Equity and Access to Health Care: A Study of Rural Quang Nam Province, Vietnam

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Equity and Access to Health Care in Rural Quang Nam Province, Vietnam

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Research Note

Research for this paper included literature review on health data in Vietnam and a series of four interviews with Quang Nam Province government officials and health care professionals. Interviews were conducted between October 1 and November 27, 2014 as part of an internship with The Center for Human Resource Development, located in Tam Ky City, Vietnam.

Executive Summary

This paper examines equity and access to health care in rural Quang Nam Province (QNP), Vietnam with particular emphasis on District level health system organization, including commune health stations, village health officers and volunteer public health officers as points of entry for health care services in rural villages. Central and QNP province government policies, the cost of medical care, Social Health Insurance and the out-of-pocket costs for health care are also addressed in this paper.

The structure of QNP’s health system fosters equity and access for many in rural areas of the province. District hospitals and commune health stations’ priority on health prevention programs improve the health status of its populations and prevent the spread of communicable disease. Additionally, the strategic central location of district hospitals and commune health stations minimize the distance people need to travel to receive health services.

The central government is concerned about the health and wellbeing of its people. This concern is evident in several policies that support vulnerable sectors of the population that include children, veterans, retired persons, the elderly and the poor. Public policies implemented by QNP’s Social Health Insurance Agency provide government assistance and, in some cases, free health care to the aforementioned sectors of the population.
Gaps in equity and access to the health care system are evident in two specific areas. First, approximately 23% of QNP’s population is uninsured. The majority of the uninsured are self-employed and, while their income positions them beyond government support, they cannot afford to purchase health insurance. The uninsured are a particularly vulnerable sector and face disparities in equity and access to QNP’s health system, as well as the potential of a diminished health status and financial instability.

Secondly, the current shortage of physicians practicing in rural QNP does not meet the health care needs of the population. An estimated 300 additional physicians are needed. The shortage of physicians creates inequity and barriers to accessing QNP’s health care system, particularly in the vast network of commune health stations that are the primary point of entry to the province’s health system serve its villages.

The central government has a vision of implementing universal health insurance. That vision could become a reality in 2014. Should the National Assembly approve universal health insurance, access to the nation’s health care system would improve for all Vietnamese and those who are currently uninsured would have more equity within the system.

Introduction

Vietnam is a Middle Income Nation with a population of 90 million (World Health Organization, 2013). Development policies implemented by the Party and the State, specifically the “Doi Moi” reform process, increased trade and improved the wellbeing of its people. According to the World Health Organization (2003),

“The “Doi Moi” reform process marked the shift from a centrally planned to a “socialist oriented market economy under State management”, the development of the rule of law and the implementation of an open door policy with all countries. Main reforms included
return to household-based farming in agriculture, removal of restrictions on private sector activities in commerce and industry, and the rationalization of the state-owned enterprises. It is generally accepted that this process, launched in 1986, has achieved considerable progress in improving the overall well being of the vast majority of Vietnamese people (pg. 2).

As a result of a period of prolonged economic development, Vietnam was two-thirds of the way of to reaching the Millennium Development Goals (MDGs) with an impressive achievement of reducing the poverty rate by more than 50% between 1990 and 2010 (World Bank, 2011).

Vietnam has made consider progress in the past two decades in improving the health status of its populations. In 2011, Vietnam spent 6.8% of GDP on health expenditures and the total expenditure on health per capita was $231 USD (World Health Organization, 2013).

According to Hind and Minh (2013),

“The life expectancy in Vietnam is 72.8 years (70.2 for men and 75.6 for women), a level that is considerably higher than that in many countries with similar levels of GDP per capita. From 1990 to 2009, the infant mortality rate fell from 44.4% to 16.0%, the under-five mortality rate dropped from 58.0% to 24.5%, and the maternal mortality ratio declined from 233 to 69 maternal deaths per 100,000 live births. Estimated to be around 18% in 2010, the rate of under-five malnutrition has also fallen dramatically. These improvements are attributable to a widespread health care delivery network, increasing numbers of qualified health workers, and expanding national public health programs” (p. 1).

As the health status of the Vietnamese improves, increased attention is being focused on
prevention and the treatment of emerging health concerns that include noncommunicable
diseases. According to the Ministry of Health (2009), “Vietnam is undergoing an
epidemiological transition in terms of disease patterns with increasingly more complex
developments. Vietnam’s health sector is facing a dramatic increase in non-communicable
diseases/conditions, e.g. cardiovascular diseases, cancer, mental disorders and traffic accidents”
(p. 11). Accidents are estimated to outpace infectious disease, accounting for more than 20% of
total mortality (World Health Organization, 2003).

