

SALUD
SECRETARÍA DE SALUD



 **INSTITUTO
NACIONAL
DE GERIATRÍA**



Conference Series on
*Aging in the
Americas*



SEMINARIO - TALLER

**SISTEMAS DE APOYO FORMAL E INFORMAL
PARA PERSONAS ADULTAS MAYORES**
EN MÉXICO Y ESTADOS UNIDOS,
EN EL CONTEXTO DE LAS REFORMAS
EN SALUD Y SEGURIDAD SOCIAL

17 y 18 de septiembre, 2015
Ciudad de México

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**SISTEMAS DE APOYO FORMAL E INFORMAL
EN MÉXICO Y ESTADOS UNIDOS,
EN EL CONTEXTO DE LAS REFORMAS
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*Policies and costs of health care
for older adults in Mexico*

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Mexico City, September 17-18, 2015

Background

- By **2030**, older adults will represent **20.4** % of total population in Mexico.
- In absolute numbers, this means the total of persons 60 years and older will almost double in size going from 12 111 777 in 2015 to **22 198 869** in 2030.
- Important progress has been achieved in quantifying and characterising health and socioeconomic conditions of older adults.
- However, much less is known regarding their use and access to health care services at all levels (primary care to hospitalisation) and the associated costs, both for the formal and informal providers.

Background

- Old age pension benefits, access, future projections of their financing, and especially the expected financial crisis to support them, has received wide attention.
- High recognition on the need to better access to and quality of health care services.
- However, much smaller concern within public institutions on the relevance of the costs of health care associated to population ageing.
- No policies to address the issues of costs and financing in the next decades.
- Most expenditures are financed with current budget as if older adults were still active personnel and contributing financially

Background

- Future health care coverage, access, and quality represent an additional challenge to that of the financing of old age pensions.
- In addition, the absence of much needed long-term care services such as home care or assisted living creates additional pressures at the household level.
- Currently, no institutional provisions in place to sustain costs in the future.



What about ageing policies?

LEY DE LOS DERECHOS DE LAS PERSONAS ADULTAS MAYORES

- Mexico has actively participated in the World Assemblies on Ageing, particularly Second Meeting (Madrid 2002) and the Inter-American Convention on the Human Rights of Older Persons.
- **Older People Rights Law** passed in 2002 (several amendments, last one in 2012).
- Among other objectives, the Law defines older people's rights in its **Article 5**, mainly:
 - [...]
 - III. TO HEALTH, NUTRITION AND THE FAMILY:
 - [...]
 - IX. TO ACCESS TO ALL SERVICES
 - a. To obtain preferential attention in all public and private establishments that provide services..

TITLE THREE

OF THE OBLIGATIONS OF THE STATE, SOCIETY AND THE FAMILY

Article 6 The State will guarantee the conditions and rights established in the Law.

Article 9. The family of the older adult shall fulfil its social role, therefore, in a constant and permanent way shall guard over each and every older adult part of the family, is responsible for the provision of the basic needs, and has the following obligations:

- Provide them adequate nutrition according to the Civil Code
- Promote family participation and integration
- Prevent any abuse, discrimination, exploitation, isolation, violence situations against older adults within the household.

TITLE FOUR OF THE NATIONAL PUBLIC POLICY FOR OLDER ADULTS

- **Article 10** Defines the objectives of the National Older Adults Policy and includes 20 (I-XX) specific objectives aimed at guaranteeing basic human rights, equality and providing access to services and adequate living conditions.
- **Articles 16-23** Establish general obligations of different Secretariats.
- **Article 18** Health Secretariat has the obligation to guarantee right to health care and provide optimal access to all services, medication...
- The Law mandates the creation of the National Older Adults Institute (**Article 24**) who shall have the stewardship role on all policies regarding older adults (**Article 25**)

To date:

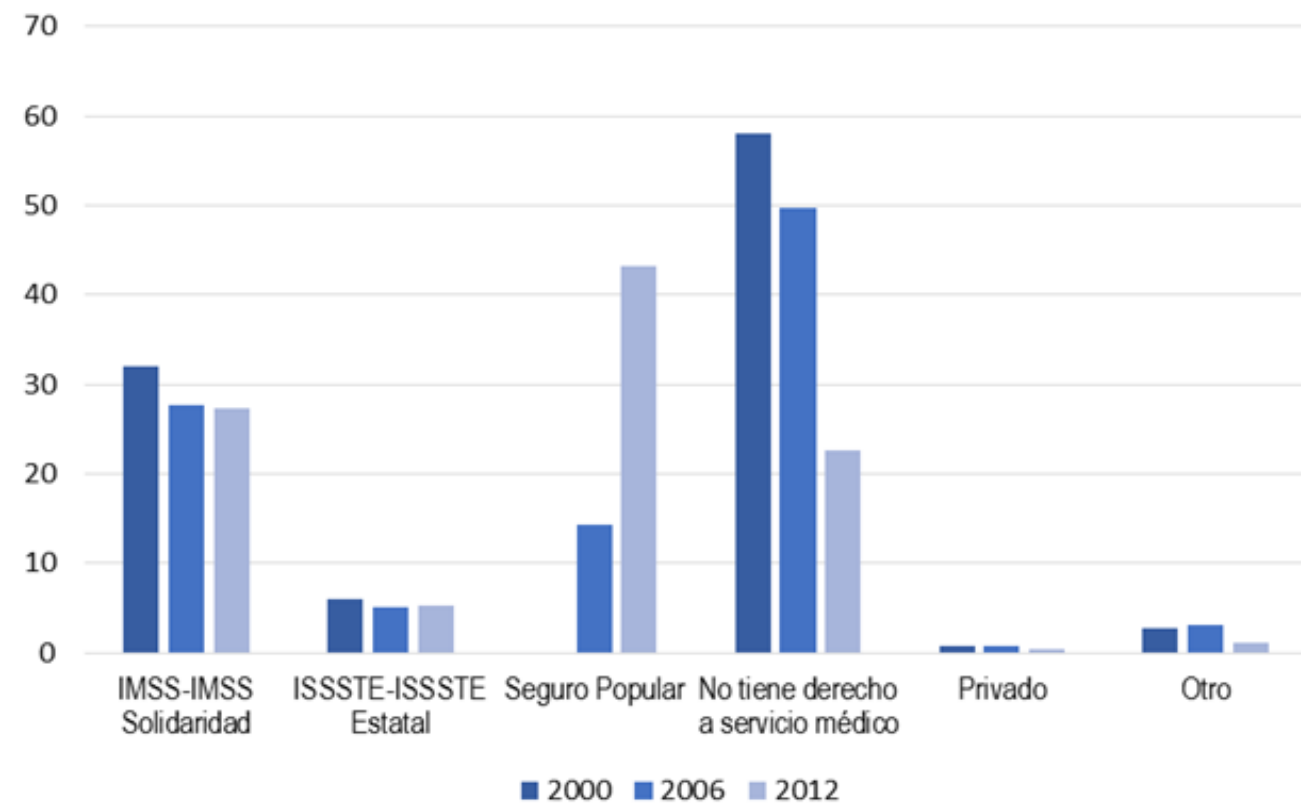
- Out of 32 federal entities (31 states and 1 Federal District), **23** have enacted state-level legislation for older adults. Diversity in terms of their scope, rights and obligations to the State, the family, older adults...



