

Islamic Republic of Iran Health System Financing: Weak and Strength Points with a Qualitative Attitude

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Abstract: Regarding the importance of Health Financing system and since there are different studies with compliance attitude for submission a suitable pattern for any financial supply, it seems that there is an open space of betterment and change in this field. This study intends to collect and classify all views of specialists in the field of weak and strength points of State's Health Financing System with a new attitude and on a qualitative approach. This was a qualitative research applying 5-step framework analysis and thematic analysis in 2011. 15 managers and specialists selected through a purposive sampling with maximum variance, were deeply interviewed until the saturation level. Results revealed that there are five major themes out of content analysis of interviews in the field of strength points and nine major themes as the weaknesses of Health Financing system. In conclusion: It is possible to say that any pay attention to weak points of current health financing system and since most of mentioned shortages and limitations may cause a defective financial supplying system, therefore this may in itself cause a non-justice financing system as well. Any pay attention to this program may guarantee other guideline for removing the mentioned defects and changing of current system towards a justice and incremental financial system

Key words: Health Financing System • Strength • Weakness • Qualitative Research

INTRODUCTION

Any multiple progress of technology in different fields including medical technologies and increasing the expectations level of people from health systems may cause an increase in health care costs in all sections especially in hospitalization cure and recognition and para-clinical services [1]. Furthermore, any changes in life style of people and oldness of age pyramid of societies may cause an increase in chronic diseases with great costs for health system through a longer period of time. Therefore it is really necessary to have nice attention to suitable guidelines for financial supply of this system and increasing the public participation in supplying of costs without any further costs for families and even leading to distribution of dangers from rich people

towards poor ones and from health people towards sick ones [2].

Therefore, financial supply means a process through which we may collect received incomes from major and/or minor resources and then allocate them for service providers [3]. For this purpose, Bramaniam (2001) presented four methods for financing of Health System Resources as follows:

- Direct payments by consumers to the Health Services Providers
- Governmental payment to Health Services Providers on behalf of consumers
- Any payments by Obligatory Social Security Organization which may be established by the government
- Private Therapeutic Insurance

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Therefore international organizations recommend that Health System Financial Supply should be in a form in which there is a minimum financial relation between service providers and service receivers [5]. Then it is necessary to mention that even there are different methods for financial supply in health sector in different countries and people with lack of insurance may specify the real prices of care costs which is a factor of per capita, tariff and franchise in health system [6], therefore selecting any methods may have different effects on social justice and efficiency of health system [7]. Therefore it is necessary to select an efficient financing system with enough resources for public access to public health services and personal cares and with regard to different conditions of countries.

There are considerable differences among countries. For example financial resources in most countries with high level of income are supplied through taxes and social insurances and in other countries with low income it is supplied through direct payment of families. In more than half of countries with lower incomes than \$1000, direct payment share of families to Health and Therapeutic Section is more than %40 and according to the relevant studies of Iranian national health accounts, it is %30 out of public resources, %11 out of employers section and more than %50 through direct payment of families [8]. In spite of a high insurance coverage in this country from the viewpoint of resources management, insuring organizations have a basic role in collection and management of resources at Health sector. It seems that there is not any special policy for selecting any interferes in supplying method of resources and no more interferes in specifying of policies and resources [9]. As a result of a reduction in resources, there is lower quality level of services provided by insuring organizations and such a defected cycle may cause finally a little role of Insurance in Iran. Of course it is a factor for minimizing of justice participation in financial resources of health sector [10].

As a witness of this claim, the situation of people under the coverage of different insurance funds in country is in a way that about %36.9 of population are under the coverage of Social Security Organization with a similar financial supply to Bismarck system. About %39.2 of them are under the coverage of therapeutic services insurance fund which is financially supplied by Bourij system and of course %29.2 of which are rural people who are also under the coverage of Assistance Committee along with %5.2 of others. Armed forces therapeutic insurance fund with %3.2 of population has also a similar nature like therapeutic services [11]. Meanwhile direct pocket pay has a major share of payments.

Regarding what has been said about the importance of Health Financing system and since there are different studies with compliance attitude for submission a suitable pattern for any financial supply [6-10], it seems that there is an open space of betterment and change in this field. Therefore this study intends to collect and classify all views of specialists in the field of weak and strength points of State's Health Financing System with a new attitude and on a qualitative approach.

MATERIALS AND METHODS

This was a qualitative research applying framework and thematic analysis in 2011. Framework analysis is a method for obtaining some special information and submission any consequences and /or recommendations which are suitable for applicable researches [12]. On the other hand, we have thematic analysis which is a method for recognition, analysis and explaining the content of text data [13]. Both methods are used widely in relevant studies of health as well.

