

- separation of financing and delivery of services;
- re-organization of health care by function instead of by target population;
- assignment of regulatory functions solely to the *Secretaría de Salud (SS)*, the Secretariat of Health; and
- services from both the public and private sectors.

These proposals have been featured in speeches of incoming President Ernesto Zedillo and they are likely to become government policy under his administration.

The need for improved quality and efficiency has also been recognized by Mexican health care authorities. New certification requirements for hospitals have been introduced and a pilot certification program is underway.

The private sector is expected to play a growing role in the Mexican health care system, as higher standards of quality and efficiency become the norm. President Zedillo has stressed that the National Health Care System will be maintained, strengthened and modernized. An expanding private sector will be expected to complement the public system.

The motivation for privatization is better quality at lower cost. This could apply to a wide range of technologies from magnetic imaging to hospital laundry. These developments point to increased opportunities for Canadian companies with experience in delivering cost-effective services in support of health care delivery.

THE MEXICAN HEALTH CARE SYSTEM

Mexico's *Sistema Nacional de Salud*, National Health Care System, has been substantially expanded in recent years, and now makes health care services available to virtually every Mexican. Primary care clinics

THREE LEVELS OF SERVICE

Public sector medical units in Mexico are classified into three levels of care:

- **primary care** includes out-patient services which are primarily diagnostic, with no hospitalization facilities;
- **second level** medical units are general hospitals that may or may not offer specialized services; and
- **third level** facilities provide hospitalization and specialized medical treatment, and do not offer out-patient facilities.

have been established in a growing number of remote towns and villages. By the end of 1992, health care services were available to an estimated 90 million people. The budgets of the nine principal entities in the National Health Care System total about US \$10 billion.

Individuals are eligible for different programs that make up the National Health Care System, depending mainly on their employment status, their economic resources and their location. Some more affluent Mexicans choose to use the services of a parallel private health care system.

Roughly half of the population consists of formally employed persons and their families. They are covered by the *población derechohabiente*, premium-based system. This is funded by employer and employee contributions to a variety of health care entities. There are several programs covering different types of employers. A separate system serves the health care needs of Mexicans who are not employed, who are self-employed or who are engaged in the informal economy. It is referred to as *población abierta*, or open system.

The National Health Care System is based on an extensive infrastructure of more than 14,000 medical service centres, of which about 13,000 are primary care facilities. About three-quarters of these facilities fall under

the jurisdiction of the *población abierta*, open system. General hospitals are a key element of both systems, but two-thirds of specialized hospitals are in the open system. Although some hospitals in the larger cities are comparable to those in Canada, Mexican facilities average only 86 beds.

MAJOR CUSTOMERS

Any marketing program aimed at the Mexican Health Care Sector should first consider the nine public agencies that make up the *Sistema Nacional de Salud*, National Health Care System. They are divided into the *población abierta*, open system and the *población derechohabiente*, premium-based system. Private health care facilities also constitute a significant market.

The Open System

The *población abierta*, open system, serves the population which is not formally employed and therefore does not pay health care premiums. Its facilities are oriented towards the poorer segments of Mexican society. It includes the following institutions:

- *Secretaría de Salud (SS)*, the Secretariat of Health, with responsibility for 50 percent of all public medical units in the country;
- *Departamento del Distrito Federal (DDF)*, the Department of the Federal District, responsible for more than 100 health care units in the Mexico City area;
- *Instituto Mexicano del Seguro Social — Solidaridad (IMSS — Solidaridad)*, the Mexican Institute for Social Security, encompasses the services provided under the National Welfare System of *Solidaridad*;
- *Sistema Nacional Para el Desarrollo Integral de la Familia (DIF)*, the National System for the Development of the Family, provides social assistance and care to disadvantaged children;

