MEXICAN HEATH CARE SYSTEM

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THE MEXICAN HEALTH CARE SYSTEM
An overview

The Mexican health care system is governed by the General Health Law. The Secretariat of Health is the governing body for the health sector in Mexico. Its functions range from providing direct health care to patients, elaborating the Mexican Official Standards (NOMs) related to healthcare, generating health related statistics, oversee sanitary regulations, evaluate the quality of services and operate the national system of epidemiologic monitoring.

Mexico's population in 2005, reached 103.2 million habitants, and is growing at an annual rate of 1.0. The fecundity rate is of 18.1 children born alive per woman in reproducing age and the life expectancy at birth is of 75.7 years. The Mexican population is distributed in 32 states and 2 444 municipalities.

Medical care is provided in Mexico through three major components of the health care system:

- The open system
- The premium-based system
- The private care system

Presently, practically all Mexicans have access to full medical coverage and 70% of Mexico's total population are active users of the public health care system. The total budget spent on public health care averages 3.0% of national GDP, while the private sector is estimated to spend 3.3%. Therefore, private care facilities are, on average, better equipped and more modern that their public counterparts.

THE OPEN SYSTEM

The open system delivers medical services to the poorer segments of Mexican society. Mexicans who are unemployed, self-employed or engaged in the informal economy and not eligible for the premium-based system are referred to as "open population". The total number of users of this system is estimated at 33 million individuals.

The needs of this group are basically covered by the following institutions:

- The **Ministry of Health** (*Secretaría de Salud*) through a vast system of over 12,690 primary care units and 265 hospitals, and twelve national specialty institutes located in Mexico City for highly sophisticated medical care.

- The **IMSS-Solidaridad** welfare program with over 3,609 primary care units and 66 general hospitals, mostly located in rural and poor urban areas.

- The **Mexico City government** (*Departamento del Distrito Federal* DDF) which operates 27 first level units, 8 general, 1 specialty hospital and 211 primary health units. Mexico City alone has 18 million inhabitants.

- The Red Cross is a private organization providing emergency and rescue services through its 486 delegations.

- Additionally, some states, municipalities and universities provide medical services to the open population.

THE PREMIUM-BASED SYSTEM

The insured public system is a premium-based system funded by employer and employee contributions to a variety of health care entities. Roughly half of the population consists of formally employed persons and their families, entitled to health care through the institutions of the public premium-based system. This system gives service to roughly 37 million users through the following institutions:

- The **Mexican Social Security Institute** (*Instituto Mexicano del Seguro Social* IMSS) provides medical services to private sector employees. It is the largest health care agency in Mexico with 1,077 primary care units, 215 general and 41 specialty hospitals.

- The **Institute of Security and Social Services for State Employees** (*Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado* ISSSTE) has 1,123 primary care units and 95 hospitals for public sector employees.

- A few public sector employers operate their own health care units, numbering close to 724 in all:

- The National Petroleum Company with: 229(*Petroleos Mexicanos* PEMEX)
- The Ministry of Defense with: 366 (*Secretaría de la Defensa Nacional* SDN)
- The Ministry of the Navy with: 132 (*Secretaría de Marina* SM)
- Some states also have their own premium-based facilities

THE PRIVATE SYSTEM

The private health care system basically caters to affluent Mexicans. Private health care is provided by 3,044 registered hospitals and clinics. Of these, 2.5% are full fledged hospitals with over 50 beds, 27.5% are small hospitals with 10-50 beds and 70% are clinics with 9 beds or under. These are used by an estimated 20 million people. Given the shortcomings of the public health care system, an estimated 40% of all patients who pay for private health care actually have the right to use the IMSS system. It can be surmised that either a large

proportion of the population does not have access to public health care or does not like what they have access to.

Private health care is covered through:

- Direct payment by the users (almost 50% of all health care expenditures are paid for out-of-pocket).
- Private insurance companies
- Employees of bank and executives of large corporations who are privately insured by the company.

Sources:

INEGI (National Institute of Statistics, Geography and Informatics)
SSA (Secretariat of Health)
Presidency of the Republic (Sixth Government Address, September 2006)
PAHO (The Pan American Health Organization)
IMSS (Mexican Social Security Institute)
Own research