Research population of this study includes all managers and occupied specialists in the field of Ministry of Health and Medical Education, Social Security Organization and Therapeutic Services Insurance Organization. There is a purposive sampling with maximum variance of sampling that has highest rate of application in qualitative researches for data collection as well [14]. Therefore we interviewed with 15 managers and specializes who were occupied in three mentioned organizations with minimum 5 years of experience and with official and/or contractual employment and on the other hand who were interested in participation in interview and discussion with researchers. With such a sample volume, all data reached to data saturation rate accordingly.

The mentioned interviews were on semi-structural form and by the use of topic Guide form including some general questions for clarifying the study goals. Rather than reviewing the contents, it was used the ideas of two specialists in this field for designing of questions. In next step and through interview with three responsible specialists of Ministry of Health and Medical Education, it was possible to specify meaningful situation of question from the view of respondents along with required modifications for removing any defects.

All discussions were recorded by two electronic systems at the time of interview and in order to prevent from any probable problems accompanied with implementation of records immediately after the end of each session. In fact, all important speeches of participants were noted simultaneous with interviewing

with the person. Then all recorded items and also extracted key factors would be registered briefly in a special form. This form includes not only the primary specifications of the person subject to interview, place of interview, organizational position of him/her at organization, data and time of interview but also some non-lingual and sentimental reactions related to interview and other important information. Finally all interviewers were notified by the mentioned forms in order to use the same in their analysis process.

Time of interview sessions were pre-determined along with required coordination with persons and providing required descriptions and insurance that their confidential data would be kept completely. All people participated on voluntarily basis and with complete knowledge and after obtaining their oral agreement. In fact it was tried as much as possible to provide a calm place free from environmental disorders without any entrance/exit of referees and /or telephone rings which may bother the participants. Furthermore the considered time for each interview was averagely 50 minutes with a standard deviation of 5 minutes.

A five-step process under the title of framework analysis was used in order to have data analysis as follows:

- Familiarization
- Recognition a subject structure
- Symbolization
- Drawing the tables
- Drawing a map and interpretation

Accordingly, after familiarity with development scope and variety of subjects, all researchers managed for recognition of concepts and key subjects and also regulating a subject structure. In next step, all obtained writings resulted from brief interview forms were reviewed

according to the subject structure and then it was possible to provide a suitable subject resource. Finally by comparing the relations, concepts and contrasts and relevant ideas, it was possible to specify concerned theme by the use of common Microsoft Office Word as well. In addition and in order to prevent from any effect of reflexivity in data analysis, two researchers performed all theme analysis of the research without any work and/or employment relation with mentioned organizations and were involved directly with financial supply in health system.

Findings: According to the findings resulted from analysis of all personal interviews with managers and specialists in the fields of Ministry of Health and Medical Education, Social Security Organization and Therapeutic Services Insurance it was possible to find out major theme of weak and strength points of financing system of country (Table 1) which would be specified later on.

A-First direction: Strength points of State’s Financing System: Followings are five major themes out of content analysis of interviews in the field of strength points of Health Financing system:

Insuring Organizations with Enough Records and Experiences: Most of participants (14 persons / %93) believed that long-term activity of insuring organizations in country has caused a wide and deep experience of them. It is one of the specific strength points of Health Financing system.

Presence of Efficient Human and Physical Resources: Human resources in any organizations and structures are the most important potential facilities. Therefore all participants in this research believed that efficient and special human resources are occupied in

Table 1: Weak and Strength points of Health Financial Supply System in Iran

Weak and Strength points of Health Financial Supply System in Iran	
Strength points	Weak points
Presence of insuring organizations with enough experiences and records	Weak system of suitable information and statistics about financial resources and Health National accounts Weak system of referring and lack of formation a suitable pattern for receipt of health services in insurance system Lack of suitable growth of tariffs with price indexes for different specialties
Official wide coverage of services	Serious dependency of insuring organizations in public resources Complexity, lack of transparency and lack of care in insurance calculations
Focusing of fundamental principles of system on costs, effectiveness, equality, access and financial power	Voluntarily nature of membership in Therapeutic services organization and lack of waiting time for benefiting from services Non-efficiency of commission payment system Presence of multi-insurance systems Lack of separation of financial supply and providing of services

administrative structure of insurance system of the country which is another strength point of the system. For example: "... Experienced specialists and managers are occupied in all four basic insuring organizations with great roles in higher level of decision making and also middle and operational levels for performing of required policies.." (P10)¹.

Official Covers of Developed Services: Most of participants believe that health insurance services coverage has a suitable situation. Of course they could not reach to a final agreement according to the exact statistics about the mentioned coverage. "...About %90 of population have a therapeutic insurance coverage..." (P1). "The population coverage rate of country is about %85" (P11). "I think about %5-%15 of people have no more insurance coverage" (P7).

