

RESOLUTION OF THE GOVERNMENT OF MONGOLIA

18 January 2017

No.24

Ulaanbaatar City

Ref: Approve State Policy on Health

Based on Articles 8.4 and 8.5 of the Law on Development Policy and Planning to realize the objective specified in 3.1 of the Government Action Plan 2016-2020, the Government of Mongolia has RESOLVED to:

1. Approve "The State Policy on Health" as in the attachment.
2. Assign A.Tsogtsetseg, Minister of Health, to adopt national action plan to carry out the policy and to supervise its implementation, and assign Cabinet members, aimag and capital city Governors to organize implementation of the policy document in their respective sectors and jurisdictions.
3. Assign B.Choijilsuren, Minister of Finance, A.Tsogtsetseg, Minister of Health, and Governors of aimags and capital city to incorporate measures of the State Policy on Health into the annual economic and social development priorities, to allocate relevant budget into the state and local budgets annually, and to finance them with loans, donations and aid of foreign countries and international organizations.

PRIME MINISTER OF MONGOLIA

J.ERDENEBAT

MINISTER OF HEALTH

A.TSOGTSETSEG

## STATE POLICY ON HEALTH

### One. Background

Mongolia's population reached three million in 2015, of which 45.7 percent live in Ulaanbaatar City. The life expectancy in 2015 among women was 75.84 and among men it was 66.02. 49.2 percent of the whole population are men; 50.8 percent are women. In terms of age structure, 29.6 percent of the whole population are children under 15, 66.6 percent are 15-64 year olds, and 3.8 percent people above 65.

For the last 10 years, population birth rate had increased steadily, the total fertility coefficient increased to 3.1 in 2015 from 2.0 of 2003<sup>1</sup>.

Since 1990s respiratory, digestive and cardiovascular diseases increased among population; over 80 percent of mortality accounts to cardiovascular system diseases, cancer, trauma and accidents. According to health indicators, one out of three dies from cardiovascular system disease, one out of five dies from cancer, one out of six dies from trauma, poisoning and outside cause. Majority of the illnesses and deaths among population are preventable.

Obesity is increasing in recent years among the population, especially among the children under five and adolescents. Our country is now second among the countries of the WHO Western Pacific Region by obesity among 11-17 year olds<sup>2</sup>.

Environmental pollution is increasing from year to year. At the moment 59.1 percent<sup>3</sup> of Ulaanbaatar city population are living in ger areas; majority of capital city residents are not connected to the district water and heating system, number of vehicles is increasing from year to year contributing to the air pollution. Crowded ger areas of Ulaanbaatar City lead to the contamination of soil and ground water; the practice of storing drinking water in undesignated vessels compromises water quality and safety, negatively affecting human health.

Medical care and services are not meeting the needs of the population in terms of quality and inclusivity. Consumer satisfaction survey conducted in 2013 among the clients of the health sector services shows that 62.4 percent of them are not satisfied<sup>4</sup>.

According to WHO survey of 2010 the out-of-pocket payments for health were 41 percent of health expenditures, it was 39.7 percent according to the World Bank survey of 2011, which is high compared to the countries of Asia and Pacific Region, exceeding the WHO recommended level by 16 percent.

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<sup>1</sup> Health Indicators, 2015, Health Development Center

<sup>2</sup> National Program on Population Nutrition, Government Resolution No.277 of 2016

<sup>3</sup> Ulaanbaatar City, Statistics Bureau, 2014, National Statistical Committee

<sup>4</sup> "Quality and safety of medical care and services" Volume 3, evaluation report, MOH, UHS, 2013

As of 2015 total general government expenditures for health sector were 9.2 percent, health sector expenditures made up 2.4 percent of the GDP<sup>5</sup>. However, “Health Financing Strategy” of WHO WPRO recommends to the member states to allocate and spend 10-12 percent of the general government expenditures or 5.6 percent of GDP on health.

In the era of progressive development of information technology there are more people interested in getting diagnostics and treatment comparable to the developed countries at home. Also there is a new demand for diagnostics and treatment driven by new progressive technology. This growing demand cannot be met by the current structure, organization, regulations, financing, investment, equipment, and human resource capacity. Therefore, there is a need to plan a new state policy on health care to be provided to the population.

## Two. Policy purpose, principles and objectives

### 2.1. Purpose of the policy

To extend the average life expectancy of Mongolians by improving quality and inclusivity of healthcare services through disease prevention, introduction of new technology of evidence-based diagnostics and treatment and ensuring proper system of health sector financing in order to meet the health needs and demand of the population.