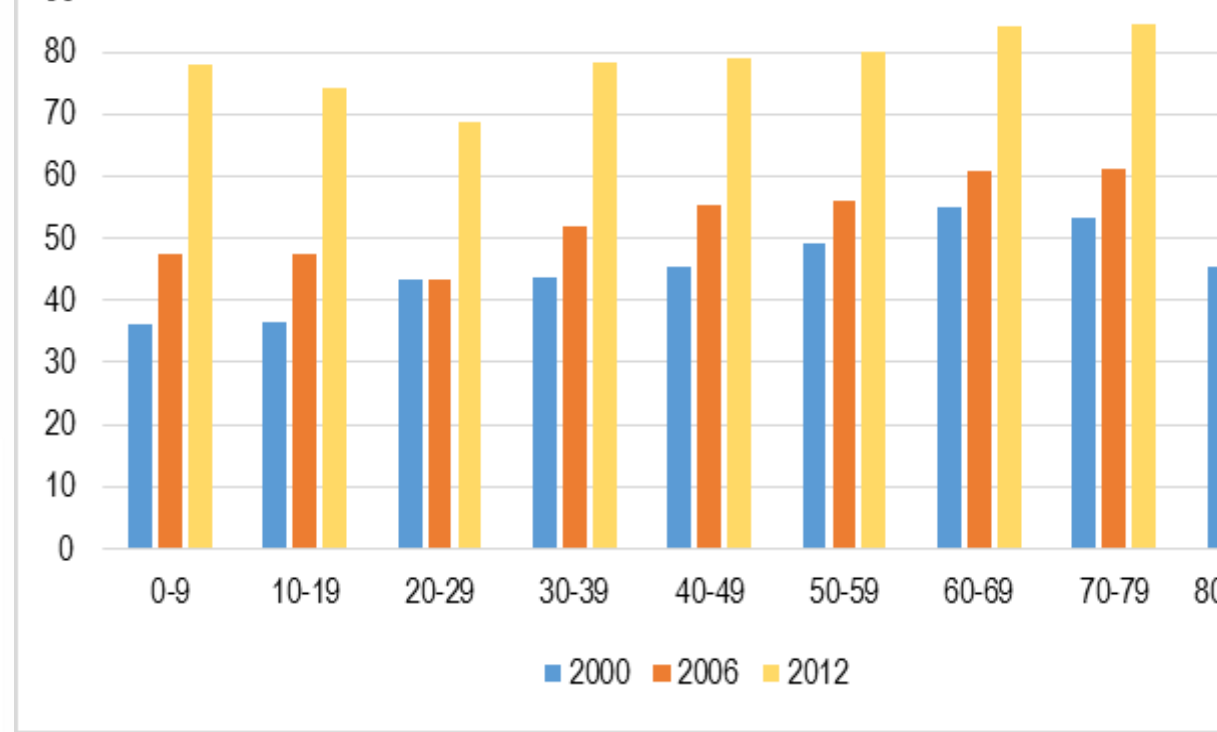
Health insurance, use of services and expenditures

In practice...

Health Insurance of older adults in Mexico



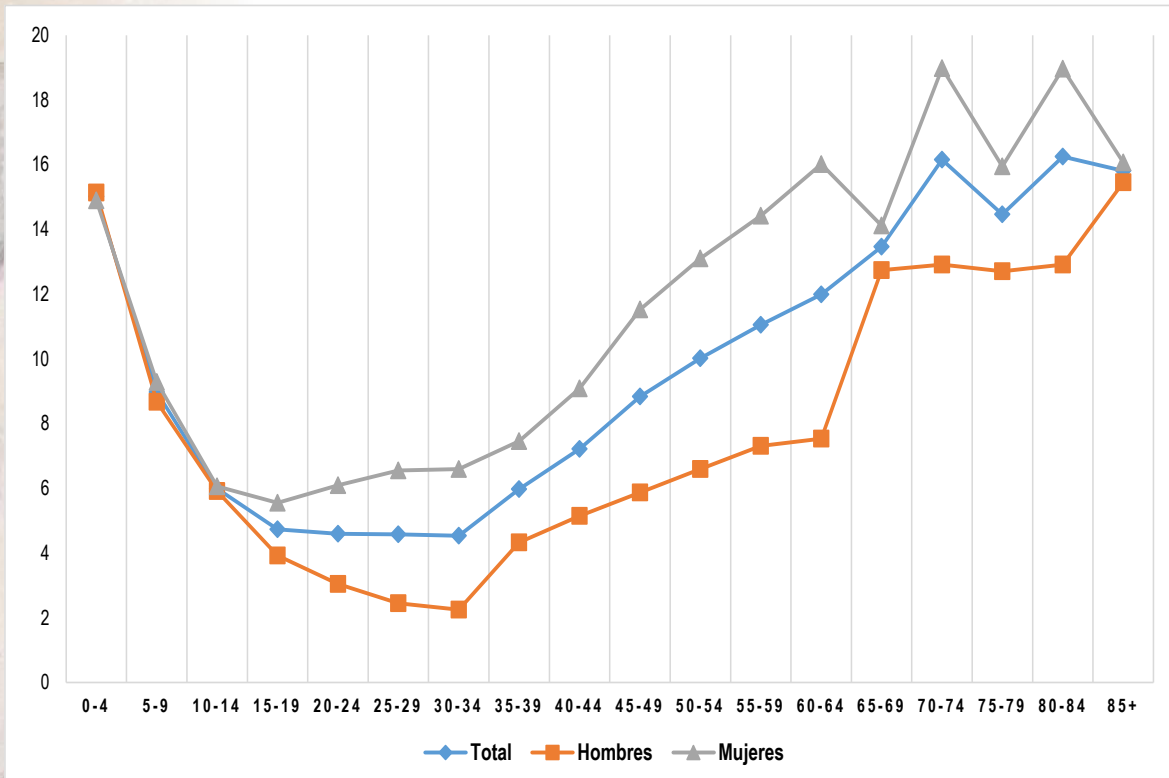
Health insurance of adults 60 years and older by institution of insurance



