Extension of Health Services Coverage for Needy in Turkey: From Social Assistance to General Health Insurance[1,2]

Türkiye'de Yoksullar için Sağlık Hizmetleri Kapsamının Genişlemesi: Sosyal Yardımlardan Genel Sağlık Sigortasına

Oğuz KARADENİZ*

ABSTRACT

In the beginning of the 1990's, Turkey started to implement a new free health service scheme named the Green Card program for people with one third of minimum wage income level in a household. The scheme is financed by taxes. This paper examines the Green Card program and it's effect on health coverage in Turkey. We used Turkey Statistics Institution's (TURKSTAT) Household Budget Survey, Turkey Life Satisfaction Survey and Social Security Institution's statistics to examine the Green Card holders special features such as gender, age, income group and employment status. About 13 % of the population was provided health service by having expenses at the rate of 4 per thousand of GDP with the scheme of green card in 2010. More than half of the Green Card holders are children and elderly. We estimated that 80% of the Green Card holders are in the poorest three income groups among ten income groups and almost 80,6% of the Green Card holders are below the poverty limit to entitle a green card from data of TURKSTAT 2009 Household Budget Survey. It can be said that health benefit reached the targeted poor groups of the population with the Green Card scheme. Health contribution for needy has been paid by the state since 1st January 2012In other words, the Green card scheme has continued with various names.

Key Words: Green card, poverty, general health insurance, out pocket payment, unregistered employment

ÖZET

1990'ların başında Türkiye hanedeki geliri asgari ücretin üçte birinden düşük yoksullar için ücretsiz sağlık hizmeti sağlayan ve vergilerle finanse edilen yeşil kart isimli bir program başlattı. Bu çalışma yeşil kart programını ve onun sağlık güvencesi kapsamı üzerine etkisini incelemektedir. Çalışmada yeşil kartlıların, yaş, cinsiyet, gelir ve istihdam durumlarını incelemek için Türkiye İstatistik Kurumu (TÜİK) Hane Halkı Bütçe Anketi (HHBA), Türkiye Yaşam Memnuniyeti Anketi ve Sosyal Güvenlik Kurumu İstatistikleri kullanılmıştır. 2010 yılında GSYİH'nın binde 4'ünü harcayarak nüfusun sağlık sigortası olmayan %13'lük bir kısmına ücretsiz sağlık güvencesi sağlanmıştır. Yeşil kartlıların yarısından fazlasını çocuklar ve yaşlılar oluşturmaktadır. Çalışma ile TÜİK HHBA'nden yeşil kartlıların %84'ünün on gelir grubu içinde ilk üç yoksul gelir grubunda bulunduğu, %82,6'sının ise yeşil karta sahip olabilmek için gerekli olan asgari ücretin üçte birinden daha az gelire sahip olma şartını yerine getirdiği saptanmıştır. Yeşil kart uygulaması ile sağlık yardımlarının büyük ölçüde hedef gruba ulaştığı söylenebilir. Halen genel sağlık sigortası kapsamında yoksulların primleri devlet tarafından ödenmeye devam etmektedir. Bir başka anlatımla yeşil kart uygulaması ad değiştirerek devam etmektedir.

Ahahtar Kelimeler: Yeşil kart, yoksulluk, genel sağlık sigortası, cepten ödemeler, kayıt dışı istihdam

* *Doç.Dr., Pamukkale Üniversitesi, İktisadi ve İdari Bilimler Fakültesi, oguzk@pau.edu.tr*

1 Early version of this was presented at ISSA 6th Social Security Research and Policy Conference between 29.09.-01.10.2010 in Luxembourg by us.. This paper is forming of early version which was expanded and revised taking consideration discussing on presentation. Author thanks to participants who contributed the paper as well as referees.