**Quang Nam Province’s Health Care System Structure**

Quang Nam Province is one of the largest provinces in Vietnam, with an area that spans
10,438 square kilometers. Located in Central Vietnam, QNP has 16 districts, 2 cities, 244
communes, and around 970 villages (Dr. Thuy Ngoc Cho, personal communication, November
27, 2013). QNP’s has a population of 1.450 million as of 2012 (General Statistics Office of
Vietnam, n.d.). The majority of the population, 1,172,900, lives in rural QNP, with only 277,200
people residing in urban centers (General Statistics Office of Vietnam, n.d.).

QNP has 35 public hospitals, five private hospitals and an extensive network of 236
commune health stations. Each district has one hospital that is supported by a network of
commune health stations. According to the Ministry of Health (2009), “To meet primary health-
care needs, the Government has built and consolidated a commune health network, in which 99%
of all communes have a CHS, 65.9% of all communes have a medical doctor and 84.4% of
villages have active village health workers” (p. 14). Commune health stations provide basic
medical care, while district hospitals are equipped to treat more complex cases and provide care
for patients over an extended period of time. Typically, a commune health station in QNP will
serve four villages, with an estimated population of 9,700 people (Dr. Thuy Ngoc Cho, personal
QNP has a tiered health care system. People access the health care system first at a commune health station that is located either in, or adjacent to their village. As commune health stations are equipped to provide basic medical care, should the case be beyond the capacity of the commune health station a person will be referred to their district hospital. If the case is severe, a person will be referred to the provincial hospital that is able to provide care for the most serious and advanced cases (Ms. Thai Ngoc Huynh Van, personal communication, October 29, 2013).

The Thang Binh District is a good example of QNP’s health system’s structure. The Thang Binh Health Center is the district hospital. Thang Binh District has a population of 198,000 people. The Thang Binh Health Center has an emergency, surgical, pediatric, internal medicine and obstetrics department as well as a pharmacy (Dr. Doan Van Sen, personal communication, November 27, 2013). While the hospital has 177 employees, only 29 of them are doctors (Dr. Doan Van Sen, personal communication, November 27, 2013). The most common conditions treated at the district health center are respiratory problems, stomach issues, high blood pressure and diabetes.

The Thang Binh Health Center is supported by 22 commune health stations. Each commune health station supports four villages and is open 24 hours a day (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013). Typically two district administrative officers, two nurses, a birth assistant and pharmacist staff a commune health station. QNP does not have enough physicians to post a doctor at each commune health station (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013). Some commune health stations in QNP will have
a doctor on site one to two days per week (Ms. Thai Ngoc Huynh Van, personal communication, October 29, 2013).

Village health officers are an important component of QNP’s health system. Approximately 1,776 village health officers work in QNP (Ms. Thai Ngoc Huynh Van, personal communication, October 29, 2013). Village health officers are posted in villages and are paid by the government. One village health officer is typically assigned to a village. However, if the village has a large population more than one village health officer will posted there. The primary function of village health officers is to report outbreaks of communicable diseases, promote participation in health prevention programs and perform basic first aid (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013). Village health officers are an important link between villages and the QNP health system. They meet monthly with commune health station staff to provide information on the health status of their village, emergent health and safety issues and updates on health prevention programs (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013).

In each village, three volunteer public health officers support the village health officer. Volunteer public health officers are responsible for managing health prevention programs in the village and report directly to the village health officer. (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013). The volunteer public health officers have an important role in the village and are valued and respected by their fellow community members (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013).

Health prevention programs are a national priority in Vietnam. Both district hospitals and commune health stations have a dual focus of preventative and curative care. However, at the commune health stations, health prevention programs are prioritized (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013). The health prevention priorities for QNP include:
HIV awareness and prevention, food safety, disease prevention (clean hands), school-based health prevention programs, vaccine programs for children and clean water (Dr. Doan Van Sen, personal communication, November 27, 2013).

**Social Health Insurance**

The Social Health Insurance Agency is QNP’s insurance agency. It is responsible for managing the social health insurance pool of funds, monitoring premiums and paying claims as well as implementing the Ministry of Health’s policies on government supported health insurance programs. Health insurance covers health care services and provides financial protection by limiting a person’s out-of-pocket expenses. Approximately 1.1 million people in QNP, 77% of the population, have health insurance. (Mr. Bui Duy Thanh, personal communication, November 21, 2013).