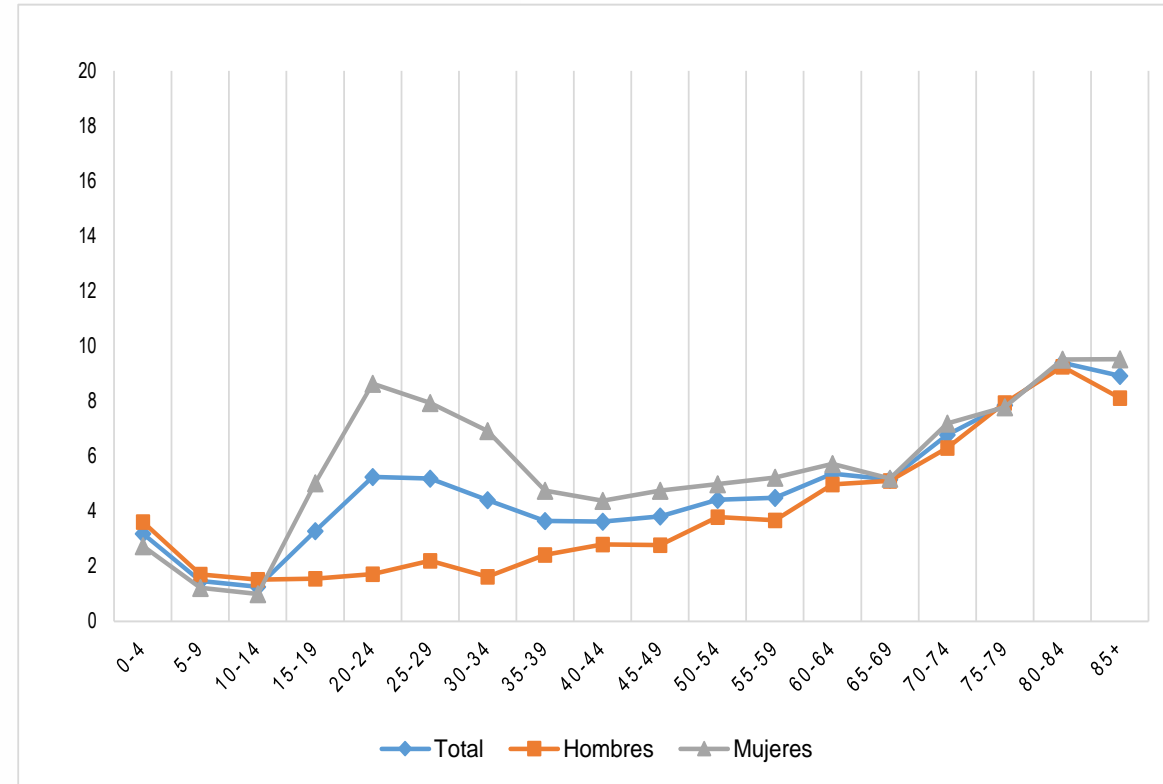
Percentage of health insurance 2000-2012, by age group

Fuente: Elaboración propia a partir de datos de ENSA 2000, ENSANUT 2006 y ENSANUT 2012.

Rates of primary care service utilisation (panel a) and hospitalisation (panel b) by age group, 2012



