# **Special Editorial**

## The debate of regionalization in turbulent times of the unified health system

#### Áquilas Mendes

Universidade de São Paulo. Faculdade de Saúde Pública. São Paulo, SP, Brasil.

Pontifícia Universidade Católica de São Paulo. Programa de Estudos Pós-Graduados em Economia Política e Departamento de Economia. São Paulo, SP, Brasil.

E-mail: aquilasmendes@usp.br

#### Marilia Louvison

Universidade de São Paulo. Faculdade de Saúde Pública. Departamento de Prática de Saúde Pública. São Paulo, SP, Brasil. E-mail: mariliacplæusp.br

In the context of capitalism crisis, in the scope of its new phase under financial dominance, health has been an increasingly propitious for the interests of big capital in search of value, causing turbulent times for the implementation of the Unified Health System (UHS). Discussing health regionalization means recognizing within this broad context is our universal system. It is known that private capital has advanced within public health systems in the world, and has threatened the universal and public character, fundamental to the social struggles carried out in each country.

During the 27 years of the UHS existence, we have seen the permanence of underfunding - which was constituted as a state policy - and the expansion of the private sector, through breaking the boundaries between the public and private, intensifying market forces to offer health care and public services.

From the point of view of financing, this has not solved the problems of insufficient supplies for the UHS. This long period that has passed since the creation of the system is precisely why the financial capital remains sovereign in the movement of contemporary capitalism. The way it operates has, among other things, weakened public funded budgets, which commits the maintenance of social rights in the capitalist world in general and Brazil in particular. In this context, we point out that the universal right to health, although it was established in the 1988 Constitution, has been constrained under the new phase of financial capitalism.

In line with this broader context, the continuity of economic policy based on the tripod goals of the inflation target floating exchange rate – primary surplus, adopted by the federal government since the mandate of Fernando Henrique Cardoso (FHC), has given rise to constant constraints – public spending cuts - that hinder the full development of universal health care in the country, given that the situation of underfunding imposes on the UHS.

Internationally, as an expression of private capital interests, abounding pressures on multilateral organizations such as the Pan American Health Organization and the World Bank, particularly with regard to the processing of health financing. Both institutions recommend a focused health policy and partnership with the private sector, arguing about the importance of funding that is directed towards universal coverage (WHO; World Bank, 2010)<sup>1</sup>. This is the defense of a concept called "universal health coverage", which converts universal access as a social right, in the amount of covered services that can be offered by the market, since there are budget constraints. For these institutions, the new "universality" is comprised of the basic basket of services for the poor, leaving access to other health services through the market. It is known that the interference of the private sector in health causes serious consequences to meet the health needs of the population, and also prevents the implementation of health as a universal right, as recommended by the UHS.

Recently in Brazil, in the context of a capital health breakthrough, two measures will further undermine the UHS underfunding. First, there is the approval of the new Law 13,097/2015, which allows the exploration of health services by foreign capital, including the philanthropic sector, through the permission of acquiring hospitals – a type of

1 For a more detailed examination of the World Bank's policies for health, see Pereira and Pronko (2014).

institution which is basically funded by the Brazilian State. The increase of the inflow of foreign capital in health care is problematic in the context of a gradual extension of the private sector within the UHS, at the same time there is a growing precariousness of their services, with the flexibility of employment arrangements - that can be made worse by the approval of PL 4330, conducted in congress, which is about outsourcing. Furthermore, realize, on the one hand, there is an increase in the transfer of public resources to Social Health Organizations (SHOs) - privately owned - and, on the other, there is an increase in tax expenditures resulting from the deduction of expenses related to health insurance, comparisons in income tax, and tax concessions for private nonprofit entities (hospitals) as well as the chemical-pharmaceutical industry, weakening the storage capacity of the Brazilian State and damaging the financing of the UHS.

Second, in the process of underfinanced health, there is the recent approval of EC 86/2015 which modifies the calculation basis of federal health financing, reducing it further below the spending level that has been recently achieved (1.7% of GDP in 2014, and 3.9% including all three levels of government). This EC, that established the Authoritative Budget - a mandatory full implementation of parliamentary amendments in the budget - included a new application base for the federal government on health, by changing the Current Revenue Gross calculation basis for the Current Net Revenue (CNR); performed in stages over five years, i.e. 13.2% of CNR for the first financial year and subsequent promulgation of the EC, reaching 15% of the CNR in the fifth financial year. For several calculations this indicates a significant reduction in UHS resources in the 2016 budget by the federal government, with about R\$9.2 billion less for health care and public services (Funcia, 2015).