System Fundamental Principles and Focus on Costs-Effectiveness, Equality, Access and Financial Power: "Since our health system and also health financing system are focusing on effectiveness of primary cares, equality in public access to services and their financial power for receipt of specific services by poor people and damaged groups in both theoretical and practical forms is specifically a strength point of the system. It has great effect on all decision makings, policy makings and notifying of policies.." (p17).

Presence of Required Tendencies and Sensitivities in Decision Making Process for Solving the Problems of Damaged Groups: There are different viewpoints in this field while a group of participants believed that most decision makers and policy makers have enough sensitivity for solving the problems of damaged groups. On the other hand other group considered managerial changes as a factor for lack of performing any one of the mentioned policies. For example: "Permanent changes of managers are a fundamental problem which may prevent from applying most of policies including basic package of services for more benefits of poor people" (P1).

B-Second direction: Weak points of State's Financing system: In the scope of weak points of State's Health Financing system, there are nine major themes out of content analysis through interview with specialists as follows:

Weak System of Suitable Information and Statistics about Financial Resources and Health National Accounts: The relevant problems of statistical system either for statistic of insured people or relevant statistics about consumed financial resources and health national accounts are different weak points considered by most participants. "...It seems that any extraction of current statistics overlaps about insured people by current information systems is a difficult task" (P6). "There are not any units for integration of insured statistics and omit the overlaps" (P4). Of course there are special governmental obligations in the field of financial resources but the rate of governmental debits is not clear. The other relevant factor in this field is lack of transparency in financial currencies of health system which were discussed by most specialists. On the other hand, we have weak situation of information system for health national accounts as well. "... For example it is specific for us that out of packet payment is an important subject in our country but there is not any transparent statistics in this field. There are different resources and digits for this purpose" (P14).

Weak System of Submission and Lack of Formation a Suitable Pattern upon Receipt of Health Services in Insurance System: Most of participants in this research believed that relevant problems of referral system may cause some disorders in receipt of services and probably may add additional financial problems for health sector. "Weak referral system and direct refer of most patients to special and ultra-special centers may cause additional costs for insurance funds and [also Health Financing system]" (P4).

Lack of Suitability in Growth of Tariffs and Price Indexes in Different Specialties: The other important problem of Health Financing System is non-real tariffs and lack of their growth in compliance with price indexes. Furthermore any lack of calculation of tariffs according to the services costs and/or their cost price may cause some other problems. When the service provider feels that non-real tariff is lower than real amount it may lead to bad consequences: "Unfortunately, any non-real tariff may cause an increase in Under-table payments" (P3). "Sometimes non-real tariffs may cause an increase in demands by service providers" (P11).

¹Participant number 10

Serious Dependency of Insuring Organizations to Public Resources:

Governmental situation of insuring organizations and also their serious dependency in public resources and lack of required support for future consumers of services are the other weak points as mentioned by most participants in this research (13 persons about %86.7).

Complexity, Lack of Transparency and Lack of Care in Insurance Calculations:

“Calculation of insurance fee at Therapeutic Services Fund and others, except for Social Security Organization is based upon the per capita without special scientific principles” (P12). “Per capita is a complete changing variant without any changes from one year to another specifically when there is not a special calculating base for it” (P1). “When it is specified that income of insuring organization is based upon obtained insurance fees out of per capita, naturally such an income could not be fixed and anticipated” (P8).

Voluntarily Nature of Membership in Therapeutic Services Organization and Lack of Waiting Time for Benefiting from Services:

Voluntarily nature of membership at Therapeutic Services Insurance Organization and competency for benefiting from its advantages upon membership (insurance), of course except for self-insured persons has caused an aggressive selection of people (insured persons) and increasing the costs and also integration of costs in total groups.

On the other hand, selection power of governmental organizations for providing of any types of insurance through membership at Therapeutic Services Insurance Organization and/or other resources may limit any integration of dangers and also estimation of benefits for membership in Therapeutic Services Insurance Organization.

Therefore one of the participants focused that:” There is not any obligatory membership mechanism for rural insurance and it may cause lack of %100 rural insurance coverage and further loss of the insuring organization” (P12).

Non-Efficiency Payment System of Commission:

Commission payment system for services suppliers through Social Security Organization and Therapeutic Services Insurance Organization may cause a non-efficiency, increase of costs and supplying of non-necessary services. Meanwhile payment condition will have great effects on therapeutic decision makings for suppliers and efficiency and health system justice.

“Any benefit from commission payment method may cause an increase in demands by service supplier. It means it may make it to provide any services more than required for its patients” (P1).