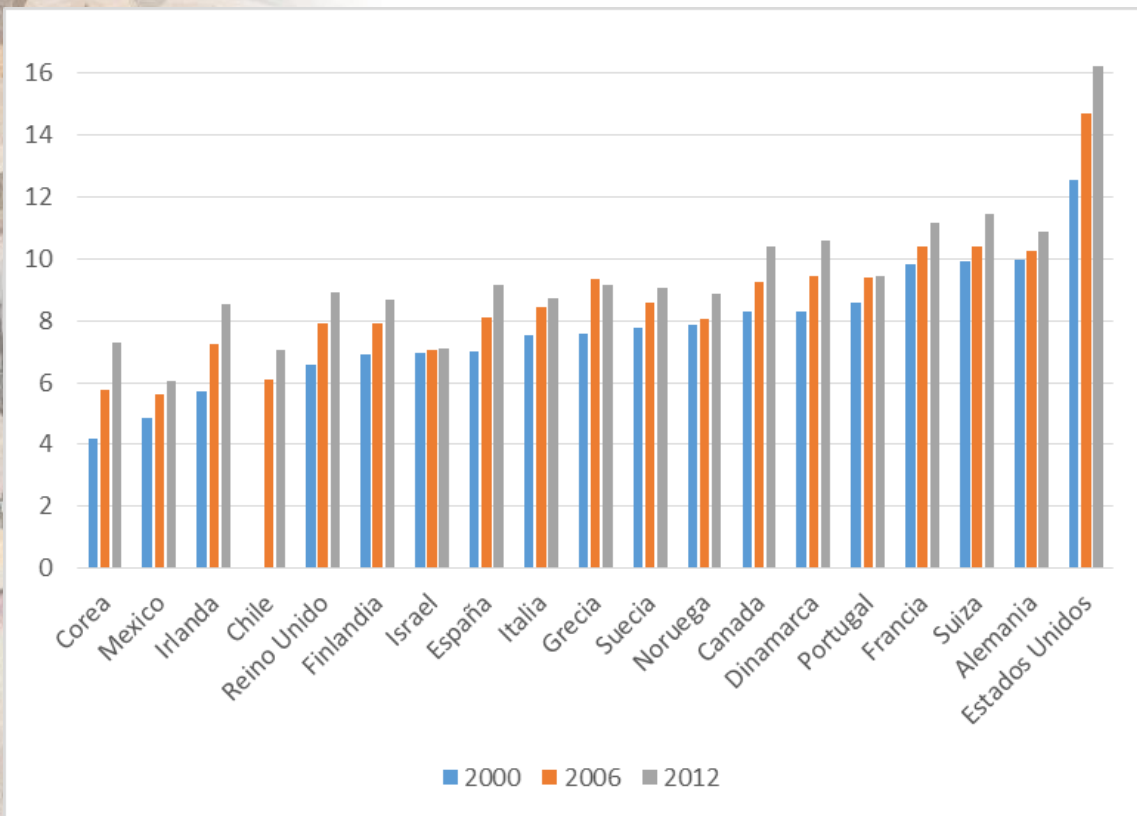
panel a



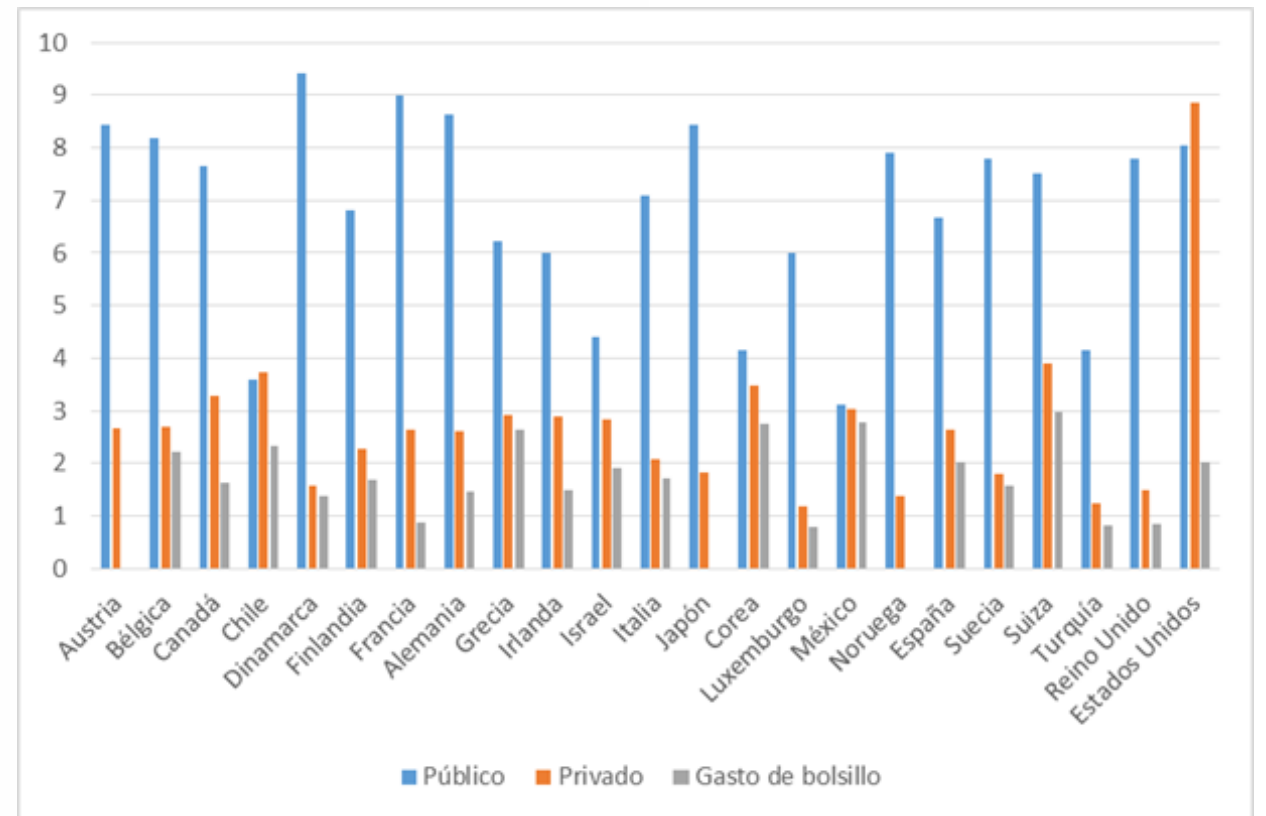
panel b

Fuente: Elaboración propia a partir de datos de ENSANUT 2012. Nota: Tasas por 100 habitantes. Periodo de referencia es las dos semanas previas a la entrevista. Fuente: elaboración propia con base a ENSANUT 2012.

