

## CHAPTER V

### PRIVATE HEALTH INSURANCE AND HEALTH SERVICES

#### I.- GENERAL INFORMATION

##### I.1 Nature and Scope of the System

1. The current health system in Chile began to develop in 1981 with the enactment of a Decree Law which allowed for the operation of private health insurance institutions. Nowadays two systems coexist within the frame of the Chilean health structure. A general one, run by the Government and which is managed by the Fondo Nacional de Salud (National Health Fund -- FONASA), to which affiliation is automatic by acquiring certain characteristics. The second system, privately managed by the Private Health Institutions (ISAPRES), establishes a special regime within the frame of a health contract patterned after private health insurance. Additionally, about one million people are covered by a special social security health system for the Armed Forces.

2. The setting up and operation of the Private Health Insurance Institutions is controlled by the Superintendence of Private Health Insurance Institutions. Likewise, there are legal provisions which establish the way and conditions for the transfer from the National Health Fund (FONASA) to the Superintendence of ISAPRES of the documents and information which make an adequate supervision of contracts, tariffs, programs and corresponding guarantees for the Private Health Insurance Institutions.

3. Finally, a decree from the Ministry of Labor and Social Security regulates a subsidy system for labor disablement which is common to the regimes of FONASA as well as those of the ISAPRES. In both cases, pecuniary benefits are stipulated as a compensation for causes of labor disablement which are specified in that Decree.

##### I.2 The National Health Fund (FONASA) and the Public Health Services

4. The National Health System (FONASA) has two main programs: a freely elected provider system which works in a similar way as the ISAPRES and it can be used to pay for health services either at state-owned hospitals or private clinics. The other system uses only state-owned hospitals and polyclinics. FONASA covers about two and a half million people under the first system. At the same time, the National Public Health Service (SNS) runs all the public hospitals, conducts national vaccination programmes as well as maternal-infant programmes and finances the health care of the indigent and poorest segments of the population. Both, FONASA and the National Public Health Service, are under the Ministry of Health. Currently, the Ministry of Health directly employs more than 66,000 health workers, including doctors, nurses and administrative personnel.

5. All people who are affiliated to any social security system either as a salaried or a self-employed worker of the private or public sector, or as a voluntary contributor or beneficiary of a