



Assessing the Impact of Thailand's Healthcare System on the Affordability and Accessibility of Prescription Drugs

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INTRODUCTION

Thailand is a Southeast Asian country that is widely regarded as having one of the best implementations of universal healthcare—especially for a developing country. In fact, Thailand ranks sixth in the world as one of the most popular destinations for medical tourism. In a study analyzing top-performing countries for access to healthcare, Thailand was ranked only 0.6 levels lower than the US, on a scale that ranked the countries' healthcare access performance from 1 to 10; South Korea's healthcare system accessibility performed worse than Thailand's, at 7.5 in comparison to Thailand's 7.7 (*The Economist*, 2017). These results show that, despite Thailand's status as a developing country, its healthcare system performs intriguingly well in comparison to other countries of greater income levels and industrialized status.

This project examines Thailand's systems for medical treatment and accessibility, specifically access to patented prescription drugs, which are newly invented drugs that are under monopoly by a specific company. The research focuses around the question: **How does Thailand's healthcare system impact the affordability and accessibility of prescription drugs sold to its citizens?**

THE THREE BRANCHES OF THAI HEALTHCARE

Universal Coverage Scheme	Social Health Insurance System	Civil Servant Medical Scheme
Self-employed people fall within the population that use this policy, and all hospital services are provided for free. However, only certain drugs are available under this policy, usually generics. Patented/more expensive drugs are not available.	Private-sector employees fall under this scheme. Similarly to the 30 Baht policy, only essential drugs are available. There is a coverage fee to the insurance provider, under the user's employer.	Government employees and richer citizens fall under this component. They usually visit private hospitals and can pay for more expensive drugs that are not available on the essential drugs list.