### 2.2. Principles to be followed when implementing the policy

2.2.1. to provide healthcare services in equitable and inclusive manner regardless of the citizen’s health status, type of disease, place of residence, age, gender, education, sexual orientation, origin, language and cultural difference;

2.2.2. to uphold the rights of the client and to meet their health needs and demand;

2.2.3. to introduce evidence based modern diagnostics and treatment techniques and technological advances;

2.2.4. to ensure continuity of the state policy to strengthen good governance;

2.2.5. to ensure open and transparent implementation of the policy;

2.2.6. to ensure participation of public, private and non-governmental organizations, local communities and public.

### 2.3. Key areas of the policy implementation

The policy shall be implemented in the following key areas:

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<sup>5</sup> Health Indicators, 2015, Health Development Center

2.3.1. public health;

2.3.2. medical care;

2.3.3. human resources;

2.3.4. health financing;

2.3.5. health technology;

2.3.6. pharmaceuticals;

2.3.7. information technology and information management;

2.3.8. health sector management, organizational arrangements and transparency.

#### 2.4. Policy objectives

The following objectives are put forward in implementation of the policy.

##### 2.4.1. In the area of public health

2.4.1.1. to incorporate and coordinate health issues in the policies of other sectors and create an implementation mechanism with integrated supervision to improve living and working conditions for the population in terms of health and safety;

2.4.1.2. to conduct surveillance on causes and consequences of air, water and soil pollution in urban settlements and mining areas and to carry out comprehensive measures to reduce or remove factors negatively affect population health;

2.4.1.3. to improve monitoring of ingredients of imported and domestically produced food products to ensure food safety and promote healthy and proper eating among population in order to avoid obesity and deficiency of minerals and vitamins;

2.4.1.4. to improve legal arrangements for breastfeeding children and increase accountability of stakeholders in this area;

2.4.1.5. to ensure resource preparedness and build capacity of prompt response during public health emergencies such as unexpected hazard, natural disaster and outbreak of infectious diseases;

2.4.1.6. to implement comprehensive measures for employers in order to support healthy and safe working places;

2.4.1.7. to educate about and conduct advocacy on health for the public, especially children of kindergartens and general education schools as well as students of universities, institutes and colleges, to support and promote citizen's efforts for their health, develop public and private partnership, prevent diseases using traditional medicine methods in line with customs of the people, and instill healthy behavior and lifestyle;

2.4.1.8. to improve quality and inclusivity of reproductive healthcare services such as family planning, safe delivery, prevention of child and maternal mortality and preparation of adolescents for sexual life;

2.4.1.9. to create and build capacity of sustainable national and local structure in public health;

2.4.1.10. to study causes and consequences of morbidity and mortality of the population, provide early warning, create age appropriate screening and monitoring system based on active engagement of citizens, families, communities and organizations;

2.4.1.11. to study new and emerging infectious diseases in connection with the climate change and environmental factors and to expand prevention and immunization against infectious diseases;

2.4.1.12. to explore possibilities to limit use of alcohol and tobacco that negatively affect public health, to allocate from alcohol and tobacco excise taxes into Health Promotion Fund and to increase such funds in order to finance disease prevention and reduction of risky factors;

2.4.1.13. to delegate some duties of the government organizations in implementation of the health promotion policy to private sector and non-governmental organizations and to ensure stability of their activities through continuous financing.

#### 2.4.2. In the area of medical care

2.4.2.1. to provide medical care based on the density of the population, geographic location, demographic structure, morbidity, migration and health needs and demand of the population;

2.4.2.2. to expand the package of medical care services provided in family and soum health centers and general hospitals and to increase inclusivity in order to reduce burden of healthcare seeking efforts;

2.4.2.3. to provide healthcare services in integrated manner through local health organizations regardless of their type of ownership;

2.4.2.4. to improve communication and coordination in patient referrals among health organizations and reduce red tape;

2.4.2.5. to provide medical care based on client-centered approach and to introduce quality management system with independent accreditation in line with the types of the care and its performance;

2.4.2.6. to create a routine monitoring system on results and continuity of prevalent disease diagnostics and treatment and to reduce complications, disabilities and deaths caused by preventable diseases;

2.4.2.7. to decentralize emergency care, to reduce waiting time for ambulance calls and to increase availability of emergency care to people living in the remote and difficult to access areas;

2.4.2.8. to develop traditional medicine diagnostics and treatment along with modern medicine in the primary and referral levels of the healthcare and to brand them to promote exports;

2.4.2.9. to develop specialized rehabilitative, palliative and nursing care and to improve quality and inclusivity of the healthcare services to the international standards;

2.4.2.10. to introduce progressive modern technology and innovations, to invite teams of physicians and medical professionals of developed countries and to build capacity of national professionals in order to provide at home healthcare services demanding high technology and skills;

2.4.2.11. to develop specialized hospitals and centers as well as professional associations and societies to become definers of the particular specialty, to provide national reference and opinion, to develop clinical guidelines, strategies and pathways, to conduct research, to train medical professionals and to provide professional and technical advice to other health organizations;

2.4.2.12. to prioritize diagnostics and treatment of diseases and disorders that are prevalent causes of morbidity and mortality of the population and to improve quality and inclusivity of such care.

