following solutions can be considered:

- Create a close monitoring mechanism between state agencies, health insurance, medical examination, and treatment facilities, and even the people for health insurance revenue and expenditure.
- The legal system should create openness and transparency for detailed regulations on service provision, payment, and health insurance. This rule must ensure fairness and ensure that a patient receives the best benefits from the health plan.
- Periodically or unexpectedly perform health insurance performance audits and evaluations to ensure that they operate efficiently and provide high-quality services. Evaluation criteria may include payment rate, claim denial rate, and quality of service.
- Create a coordination mechanism between the supervisory organization and other stakeholders, including insurance companies, medical facilities, and users. Parties need to work together to solve problems and improve the health insurance system.
Conclusion

Universal health insurance is a system of policy that brings practical value to Vietnam. This is a system of viewpoints, guidelines, and measures to implement the policy of universal health insurance coverage. However, the current legal system still has some limitations, which have caused difficulties and complications in the implementation process. Therefore, providing recommendations to the difficulties in the implementation of universal health insurance coverage is very necessary, important, and suitable for the current situation.

References


NATIONAL ASSEMBLY. Resolution No. 32/2021/QH15 dated November 12, 2021.


Social health insurance development to get universal health coverage in Vietnam: situation, challenges an recommendations


VIETNAM SOCIAL INSURANCE MAGAZINE (2020). The rate of people participating in health insurance reached 89.3%. Access source: https://tapchibaohiemxahoi.vn , accessed date: July 18, 2023.


Submetido em: 01.09.2023
Aceito em: 02.10.2023