Health expenditures: international comparison



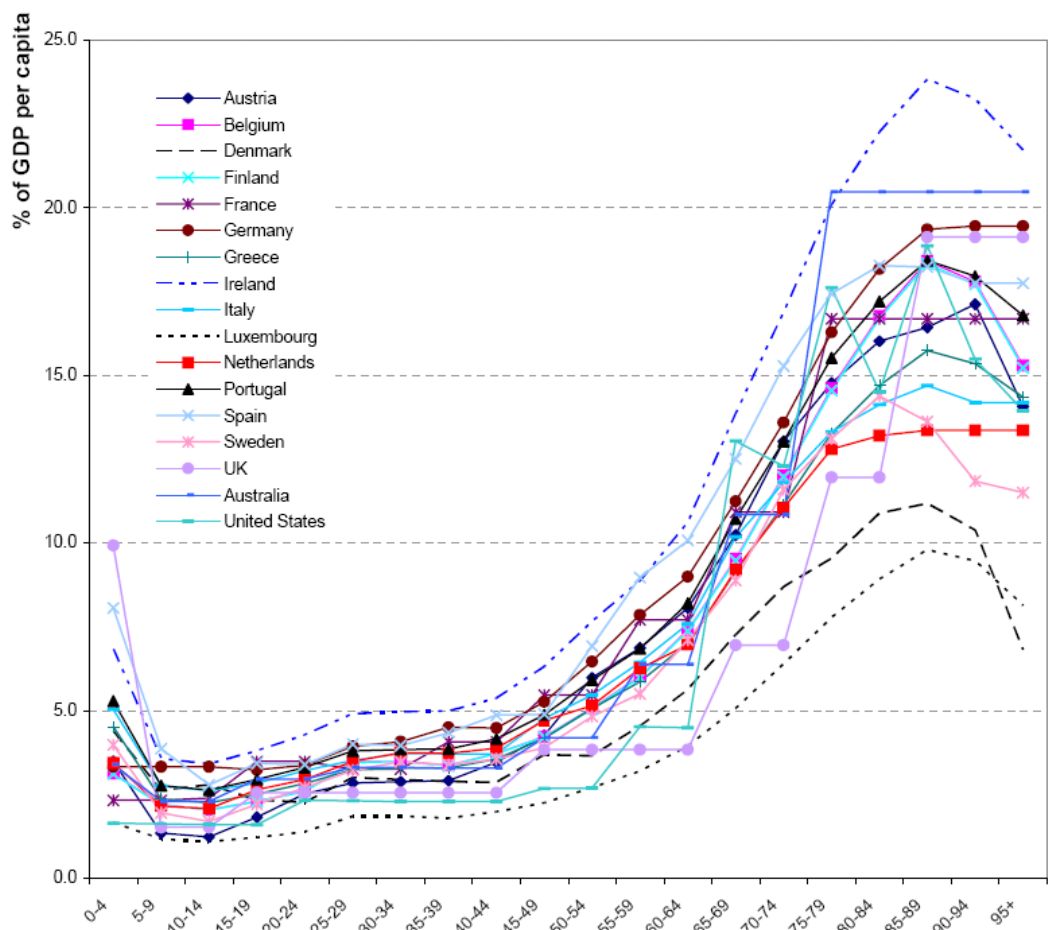
Total health expenditure 2000-2012 as proportion of GDP, selected countries



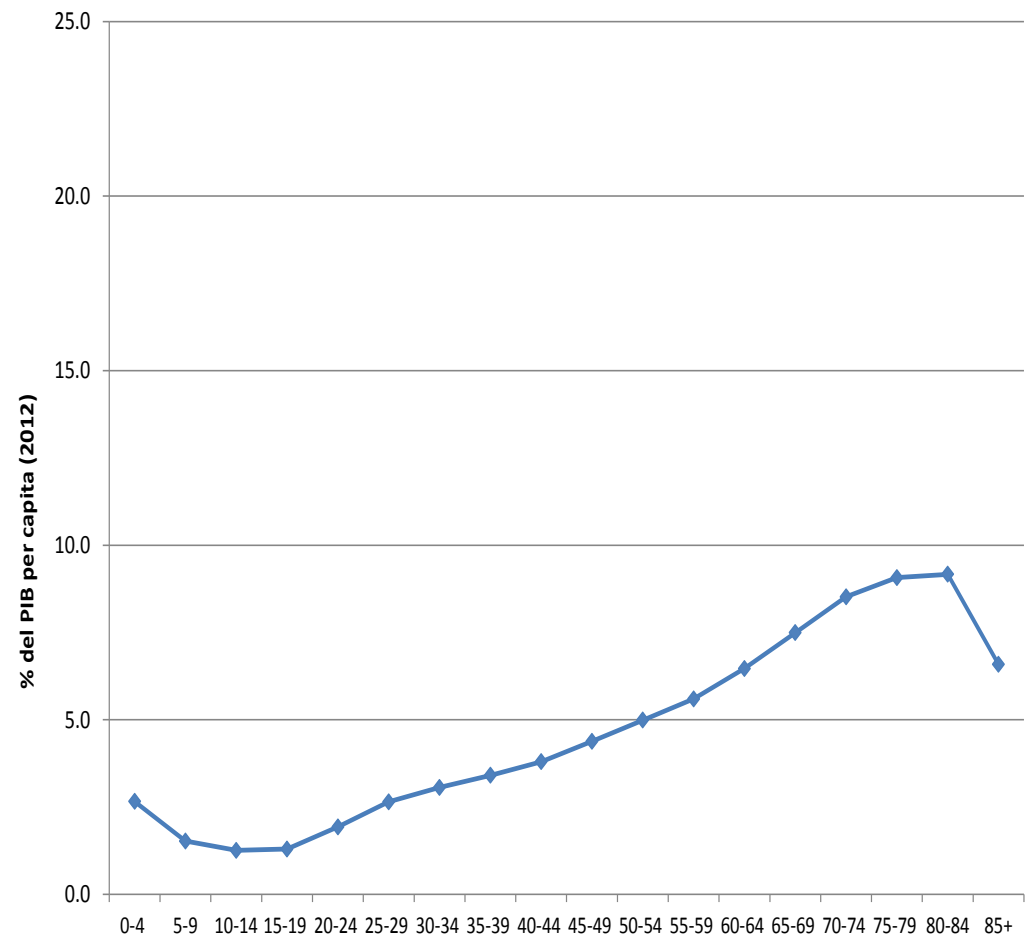
Proportion of health expenditure, by source of financing: public, private and out-of-pocket

