



# The Healthcare system in Thailand – an overview

by Theresa Maurer

Many of us might know Thailand as a dream holiday destination – white beaches, palm trees, cheap food, friendly people ... but did you also know that Thailand already in the year 2002 due to a healthcare reform was doing very well in terms of universal health coverage (UHC) compared to other low- and middle-income countries (LMICs)? Furthermore, Thailand's healthcare system is sometimes even considered to be one of the best ones in the world (Bangkok Post, 2019). The following blog article will briefly shed light on different pillars and particularities of Thailand's healthcare system that might contribute to its worldwide success.

Thailand is a country located in central South-East Asia with a population of almost 70 million inhabitants. Due to remarkable progress in social and economic development, Thailand is classified by the World Bank as an upper middle-income country (The World Bank, 2021). Life expectancy of females and males has risen to 77 and 70, respectively, and similar to developed countries, the main causes of deaths are non-communicable diseases (WHO, 2015). However, also a burden of infectious diseases exists in Thailand, also known as the so-called 'double burden of disease', a typical pattern in LMICs. Especially since the 2000s, Thailand's healthcare system has been characterized by major reforms.

## Governance

Health and medical care in Thailand are overseen by the Ministry of Public Health (MOPH) – the national health authority. Its role has changed throughout the last years due to the establishment of several autonomous agencies such as the Health Systems Research Institute, the Thai Health Promotion Foundation, the National Health Security Office, and the National Health Commission Office (NHCO). These agencies took over some of the initial responsibilities of the MOPH. Hence, Thailand has quite an interdependent governing structure, in which even non-state actors and civil society play an increasing role. Health system governance in Thailand is also characterized by a huge degree of decentralization: health management, as well as financial and regulatory power are transferred to the Provincial Health Office (PHO) and to all public hospitals under the MOPH (WHO, 2015).

## Financing

Total health expenditure as a percentage of GDP is around 4.5% (WHO, 2015). As a comparison, in OECD countries, around 10 to 11% of GDP are spent on healthcare (Papanicolas et al., 2018).

The year 2002 marks an important and internationally outstanding milestone: Thailand implemented a Universal Health Coverage scheme, leading to the whole country's population being covered by health insurance. Since then, health insurance in Thailand consists of three public coverage schemes. Civil servants and their dependents are covered by the Civil Servant Medical Benefit Scheme (CSMBS). Private-sector employees are covered by the Social Health Insurance (SHI) scheme. The remaining



part of the population is insured via the Universal Coverage Scheme (UCS). Different provider payment mechanisms are applied by the different public purchasers.

Regarding the source of funds, both the CSMBS and the UCS are financed by general taxes. The SHI scheme is financed by social health insurance contributions. Moreover, private insurance premiums and direct out-of-pocket (OOP) payments contribute to health system financing in Thailand. The introduction of the UCS in 2002 led to quite a big decrease in OOP payments in the following decade. This means an important step towards financial risk protection (WHO, 2015).

Total health spending in Thailand is dominated by spending on curative care (70% in 2002, 65% in 2012). Compared to that, the percentage of health expenditures spent on preventative services is quite small (12% in 2002), and even further decreased to 6% in 2012. One interesting attempt to increase spending on health promotion is the introduction of an earmarked sin tax of 2% on tobacco and alcohol. This tax revenue is used for several campaigns dealing with healthy risk behavior (WHO, 2015).

### **Service Delivery**

Health promotion and preventive healthcare services for the whole Thai population lie within the responsibility of the Universal Coverage Scheme. Primary health care, at least under the UCS, is delivered through so-called contracting units for primary care (CUPs), which are usually organized as networks between health centers and hospitals. Specialized healthcare services are delivered by hospitals and to be able to access them, patients have to follow a referral system. Thailand's hospital system consists of different geographical levels: Health centers at the sub-district level cover a population of around 5,000 people, at the district level, usually one hospital covering a population of 50,000 people is found, and each province has a general hospital covering 600,000 people. The highest level of hospital care consists of the 11 medical school centers. Public providers dominate the provision of hospital care. Another interesting feature with regard to healthcare service delivery in Thailand is that the country fully recognizes Thai traditional medicine (TTM) and other complementary and alternative medicine. Areas in which Thailand is still facing difficulties regarding (equitable) delivery are rehabilitative care, dental care, and long-term care (which is traditionally and culturally seen as a family responsibility) (WHO, 2015).

### **Particularities & Performance**

Here, I would like to highlight some additional features of the Thai healthcare system that I came across during my research. Rather unconventional is Thailand's approach concerning emergency care, more specifically first responders. Many of the first responders are trained volunteers. Ambulances with professional staff are only sent if necessary (Calederon, 2014).

Having legalized the use of medical cannabis in December 2018, Thailand is the first South-East Asian country to allow the use of cannabis for medical purposes (Olarn & Goldschmidt, 2018), which in my opinion is another particular aspect. Furthermore, did you also know that Thailand is one of the world's leading destinations for medical tourism? Especially, many patients come to Thailand for sex reassignment and cosmetic surgeries (Chokrungravanont et al., 2014).



When it comes to the performance of Thailand's healthcare system, two interesting areas to look at are financial protection and health outcomes. Especially regarding financial risk protection, Thailand is doing very well, which can largely be attributed to the introduction of the Universal Coverage Scheme in 2002. Healthcare financing in Thailand is progressive, meaning that the rich contribute disproportionately more than the poor, and the number of households impoverished by health payment went down significantly in the last 20 years. In terms of health outcomes, Thailand is outperforming many other LMICs in the area of maternal and child health. However, when it comes to adult health, Thailand is not performing better than other LMICs, but even worse than some (WHO, 2015).

Outstanding is in my opinion also that according to John Hopkins University's Global Health Security Index, Thailand ranks 5<sup>th</sup> best in the world when it comes to health security in 2021 (Royal Thai Embassy Washington D.C., n.d.). The index basically assesses the quality of the public health sector on dimensions such as laboratory supply chains or infection control practices. (By the way, Germany is ranked 8<sup>th</sup> best!)

### **Summary and current challenges**

To sum up, it is definitely worth having a look at Thailand's healthcare system and the achievements that have been made during the last decades, especially with regard to Universal Health Coverage. However, some challenges for the Thai healthcare system remain: Thailand so far fails to organize affordable institutionalized long-term care, which due to the current demographic transition will obviously be needed in the near future. Other challenges for Thailand's healthcare system lie within the areas of mental healthcare, rehabilitation services and palliative care. Nevertheless, there are still many aspects where other LMICs, but even HICs could learn from Thailand.

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