In Vietnam, there are two primary methods to obtaining health insurance: through an employer or purchasing a policy as an individual. Compulsory health insurance is required for all government and private sector employees who have worked in their current position for three months or more. Employees pay a portion of their monthly salary toward the insurance premium. The average out-of-pocket cost for a government or private sector employee is 1.5% of their monthly salary. The government contributes 3% of the employees’ monthly salary to the insurance premium (Mr. Huynh Quang Nen, personal conversation, December 3, 2013).

Individuals, who are self-employed, can elect to purchase health insurance, however, it is not mandated. Approximately, 141,381, 9.9% of the population, people in QNP purchased individual health insurance policies in 2012.

The cost of an individual health insurance policy for someone who is self-employed is calculated based on a percentage the individual’s monthly salary. For example, a farmer will pay 4.5% of their monthly minimum salary. Labor laws determined the minimum monthly salary rate
at 1,150,000 VND or $54 USD (Mr. Bui Duy Thanh, personal communication, November 21, 2013). Consequently, the annual insurance premium for a farmer is 621,000 VND, or $29.30 USD.

Several public policies support vulnerable sectors of the population, including the poor, near poor, children, veterans and retired persons. For example, if an individual or family’s income is below the poverty line, the central government will provide health insurance and pay 100% of the premium (Mr. Bui Duy Thanh, personal communication, November 21, 2013). According to Nguyen, Nguyen, Sunderlin and Yasmi (2009), “The official poverty threshold being used by the Government is based on the monthly average income per capita sufficient to provide 2,100 calories of food intake per person per day” (p. 12). Additionally, if an individual or family is slightly above the poverty threshold, the central government will pay 70% of the insurance premium and the People's Committee of QNP will pay the remaining 30%, effectively providing health insurance free of cost to the near poor in the province (Mr. Bui Duy Thanh, personal communication, November 21, 2013). Approximately 383,791 people in QNP currently receive government support for health insurance coverage; the majority of whom live in rural villages. (Mr. Bui Duy Thanh, personal communication, November 21, 2013).

The Social Health Insurance Agency has implemented policies that reduce the out-of-pocket costs for vulnerable sectors of the population mentioned above. A person with health insurance will pay a 20% co-pay for a clinic visit or procedure, while Social Health Insurance will pay the remaining 80% of the cost (Mr. Bui Duy Thanh, personal communication, November 21, 2013). However, certain sectors of QNP’s population are relieved of the co-pay requirement. For example, the government covers 100% of health care services for children under the age of 6, including preventative health measures such as vaccinations. Additionally,
veterans and retired persons pay a 5% co-pay for a clinic visit or procedure (Mr. Bui Duy Thanh, personal communication, November 21, 2013).

As evident through the numerous public policies that increase access to health care, both the central government and People Committee of Quang Nam Province is committed to taking care of its people. According to the Ministry of Health (2009), “Narrowing the disparity in health indicators such as maternal mortality, child mortality and the burden of health-care spending across living standards, regions and urban-rural areas is a priority in health policy development. This is evidenced in the large number of policies, e.g. providing free health insurance to the poor, subsidizing the near poor to purchase health insurance, investment in district level hospitals, etc.” (p. 11). According to Mr. Bui Duy Thanh, conversations are currently underway to augment health insurance coverage for the poor and near poor as well as retired Vietnamese (personal communication, November 21, 2013).

Mr. Thanh stated that the QNP’s Social Health Insurance Fund pays out more in claims than it receives annually in premiums. The position of QNP is that it is the government’s responsibility to provide health insurance and care for the health and wellbeing of its people (Mr. Bui Duy Thanh, personal communication, November 21).

**Access to health care in Quang Nam Province**

QNP health care system is structured to promote access to health care services and health prevention programs. District hospitals are strategically located in the center of the district in order to minimize the distance people need to travel to receive health care. For example, the Thang Binh Health Center is in the center of the Thang Binh District and is 10 kilometers from the mountains and 25 kilometers from the sea (Dr. Doan Van Sen, personal communication, November 27, 2013). Thang Binh District’s 22 commune health stations are also strategically located equal distance from the villages each station supports, thus minimizing the distance.
people need to travel to receive health care. For example, the Tram Y Texa Binh Phuc commune health station is located in the center of the four villages it supports. The average distance from the four villages to the Tram Y Texa Binh Phuc commune health station is 3.5 kilometers. Furthermore, all health care services at QNP’s commune health stations are free of cost for all patients, regardless of their financial and health insurance status (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013).