Public Health Expenditures by age groups

Figure 2.1 Public health care expenditure by age groups¹

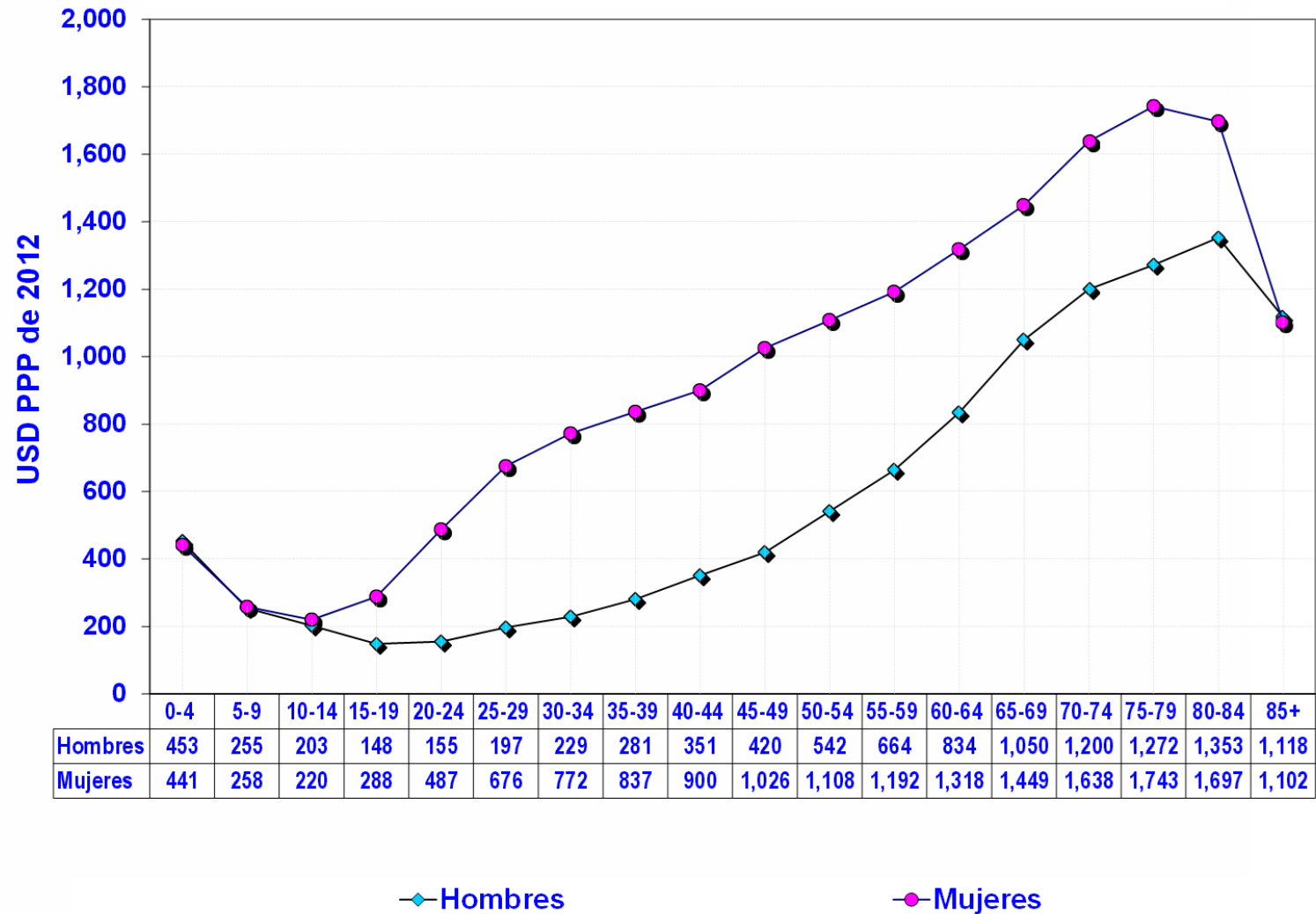


Mexico 2012



1. Expenditure per capita in each age group divided GDP per capita.
 Source: ENPRI-AGIR, national authorities and Secretariat calculations.

Health expenditures by age group (USD PPP per capita) Mexico 2012





Health care expenditure projections

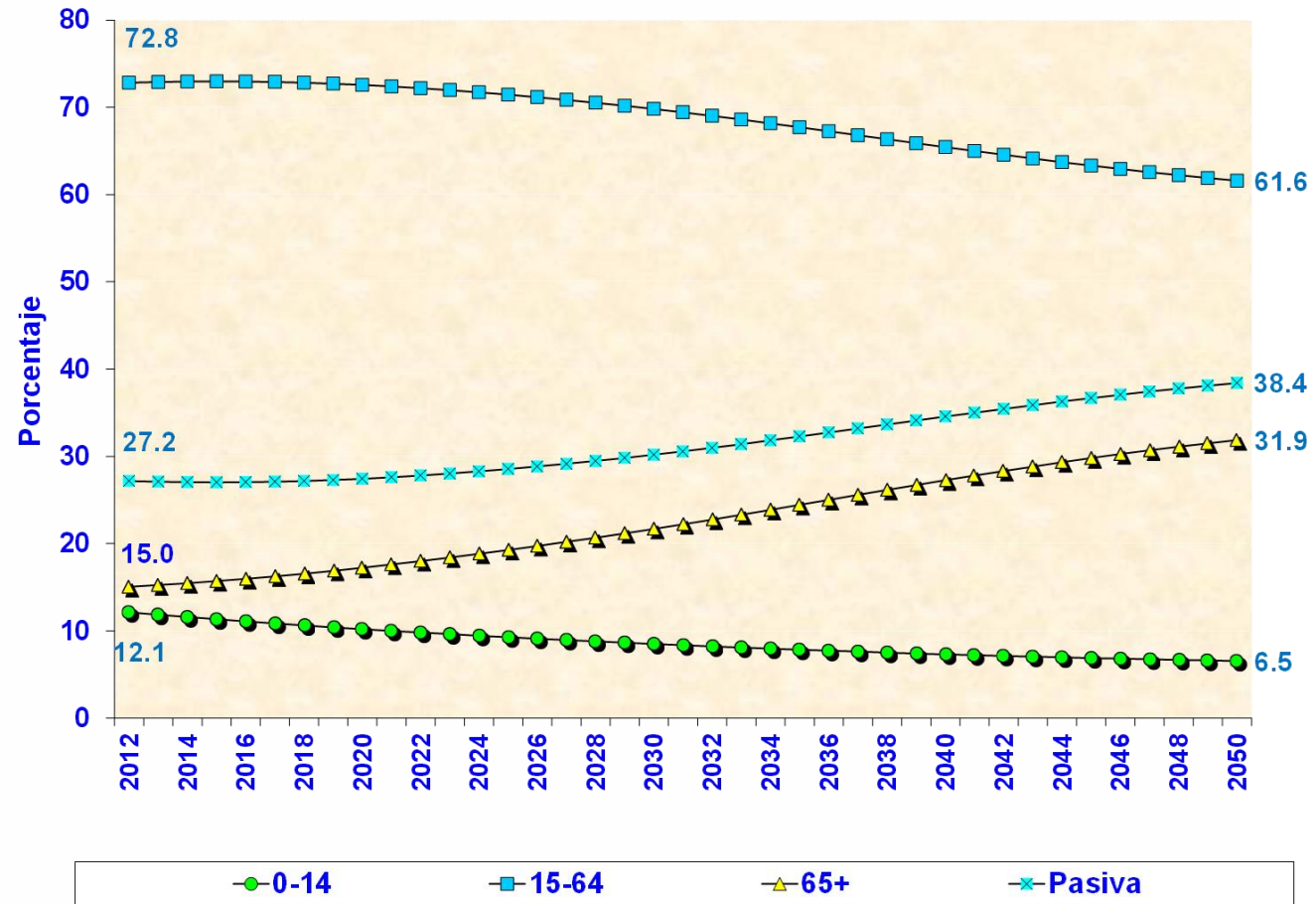
1. Study based on current expenditures by the health system (Valencia, JA 2015)

