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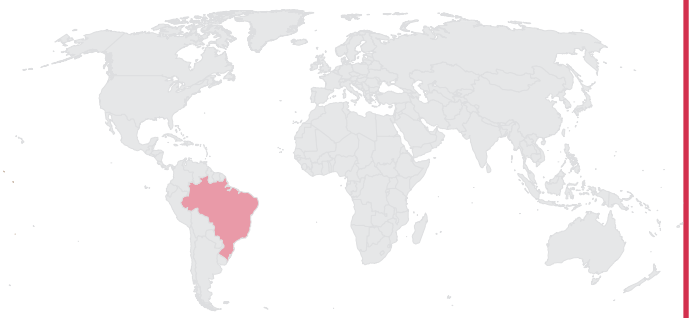
Social Policy Country Briefs

Brazil



Gabriela de Carvalho

The Health Care System in Brazil

Global Dynamics of Social Policy CRC 1342

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Content

1. Country Overview 3
2. Selected health indicators 3
3. Legal beginning of the system 4
4. Characteristics of the systems at introduction 4
a. Organizational structure 4
b. Provision 4
c. Financing 5
d. Regulation 5
5. Subsequent historical development of public policy on health care 5
6. Description of the current health care system 6
a. Organisational structure 6
b. Financing 6
c. Regulation of dominant system 6
d. Co-existing systems 7
e. Role of global actors 7
f. List of additional relevant legal acts 7
References 8

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1. Country Overview

- Sub-Region (UN standard): South America
- Capital: Brasilia
- Official language: Portuguese
- Population size: 209.4 million (World Bank 2018)
- Share of rural population: 13.43% (World Bank 2018)
- GDP: $1.869 trillion (World Bank 2018)
- Income group: Upper-middle-income (World Bank 2019)
- Gini Index: 53.5 (World Bank 2018)
- Colonial period: 1500–1815 (Portuguese colony)
- Independence: 1822 (Russell-Wood 1996)

Source: On The World Map 2020

2. Selected health indicators

Indicator	Country	Global Average
Male life expectancy (years) (2017)	71.8	70.2
Female life expectancy (years) (2017)	79.16	74.7
Mortality rate, infant (per 1,000 live births) (2018)	14.4	38.6
Maternal mortality ratio (per 100,000 live births) (2017)	60	211
Prevalence of HIV, total (% of population ages 15-49) (2018)	0.5	0.8
Incidence of tuberculosis (per 100,000 people) (2018)	45	132

Source: World Health Organization 2020

3. Legal beginning of the system

Name and type of the law	Decree Number 4.652 Eloy Chaves Law (Lei Eloy Chaves)
Date the law was passed (dd.mm.yyyy)	24.01.1923
Date of de jure implementation (dd.mm.yyyy)	Not found (the decree states that if the law is not implemented within 60 days after its approval, the decree is implemented automatically)
Brief summary of content	Creation of a retirement and pension fund (CAP) for national railway workers. It also provided disability retirement, surviving dependents' pension and health care. Health care was provided in cases of illness for employees and live-in family members.
Socio-political context of introduction	The Eloy Chaves Law was a state response to railway employees' strikes, in order to appease the dissatisfaction of workers. Strikes happened yearly starting in 1906 (Brazilian Senate 2019).

4. Characteristics of the systems at introduction

a. Organizational structure

» Fragmentation of the system: CAPs (Caixa de Aposentadorias e Pensões - CAP, in Portuguese) were the main responsible agencies for organizing the system. The number of these professional guilds reached 180, benefiting different occupation groups (Batich 2004). The creation of a CAP was not automatic but depended on the mobilizing power and organization of the workers of a given company/sector. Each CAP was managed by a committee of three company representatives, one of whom chaired the committee, and two employee representatives who were elected every three years (Albuquerque 1981).
» Eligibility: Permanent employees with more than six months of continuous work in the same company (Eloy Chaves Law 1923).
» Entitlement: occupational status, railway workers (Eloy Chaves Law 1923).

b. Provision

» There is no information on the law regarding service provision.

Hospitals (number)	Total	1,044	
	Public	447	
	Private	597	
Physicians (number)		15,899	
Nurses (number)		5,194	(working in hospitals)
Midwives (number)		242	(working in hospitals)
Pharmacists (number)		653	(working in hospitals)

Source: Instituto Brasileiro de Geografia e Estatística 1936, earliest data available, and Sheffer et al. 1930.

» Others: religious workers were reported as hospital staff. In 1934, there were 3,384 '*religiosas*' working at hospitals.

c. Financing

» Expenditure for health services:

Physicians	5 721	:	660$317[1]
Hospitals	1 438	:	597$047
Pharmaceuticals	491	:	777$902

Source: Instituto Brasileiro de Geografia e Estatística 1936, earliest data available.

» Employee contribution: 3% of gross income, monthly contribution
» Employer contribution: 1% of gross profits, annual contribution
» Others: besides health care, the contribution comprised pension, disability retirement, and surviving dependents' pension (Eloy Chaves Law 1923).

d. Regulation

» Actors responsible for regulation: public sector intervention was limited. The administration of the system was the responsibility of the CAPs (Eloy Chaves Law 1923; Batich 2004).
» Public service package:
Article 9: Railway employees, referred to in Art. 2 of this law, who have contributed to the CAPs, shall have the right of:
1) medical care for employees and their live-in family members in cases of illness. Family members should live in the same household and be dependent financially.
2) pharmaceuticals obtained at a special price determined by the Board of Directors of the CAPs (Eloy Chaves Law 1923).

