

Privatization of Health Organizations in Iran: How to Avoid Too Much of a Good Thing?

H Ghassemzadeh

Planning Manager,
NIOC's Health Organization, Tehran, Iran

Iran is currently possessing 1% of the world's population, 1% of the whole global territory, while holding some 12% of global oil resources which accounts for the importance of its oil, gas and petrochemical industries along with the vital role of National Iranian Oil Company (NIOC)'s Health Organization to provide constant and efficient healthcare services to the employees of these industries ever since discovering the oil in the country, almost a century ago.

I believe that putting Iran's huge public sector into private hands is synonymous with justice and liberalization which is taking its progressive steps towards meeting the final nationwide ambition by ending up concentrating wealth in just a few hands, implemented through the principle 44 of the Iranian constitution by Iranian Privatization Organization (IPO). Therefore, the Iranian authorities are seeking to sell off parts of governmental-owned companies including banks as well as downstream oil assets such as petrochemical industries, roads, railways and air transportation to private sector.

The process of privatization, however, if not handled properly might end in a fruitless political ambition. Over the past few years, some authorities have proposed to include the NIOC's Health Organization in the list of divestible enterprises. I would like show you what may come if that hap-

pens. But first, let's learn from history.

In Chile, some eight years after country's coup d'état, major reforms began to be implemented so as to be a so-called well developed modern country in south America. But the tragedy seems to be in the privatization of the health system. The private health service providers decided to cover only the young, the rich and the healthy adults, while some 80% of the society—mainly the elderly and the poor—were forced to be under the cover of governmental healthcare centers. Such an unfair condition made the Chilean Ex-Minister of Health to confess that “it seems that the system has no efficient supervision and that finally the government came to a point to reengineer this issue, in spite of the expected overgrowing resistance by the private healthcare providers.”

In the US, the situation well indicates that privatization of healthcare system encountered some unwanted restrictions so that although from the private health and medical care providers' viewpoint, competitiveness is necessary to increase both the quality and efficiency of the services accompanied by a decreasing expenditure, both the insured and the insurers strongly believe that the privatization has led to many serious social and political drawbacks particularly by omitting a large number of people from reaching an appropriate healthcare services.

Correspondence to
Hossein Ghassemzadeh, MD, Planning
Manager, NIOC's
Health Organization
Headquarter, No. 26,
Behafarin St, Vali-Asr
Sq, Tehran, Iran
Tel: +98-21-8330-7259
Fax: +98-21-8894-3983
E-mail: H.Ghassem361
@gmail.com

I think that privatization of the NIOC's Health Organization will result in even more grave consequences since it is the only healthcare organization in Iran in terms of providing some unique services. The Organization complies well with the current and future needs of the oil and gas related industries in Iran; has a highly distinguished value for preventive care services and provides quite free wide range of services through all over the Iranian territories; offers standard and quality healthcare services to all staff members and their families (some 480 000 people) since birth to death along with ordinary native inhabitants living around the oil industries, particularly in the rural areas (a sum of 850 000 to 900 000 people throughout the country); implemented electronic health records, telemedicine and an array of health information system (HIS) software programs; has a 70-year-

old history of occupational medicine in all of the operational fields; and, provides widespread air-sea-ground accidents and emergency services, particularly in the industrial zones, both in the seashores and offshores in the Persian Gulf territory—to name only a few of its unique services.

Based on the presented experience from other countries and on account of the unique features of NIOC's Health Organization, considering the current evidence, I believe that it is still too early to reach a conclusion on the issue of privatization of this Organization. Certainly, further analysis should be undertaken if we all have common interests for competitive acquisition due to the roadmap of the privatization governed by IPO, since obviously this will not be an advisable option to privatize blindly one of the oldest healthcare providers in Iran.