Health Insurance Scheme Performance and Effects on Health and Health Inequalities in Chile.

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Abstract

INTRODUCTION: Health systems are one determinant of health; their role is to facilitate timely and equitable access to quality services. The way in which a health system is organized can profoundly affect achievement of its objectives. The main feature of the Chilean health system is the coexistence of a public health insurance program (based on a social insurance model) with several market-based private health insurance companies. This hybrid structure provides an interesting framework for analyzing and evaluating the system’s effects on health inequalities.

OBJECTIVE: Assess Chilean public and private health insurance schemes’ performance and its effects on health inequalities.

METHODS: Public health insurance was compared with private insurance using indicators from 2013 (or the closest year) in the following domains: inputs, outputs (provider visits, discharges), outcomes (coverage) and impact (on health, quality of life, finances and patient satisfaction) as well as demographic and social determinant indicators. A conceptual framework for measuring health system performance was used. Data were obtained from administrative records and population-based surveys.

RESULTS: The publicly insured population had greater health care needs, was older (aging index 83.4 vs. 36.5) and poorer (17.2% vs. 1.5% below the poverty line) than the population covered by private insurers. The public insurer received average monthly funding of US$50.94 per beneficiary and spent US$51.43, while private insurers on average collected US$94.79 monthly per beneficiary, and spent US$69.63 on health services (excluding medical leave benefits). Private health insurance beneficiaries were more likely than their publicly insured counterparts to access specialized medical services (18.3% vs. 9.3%) and dentists (11.2% vs. 5.9%), have laboratory tests (18.1% vs. 4.8%), and undergo surgery (7.8% vs. 5.9%). Risk factor and disease prevalence was lower among private insurance beneficiaries for 16 of 18 tracer conditions, although age-adjusted differences were not significant. Finally, incidence of catastrophic spending was slightly lower among private insurance beneficiaries (3.7% vs. 4.2%), and a greater proportion of them were satisfied or very satisfied with the health system (37% vs. 17%).

CONCLUSIONS The relative youth and better financial status of beneficiaries of private insurers is compatible with selection for lower risk. While private plans offer greater financial protection and receive higher user satisfaction ratings than the public plan, differences in financing between the two types of insurance affect availability and utilization of services. This constitutes a structural problem for the Chilean health system. There is an urgent need to move toward an integrated health system, in which incentives are aligned with social insurance objectives.