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# Health in the 5th 5-years Development Plan of Iran: Main Challenges, General Policies and Strategies

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#### Abstract

Access to the right to the highest attainable level of health is a constitutional right that obliges governments and other players to take step to increase all individuals' chances of obtaining good health. At the least, health and education are two crucial requirements for this as well. Iran's vision 2025 is going to lead the country to a developed state with the highest rank of economic, scientific and technological status in the region. Enjoying health, welfare, food security, social security, equal opportunities, etc, are also considered as part of characteristics of Iranian society in 2025. Although health system of Iran has many achievements in providing health services specially for the poor following the Islamic Revolution of 1979, but the evidences gathered to develop the 5th 5-years economical, social and cultural plan (5th 5YDP:2011-2015), listed a variety of main challenges in stewardship, financing, resources generation and service provision functions of the existing health system. Thus, to overcome the main challenges, about 11% of general policies of 5th 5YDP are directly address health related issues with emphasizing on healthy human and comprehensive health approach with considering: Integration of policy making, planning, evaluation, supervision and public financing; Developing both quantity and quality of health insurance system and reducing out-of-pocket expenditures for health services to 30% by the end of the 5th plan. The strategies of 5th 5YDP adopted by the parliament as an Act will change the health system fundamentally through tuning the main drivers; so, its implementation needs brave leaders, capable managers, motivated technical staff and social mobilization.

Keywords: Health, Policy, Plan, Iran

### Introduction

The right to the highest attainable level of health is a constitutional right, enshrined in the charter of WHO. This right obliges governments and other players to take step to increase all individuals' chances of obtaining good health (1). Many factors has been defined as determinants of good

or ill health including, individual biology and life styles, social and physical environment, access to qualitative health care and policies and related actions (2). Achieving the highest attainable level of health equitably for the population is the main intrinsic goal of every health system. A health system includes the resources, actors, and institutions related to the financing, regulation, and provision of health actions. A health action is defined to be any set of activities whose primary intent is to improve or maintain health (3).

Health and health systems may increase or decrease economic production. For example, some methods of organizing health financing, such as some forms of employment-based insurance, may hinder labor mobility and macro-economic performance. At the same time, there is increasing evidence that improvements in health can enhance economic growth (4). In fact, health is a cross-systems goal of all developmental sector activities in a society and could be defined as an indicator of good governance. It is well recognized that an increase in national income, by itself, does not capture development in its fullest sense. At least, health and education are two crucial requirements for this as well (5).

Securing equity and justice, political, economical, social and cultural independence and national solidarity is the main goals of the Iran in article 2 of its 1979 constitution. Article 3 of the constitution states that in order to attain these goals the government has the duty of directing all its resources to 16 affairs including the foundation of a correct and equitable economic system in accordance with Islamic criteria in order to create welfare, eliminate poverty and abolish all forms of deprivation with respect to nutrition, housing, work, health and insurance coverage. Providing basic needs for all citizens including: housing, food, clothing, health and treatment, education and the requirements for the establishment of a family is one of the main bases of the economic system as well (article 43). Also, to benefit from social security with respect to retirement, unemployment, old age, disability, accidents, need to health and treatment services and medical care provided through insurance and etc is a universal right; The government, in accordance with the law, must secure the foregoing services and financial support for every individual citizen by drawing on the national revenues and funds obtained through public contributions (article 29) (6).

# Development planning and management in I.R. of Iran

Country's development is managed through 5years economical, social and cultural plans, that is a strategic and operational plan developed at national level and after preparation of national documents including sectoral and intersectoral background materials, the provincial and organizational versions should be prepared afterwards. The Deputy President for Strategic Planning and Control (DPSPC) is responsible for coordinating the process of planning at national and provincial level. Based on a planning structure and instruction, special and joint taskforces are formed from representatives of different organization to conduct studies to prepare required reports; for instance, Ministry of Health and Medical Education (MOHME) is responsible for health special taskforce to draft the health plan by cooperation of related governmental and non governmental bodies. The High Council of Planning is responsible for integration of all received reports.