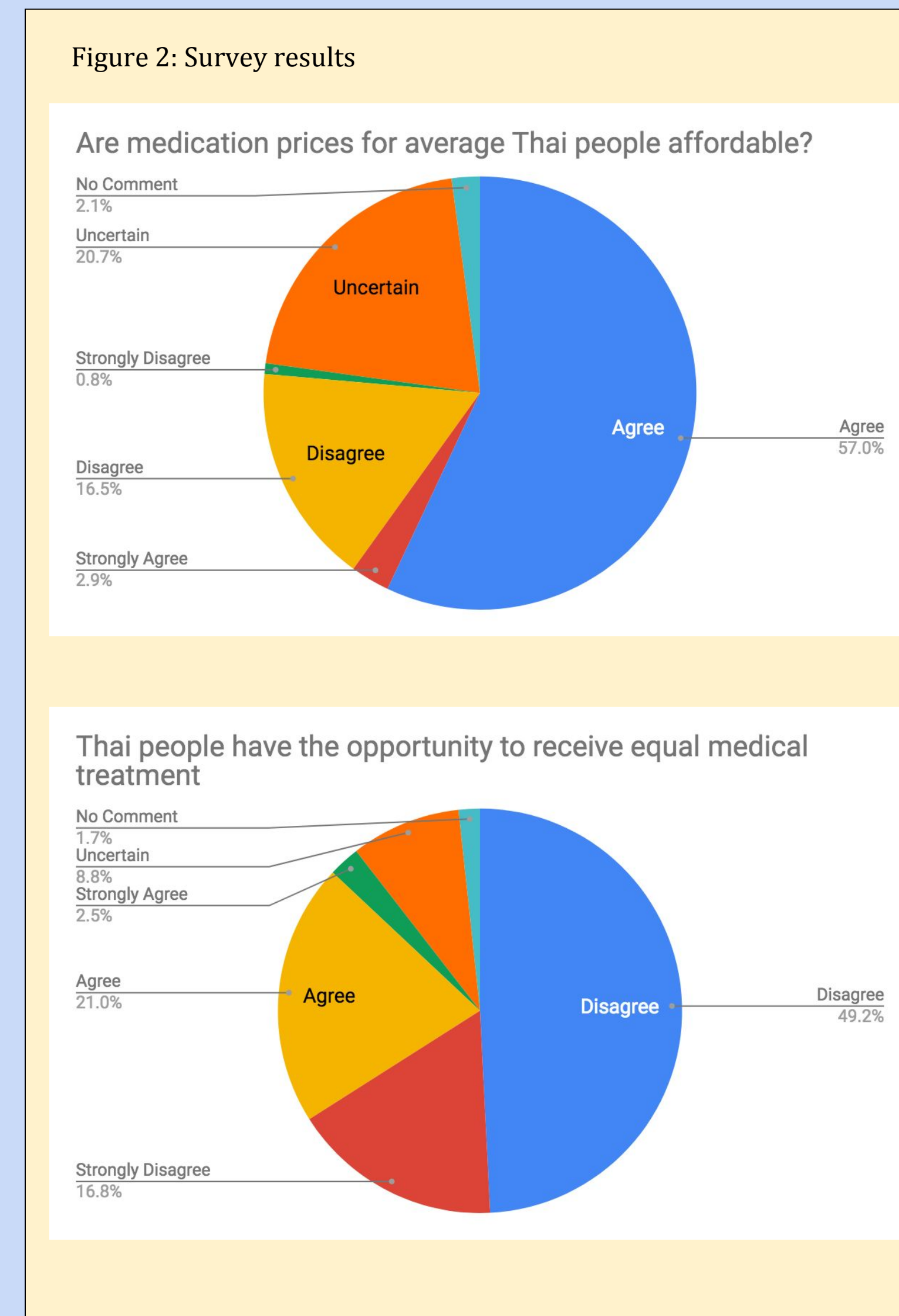
A BRIEF LOOK AT THE THAI HEALTHCARE SYSTEM

Insurance scheme	Population coverage	Financing source	Mode of provider payment	Access to service	
Civil Servant Medical Benefit Scheme	Government employees plus dependants (parents, spouse and up to two children age <20 years)	9%	General tax, noncontributory scheme	Fee for service, direct disbursement to mostly public providers and DRG for inpatient care	Free choice of public providers, no registration required
Social Health Insurance	Private-sector employees, excluding dependants	16%	Tripartite contribution, equally shared by employer, employee and the government	Inclusive capitation for outpatient and inpatient services plus additional adjusted payments for accident and emergency and high-cost care, utilization percentile and high-risk adjustment	Registered public and private competing contractors
Universal Coverage Scheme	The rest of the population not covered by SHI and CSMBMS	75%	General tax	Capitation for outpatients and global budget plus DRG for inpatients plus additional payments for accident and emergency and high-cost care	Registered contractor provider, notably district health system
Private health insurance	Additional health insurance scheme for those who can afford premiums	2.2% (additional insurance)	Health insurance premiums paid by individuals or households	Retrospective reimbursement	Free choice of health-care providers, either public or private

Table 1: This report from a WHO study addresses the coverage schemes of healthcare in Thailand. As demonstrated in the diagram, most of the population in Thailand (75%) falls under the Universal Coverage Scheme; few Thais can afford private health insurance.

SURVEY ANALYSIS

The survey was sent to family members and connections I have in Thailand, and then disseminated to their own connections. This survey lends a more personal insight to my research, as well as provides an inside look at how Thais view their healthcare system. Including outside information and research in my project is critical in understanding Thailand's system, but the survey also allows me to better understand the point of view from the Thais themselves.



Survey Takeaway: A total of 239 responses were gathered, with 53.3% responders in the Thai middle-income bracket, 18.4% in the lower-income bracket, and 26.7% of responders in the upper-income bracket.

Responses to the survey show that a majority of the Thai surveyees believe that medication prices for the average Thai person are affordable. Almost 60% of surveyees believed that prices were affordable. However, in terms of equal medical treatment, results were less favorable. Almost 50% of surveyees disagreed that medical treatment in Thailand was equal, and 16.8% of surveyees voted for "strongly disagree."

Overall, survey results show that Thais likely feel that medication prices are affordable, but healthcare overall is not equal among social classes.