#### 2.4.3. In the area of human resources

2.4.3.1. to establish a practice of joint decision making between the central administrative state organizations in charge of health and education on undergraduate training of medical professionals in line with the human resource planning coordinated with the sector policy and health needs and demand of the population;

2.4.3.2. to reform postgraduate training system of medical professionals and health workers in line with international standards, to establish a network of teaching hospitals and to increase participation of teaching hospitals, professional associations and societies and students in the training;

2.4.3.3. to take measures to plan, to train and to promote human resources to prepare medical professionals in essential specialties and to allocate medical professionals to local areas;

2.4.3.4. to prepare health workers in highly developed countries and to promote knowledge and experience sharing of doctors and professionals trained abroad in order to introduce medical science and technological progress and innovations;

2.4.3.5. to instill medical professional ethics based on professional traditions and individual personality during admission and studies in medical schools and throughout the time of working in the majored specialty and to continuously organize works to improve health workers' communications and attitude;

2.4.3.6. to set health worker salary ranges, position classifications and grades in line with the workload, performance, accountability, type and features of the healthcare services and to renew labor norms and normative measures;

2.4.3.7. to ensure occupational safety and hygiene of health organizations, to protect health workers from workplace risks and to reduce occupational diseases and deaths;

2.4.3.8. to develop social welfare improvement programs for health workers and to implement them with the engagement of the communities, local administrative organizations, partnerships and sector labor and social partnerships;

#### 2.4.4. In the area of health financing

2.4.4.1. to increase the total financing to spend 12 percent of the general government total budget on health and at least 5 percent of GDP on health;

2.4.4.2. to keep out-of-pocket payments within 25 percent of the total health expenditures;

2.4.4.3. to ensure universal health coverage through fully transitioning to the effective and efficient health insurance financing in order to purchase quality healthcare services;

2.4.4.4. to switch the payment method from the state budget input-based financing of health facilities to the performance-based mechanism focused on results and efficiency in order to increase quality and inclusivity of healthcare services;

2.4.4.5. to increase the share of primary healthcare expenditures or the expenditures of the soum and family health centers in the total health expenditures and to reach the WHO recommended level of per capita expenditures;

2.4.4.6. to introduce health insurance financing into the soum and family health center expenditures;

2.4.4.7. to optimize payment mechanism and financial reporting in line with the directions of the public health and medical care services;

2.4.4.8. to carry out integrated sector investment planning based on health sector technology assessment, sector priorities and health needs and demand of the population.

#### 2.4.5. In the area of the health technology

2.4.5.1. to create an integrated planning on health technology based on health needs of the population and health technology assessment;

2.4.5.2. to provide financing and taxation incentives for introduction of progressive technology in diagnostics and treatment of some diseases difficult to diagnose and treat in Mongolia;

2.4.5.3. to develop and enforce hospital infrastructure standards in line with international standards;

2.4.5.4. to strengthen the system of health technology assessment, medical equipment maintenance, quality control, calibration and certification;

2.4.5.5. to increase financing of health sector research, to define priorities for sector innovation and research and introduce results of the research into the practice;

2.4.5.6. to invest in health technology, to establish joint venture and to support introduction of progressive technology in the form of know-how.

#### 2.4.6. In the area of pharmaceuticals

2.4.6.1. to strengthen transparency and accountability of the pharmaceuticals sector, to establish an integrated management pharmaceuticals organization and to ensure its functionality;

2.4.6.2. to prevent and control antimicrobial resistance and ensure proper use of pharmaceuticals in health and agricultural sectors;

2.4.6.3. to carry out routine surveillance of quality and safety of drugs in the market;

2.4.6.4. to introduce fully "good manufacturing practice" into the pharmaceuticals manufacturing;



2.4.6.5. to introduce clinical pharmaceutical care in line with the level of healthcare services;

2.4.6.6. to introduce online registry and control of drug safety into health sector;

2.4.6.7. to carry out phase-by-phase measures to improve procurement of drugs, medical devices and equipment;

