

Big promises, few details: the uncertain future of Mexican healthcare under AMLO



Though Mexico's Seguro Popular public health-insurance scheme has been a great success, system fragmentation, underfunding, coverage limitations, and corruption remain serious challenges. AMLO appears to have the will to reform both the scheme and wider Mexican healthcare, but the way is far less obvious, write [Rocio Nava](#) and [Emily Adrion](#) (University of Edinburgh).

Following one of the most memorable races in Mexico's modern history, Andrés Manuel López Obrador (AMLO) was chosen to be the country's next president on 1 July 2018.

As the streets of Mexico City erupted in celebration, it was clear that his supporters were hopeful about the prospects for change. But AMLO will assume office against a backdrop of complex national and international politics, with enormous pressure from the public for [tangible and ambitious solutions](#) to the pressing issues of extreme violence, inequality, and corruption that were the focus of his campaign.



AMLO's victory provides a window of opportunity to improve Mexican healthcare ([German Tenorio](#), [CC BY-SA 2.0](#))

However, when it comes to another pressing issue, healthcare, AMLO's direction is less clear. Although he has proposed reforming Seguro Popular, Mexico's public health-insurance scheme, he provides little clarity on what that reform would look like.

This is important because, while Mexico has made notable progress towards universal health coverage over the past two decades, key challenges remain. AMLO's victory represents a potential political window that could allow space to reform and improve Seguro Popular and the Mexican healthcare system more broadly, yet there is no guarantee that this opportunity will be taken.

The status of Seguro Popular

Seguro Popular was created in 2003 to tackle widespread uninsurance – then affecting over [50 per cent of the Mexican population](#) – and high rates of out-of-pocket expenditure on healthcare (making up [58% of total health expenditure in 2000](#)).

Before 2003, formally employed workers and civil servants had guaranteed access to health insurance, but unemployed, self-employed, and non-salaried Mexicans were ineligible for enrolment in existing schemes. Seguro Popular was designed to provide coverage for these groups and has been very successful in doing so: by 2017, Seguro Popular was [providing 53.5 million Mexicans with coverage](#) for 294 medical interventions, from vaccinations to cardiac surgery.

The programme's achievements are many. Uninsurance decreased from over 50 per cent to [21.5 per cent](#) following the national rollout of the programme. Catastrophic health expenditure has [fallen among rural populations](#), and uptake has increased amongst those with [little or no education](#).

The international policy community [has praised](#) Seguro Popular as one of the most important and progressive healthcare reforms in low- and middle-income countries in recent decades. It has often been [held up as a model](#) for other countries that aim to achieve universal health coverage.

Policy challenges

However, serious policy challenges remain, not least in terms of system fragmentation.

The Mexican healthcare system consists of several vertical sub-systems, each with their own financing mechanisms, infrastructure, and human resources. Seguro Popular was introduced as another sub-system with its own financing mechanisms, yet it shares infrastructure and human resources with the Health Secretariat, which runs public hospitals and clinics.

As the number of patients treated at public facilities continues to grow, financing has become an important challenge as well. Specifically, increased uptake has not been accompanied by an increase in financial resources: by 2013, states were consistently receiving [27.2 per cent](#) less than the legally stipulated federal contribution for Seguro Popular, with [notably unequal allocation](#) across states. Moreover, there are clear [disparities in health financing](#) amongst the different publicly financed healthcare institutions, with Seguro Popular consistently faring the worst.

Inadequate financing has had an important impact on access to care: in 2013, an estimated [12.5 per cent of Seguro Popular enrollees](#) did not have access to health services when needed, as opposed to 6.5 per cent of those enrolled in other social health insurance schemes.

There are also benefit and coverage limitations, as Seguro Popular enrollees are only eligible to be [treated at accredited public facilities](#), which can limit access to care, especially in rural areas. This non-portability of benefits means that in some cases the only option may be for patients to pay for care out-of-pocket at private or unaccredited public facilities.

More broadly, a lack of portability can lead to disruptions in continuity of care, exacerbating the risk both of ill health and of increased out-of-pocket expenditure – and this in a country where the level of out-of-pocket spending on health is [amongst the highest in the OECD](#).

A final policy challenge relates to near-ubiquitous corruption in Mexican public services, from which Seguro Popular is not exempt. The lack of appropriate and transparent regulatory mechanisms has contributed to widespread misuse of federal funds destined for Seguro Popular.

In 2017, the head of the National Commission for Social Protection in Health reported that [more than 1.3 billion Mexican pesos \(around £50.4 million\)](#) allocated to the state of Michoacan between 2011 and 2012 were unaccounted for. [Similar reports](#) have emerged from other states, yet no charges have been brought against any government employee.



Challenges and solutions (clickable)

Transparency deficiencies in financial management are [not unique](#) to Seguro Popular, but this problem does little to reduce Mexicans' dissatisfaction and mistrust when it comes to public healthcare.



Healthcare reform is just one of many urgent demands facing the incoming AMLO government ([Eneas De Troya](#), [CC BY 2.0](#))

What does AMLO's victory mean for Seguro Popular?

Despite these challenges, [healthcare received little attention](#) during the presidential race.

[AMLO's proposals](#) seem to focus on broad issues facing the Mexican healthcare system, including the need for improved quality, prevention, and access, yet he provides few details on how change can be achieved.

His platform includes an incremental increase in spending on health, as well as a relatively vague proposal to reform regulations and accountability mechanisms around public healthcare provision. Similar ambiguity can be observed in his proposal to guarantee universal health coverage: it is unclear whether he is actually referring to universal access rather than universal coverage, and again the ways and means are absent.

The opacity of these proposals is concerning given the evident need for improvement of Seguro Popular and of the Mexican healthcare system more broadly.

Moreover, there seems to be public support for change: a [July 2017 study](#) reported that 82.6 per cent of Mexicans felt that the healthcare system "needs fundamental changes or complete rebuilding", with those experiencing access barriers and subjective poor health more likely to be dissatisfied with the current system.

While AMLO's proposals do echo experts' [recommendations](#) for promoting a more cohesive and integrated Mexican health system, they arguably have little chance of success or sustainability unless they are accompanied by tangible, realistic strategies to achieve change. Any reform needs to be accompanied by strong governance and stewardship at both national and regional levels, as well as improved accountability and transparency.

The latter may require designation of an overarching regulatory institution to monitor implementation and system-wide performance, a role that might befit the Health Secretariat and the newly appointed health minister [Dr Jorge Alcocer](#). Strengthening the Secretariat's regulatory role for all sub-systems could expedite negotiations on portability of insurance across public providers and provide a foundation for more sweeping reforms to reduce fragmentation and provide a better healthcare system for all.

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