Funding health promotion and disease prevention programmes: an innovative financing experience from Thailand

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Abstract: Sustainable sources of funding for health programmes have been explored by many countries. In Thailand, the Health Promotion Foundation (ThaiHealth) was established in 2001 as an innovative state agency for funding health promotion from the 2% surcharge on alcohol and tobacco excise tax.

ThaiHealth is governed by a Board chaired by the Prime Minister. It is not part of the conventional health services. ThaiHealth explicitly pursues a "socio-cultural" rather than a "biomedical model" of health. It has fostered strategic partnerships with government, private sector, nongovernmental organizations, and communities to implement health promotion plans. In 2010, its budget was 3700 million bahts (119 million US dollars).

Since ThaiHealth plays a catalytic, coordinating, empowering and enabling role, its impact can only be assessed "collectively" with all partner organizations. ThaiHealth contributed to development of several policies that led to enactment of laws and building the capacity of organizations, communities and individuals in planning and carrying out health promotion activities. The "Collective impact" includes decline in smoking among the more-than-15-year-olds from 25.47% in 2001 to 20.7% in 2009; harmful alcohol drinkers from 9.1% in 2004 to 7.3% in 2009; death rate from vehicle accidents from 22.9 per 100 000 in 2003 to 16.82 per 100 000 in 2010.

The main factors leading to achievements of ThaiHealth are: flexibility, financial security and effective strategy. However, inadequate understanding among public and stakeholders about the philosophy, governance and operation of ThaiHealth is reckoned as a huge challenge.

Key words: Financing, health promotion, disease control, smoking, alcohol, Thailand.

Introduction

From "Health for All" to "Ottawa Charter", "Jakarta Declaration" and "Bangkok Charter", the concept of health promotion is shaping the service-based health education model into a socio-cultural model. The focus of contemporary health promotion is on broader social determinants of health. It requires "movements" to create and coordinate health promotion initiatives in health and related sectors for healthy behaviours, healthy policies, healthy environments and healthy systems.[1]

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Globally, noncommunicable diseases (NCDs) have emerged as the leading cause of disease burden. Several developing countries are also experiencing a rise in NCDs. Health promotion, having its focus on health-oriented approaches, can be used as a tool for preventing NCDs by diminishing the impact of major risk factors such as tobacco, alcohol, dietary imbalances, and physical inactivity.[2]

In spite of the increasing need, health promotion is conventionally given low priority in most countries, particularly in comparison with curative services. Therefore, instead of having health promotion budgets completely within the health ministry, innovative sources of predictable and sustainable funding for health promotion especially for NCDs prevention were explored and implemented by many countries during the past decades.[3-5]

The need for innovative health promotion financing system in Thailand

Thailand has transformed into a middle-income country. Consequently, the Thai burden of diseases has been gradually shifting to NCDs, injuries and mental illnesses.[6] The transition to unhealthy lifestyles and health risks has been found to be linked with urbanization, internal migration and changes in social environment.[7]

In the light of the rising burden of NCDs, greater need for health promotion was felt in Thailand. Innovative exploration for health promotion financing started from the tobacco control drive. From 1988 to 1993, Thailand succeeded in developing of policies and enacting laws for tobacco control. The advocacy for tax increase on tobacco for health reasons was successful in 1994. However, even though the revenue gained from tobacco excise tax increased, the financial support from the government for tobacco control was not only limited, but also showed a declining trend.

In 1995, the movement for sustainable finance for tobacco control led to a study on "health financing model from dedicated excise tax under the control of an autonomous agency established by the State". After a long process of national policy development, the Thai Parliament enacted the *Health Promotion Foundation Act* in 2001to establish Health Promotion Office as a state agency. This agency is not part of the Ministry of Public Health but is under the direct supervision of the Prime Minister. It funds health promotion-related activities from the 2% surcharge on alcohol and tobacco excise tax. The "surcharge" requires the tobacco and alcohol industries to pay 2% "additional tax" on top of the excise tax. The Thai Health Foundation (ThaiHealth) is the first organization of its kind in Asia that is apparently one of the outcomes of the health care reforms in Thailand.[8] The Thai experience of setting up and operating the health promotion foundation, and the lessons learned from innovative funding of health promotion in Thailand could be useful to other countries.