2.4.6.8. to increase supply and availability of drugs and medical devices by regulating the prices;

2.4.6.9. to bring manufacturing of national drugs and medical devices into international level and to support manufacturing and exports of traditional drugs of plant, animal and mineral origin and drugs to substitute imports;

#### 2.4.7. In the area of information technology and information management

2.4.7.1. to develop health sector enterprise architecture in line with the national enterprise architecture;

2.4.7.2. to establish information and technology center to provide sector information technology management and to ensure continuity of its organizational arrangements and operations;

2.4.7.3. to adopt and enforce essential international standards of information technology in line with the country's specific characteristics;

2.4.7.4. to introduce information sharing platform in health sector for integrated information sharing and management;

2.4.7.5. to improve legal environment to ensure privacy and confidentiality of individual and organizational health information;

2.4.7.6. to expand efforts to improve quality and inclusivity of healthcare services through telemedicine and progressive health technology;

2.4.7.7. to strengthen capacity to analyze health data and to determine trends and prospects of health indicators;

#### 2.4.8. In the area of the sector management, organizational arrangements and transparency

2.4.8.1. to remove overlap of rights and duties of health organizations and health workers and to improve legal arrangements to regulate and control their operations;

2.4.8.2. to introduce non-partisan, joint management and semi-autonomous governance into state owned hospitals;

2.4.8.3. to consider population of the catchment area, geographic location, specific characteristics of the territory and results of health needs and demand when establishing new health organizations and enhancing their capacity;

2.4.8.4. to develop bilateral and multilateral collaboration in line with the sector policy and priorities and to spend foreign investment, loans and aid on resolving pressing issues;

2.4.8.5. to expand public and private partnership and to engage private sector in ensuring universal health coverage;

2.4.8.6. to increase participation of public, governmental and non-governmental organizations, economic units and entities in ensuring transparency and decision-making of healthcare services, and to increase social responsibility.

### Three. Phases of policy implementation

3.1 The policy shall be implemented in the following phases in 2017-2026:

first phase: 2017-2021

second phase: 2022-2026.

### Four. Indicators of the policy outcome and outputs

4.1. Implementation of this policy shall bring about the full realization of indicators and targets of the phases I-II of the objective specified in 2.2.2 of the “Mongolian Sustainable Development Vision-2030”.

4.2. The indicators to assess the implementation of the policy shall be set as below and quantitative data of 2015 shall be used as baseline:

No.	Chapter (provisions) of the policy document	Objective	Indicator	Measurement unit	Base-line	Target		Data source	Implementing agency
					2015	2021	2026		
1. Mongolian Sustainable Development Vision-2030									

1.	2.2. Sustainable social development 2.2.2. Quality and inclusive health system	Prolong life expectancy by strengthening a national disease prevention system, improving quality and inclusivity of diagnostics and treatment	Average life expectancy	Real numbers	69.89	71	74	National Statistical Committee	MOH, MOLSP, PHI, aimag and capital city health departments, employers
2.		Reduce risk factors affecting preventable maternal and child deaths through promoting quality and inclusivity of reproductive healthcare services and to sustainably reduce maternal and child mortality rate and nutritional deficiency	Maternal mortality rate (per 100 000 live births)	Pro mille	26.0	25.0	20.0	Health statistics	MOH, aimag and capital city health departments, health organizations
3.			Under five mortality rate (per 1000 live births)	Pro mille	18.3	15.0	12.0	Health statistics	MOH, aimag and capital city health departments, health organizations
4.			Infant mortality rate (per 1000 live births)	Pro mille	15.3	13.0	11.0	Health statistics	MOH, aimag and capital city health departments, health organizations
5.			Reduce burden of prevalent non-communicable diseases and their risk factors as well as preventable deaths through integrated measures engaging individuals, families, communities and organizations	Deaths caused by cardiovascular diseases (per 10 000 population)	Pro mille	18.47	17.4	16.0	Health statistics
6.		Deaths caused by malignant cancer (per 10 000 population)		Pro mille	13.18	10.5	9.0	Health statistics	MOH, aimag and capital city health departments, health organizations
7.		Reduce burden of prevalent communicable diseases through continuous strengthening of capacity for surveillance and prevention of communicable diseases as well as preparedness	Coverage of routine immunization	Percent	97.2	98.5	99.0	Health statistics	MOH, aimag and capital city health departments, health organizations
8.			Viral hepatitis morbidity (per 10 000 population)	Pro mille	3.0	3.0	2.5	Health statistics	MOH, aimag and capital city health departments, health organizations