1. Study on projections of health care expenditures (Valencia, 2015)

- Using current data on unit expenditures on health care by age groups and sex, generate estimations on the effect that the demographic transition could have in the median and long run.
- Yearly projected values that help analyse the long term trends in expenditure that are close to actual expenditures in the period 2012-2050.
- To obtain a closer idea on the expected budget pressures, as well as on human resources and infrastructure.
- We use unitary expenditures and population projections by CONAPO using the 2010 Population Census and establishing 2012 as initial year (y_0) for total public health care expenditures.
- Public health care expenditure in 2012 was 62 155.5 million USD PPP (Parity Power Purchase), with a per capita expenditure of 531.0 USD PPP .

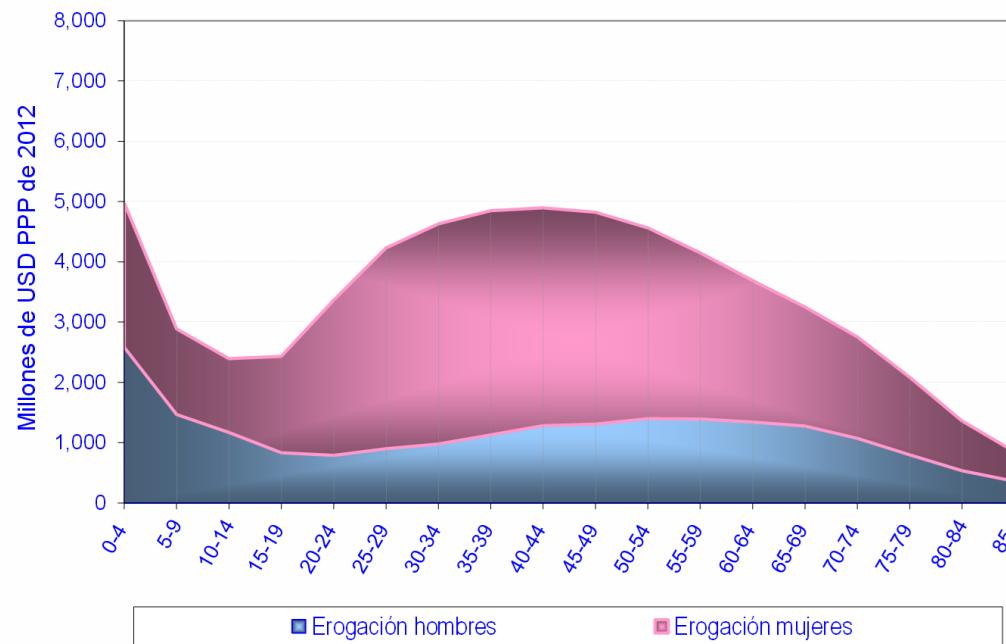
Results

Proporción de los erogaciones estimadas para atención a la salud
a precios constantes de 2012 (por grupos de edad)