It is in this turbulent moment in Brazilian health, associated with the structural crisis of capitalism in its phase of financial dominance, where it seems fundamental to deepen the debate on regionalization as a political priority to contribute to the advancement of the UHS construction. Increasingly, researchers and scholars in the area of Policy, Planning and Management of the UHS point to the deepening needs of the UHS, considering the depletion of some arrangements, and at the same time, the need to build responses to the challenges that have been placed in recent times. It is therefore a very welcome discussion of the political and institutional arrangement of our health care system.

The Brazilian Health Reform produces an ideology of major revolution in the way of life and production of health, with an emphasis on the processes of democratization and decentralization, however, it ended up causing sectoral and institutional reforms insufficient for the advancement of the UHS (Paim, 2008). This movement of restricted reform and institution support leaves permanent tension on the health sector's response to the possible needs of Brazilian society. The various strategies, without a state worthy of hosting a public project of this magnitude, do not strengthen the social contract. For an effective decentralization process, which involves autonomous decision-making at the state and local levels across the federal power, health care would have to become a political issue not only for the executive power, but also for the legislature, for all political parties and society, failing to advance only with a process of administrative bureaucratic decentralization (Cohn, 1987).

What is observed is that during the UHS implementation period, there was indeed a decentralization of care, primarily outpatient, and municipalities had the most increase in spending on health, with a proportional reduction in the federal level over time (Arretche, Marques 2007). Currently, most municipalities heavily expanded access to local services contributing to the expansion of the system's universality, but this has strangled their ability to advance and promote integrity and fairness, which cannot be built in solitude. In addition, despite the determination of equitable allocation mechanisms of resources transferred from the federal government to municipalities by the law 141/2012, it could not, so far, set criteria based on health needs or effective participation; still very incipient, state governments in the background transfer resources to fund municipalities.

The decentralization of social policies ended up being heavily debated in the construction of the UHS and aligned with the process of democratization and

social participation, with strong leadership and local government innovation (Fleury, 2014). However, in light of Brazilian federalism, social policies organized towards the provision of goods and services, in a decentralized way, take many organizational forms and designs that integrate both the central level authority and the autonomy of local levels, always in permanent dispute (Francese; Abrucio, 2013). Local health systems and the territorial process move forward to approximate the decisions of the population living in their municipalities and, more than that, in their neighborhoods and communities. This includes the intra-municipal regional dimension between municipalities, historical spaces of geographic solidarity and social production as well as shared health (Santos, 1994).

However, once again, what was eventually built was encompassing only the technical-administrative component of the organizational division of administrative and health regions, losing the political and social character of the regionalization process. It is important to discuss the construction of services networks and the expansion of integrity and fairness with large economies and rational use of resources, but this may not be the central discussion because supply and service management should support public policies in structure and commit to the production of health, as well as access and quality of health services in each territory, with response to the needs of every citizen.

In turbulent times and with the risk to UHS, we need to recover and face the debate of regionalization that contributes to the power of a strong political collective, which can optimize the health sector's response in each territory. In BON 93 - Basic Operational Norm (Brazil, 1993) entitled "The audacity to comply with and enforce the law" - already reflected the concern of centering on a more focused decentralization process for the municipalization and to avoid autonomous intermediate regional bodies in the construction of the UHS; indicating a fear of their autonomy and direct relationship at the state and federal levels. However, this indicates the importance of the regionalization process as "a joint and municipal mobilization that takes into account geographical, demand flow, epidemiology, provision of services and, above all, the political will expressed by various consorting municipalities or by establishing any other relationship of a cooperative nature"(Brazil, 1993). Undoubtedly, municipalities are key players in this process, expanding its look and regional commitment, and we must be attentive to the centralized character of the state level in its historical power relations with the municipalities. But states must also establish its role as a regional coordinator, jointly supporting the municipalities of each territory, which, quite often, occurs in other public policies with shared rationalities.