5. Subsequent historical development of public policy on health care

Name and type of the law	Law N° 8.080 – creation of the "Unified Health System" or SUS (*Sistema Único de Saúde*, in Portuguese)
Date the law was passed (dd.mm.yyyy)	19.09.1990
Date of de jure implementation (dd.mm.yyyy)	19.09.1990
Brief summary of content	Universal, free-of-charge health care for all citizens and residents of Brazil. Decentralization of the health system.
Socio-political context of reform	The creation of the SUS is a direct consequence of the new constitution approved in 1988, following the end of the dictatorship period. Article 196 of the constitution states that "health is a right of all and a duty of the State and shall be guaranteed by means of social and economic policies aimed at reducing the risk of illness and other hazards and at universal and equal access to actions and services for its promotion, protection and recovery" (Cruz 2000; Paiva 2014).

1 Value as reported by the Brazilian Institute of Geography and Statistics in 1936. The currency was the (first) *real/réis* (Rs$). The current currency in Brazil is the (new) real (R$). Rs$1 = R$0,123 (Gomes 2008).

6. Description of the current health care system

a. Organisational structure

» Centralization of HCS system: The system is decentralized. The 1988 Constitution states that: "Health actions and public services integrate a regionalized and hierarchical network and constitute a single system, organized according to the following directives: decentralization, with a single management in each sphere of government" (Article 198).
"The unified health system shall be financed, as set forth in Article 195, with funds from the social welfare budget of the Union, the states, the Federal District and the municipalities, as well as from other sources" (Article 198, paragraph 2).
» Segmentation by population group: although the SUS provides universal coverage, 27.9% of the population have supplementary private insurance. This segmentation is based on economic status (Brazilian National Health Survey 2013).
» Eligibility/entitlement: citizens and legal residents of the country (Law N° 8.080)
» Coverage: universal coverage, with 27.9% of the population primarily covered by private schemes.

Indicator	Value	Source
Physicians (per 1,000 inhabitants)	1.85	WHO 2013
Nurses and midwives (per 1,000 inhabitants)	7.44	World Bank 2013
Hospital beds (per 1,000 inhabitants)	1.95	Federacao Brasileira de Hospitais and Confederacao Nacional de Saude 2019
Hospital beds in public hospitals (number)	294,260	Datasus 2020
Hospital beds in for-profit hospitals (number)	98,506	Federacao Brasileira de Hospitais and Confederacao Nacional de Saude 2019
Hospital beds in not-for-profit hospitals (number)	162,189	Federacao Brasileira de Hospitais and Confederacao Nacional de Saude 2019

b. Financing

Indicator	Value	Source
Total expenditure on health (% of GDP)	8.32	World Health Organization 2014
Domestic general government health expenditure (% of current health expenditure)	42.27	GHED 2016
Private expenditure on health (% of total expenditure on health)	28	GHED 2016
Out-of-pocket expenditure (% of current health expenditure)	28.28	GHED 2016
External health expenditure (% of current health expenditure)	0.73	World Bank 2015

c. Regulation of the dominant system

» Actors responsible for regulation:
The Unified Health System (SUS) is constituted by the Federal Ministry of Health, States and Municipalities. The Ministry of Health formulates, regulates, supervises, monitors and evaluates pol-

icies. The Department of Health of each state participates in the formulation of health policies and actions, and provides support to municipalities. The Secretary of Health of each municipality plans, organizes, controls, evaluates and executes health actions and services alongside the city and state governments to approve and implement the municipal health plan. The Health Council is a collegiate body composed of government representatives, service providers, health professionals and beneficiaries, who participate in the formulation of strategies and control of health and the execution of health policies (Brazilian Ministry of Health 2019).

» Regulation of providers: medical and nursing graduates should register with the professional councils of the state in which they want to practice (Conselho Federal de Medicina 2019).
» Public service package:
SUS offers a comprehensive benefit package, from highly complex treatments such as cancer treatments and transplants, to primary care, free of charge to all citizens and legal residents of the country. Hospital care, outpatient services and medicines are included (Brazilian Ministry of Health 2019).

d. Co-existing systems

» Although SUS provides universal coverage, 21.2% of the population have supplementary private insurance. This segmentation is based on economic status.

e. Role of global actors

» Currently, global actors finance 0.7% of the Brazilian health care system. In terms of provision of services, from 2013 to 2017, Cuba provided 18,000 physicians to work in the poorest areas of the country (Silva et al. 2017), as persistent regional and social inequalities in resource allocation left the poor and the populations living in northern regions with greater unmet health care needs. Shortages of doctors persist in rural areas, with specialists concentrated in the private sector and unequally distributed around the country, leading to large disparities. In 2013, in response to this problem, Dilma Rousseff's government launched the 'More Doctors (Mais Médicos, in Portuguese) Programme', to expand health services. There are numerous specific programs financed, provided, and regulated by global actors in the public health field (Gómez and Ruger 2015).
» According to the Organisation for Economic Co-operation and Development (2020) the most important health donors in Brazil are: Germany, EU institutions, France, Norway, Japan, the UK, the US, the Inter-American Development Bank, and Italy.
» Additionally, the Catholic Church has a long tradition in providing healthcare services, and the great majority of non-public hospitals of the country are managed by religious institutions.

f. List of additional relevant legal acts

» 1989 Federal Constitution: Articles 196 to 200
» Decentralization of the SUS: Law no. 8689/1993
» Cost of medicines: Law no. 10.742/2003
» More Doctors Law (Mais Médicos): Law no. 12.871 (regulation of Cuban physicians working in Brazil)
» Regulation of physicians: Law no. 20.931 (1932)
» Regulation of physicians: Law no. 6.839 (1980)
» Creation of pharmacies that sell drugs with discount: Law no. 10.858 (2004)

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