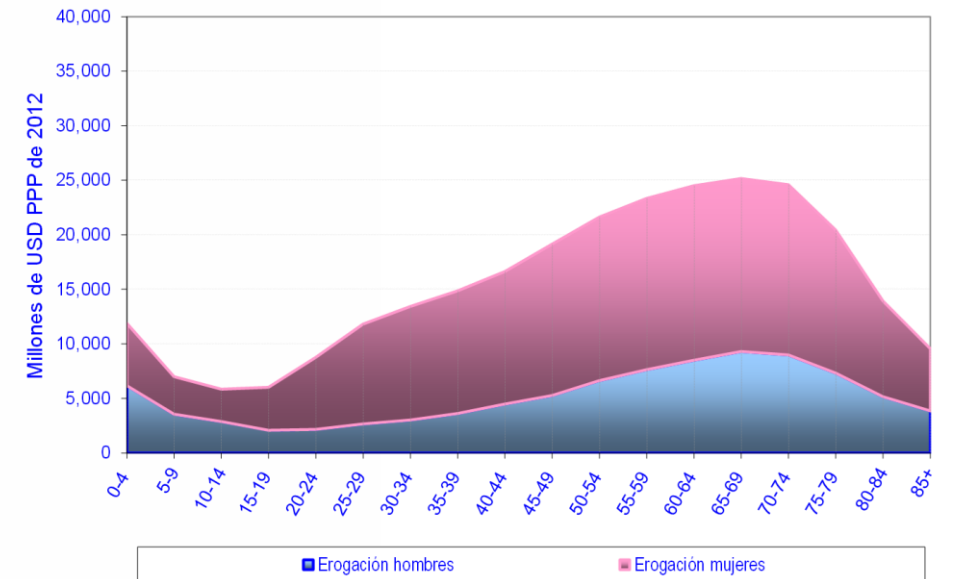


Results

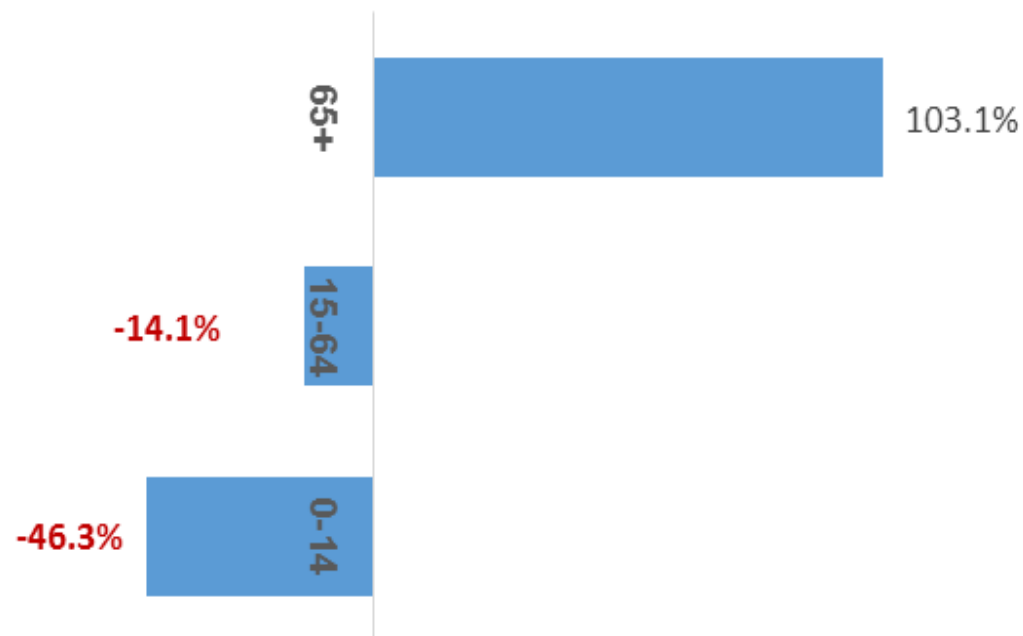
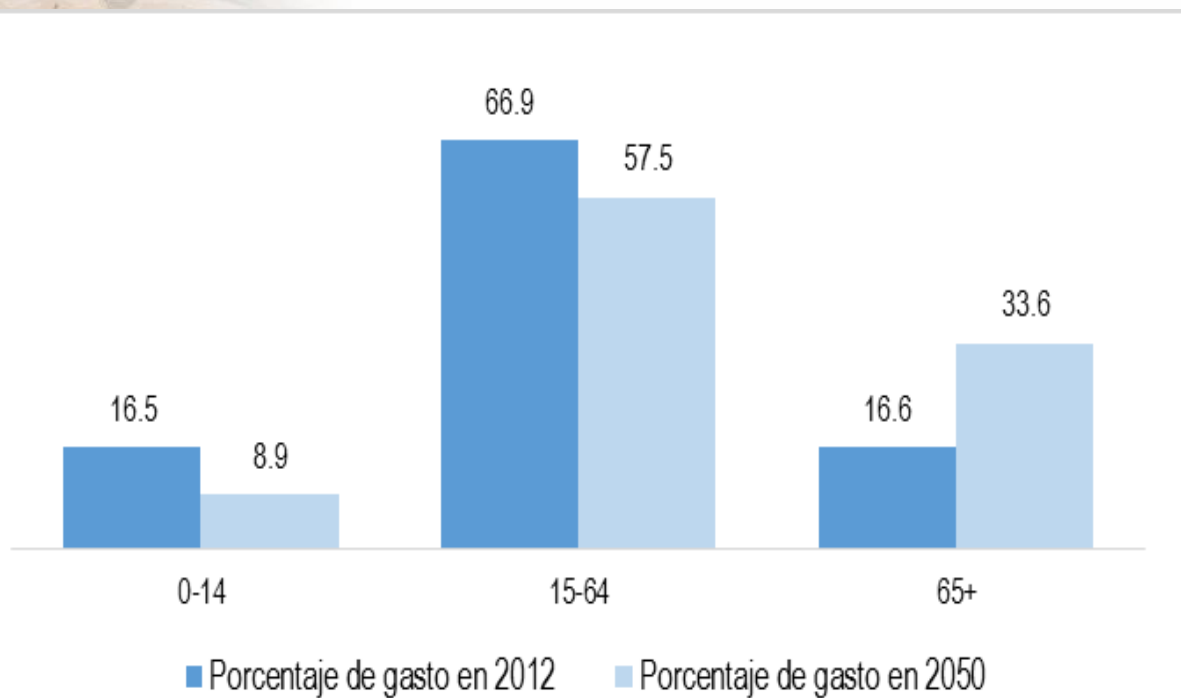
Distribución, por grupos de edad, de las erogaciones estimadas para atención a la salud en 2012



Distribución, por grupos de edad, de las erogaciones estimadas para atención a la salud en 2050




Change in percentage of health expenditures by age group, 2012-2050



Fuente: Elaboración propia con base a resultados de proyecciones de gasto en atención a la salud

Conclusions




- 
- Growing need to attach additional value to the effects of population in the long-term.
 - Mexico has greatly advanced in documenting the burden of disease.
 - This burden generates increasing demands and financing pressures, particularly for the 60+ years age group.
 - Further estimations needed on the implications of GBD on health expenditures today and projections in the next decades.
 - In spite of increased health care insurance (Seguro Popular), approximately 20% of older adults report no insurance.
 - Mexico still lags in public health expenditures in terms of international recommendations. WHO recommends 7.6% of GDP expenditure (2015). Mexico reached 3.1% of GDP in 2012, below countries with similar economies.



Results of the projections exercise show some worrying trends:

- Proportion of total health expenditures for the period 2012-2050 for the age group **0-14** years will **decrease** in terms of total expenditures (16.5% to 8.9%), while for the group **65+** years will **increase** from 16.6% to 33.6%
- This represents a **103.1%** increase in 2012-2050 for the 65+ years group.
- In terms of expenditures for the 65+ group, this translates to an increase of **9 times** the current amount: 10,290 million USD PPP in 2012 to approximately 93 million USD PPP in 2050.

- 
- Important lag between norms and legislation (paper) and specific policies and strategies (practice).
 - Outside the health and social development sector, small recognition to the challenges of ageing and its multifactorial nature.
 - Still lacking national ageing policies to tackle the needs of older adults and the projections results are a clear consequence of the lack of vision towards this challenge.
 - In addition to attention on care, urgent need to focus on financing such care.
 - **Can Mexico make a better use of resources currently allocated?**

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THANK YOU FOR YOUR ATTENTION

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