Multi-Insurance Systems: Different insurance organizations and funds is another important weak point of State’s Health Financing system. This is because of the presence of various insurance funds in spite of the World Health Organization as the index of separation in funds organization [17]. On the other hand, multiple-insurance systems may provide serious office costs, complex management, non-efficient integration of dangers and providing non-limited potential debts for government for compensation of shortages [9]. Of course it seems that such a problem would be removed by applying Iranian Health Insurance in Fifth Development Plan”.

Lack of Separation of Financial Supply and Providing Services:

Lack of separation of financial supply operation from supplying of services at Ministry of Health and Medical Education and Social Security Organization are different from current methods at developed or under-developed countries and it may cause a reduction in system efficiency [9]. “It seems that Ministry of Health should not play both roles of supplying of financial resources and also directly presents services and supervise the quality of services in order to solve most problems and more effectiveness” (P2).

DISCUSSION

According to the studies, it is obvious that Iranian government has the most special role in financial supply of Health sector. All obligations of government including %10 of financial resources for Social Security, the role of employer in governmental and armed forces personnel insurance, payment of total costs for rural insurance and civil hospitalization, payment about %70-%100 of insurance resources for special groups, payment a part of insurance fee at Assistance Committee and direct payment of budget to governmental centers [18]. Meanwhile World Health Organization has classified Iran from among 191 countries at 93rd grade from health and therapeutic situation and at 112th grade from the viewpoint of justice in supplying of financial supply [17]. Furthermore, according to the report of World Health Organization in 2006, it was obvious that %50 of health costs have been paid through out of pocket at that time [19].

In this study we have the most important weak point as non-separation of two important functions including supplying of financial resources and providing the services. The relevant statistics show that more than %90 of hospitals' beds and %70 of fixed investments and %34 of current costs of health section are allocated for government with direct supervision of government on their management and facilities and therapeutic equipment [9]. As a result, it is possible to expect following problems in case of a continuous conditions as well:

- Serious increase in health and therapeutic costs of country in comparison with limited growth of resources
- Involving a great percentage of population with poverty
- Development of injustice in further access to services
- Lack of fixed condition in resources as a result of a reduction in financial power and demand level of people and also unemployment of a great part of the investments
- Lack of attention to primary health care and daily-increase development of ultra-special therapeutic centers at third level which may endanger public health due to a reduction in effectiveness of costs
- Increasing a lack of non-compliance in distribution of costs while medicine and lab costs include a great share of resources
- Weakness of the role of social therapeutic insurances in health services market
- Fall of operational indexes of health and therapeutic system of country towards lower levels in classification table of countries
- Arising some social crisis resulted from inability in benefiting from required therapeutic services and wide unemployment among special persons

Furthermore, any presence of multiple insurance systems and benefiting from commission payment policies are the other weak points of present system. Meanwhile any separation of funds may cause lower maintenance of damaging people against any further risks [20]. Of course it seems that such a process has been considered in 5th plan of social-economic development. Any establishment of Iranian Health Insurance Funds through integration of other funds except for armed forces therapeutic services insurance is another attitude for removing the current weak point. Regarding fee for service as the payment system, any benefits from this mechanism may cause a considerable increase in demands

from service suppliers' side and make insurance funds face with a lot of financial problems [16]. Therefore any change of attitudes is recommended for removing such a shortage.

The other weak points mentioned in this research are insurance fee systems based upon per capita and lack of benefiting from cost price of services in specifying the tariffs. It seems that pay attention to it should be considered as the best priorities of policy makers of health in country due to further consequences like increasing of demand quantity by services suppliers and also increasing any under-table payments.

In a general conclusion, it is possible to say that any pay attention to weak points of current health financing system and since most of mentioned shortages and limitations may cause a defective financial supplying system, therefore this may in itself cause a non-justice financing system as well. Any pay attention to this program may guarantee other guideline for removing the mentioned defects and changing of current system towards a justice and incremental financial system. Followings are different proposals for this program:

- Providing an integrated information system for registration all information of insured people at funds and finding out the best efficiency
- Organizing a relevant data base with financial supplying resources at health section for specifying the resources and process of changes
- Benefiting from cost price of services in calculation of tariffs instead of benefiting from a per capita and/or budget system
- Granting therapeutic subsidy to unable groups in payment of cost price as a tariff through recognition of low –income groups
- Changing in payment system from fee for system into other efficiency upgrading systems
- Following up any performance of Iranian Health Insurance Fund plan for establishment an integrated fund for more financial resources against any dangers
- Controlling and modifying the granting system and lack of any cases out of specified principles and granting the case to upper levels
- Putting an obligatory insurance coverage and lack of selection and repeating change of the fund.
- Separating the financial supply operation, submission of services and separation of various responsibilities of Ministry of Health and Medical Education and Social Security Organization.

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