2 Bu çalışmanın ilk versiyonu 29.09-01.10.2010 tarihleri arasında Luxembourg'da Uluslararası Sosyal Güvenlik Teşkilatı (ISSA) tarafından düzenlenen 6'ıncı Uluslararası Sosyal Güvenlik ve Araştırma ve Politika Konferansı'nda sunulmuştur. Bu çalışma, adı geçen sempozyumda sunulan çalışmanın tebliğ üzerindeki tartışmalar dikkate alınarak gözden geçirilmiş ve genişletilmiş şeklidir. Tartışma ve soru cevap bölümündeki soru ve katkılarıyla yön veren değerli katılımcılara ve hakemlere teşekkür ederim.

INTRODUCTION

According to Turkish Constitution" *Everybody has the right for social security*" (Turkish Constitution, article 60). In terms of the health security, Turkish social security system was based on social insurance program and it was covering regular employees and self employed persons (For former sytem see. Güzel, et. al. 2010: 721-724, Tatar, et. al., 2011). Compulsory contributory system was excluding some groups such as unemployed, casual agricultural employees. On the other hand, they were poor and they had no financial power for paying social insurance contribution as voluntarily. The political parties forming the coalition government developed a program called 'Green Card' financed by taxes in 1992. This program provided the poor with the coverage of limited health services that was promised in the election manifesto. They reflected it in the 49th government program from the DYP (Doğru Yol Partisi) election manifesto (Özkan, 2007: 134, VII. Demirel Hükümeti Programı, 1991). The health benefits provided by the Green Card were raised to the same level with the health benefits provided by the social security system financed by premiums with the regulation in 2004. As a result of this, the expenditures made by the Green Card holders have started to decrease. The number of the Green Card holders has raised and it has reached 13% of the population in 2010 (Figure: 1).

In the first part of this study, the basic features of the Green Card holders, their development in numerical figures and the application of Green Card are introduced. Then, the success level in targeting of assistance in the application of Green Card has been tried to be expressed by the data retrieved from the Turkish Statistics Institution (TURKSTAT) Household Budget Survey. In the following part, the impact of green card application on the budget of household is analyzed being retrieved from TURKSTAT Life Satisfaction Survey. Finally, general health insurance system for needy is examined.

I- THE HEALTH SYSTEM IN TURKEY AND THE IMPLEMENTATION OF THE GREEN CARD SCHEME

Healthcare service coverage had a fragmented structure until General Health Insurance came into effect on 01.10.2008 in Turkey (Holcman, 2004, OECD/WB, 2008, Karadeniz, 2009, Tatar, et.al. 2011:169). There

was a social insurance system structured according to employment status (Workers, self employed, farmers, casual agriculture workers and voluntary insurance). On the other hand, the social security of the active civil servants was compensated by their own institution's general budget allocations (For detail information about financing system see. Tatar, et.al, 2011: 63). There was a compulsory social security system for the self employed, farmers and workers while there was a voluntary social insurance system for the casual agriculture workers and the others who had no social security (Karadeniz, 2007). However, the unpaid family workers, casual agriculture workers and daily house workers (Cleaner, house keeper etc.), unemployed were out of the scope of compulsory health insurance.

The two parties forming the cabinet declared that that they will establish a program providing free health service for the poor in the election manifesto in 1991. They launched the program called *"Green Card"* financed by taxes in 1992 after the elections. The program aimed to provide health insurance for the poor until the introduction of general health insurance (Law no: 3816[3], article: 1). First, the scope of the Green Card scheme providing limited inpatient health care was enhanced in 2004 and nearly all healthcare services provided in the compulsory social insurance scheme was provided for the Green Card holders.

