

Government Policies impacting the healthcare industry in Mexico

Mexico has an employment-based healthcare system:

- Those employed by the private sector (around 20 million workers) are served by the Mexican Institute of Social Security (Instituto Mexicano del Seguro Social or IMSS).
- Government employees (around 3 million workers) are served by Institute of Social Security for Public Employees (Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado or ISSSTE).
- While the unemployed and informal workers (approximately 31 million people) are served by a program Institute of Health for Welfare (Instituto de Salud para el Bienestar or INSABI).

Other Policies:

1. Programa de Atención a la Salud y Medicamentos Gratuitos (Free Health Services and Medications Program 2019): This program provides free medical consultations and medications to uninsured individuals with chronic diseases such as diabetes and hypertension. It has been effective in reducing the financial burden of healthcare for those with chronic illnesses and increasing access to necessary medications.
2. Mexico's 2022 budget planning includes a 14.6% increase in health sector resources, primarily to provide Covid-19 relief, but it also prioritizes first and second level care for high-specialty diseases, such as diabetes, cancer and heart disease.
3. Previously, all purchasing for government healthcare drew from two annually updated official government supply and pricing lists called the Basic Formulary (Cuadro Básico) and the Catalog of Medicines (Catálogo de Medicamentos). SSA recently announced the replacement of these two lists with a single one called National Health Supplies Compendium (Compendio Nacional de Insumos para la Salud).
4. Also, the Secretariat of Finance (Secretaría de Hacienda y Crédito Público or SHCP) has taken steps to establish a centralized procurement system for all government purchasing of medical devices, supplies, medications, and services.
5. SHCP intends to use low-cost criteria for health sector purchases and has begun to issue tenders for devices and medications that would be open to suppliers from all countries without a rigorous process for screening quality or efficacy.
6. Under current Mexican law, government purchasing rules provide preference to suppliers from countries with which Mexico has a free trade agreement. This benefited U.S. suppliers under NAFTA, and the new United States–Mexico–Canada Agreement (USMCA) provides additional benefits. However, it is unclear how the Mexican Government will adapt its health sector changes to its trade treaty obligations. The USMCA entered into force on July 1, 2020. With respect to the healthcare sector, the agreement contains significant improvements and modernized approaches to rules of origin and intellectual property issues.
7. On July 31, 2020, the Government of Mexico signed an agreement with UNOPS, whereby the latter will directly purchase medications on behalf of Mexican health

institutions. On December 4, 2021, as part of the UNOPS agreement, a tender was announced for medicines to be acquired by the GOM.

8. For anything applied to or entering the country—whether a device, instrument, or pharmaceutical—a sanitary registration issued by COFEPRIS is mandatory. However, COFEPRIS is undergoing major restructuring. Part of COFEPRIS' transformation strategy includes plans to digitalize their procedures and go paperless by 2030.