The Thai Health Promotion Foundation: governance, mission and strategy [9, 10]

The Health Promotion Foundation Act provides ThaiHealth with considerable autonomy as well as annual revenue, derived from the 2% additional excise tax on tobacco and alcohol. In 2010, the budget of ThaiHealth was 3700 million bahts (119 million US dollars).

ThaiHealth is governed by a Board of Governance as well as an Evaluation Board. It also uses a series of expert advisory committees. The Board of Governance has a multi-sectoral structure. It is chaired by the Prime Minister with Minister of Public Health

as the first Vice-Chairman and an independent expert as the Second Vice-Chairman. Board members comprise representatives from nine ministries and eight independent experts from various disciplines. Under the policy direction of the Board of Governance, health promotion implementation is executed by the Health Promotion Office, through a wide variety of networks and partners who develop and carry out a range of programmes and projects, to achieve the heath targets. The Board of Evaluation has seven members who are selected from experts in health promotion, finance and evaluation. The responsibility of the Board of Evaluation is to execute overall performance evaluation of ThaiHealth leading to transparency and efficiency. According to the Act, ThaiHealth has to report annually to the Cabinet as well as to both houses of Parliament.

Adopting the comprehensive WHO paradigm of health, ThaiHealth explicitly pursues a ”socio-cultural” rather than the ”biomedical model” of health. This funding strategy was designed to financially support major strategic health promotion activities, particularly in the areas that are considered to be ”hard-to-reach” by the conventional health system.

The mission of ThaiHealth, recently rephrased in 2011, is "to *inspire*, *motivate, coordinate* and *empower* individuals and organizations in all sectors for the enhancement of health promotive capability as well as healthy society and environment".[11] With its supporting role, rather than replacing the existing bodies, and positioning itself as a catalyst rather than an implementer, ThaiHealth has fostered strategic partnerships with various sectors including government, private sector, nongovernmental organizations (NGOs) and communities. These partnerships are the key mechanism for driving health promotion implementation synchronously.

The missions of ThaiHealth were implemented through the master plan which currently comprises 14 plans. The plans were organized on issue-based, setting-based and system-based approaches. The issue-based plans include Tobacco Control; Alcohol Control; Traffic Injuries and Disaster Management; Physical Exercise and Sports for Health; Healthy Food and Diet; and Health Risk Factors Control. The setting-based plans cover Health of Disadvantaged Groups; Health Promotion in Community; Children, Youth and Family Health; and Health Promotion in Organizations. Health system based plans comprise Social Marketing and Communication; Health Promotion through Health Service Systems; and Supportive Systems and Mechanisms. Most ThaiHealth plans were proactively implemented through strategic partners rather than by funding project proposals. However, a plan for promoting open grants and innovative projects was specifically organized as a channel to open up opportunities for all.

ThaiHealth's strategy has employed the concept of "*Triangle that Moves the Mountain*", proposed by Professor (Dr) Prawase Wasi.[12] To move the immovable "mountain", symbolised for the extreme difficulty encountered in bringing about social change, this strategy indicates that strengthening the three interconnected angles of the triangle or sectors is necessary. Creating *relevant knowledge* that provides evidenced-based action and policy, facilitating *social movement* to raise public awareness and action, and fortifying the *political authority's involvement*, must be connected together in order to effectively generate the holistic ability to solve difficult social and health problems.[13]

ThaiHealth's contribution to advancement of health promotion

The International Network of Health Promotion Foundations (INHPF) has indicated general advantages of health promotion foundations.[14] ThaiHealth provides a dedicated infrastructure for health promotion, offering several advantages. It is able to: (i) Ensure a cohesive and focused approach to health promotion; (ii) Advocate for health promotion to government; (iii) Conduct trials, plan and implement long-term and innovative programmes; (iv) Secure funding for health promotion initiatives from political and other uncertainty; (v) Work flexibly and collaboratively across a range of sectors; (vi) Collect, collate and transfer knowledge on effective health promotion; and (vii) React quickly to emerging needs of current health issues.