Access to QNP’s health care system extends beyond the strategic physical locations of its district hospitals and commune health station. According to the World Health Organization (2003),

“Vietnam has been highly successful long before Alma Ata (1978) in providing preventive health services, in controlling the spread of communicable diseases and in achieving good health for its population. This was achieved partly thanks to its extensive health care delivery network with a very strong Primary Health Care component (9,806 commune health centers and more than 600 district hospitals), its large supply of health workers and its very well organized national public health programmes, such as the Expanded Programme on Immunization” (p. 3).

Village health officers and volunteer public health officers are another vital element of QNP’s health care system. These valuable health care workers increase access to QNP’s health care system throughout the province’s vast network of villages. They provide personal support, information and advance QNP’s health prevention programs, essentially bringing health care in the province to a person-to-person level.

Access to health care is supported by numerous policies implemented by QNP’s Social Health Insurance Agency. Policies include providing health insurance at a free or reduced cost for vulnerable sectors of the population, such as children, the elderly, retired persons, veterans as
well as the poor and near poor. These policies remove financial barriers and encourage people to access the health care system where and when they need it. Additionally, commune health stations provide basic health care services free of cost to all QNP residents and dramatically increase access to health care.

One area where access to health care in QNP is compromised is in the current shortage of health care professionals, namely physicians working in rural areas of the province. Per Hinh and Minh (2013), “The number of health workers in Vietnam has increased substantially over the past 10 years, but there are still severe shortages in remote and disadvantaged areas” (p. 7). According to Mr. Luong Van Vui, Co-director of The Center for Health and Human Services, QNP needs an additional 300 physicians to meet the health care needs of its population (personal communication, October 1, 2013). Dr. Sen, Director of the Thang Binh District Health Center, concurred with Mr. Vui’s assessment and stated that there are 1.5 doctors for every 10,000 people in the Thang Binh District (personal communication, November 27, 2013). He also commented that the Thang Binh District Health Center is at capacity. While the hospital has 132 beds, it serves 160 patients a day (Dr. Doan Van Sen, personal communication, November 27, 2013). Dr. Sen said the hospital needs at least 15 additional physicians, 45 nurses and 15 administrative officers to meet current the current volume of patients (personal communication, November 27, 2013).

The current shortage of doctors in QNP creates barriers for people to access the province’s health system. For example, only 5 of QNP’s commune health stations have a doctor on staff (Dr. Thuy Ngoc Cho, personal communication, November 27, 2013). While many commune health stations have a doctors who visit for one or two days a week, there are significant gaps in services. Additionally, QNP’s current physician shortage results in large
caseloads, physician fatigue and less time a doctor is able to spend with a patient. All of these factors limit access to QNP’s health care system.

**Equity and the QNP Health Care System**

The central government and People’s Committee of QNP have implemented numerous public policies and programs that foster equity of the health care system. Specific policies include free health care for vulnerable populations including children, the elderly and the poor. In addition, several policies favor those who are self-employed and live in rural QNP. The majority of residents that receive government assistance for health insurance live in rural QNP.

The national priority on health care prevention programs is evident in rural QNP. These programs improve the health status of the population. Both village health officers and volunteer public health officers bring health care prevention programs to the people and make sure that these vital programs achieve their objective. This staffing structure increases the effectiveness and equity of the health care system in rural QNP.

One sector of QNP’s population experiences diminished equity in access to the health care system. Approximately 23% of QNP’s population does not have health insurance (Mr. Bui Duy Thanh, personal conversation, November 21, 2013). The profile of the uninsured in QNP is that of a self-employed farmer, market vendor or temporary worker (Dr. Doan Van Sen, personal communication, November 27, 2013). Many self-employed people in rural QNP make an annual salary that positions them just beyond the income requirement to qualify for government assistance for health insurance. However, many of the self-employed in rural QNP, who constitute the majority of the 23% who are uninsured, cannot afford the annual health insurance premium and forgo purchasing health insurance for themselves and their family.

Living without health insurance poses many negative consequences for an individual and their family. First of all, should an uninsured person require medical care, they are personally
responsible for paying the medical bills. According to Dr. Doan Van Sen, the average cost of a clinic visit at the Thang Binh Health Center is 102,000 VND ($5.10 USD), while the average cost for a 7-10 day hospital stay is 660,000 VND ($33.00 USD). These out-of-pocket costs are prohibitive to the self-employed who cannot afford health insurance, but do not qualify for government assistance. Unforeseen financial expenses, compounded with loss wages from time off work, disrupt the financial stability of the self-employed person and their family. Additionally, substantial medical bills have potentially long-term negative financial consequences for an individual and/or family and can prohibit them from meeting their basic needs.