RESULTING IMPACTS

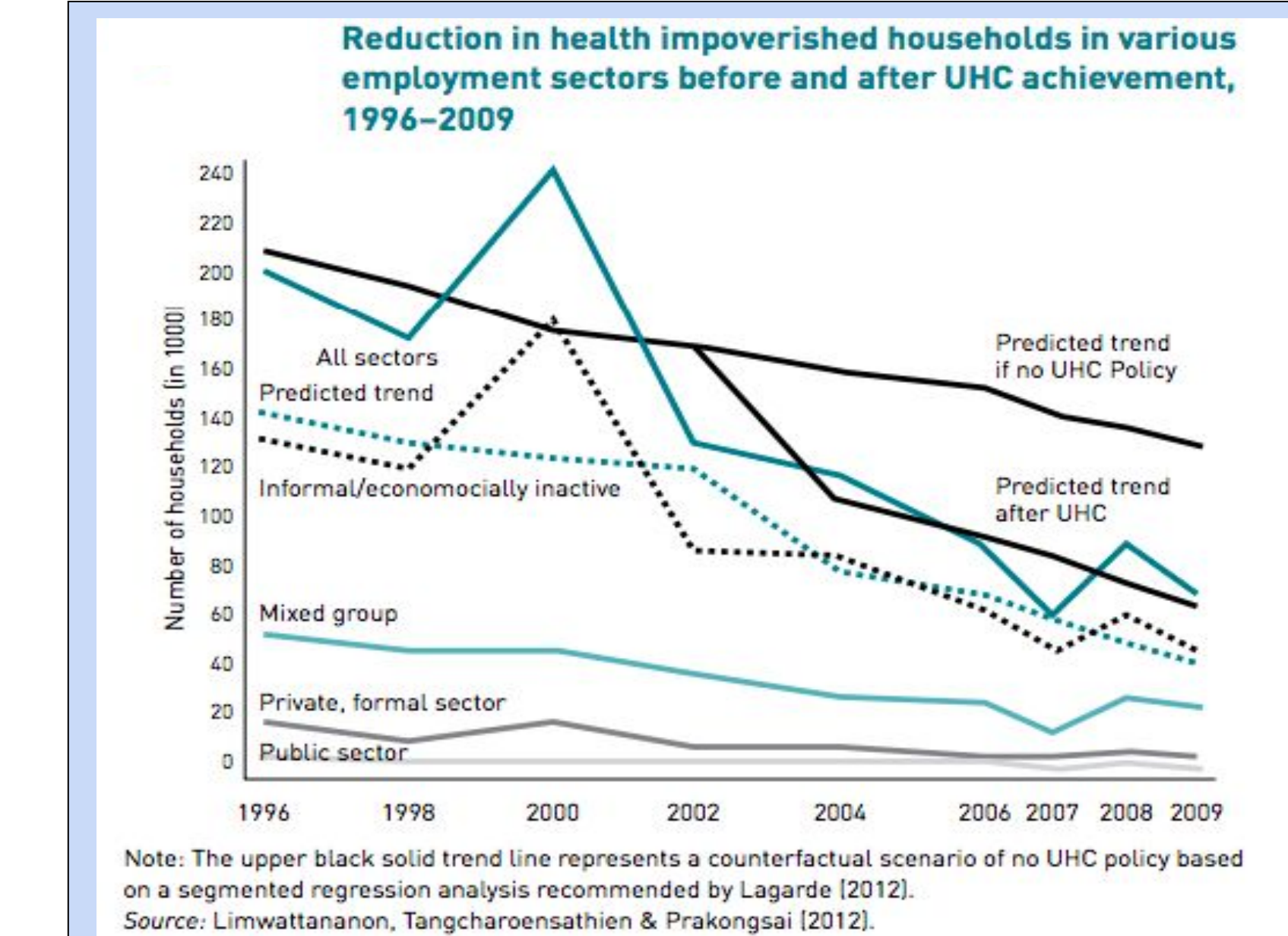


Figure 3: This study from the WHO found that after the creation of the Universal Health Coverage scheme in Thailand, there was a reduction in the number of households impoverished by healthcare costs. The number has fallen from 240 in 2000 to around 70 households in 2009.

How do the branches of the Thai system affect access to healthcare?

Around 75% of Thais are covered by the UCS. Given that 80% of UCS members receive free services, this scheme provides affordable care for its members, who tend to rank lower in income than beneficiaries of the other schemes. As a result, the Thai system's branches provide relatively fair accessibility to healthcare, regardless of income level.

How are foreign medications / patented drugs implemented within Thailand?

According to the Doha Declaration, signed in 2001 by the Trade Ministers of the World Trade Organization, countries have the right to limit "intellectual property rights" (or patents) for public health reasons. In other words, countries in need of access to critical medicines, such as Thailand, could produce generic versions of patented drugs in order to help treat diseases or illnesses that they would otherwise not be able to afford. This declaration has been implemented by Thailand in order to produce seven generic versions of various patented drugs, including antiretroviral drugs, cancer drugs, leukemia drugs, and more (Wibulpolprasert, 2011). Previously, these drugs had not been included on Thailand's list of essential medicines (medication included in its insurance schemes) due to the price.

Quality of care:

The medication available to the Thai public differs based on what they can afford—similarly to many countries elsewhere. The richest Thais fall under the CSMBMS. According to data collected by the WHO, 50% of the Thais within the Universal Coverage Scheme are among the poor/poorest quintiles within the population, while 52% of CSMBMS Thais fall within the richest quintile (Jongudomsuk, 2015). This means that, if they desire, CSMBMS members can be treated with medicine outside of the NLEM. As a result, the CSMBMS members, or other Thais with private insurance, can be treated with medication that is not otherwise available to the public. This inequity in access to certain medications shows that, while healthcare may be accessible to a large portion of the Thai population, the quality of the care provided is not equal.

FINAL THOUGHTS

Thailand's healthcare system performs well at providing affordable healthcare services and medication, especially to the poor. However, the system is still flawed in its equity of services provided, as wealthier individuals have access to more expensive medication not covered by the universal coverage insurance plan. Nevertheless, the changes Thailand has wrought in its healthcare system since 2001 have proven to be overall beneficial for Thais.

ACKNOWLEDGEMENTS / REFERENCES

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Figure 1: This study by The Economist investigated 60 countries and ranked their healthcare systems in terms of accessibility. As seen above, Thailand scored a 7.7 out of 10.