

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	MEXICO/CID - Isthmus & DR
▪ TC Name:	Support of the Development of a LTC System in the Mexican Institute of Social Security (IMSS)
▪ TC Number:	ME-T1439
▪ Team Leader/Members:	AGUILAR RIVERA, ANA MYLENA (SCL/SPH) Team Leader; IBARRARAN, PABLO (SCL/SPH) Alternate Team Leader; BERMUDEZ PLAZA, NEILI CAROLINA (SCL/SPH); BONILLA ZARRAZAGA, LIDIA (SCL/SPH); VERA SUAREZ, MARIA DE LOURDES (CID/CME); SANMARTIN BAEZ, ALVARO LUIS (LEG/SGO); PARK, MIHWA (SCL/SPH); PEREZ MAILLARD, MICHELLE MARGARITA (SCL/SPH); HWANG, EUISU (SCL/SPH)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	01 Jun 2020
▪ Beneficiary:	Social Security Mexican Institute
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$500,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	36 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	SCL/SPH - Social Protection & Health
▪ Unit of Disbursement Responsibility:	CID/CME - Country Office Mexico
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality ; Institutional capacity and rule of law

### II. Objective and Justification

- 2.1 The objective of this collaboration project is to support and facilitate the development of a long-term care service model within Mexico's Social Security Institute (IMSS), in particular as regarding to the definition and provision of Long-Term Care (LTC) services, their evaluation and the development of managerial capabilities within IMSS to build the LTC system. To meet these goals, this TC will include a collaboration program between the IMSS and the South Korean National Health Insurance Service (NHIS).
- 2.2 In Mexico, as in the rest of the world, life expectancy has increased considerably, showcased by a population that has reached ages that were difficult to achieve in the past. Life expectancy at birth has increased from 50.7 years (52.5 for women and 49 for men) in 1950 to 76.5 years (78.9 for women and 74 for men) in 2010. The increase in longevity is also represented by life expectancy at age 60 which is close to 23 years. Although these trends are considered a success of public health policies and medical advances, it also represents a new challenge for the social and health systems, which should urgently adapt to new needs. The country's accelerated aging is considerable: people 60 years over went from representing 6% of the population in 1970 to 10% in 2015. In 2050 this group is expected to account for 21% of the country's population. However, Mexicans are reaching older age with a more

complicated epidemiological outlook, with a morbidity profile in which infectious and chronic diseases coexist and mortality rates where chronic-degenerative diseases predominate.

- 2.3 IMSS is the institution with the greatest presence in health care and social protection in Mexico since 1943. Established as a national public service for all the workers and their families, IMSS's mission is to be the basic instrument in social security and health. Through contributions paid by workers, employers and the State, IMSS offers a wide variety of services under 5 insurance schemes: (1) maternity and sickness; (2) work risk insurance; (3) disability and life; (4) retirement, old age and unemployment due to old age, and; (5) childcare and other social services. In 2019, 59.4 million people were affiliated to IMSS and a staggering 9 million (16%) were over 60 years of age. Although almost 2 out of every 10 beneficiaries are older adults, as time goes by, this population group is increasing their use of health services and medical consultations. At the end of the last decade, this group's demand for institutional health services represented 34% of the total medical expense.
- 2.4 IMSS has set a critical path in order to lay the foundations of a long-term care (LTC) system (Figure 4). In 2019, IMSS committed to develop the foundations of a LTC system and developed an action plan, while socio sanitary coordination efforts also began. The IMSS acknowledges the need to have a set of services specially designed for the varying level of functional dependency and that accommodates the fact that in the short and medium term, much of the care will be provided by family caregivers. In this context the IMSS requested technical assistance from the Bank to develop and strengthen the design, implementation and piloting, managerial capacity and evaluation building blocks of the LTC system. The IMSS is also interested in the collaboration from the South Korean Long-Term Care Insurance (LTCI) for technical support and knowledge transfer.

### III. Description of Activities and Outputs

- 3.1 **Component I: Development of Services for the Long Term Care System.** It will finance the design and support for the pilot implementation of LTC services provided by IMSS, in particular daycare centers and telecare. Studies in this component will also provide guidelines about security; hygiene; illumination, pollution control and ventilation; as well as general building schematics that take into account mobility and orientation difficulties that users may present.
- 3.2 **Component II: Managerial capacity and definition of costing and financing parameters for a LTC system.** In order to develop and strengthen the institutional capacity to build and manage a Long Term Care system within IMSS, this component will finance activities by which IMSS can obtain, improve, document and retain skills, knowledge and tools needed to further these programs sustainably in the long term.
- 3.3 **Component III: Knowledge sharing and dissemination programs with Korea.** This component will fund the participation of 10 healthcare workers from Mexico in a 10-day workshop program run by National Health Insurance Service (NHIS) in Korea.

### IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Development of Services for the Long Term Care System	US\$200,000.00	US\$0.00	US\$200,000.00
Managerial capacity and definition of costing and financing parameters for a	US\$160,000.00	US\$0.00	US\$160,000.00

LTC system			
Knowledge sharing and dissemination programs with Korea	US\$140,000.00	US\$0.00	US\$140,000.00
<b>Total</b>	<b>US\$500,000.00</b>	<b>US\$0.00</b>	<b>US\$500,000.00</b>

## **V. Executing Agency and Execution Structure**

- 5.1 IDB will execute this TC for the technical support that the Social Protection and Health Division (SCL / SPH) team can offer to The Mexican Institute of Social Security (Instituto Mexicano del Seguro Social, IMSS).
- 5.2 IMSS has requested the Bank's assistance for this execution. The monitoring arrangements include the continuous supervision of all contracted consultants and firms, revision of their products and payments, bi-monthly supervision meetings with the beneficiary as well as the elaboration of annual reports on the TC execution progress and performance

## **VI. Project Risks and Issues**

- 6.1 Risks related to this TC are of two types: those related with the production of high quality inputs financed through the operation, and those related with the process of developing a community-based LTC system at IMSS. To mitigate these risks, the TC expects to establish a coordination committee with IMSS to define the required inputs and a delivery schedule. The Bank will closely monitor the production of outputs at different stages to ensure quality and relevance. The selection of what areas of the LTC system building process to support was based on a realistic assessment of the opportunities and constraints in the current fiscal and legal scenario in Mexico. The project team will closely monitor developments in these areas.

## **VII. Environmental and Social Classification**

- 7.1 The ESG classification for this operation is "undefined".