Five years after its establishment, the Evaluation Board of ThaiHealth initiated a review to assess the progress in relation to its legislative mandate and direction. This assessment was based on available data and reports as well as on the stakeholders' opinion. The reviewers led by Addy Carroll reported several key achievements of ThaiHealth (Box 1).[15] The review also recommended some major strategic and executive improvements that later became the focus of ThaiHealth such as: (i) Improving the evaluation of effectiveness of health promotion at project, programme, strategic and overall organizational levels; (ii) Be more proactive in prioritizing more-at-risk or disadvantaged population groups and targeting health inequalities; (iii) Enhance partnership involvement with the local government; (iv) To more strategically discern plans for funding expansion; (v) Build and strengthen the capacity of staff, partners and related personnel.

Box 1: Major achievements of the Thai Health Promotion Foundation

- Brought together many units in society including public, private and community groups to mobilize energy and resources.
- Played a proactive role in advocating for policy and environmental change to improve health.
- Filled a void in dissemination of health information to the public.
- Created notable awareness about health and healthy behaviour among people.
- Mobilized and coordinated existing groups.
- Built capacity of many to promote health, e.g. teachers, doctors, nurses, community health workers.
- Placed health promotion on the community agenda - increased community understanding of the need to take care of own health through healthy lifestyles.
- Rapidly enhanced its profile and built good relationships with the media and key organizations that enabled ThaiHealth to be a powerful voice for health in Thailand.
- Used resources to raise awareness and on issues that had not been given prominence earlier, e.g. reduction of alcohol consumption.
- Established strong mass-media campaigns that were both proactive and aggressive.

In 2011, The Evaluation Board of ThaiHealth, supported by the World Health Organizations Regional Office for South-East Asia, again commissioned a Ten Year Review of ThaiHealth by an international committee chaired by Dr Rhonda Galbally – the founding Chief Executive Officer of VicHealth. The review team included international experts from WHO, World Bank, and Rockefeller Foundation. The aim is to assess the degree to which ThaiHealth has reached maturity that both enables it to withstand external contextual factors, while remaining open and relevant in the face of changing need and expectations. The final report of this review will be released in 2012.

"Collective outcomes and impacts" of health promotion in Thailand

Since ThaiHealth plays a catalytic, coordinating, empowering and enabling role, attribution cannot be given for any achievement to ThaiHealth alone without recognizing the contribution of its partners and other organizations. The so-called "collective impact" approach is one of the core values of the foundation. Some examples of recent "collective" achievements are mentioned below, including tobacco and alcohol control.[10]

Tobacco control

There has clearly been an expansion in the number of active tobacco control partners including newly established institutions, i.e. Tobacco Control Research and Knowledge Management Centre and The National Quitline. The National Tobacco Control Committee has made continuous progress in many legislative missions, i.e. increasing the ban on smoking in public places including pubs and bars, open-air markets and restaurants; increasing the number of pictorial warnings on cigarette packs; requirement for tobacco companies to identify tobacco ingredients (substances that cause cancer) on the packs; not allowing companies to put messages such as "low-tar" or "light" on the packs; and banning any advertisement at the point of sale, etc. The no-smoking campaigns were active nationwide as well as among many specific groups of people creating the *no-smoking- in-public* culture, particularly in urban areas.

As far as outcomes are concerned, the decreasing trend in smoking is continuing in Thailand since 1992. In 2009, the smoking rate among the population aged more than 15 years old was 20.7% compared with 25.5% in 2001.[16] It is noted that due to increase in the tobacco excise tax from 75% in 2001 to 85% in 2009, the income of ThaiHealth increased despite the declining trend in smoking rate.