In this sense, the process of regionalization needs to be discussed and debated without haste or magical conclusions, but with great enthusiasm for reflection and intensification of the debate. The question as to which new institutions could produce advances without translating into a recentralization tool of individual space production and corporate interests, is a reflection of the utmost importance. We think the state reform needs to "fit the UHS," and at the same time the regional areas of the unique production management and care, also presents an important challenge. In São Paulo, the Health Pact and the construction of collegiate regional managers - CRMs - mobilized the health regions for expansion of a regionalization political discussion, but the current drive of UHS actors after the Decree no. 7508/2011 and the proposal of holding an Organizational Contract of Public Action - OCPA - in each health region, it is still not observed as a reality.

There are currently a lot of normative construction of the UHS regionalization process - particularly in management areas - which address the technical and administrative architecture; however, with greater difficulty in the political movement and deepening of this issue. Nevertheless, several makers of health reform have been working on this analysis in many ways. We believe that reflecting on this is critical and, accordingly, present their reflections and analysis.

This dossier of Health and Society, which deals with the issue of regionalization in health, is divided into seven articles. Generally, they are presented in a sequence that goes from a broader reflection and thematic context of regionalization - the first three articles - through a discussion of legal and administrative proposition of health by region - the following article - to the search results displayed - the last three articles - covering: the characterization of the health regions in the country, the process of the regional administration building in São Paulo, and an analysis of the flow of hospital admissions in a region of the state of Espírito Santo.

The first article, entitled "The concepts of region and regionalization: aspects of its evolution and possible uses for the regionalization of health" prepared by Contel, addresses some of the main settings of the region and the establishment of regionalization concepts during the twentieth century in the field of human geography, in order to find the parameters for its use in the current debate of health regionalization. The Ribeiro article called "Territorial perspective, regionalization and networks: an approach to health policy of the Federative Republic of Brazil," deals with the federal nature of public management, and the territorial concepts and networks as political processes that can contribute to regional responses to local problems. The third article of Duarte et al., "Health Regionalization in Brazil: an analytical perspective," addresses regionalization in light of the rationales of decentralization and municipalization processes that were built over the health reform movement, recognizing health as an expanded concept and bringing elements of epidemiology and geography that contribute to this understanding. The fourth article, the Santos and Campos, called "UHS Brazil: the region of health as a path" develops the theme of needing regionalization to advance UHS construction. The authors lead us to reflect on the need for legal and administrative responses for an inter-federative character of the UHS by showing the region instrumental in needing to share management.

The last three articles present the results of research, analyzing sets of empirical data to exploit regional characteristics, its dynamics and its flows. The fifth article, entitled "Typology of health regions: structural conditions for regionalization in Brazil," Viana et al., identifies the structural determinants of the regionalization process through the construction of the typology of the health regions in Brazil. Classifying the regions into five groups according to their socioeconomic development and complexity of care and services offered in the

regional context, contributing to the analysis of the heterogeneity of Brazil and the complexity of organizing regional health systems. The sixth article, "The process of the regional health management construction in the state of São Paulo: information for analysis," Mendes et al., provides resources for the understanding of the regional health pact process in the state of São Paulo as well as for analyzing regional profiles and building monitoring panels. It presents quantitative and qualitative methodology focusing on areas of health of the regions of Bauru, Baixada Santista, Grande ABC and Vale do Ribeira; building dimensions of analysis for regional indicators of the Health Map, of the OCPA and others, as well as interviews with management and monitoring regional boards. Finally, Barreto Junior presents the work "Regionalization of public hospital care in the greater metropolitan area of Vitória-ES" and analyzes the flow of hospital admissions and the movement in the region for the use of health services highlighted, indicating characteristics of varying sufficiency of each municipality.

This dossier provides a comprehensive approach to issues affecting the debate on regionalization and aims to contribute to the continuation of the debate of the construction of UHS during a capitalism crisis. The efforts of the researchers is very important in order to produce knowledge that can contribute to instances of policy and management, and support moves which help to ensure the needs of all, including the uniqueness of each territory, ensuring the constitutional principles of the right to a health system and social security, with universality, completeness and fairness, decentralized and has a broad participation of society.

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