9.		and response in a flexible and prompt manner	Prevalence of tuberculosis (per 10 000 population)	Pro mille	14.4	14.4	14.0	Health statistics	MOH, aimag and capital city health departments, health organizations
2. State policy on health									
1.	Public health	Study causes and consequences of morbidity and mortality of the population, provide early warning, create age appropriate screening and monitoring system based on active engagement of citizens, families, communities and organizations	Coverage of arterial hypertension screening	Percent	65.1	75.0	85.0	Health statistics	MOH, aimag and capital city health departments, health organizations
2.			Coverage of diabetes screening	Percent	60.3	70.0	80.0	Health statistics	MOH, aimag and capital city health departments, health organizations
3.			Coverage of malignant cervical cancer screening	Percent	39.5	65.0	80.0	Health statistics	MOH, aimag and capital city health departments, health organizations
4.		Improve monitoring of ingredients of imported and domestically produced food products to ensure food safety and promote healthy and proper eating among population in order to avoid obesity and deficiency of minerals and vitamins	Obese children among under five	Percent	16.7	16.0	15.7	Social indicator sample survey of the National Statistical Committee	

5.	Medical care	Improve communication and coordination in patient referrals among health organizations and reduce red tape; provide medical care based on client-centered approach and to introduce quality management system with independent accreditation in line with the types of the care and its performance	Clients who gave above average assessment of their satisfaction with the medical care	Percent	29.5	55.0	70.0	In-dependent survey	MOH, Health Development Center, aimag and capital city health departments, health organizations
6.	Human resources	Implement comprehensive measures to plan, train and promote human resources to prepare medical professionals in essential specialties and to allocate them to local areas	Ratio between physicians and nurses	By number	1:1.2	1:1.6	1:2	Health statistics	MOH, Health Development Center, aimag and capital city health departments, health organizations
7.	Health financing	Increase the total financing to spend 12 percent of the general government total budget on health and at least 5 percent of GDP on health	Share of health sector financing in Gross Domestic Product	Percent	2.4	3.7	5.0	Health statistics	Ministry of Health, Ministry of Finance
8.		Keep out-of-pocket payments within 25 percent of the total health expenditures	Share of out-of-pocket payments in the health sector expenditures	Percent	41.0	33.5	25.0	By survey	Ministry of Health, Ministry of Finance
9.	Health technology	Strengthen the system of health technology assessment, medical equipment maintenance, quality control, calibration and certification	Health organizations that routinely do medical equipment maintenance, quality control, calibration and certification	Percent	10.0	60.0	80.0	Assessment report	Health Development Center, health organizations

10.	Pharmaceutical care	Fully introduce "good manufacturing practice" into pharmaceuticals manufacturing	Pharmaceutical factories which fully introduced "good manufacturing practice"	Percent	6	65	100	Health statistics	Health Development Center, health organizations
11.	Information technology, information management	Create a national telemedicine network covering all soums	Soum health centers connected to the national telemedicine network	Real numbers	1	85	131	Health organizations' reports	MOH, aimag and soum governor offices, aimag health departments
12.	Health sector management, organizational arrangements and transparency	Introduce non-partisan, joint management and semi-autonomous governance into state owned hospitals	Hospitals that transitioned to semi-autonomous governance form	Real numbers	0	15	30	Health organizations' reports	MOH, Ministry of Finance, health organizations

#### Five. Amount of funding necessary for actions to implement the policy and source of funding

5.1. Actions to implement the policy shall be determined by an action plan and they shall be incorporated into the Government action plans and annual economic and social development priorities of Mongolia.

5.2. The government shall first of all pay attention to investment and program based funding to implement the policy as stated in the sub-clauses 2 and 6 of the Article 16 of the Constitution of Mongolia that "The citizens of Mongolia have the right to a healthy and safe environment, and to be protected against environmental pollution and ecological imbalance" and "the right to the protection of health and medical care".

5.3. Implementation of the policy requires funding of 20003,5 billion MNT.

5.4. The actions to implement the policy shall be funded from the following sources:

5.4.1. state and local budget;

5.4.2. donations, loans, aid and project financing of donor countries and international organizations;

5.4.3. foreign and domestic investment;

5.4.4. aid and donations of non-governmental organizations, economic entities and citizens;

5.4.5. other sources.

#### Six. Monitoring and evaluation of the policy implementation

6.1. The state central administrative organization in charge of health shall conduct monitoring and evaluation on the process of policy implementation every two years and an independent evaluation every four years and shall present the results to the Government.

6.2. The state central administrative organization in charge of health and health organizations shall commission an independent evaluation on implementation of the policy and incorporate necessary funds into the state and local budget.

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