The health status of the uninsured individual suffers as well. Preventative medical care is considered expensive and, as a result, is not a priority. According to Mr. Bui Duy Thanh, high-income people are concerned about health care prevention, while lower income people do not think about it (personal communication, November 21, 2013). Neglected health care and lack of health prevention can lead to complicated and irreversible medical conditions that could have been prevented or treated, such as diabetes and high blood pressure. The unintended result of having no health insurance can lead to a diminished health status that compromises the physical and social wellbeing of an individual.

The central government has a goal of implementing universal health insurance (Mr. Bui Duy Thanh, personal communication, November 21, 2013). According to Matsushima and Yamada, (2013), “the Vietnamese government has placed further emphasis on this issue and it now has a grand design and time line to achieve universal health insurance coverage by 2014” (p. 2). Universal health insurance will provide access and foster equity throughout the nation’s health care system for each and every Vietnamese citizen. The vision for universal health insurance is built upon QNP’s Social Health Insurance policies and health care system
framework (Mr. Bui Duy Thanh, personal communication, November 21, 2013). This vision is gaining traction within the central government and may become a reality in 2014.

**Recommendations to improve Access and Equity in QNP’s Health System**

The following is a series of recommendation to improve access and equity to health care in QNP:

1) Goal: increase the number of physicians working in rural QNP

   Progress toward this goal is underway. The Center for Human Resources Development established an agreement to provide student scholarships at Hue University of Medicine and Pharmacy (CHRD, 2012). However, to achieve this long-term goal of adequate physician staffing in rural QNP more momentum is needed.

   **Strategy:**
   
   a) Increase the number of medical school scholarships available for students who agree to practice in rural QNP upon graduation. The medical schools in Tam Ky, Cao dang y te QN, and Hue University of Medicine and Pharmacy are ideal partners to achieve this goal.

   b) Provide physicians with an annual financial bonus as incentive to practice in rural QNP. The amount of the bonus will increase incrementally with each additional year of government service at a rural district hospital or commune health station.

2) Goal: increase equity in and access to QNP’s health care system for the uninsured

   **Strategy:** Should universal health insurance not materialize, adjust the income requirements to receive government assistance for health insurance. Adjustments to the income eligibility requirements will effectively provide health insurance and improve the health status of a proportion of the 23% of QNP residents who are currently uninsured.
3) Goal: Implement universal health insurance in Vietnam

Strategy: While there is considerable momentum within the central government to implement national health care in 2014, it remains unclear if this reform will become a reality. To achieve this goal, encourage the Chairman for each province in Vietnam to report to their elected representatives in the National Assemble health data, including out-of-pocket medical expenses, for the uninsured population in their province.

Conclusion

The thoughtfulness and intent for caring for the health of the population is evident in QNP’s health system. QNP developed and implemented a strategic health system framework that is supported by numerous public policies that promote equity and access among several vulnerable sectors of the population, such as children, the poor, the near poor, elderly, veterans and retired persons. The strategic location of district health centers and commune health stations minimize the distance a person needs to travel to receive medical care. Additionally, village health officers and volunteer public health officers increase access to QNP’s health system and promote health prevention programs in the provinces 900 plus villages.

The national focus on health prevention programs, organized around six priorities, supports the overall health status of Vietnam’s population and prevents disease. Prevention programs are implemented at the village, commune and district level in an effort to have as broad of a reach as possible. Additionally, the commune health station’s primary priority of health prevention programs, and support from the village health officers and volunteer public health officers in each village, advance the prevention program’s objectives and help them to gain traction. Finally, several QNP Social Health Insurance policies extend government-supported
health insurance to children, the elderly and retired, veterans, and the poor and near poor. As a result, 77% of this mostly rural population is insured.

While QNP’s health system is strategic and thoughtful in promoting equity and access to the health system, two primary issues limit the system’s overall effectiveness. First, QNP’s does not have enough doctors to support its population of 1.45 million. The limited number of physicians practicing in rural QNP result in gaps in service, an unrealistic patient to doctor ratio of one doctor for every 10,000 people and barriers to accessing the health system, especially at commune health stations that do not have a doctor on staff. Secondly, 23% of QNP’s population is currently uninsured. The vast majority of the uninsured in QNP are self-employed and have an annual income that positions them just beyond the scope of government assistance. The uninsured are a vulnerable sector of the population and are in a perilous position in terms of their health status and financial stability.

The central government has a vision of implementing universal health insurance throughout Vietnam in 2014. Should this vision become a reality, Vietnam’s population would enjoy universal access and improved equity to the country’s health care system.
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