First, the government prepares the general policies of the plan; then the general policies should be reviewed and finalized by the Supreme Leader of Iran after consultation with country's Expediency Council; after that, the approved policies send to the president to be implemented in planning process. Each taskforce makes drafted report based on the related general policies which includes internal and external situational analysis, general policies and goals, strategies, executive policies, programs, objectives and activities. The final 5-year development plan which will be sent by the government to the Islamic Parliament, Majlis, includes goals, strategies, resources and proposed legislative articles required for implementation. After reviewing the plan in the related special commission of the Majlis, it will be presented, article by article, in the public scene for final discussion, possible amendments and voting. After approval of Guardian Council, that is responsible to assess alignment of parliament adopted laws with Iran's constitution and Islamic rules, the Act of development plan will be notified to the government for enforcement and implementation (7).

Five development plans have been prepared after the Islamic Revolution of 1979; among them, the 4<sup>th</sup> and 5<sup>th</sup> plans are targeting Iran Vision 2025. The vision is going to lead the country to a developed state with the highest rank of economic, scientific and technological status in the region, maintaining revolutionary and Islamic identity, inspiring Islamic world, as well as effective and constructive interactions in its international relations. Enjoying health, welfare, food security, social security, equal opportunities, fair income distribution, strong family structure; to be away from poverty, corruption, and discrimination; and benefitting desirable living environment are also considered out of characteristics of Iranian society in that year (8).

### Achievements and challenges of Iranian Health System

Late in 1970s, investments in public health led to provision of clean water, better hygiene and sanitation. This was accompanied by development of a basic but strong rural Primary Health Care (PHC) system. Coverage with social medical insurance is over 90 percent of the population. The country has developed an expanded network public and private - of sophisticated outpatient specialty services, as well as a network of secondary and tertiary services through its hospital network (9). Collectively, these changes contributed to improving mean life expectancy at birth to 70.9 years old for male and 73.17 years old for female by 2007. Likewise, there have been remarkable drops in total fertility rate and infant, under five and maternal mortality rates (2).

Iran is currently experiencing a "youth bulge"; however, projections predict that Iran's demographic profiles will be aging, in the coming two decades. In twenty years, these relative reductions in younger populations and substantially increased numbers of elderly will impact on labor and social policies and can further be expected to change the epidemiologic profile and the burden of disease in the country.

Now, Iran faces a burden of disease increasingly predominated by non-communicable diseases and

accidents. The burden of disease profile is characterized by risky behaviors of youth such as traffic accidents and injuries. Over the next two decades, when these young population move into working age and older age cohorts, there would be a dominance of chronic conditions including cardiovascular diseases, cancers, and mental illness. The Health Policy Council (HPC) of MOHME of I.R of Iran has to act as a consultant, and help developing evidence based policy making (10); the evidences and experts opinions analyzed by the committees of HPC to prepare the 5<sup>th</sup> health development plan displayed main challenges in all Iranian health system functions, although the country has many achievements in providing health services specially for the low-income population (Table 1) (2).

### Health policies and strategies in the 5th 5YDP

As the health system of I.R. of Iran should rapidly respond to the current and immediate health needs of young generation of the country, and at the same time, to prepare itself for the current epidemiological transition of diseases to non communicable diseases (NCDs), a vision were prepared as follows by the MOHME based on the Iran's Vision 2025 as the basic step of 5<sup>th</sup> 5-years development planning:

"At 2025, I.R. of Iran is a country with people having highest rank of health situation and the most equitable and developed health system in the region" (2).

For approaching the vision, goals were estimated by analyzing the trend of the main indices and comparing them with benchmarked countries. Also, general policies of health in the 5<sup>th</sup>5YDP proposed to the government by MOHME. Finally, the following general policies approved by the supreme leader to overcome the main challenges of health system in 5<sup>th</sup>5YDP (11).