Alcohol control

Alcohol consumption has increased significantly in Thailand. The recorded per capita adult consumption rose from 0.26 litres in 1961 to 8.47 litres of pure alcohol in 2001.[17] A strategy similar to the tobacco control strategy has been employed in solving the problem of harmful use of alcohol by ThaiHealth since 2002. The three focal points of the "*Triangle that moves the mountain*" - the National Committee on Alcohol Control, the Centre for Alcohol Studies, and the Stopdrink Network, were the key generators of policy, knowledge and social mobilization. The sample of national policies were released including the Alcohol Control Act, the first comprehensive law on alcohol control in Thailand. The Centre for Alcohol Studies concluded that the number of national alcohol policies in Thailand rose from one policy per eight years between 1950-2001 to two policies per year during 2003-2008. Mass campaigns and community mobilizations have moved the whole nation.[13, 18]

Recently, the Health Examination Survey, the most comprehensive health survey in Thailand, showed that the rate of harmful alcohol drinkers decreased from 9.1% in 2004 to 7.3% in 2009 - a reduction of nearly 20%.[19] This declining trend was supported by the Thai household expenditure for alcohol consumption that recorded a historic decline of 0.7% and 10.4% in 2009 and 2010 respectively, whereas an increasing trend had been noticed earlier for many decades.[20]

The other examples of major policy developments include: liability to damage caused by unsafe product act; child toy control system; television programme rating; establishment of (independent) public broadcasting television from earmarked tobacco and alcohol excise tax; prohibition on speaking on mobile phone while driving without aid accessory; safe and clean internet café policy; and FDA prohibition of adding sugar into instant milk powder, etc. Other health outcomes observed in recent years included decline in the number of deaths from vehicle accidents from 22.9 per 100 000 in 2003 to 16.82 per 100 000 in 2010. [21] The number of Thai people who exercised regularly increased from 29.0% in 2003 to 29.6% in 2007. [22]

Recently, the initial report of a comprehensive economics research by the Health Innovation and Technology Assessment Programme (HITAP)`, Ministry of Public Health, on "the willingness to pay", covering from 7311 households and derived by stratified three-stage sampling nationwide, showed that the amount of money that people are willing to pay for the five major plans of ThaiHealth (physical activity, tobacco control, road safety, food and nutrition, and alcohol control) ranged from 2.75 to 1.35 times the actual budget of ThaiHealth in these plans. [23]

During the first decade, ThaiHealth significantly extended its areas of interests, in part due to the demands for effective policies and programmes to respond to emerging health problems across Thailand. For the ThaiHealth's vision of the next decade, globalization and its complex implications for public health in Thailand was recognized as an important health determinant. Thus, international collaboration in health promotion became more crucial to diminish the negative consequences of globalization in ThaiHealth's long-term plans.[11] One of the major international missions of ThaiHealth is to be the resource organization for establishment of the Health Promotion Foundation in the other countries. ThaiHealth's engagement with the International Network in Health Promotion (INHPF) provides a collective global, regional and national advocacy for innovative health promotion financing. [24]

Lessons learned

The three main factors leading to ThaiHealth's early achievements in the health promotion arena are - flexibility, financial security, and effective strategy. The (public) autonomous status allows ThaiHealth to facilitate and coordinate with partners in various sectors. The funding mechanism, from a dedicated source (2% surcharge on tobacco and alcohol), could ensure financial security. Finally, ThaiHealth's "*Triangle that moves the mountain*" strategy with a complementary and coordinating role, rather than that of replacing existing structure/agencies and capacity, is widely and positively accepted.

A big challenge for ThaiHealth, which is a very new concept of health promotion financing, is lack of public and stakeholders' understanding of its philosophy, governance and operation. It faces inevitable threats such as securing political support to counter opposition from some industries and businesses. Critically, ThaiHealth is still on a learning curve as far as innovative health promotion management is concerned. Hence, capacity building of health promotion managers, advocates and

experts, as well as its operational aspects need continuous improvement.[11]

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