Interview: Jaime Arias Ramírez – Executive President, ACEMI, Colombia



"The most challenging issue we have is convincing the actors that they need to collaborate in a synchronised manner to improve the system's efficiency."

05.07.2017

Tags: Colombia, ACEMI, Association, Healthcare, Partnerships

Executive president of ACEMI (La Asociación Colombiana de Empresas de Medicina Integral), Jaime Arias, discusses fostering the constructive participation of all actors in the Colombian healthcare sector and the challenges that need to be addressed to develop the sustainability of the healthcare system in the long-term.

Could you explain ACEMI's role within the healthcare community to improve the system?

ACEMI encourages discussions on the best practices between key stakeholders in the healthcare system. The most challenging issue we have is convincing the actors that they need to collaborate in a synchronised manner to improve the system's efficiency. We also play an important part representing the EPS with regards to governmental regulations.

What is the state of the EPS today and how do they function?

There are currently about 40 EPS (Colombian insurance companies) operating in Colombia out of which 12 are part of our association ACEMI. They remain stable despite the current well-known financial challenges.

[Featured_in]

The EPS articulate the system, and are responsible for the patient's coverage under very strict regulations. They are privately-managed but operate under the government. As an association

representing EPS in the country, we are required to dialogue with our service providers such as our hospitals and pharmaceutical companies present in the market, as well as various associations. One of the challenges faced by our association is the relationships with hospitals they perceive us sometimes as being responsible for the low healthcare costs and low doctor wages.

What role does EPS play in price control?

We had a responsibility to control the affordability of patient care but we do not control prices, which is a government function. What EPS do is provide all medicines doctors prescribe. Though, in some cases, our choices for POS listed medication might have affected the price of certain products through supply and demand. Along with MiPres (a digitalised prescription platform) doctors have gained autonomy in their prescription decisions compared to before. The EPS in Colombia, also offered some regulatory services, used by doctors and physicians to ensure that patients in Colombia get the best quality services. In terms of hospitals, the country presents high quality infrastructure, with about 20 of the 40 best hospitals that are in Colombia and this is also due to a strong and developed EPS system that is contributing to the good quality of our healthcare system.

What's the financial state of the EPS in Colombia?

The whole healthcare coverage system currently has debts of COP 70bn (approx. USD 2.5bn). The EPS cover all drugs prescribed by the doctor but reimbursements from the government has been 75 percent of the costs incurred. The system is still facing financial challenges that need to be addressed to avoid hospitals cutting their doctors wages.

What are the issues you see with the healthcare system?

[related_story]

Colombia has an outstanding healthcare system of which I'm very proud, and is considered one of the best one in the region. It would be a shame to turn it into a privately held system. Nonetheless, the government is currently facing an important financial challenge. Currently the healthcare budget stands at 6.5 percent of Colombia's GDP, which is lower than countries like Brazil and Argentina for example, that are spending about eight percent of their GDP. To continue covering Colombians with one of the best benefit packages in the world, we should be spending at least eight percent of our GDP, as the deficit of the healthcare system currently stands at about USD 2.5bn. Another challenge is that the EPS are expected to pay for everything when in the reality they are unable to cover all the costs.

I believe our current healthcare system, despite the quality and universal coverage, presents some inefficiencies that need to be addressed to be more efficient in the long-run. We have burdensome control and regulations and we need to simplify the processes, which could save important resources. By removing some inefficient procedures within the hospital systems, we should expect to reduce our spending by up to three percent and improve the quality of service offered. Our government is also now shifting towards a fully tax paid system, which is quite popular in Europe, but its efficiency is still unclear.

What could be some of the solutions?

The government should be dedicating a larger part of its budget towards healthcare to continue developing the sustainability of the system and support the incredible benefit package offered to the Colombian population. Nonetheless I would like to see the Colombian out of pocket spending increase in the next few years, as it would equally help to create a more sustainable system. Colombians need to realize that they are only contributing 15 percent of the total spending, when in other countries in Latin America, out of pocket spending averages 35percent.I would consider 20 to 25 percent to be an acceptable out of pocket contribution in the country. Additionally, we should be eliminating many of the burdensome regulations and controls. We need a very strong inter-organisation information system. Currently it’s pretty complicated, and not optimal as we have an insurance system without an optimal information system.

See more interviews