## Science and Technology affairs

- 7) Reform in higher education and research system ...
- 8) ... Increase physical and mental health of students

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Table 1: Iranian health system functions challenges

Stewardship
☐ Disintegration of health governance bodies
☐ Conflict of interest in some of policy makers and managers
☐ Weakness in hiring skilled human resources for policy making, planning and effective monitoring
☐ Lake of agreed instruction for health policy making and planning process and procedures.
☐ Weakness of financial resources for policy making and planning
☐ Weakness of attention of policy makers to periodical monitoring of policy and plan implementation
☐ Weakness of stakeholder contribution in policy making and planning
☐ Weakness of project management skills in national and provincial experts
Undirected applied researches for responding to health priorities
Service Provision
Development of various and uncoordinated health care delivery systems by different organizations that their mission are not promoting health and are funded in different ways (such as Municipalities, Banks, Judiciary system, Ministry of Oil, Broadcasting,).
☐ Different health services packages of various funders that sometimes are not defined based on priorities.
☐ Different ways of financing which has a direct effect on service delivery methods.
☐ Effects of different cultural backgrounds on the utilization of health services
☐ The public demand and some of planners' and policy makers' interests on developing specialized and complex services instead of expanding and strengthening the primary prevention services approach.
□ Lack of effective control on health service delivery in different sectors.
Financing
□ Lack of enough total and public financial resources(regressive trend in public resources)
□ Unfair health financing: Fair Financial Contribution Index =0.832 (2007)
□ Unfair payments for health services by population: Out Of Pocket = %51.7, Catastrophic Health Expenditure = %2.5.(2007)
□ Lack of a profound vision in medical insurances
☐ Untargeted health sector resources towards low income deciles(Geographical targeting, targeting supply side, weakness of informal sector groups finding)
Unsustainability of resources and in coordination between resources and required service packages and quality of
care and costs
☐ Incoherency in revenue collection and risk pooling (different methods of premiums, several public, semi public and private insurance funds)
□ Lack of cohesion in stewardship of financing system
☐ Inequitable and cost producing Payment system, mostly fee-for- service. (equal payment to services with different quality, different prices for a similar service, not to obey the public and private tariffs)
Excessive capacity building inappropriate to the health needs (educating extra human resources, irregular import
of medical equipments)
Resource Generation (Human, Physical, Information, drugs and other health products)
□Lack of national policies, strategies and plans of Human Resources of Health(HRH) appropriated to the Iran vision 2025
□ Lack of need assessment information and incorporating existing evidences in HRH planning.
□ Surplus of manpower in various fields and unemployment and immigration of some of graduates.
□ Lack of internal and external coordination with human resources production and management bodies.
□ Lack of a monitoring system for periodical situational analysis of HRH.
☐ Inadequate knowledge and skills of human capital resources management.
☐ Inappropriateness between quality and quantity of medical education and employment market needs.
☐ Lack of effective presence of faculties in medical universities and public hospitals.
☐ Low job satisfaction and weakness of incentive system in improving performances.
☐ Low salary and unbalanced income of similar level groups and inequitable payment to different levels.

# Iranian J Publ Health, Vol. 42, Supple.1, Jan 2013, p: 42-49 Iran's Health System; a Step Toward the 2025 Outlook

#### Table 1: Cond...

☐ Reduction of real value of salaries due to price inflation.
weakness of technical knowledge and technology for producing diagnostic medical devices and equipments.
□ weakness of defined and updated standards of medical equipments.
☐ Export development and emerging medical technologies in countries.
☐ Effects of media in defining medical equipment market
☐ Lack of adequate physical facilities.
☐ Weakness of capacity of physical facilities management.
☐ Unprofessional and sometimes nonstandard building construction.
☐ Uncoordinated building construction by health donors.
□ weakness of legislation about E-health in the country
☐ Lack of a coherent national strategy on development of E-health
□Conflict and contention between various governmental agencies regarding stewardship of E-health plans and programs
weakness of technical, information, security and technological infrastructure in the field of electronic health
☐ Lack of accurate and oriented investment for support of E-Health policies and programs
☐ Being a governmental (under government) field, that hampers investment of the private sector.
Remoteness of some of information generating areas (eg rural health houses) and lack of required infrastructure in these sections
□ Lack of human resources, skills and abilities that is necessary for E-health development.
☐ Weakness of drug policies due to lack of national health policies .
□ Drug Act is not updated to the current situation.
☐ Hospital drugs budget are included in hospital total budget and there is no integrated system for monitoring the performances.
□ Prescribing the out of national list drugs by some of famous medical specialists increases the health expenditures and out of pocket rate.
☐ Irrational prescribing of antibiotics, corticosteroids and injections by some of doctors.
□Weakness of effective contribution of pharmacists in treatment cycle of the patients in hospital and ambulatory settings .
□ Privatizing drug industries has not led to real independent private drug companies. Some of drug holdings are drug purchasers.
□ Weakness of drug pricing mechanism.
☐ Some drugs in the market are illicit.
□ Weakness of drug laboratories in quality control.

#### Social affairs

- 19) Emphasizing in healthy human and comprehensive health approach with considering: 19-1) Integration in policy making, planning, evaluation, supervision and public funds allocation. 19-2) Improving indices of healthy air, food security, environmental, physical and mental health
- 19-3) Reducing health risk factors
- 19-4) Modification of community nutrition style with improving composition and health of foods.
- 19-5) Developing quantity and quality of health insurances and reducing people sharing of health expenditures to 30% up to end of 5th plan.

#### Economical affairs

- 25-4) Creating competitive market for provision of medical insurance services.
- 31) Improving and coordinating among developmental objectives: education, health and employment, as, the Human Development Index (HDI) reaches to the level of countries with high HDI at the end of 5<sup>th</sup>5YDP.
- 35-5) Securing universal and efficient insurance and developing the quantity and quality of social security system and medical insurance services.

Based on above leading general policies, the 5<sup>th</sup> 5-years health development plan (5<sup>th</sup>5YHDP) including vision, strategic goals, strategies and actions and legislative articles were drafted by

health special taskforce in MOHME and defended in the DPSPC. Finally the 5<sup>th</sup>5YDP were reviewed and completed by the Majlis and after approval of the expediency council, notified to the president on Feb 2011.

Adapting 5<sup>th</sup>5YDP Act's articles to the Health System Conceptual Framework of World Health Organization report 2000 (Table 2) showed that this is a big reform plan that is going to strengthen all functions of the system coordinately to address the current and future health problems, specially the NCDs treats (12).

Table 2: Health system functions strategies in I.R. of Iran 5<sup>th</sup> 5-Years Development Plan Act

#### Stewardship

- Independency of Universities of Medical Sciences and Health services:
  - Educational expenditures of required human resources and supported research expenditures financed based on unit costs and operational budgeting. (20-A-1)
  - work only with financial and executive rules and regulations and structures approved by their board of trusties after final agreement of Minister of Health. (20-B)
- Preparing strategic plan for "improving the level of HDI" (24)
- Establishing High Council of Health and Food Security at national level and a similar structure at provincial level. (32-A)
- Large developmental projects should have health Impact Assessment Appendix(32-B)
- Centralizing policy making, planning and supervision on health sector in MOHME. (36-B)
- MOHME is policy maker and highest supervisor of health in country (38-H)
   Announcing the list of health threatening products/interventions and drugs with a potential of abuse at the beginning of each year to increase taxation for them (37-A).
- Prohibition of advertisements of health threatening products and services by all public medias. Penalty is 10 to 1000 Million Rials. (37-J)
- Supervision on health care delivery institutes, based on MOHME accreditation standards, outsourced to nongovernmental institutes .(38-V)

#### Service Provision

- Providing educational programs for physical and mental health promotion of students.(19-A-10)
- Counseling services for student and families to improve student's mental health. (19-A-11).
   Modifying and implementing "universal and comprehensive health care system" based on PHC system, family physician initiative and its referral path, service stratification, strategic purchasing of services, decentralizing of delivery and paying for performance. Less developed areas are priority (32-I).
- Defining country medical treatment system considering: integration of basic medical insurance, family physician, referral path, clinical guidelines, medical emergencies, creating boards of trusties in academic hospitals, geographical fulltime faculties and required tariffs and special clinics, complementary insurances.(32-D)
- Nongovernmental health care providers who are not interested in cooperating with "universal and comprehensive health care system", are not allowed to contract to basic and complementary medical insurance and using public fund and subsidies. (32-D-1)
- Employed medical doctors of governmental and public sectors are not allowed to work in private or nongovernmental medical organizations and hospitals (32-D-2).
- Personnel of MOHME and Ministry of welfare and related organizations, executive boards of medical universities, heads of
  hospitals and health networks are not allowed to work in medical, diagnostic and educational organizations of
  nongovernmental sector (32-D-2).
- Evolving the medical, laboratory and dental centers and providing and distributing the medical devices must be based on country needs and health service stratification framework.(32-D-3)
- Development of natural and traditional medicine remedies and services(34-H).

#### Financing

- Pay for performance (32-J).
- National Tariff of medical services set appropriately to real price.(32-D-2)
- 10% of resources pooled through Targeting Subsidies Act will be paid to MOHME annually .(34-B)
- Special bonuses for doctors working in less developed regions.(36-A)
- Allocation of 10% of car insurance premiums for compensating expenditure of providing free health care services for car

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# Iranian J Publ Health, Vol. 42, Supple.1, Jan 2013, p: 42-49 Iran's Health System; a Step Toward the 2025 Outlook

#### Table 2: Cond...

accident injuries. (37-B).

- Quantitative and qualitative improvement of health insurances by reorganizing the structure of insurance funds, resource management, rationalizing tariffs, using internal resources of funds and governmental financial supports. (38)
- Basic health insurance is universal and mandatory(38-A).
- Creating Health Insurance Organization (HIO) by integrating all medical funds to Medical Services Insurance Organization, except Fund of Social Security Organization(SSO) and, Military Force Medical Services and the Ministry of Intelligence by permission of the Supreme Leader. (38-B)
- Establish a High Council of Health Insurance.(38-B-3)
- · Paying more for the basic health care benefit package by complementary medical insurances is banned. (38-B-5)
- Uniform basic health insurance services for population is defined and gradually implemented (38-J).
- Basic health insurance premium is a proportion of the income of household's head as follows: (38-D-1)
  - Rural, indigenous and poor: 5% of minimum salary of Employment Act for years 1,2 and 3 of the plan; 6%. Afterwards. Government pays for them.
  - Civil and military servants families: 5% of salary and benefits for years 1,2, and 3 then 6% for other years. Government pays some parts.
  - SSO insures: based on Social Security Act, 30% of amount of monthly salary of employee will be paid for social security benefit package; 20% by employer, 7% by employee, 3% by government (9/27 of it is for medical service insurance)
  - premium for others will be set by the High council of Health Insurance according to income groups.
- Setting relative value and tariff of medical services yearly by health insurance high council for Governmental and nongovernmental and private sectors for strengthening suitable behavior(38-H)
- Strategic purchasing of health services from all sectors by HIO considering referral path ,stratification of services, Payment system modification and basic benefit package. (38-Z).

### Resource Generation (Human, Physical, Information, drugs and other health products)

- Governmental Support to build Health Knowledge Cities(34-A)
- Estimation of educational needs and entrees numbers of governmental and nongovernmental medical universities appropriated to the strategies of family physician, referral path and stratification of services and country science comprehensive map. (34-I)
- Establish Iranian electronic health record system and health centers databases for delivering electronic health services (35-A).
- Organizing integrated health insurance services based on information technology and related to Iranian Electronic Health Record System (35-B).

#### Conclusion

Appropriately configured and managed health systems provide a vehicle to improve people's lives, protecting them from the vulnerability of sickness, generating a sense of security, and building social cohesion within society; they can ensure that all groups benefit from socioeconomic development and they can generate the political support needed to sustain them (1).

The general policies and strategies of 5<sup>th</sup>5YHDP Act have been prepared for overcoming the current and future health challenges by tuning the main drivers of improving the system. As this plan will change the health system fundamentally to secure healthy people and comprehensive health approach, its implementation needs brave leaders, capable managers, motivated technical staff and social mobilization.

#### **Ethical considerations**

Ethical issues (Including plagiarism, Informed Consent, misconduct, data fabrication and/or falsification, double publication and/or submission, redundancy, etc) have been completely observed by the authors.

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