General health insurance scheme was debated firstly in 1946 in Turkey (Fişek, Özsuca, Şuğle, 1998:98) After 62 years General Health Insurance came into effect in 01st October 2008 with Law No: 5510. Everybody residing in the country legally was included in the general health insurance scheme with this law. In addition to this, the new system extended free health coverage for children below 18. With the new system, all children get free health services even if their parent's have got premium debt (See Law No: 5510[4]).In order to solve the problems in practice, the health coverage of civil servants and the Green Card holders continued according to the previous system. The civil servants were included in the scope of general health insurance system at the beginning of 2010. The implementation of the Green Card was decided to continue until the end

3 Date: 03.07.1992, Number: 21273, Official Gazette.
4 Date: 16.06.2006, Number: 26200, Official Gazette.

of 2011 (See Law No: 5997[5]). Since 2012 the insurance premiums of the Green Card holders have been compensated by the government. In other words, the implementation of the Green Card will continue under another name. While the implementation of the Green Card was conducted by local administrations (province and town committees), all these transactions such as mean test was transferred to Social Solidarity and Assistances Funds in beginning of the 2012.

A- Implementation of the Green Card

Conditions of benefitting from the scheme and the limit of poverty: There are three main conditions in order to benefit from the scope of the law. These are (Law No: 3816, article: 3):

a) Not being covered by other social security institutions (except the ones who work less than 30 days in home services and the ones working part time and the ones working when called although they are insured)

b) Having an income per capita less than one third of the gross minimum wage,

c) Being a Turkish citizen living in Turkey.

Health services provided: The program used to pay the expenditures of the poor only when they are hospitalized until 2004. Outpatient treatment and the medicine expenditures were not included in the scope of the Green Card (Sözer, 1998: 145). The scope of assistance provided by the Green Card was extended with the change in law in 2004. With this change, the Green Card holders started to be paid for the treatments such as outpatient treatment, medical examinations, analysis, dental health in public institutions (Law No: 5222[6]). After 01.10.2008, there has been a change to general health insurance system. Thus, the Green Card holders have started to benefit from all the services provided by the general health insurance system. Before the change in 2008, part time workers were not able to get the Green Card as they were insured. However, the change provided health coverage for the part-time employees and the home services employees below thirty days (See Law No: 5754[7]).

5 Date: 19.06.2010, Number: 27616, Official Gazette
6 Date: 21.07.2004, Number: 25529, Official Gazette
7 Date: 08.05.2008, Number : 26870, Official Gazette

The people who wants to get a Green Card should apply to the provincial administration municipalities in towns (Law No: 3816, article: 6). The commissions in these public settings are able to search in order to decide whether a person has a right to get a Green Card or not. While searching for this, they have the authority to require supplementary documents from the public and private institutions, banks and any documents and information from the demanders, conduct the required search and call the local authority (village headmen) of the villages and districts where the applicants lived (Law No: 3816, article: 7). The commissions are to search whether these people have real estate recorded in land office, whether they work within the scope of social security institution, whether they get income or salary and whether they have deposits in banks. Moreover, the village headmen, local authority, rural policemen search about the income level and life conditions of the demanders and inform to provincial administrations and county governments (Law No: 3816, article: 7/2). If a Green Card is decided to be given after this search, their cards are given by provinces in cities and districts in towns to the demanders (Law No: 3816, article: 8).

If a person gets a Green Card illegally and benefits from health services free of charge or makes somebody benefit from the card illegally and if a person's income raises over the poverty limit and goes on benefitting from the service or make somebody benefit from it, he/she will be charged twice of the expenditures and has to pay it. Moreover, a criminal investigation about those who use the card illegally (Law No: 3816, article: 10).

If the provided health services are beyond the financial power of the card user or if a person is not in the condition of getting a Green Card or out of the scope of the law, the cost of health service can be paid by the Social Assistance and Solidarity Fund in provinces and towns according to the decision of Social Assistance and Solidarity Fund encouraging law with number 3294 (Law No: 3816, article: 11)

In 2004 the Health Transformation Program started to be implemented. One of the main objective's of the program was to increase accessibility to healthcare services (Ministry of Health, Ed. Akdağ 2008). Government health expenditures increased rapidly thanks to this program. While it

was 3,86% of GDP in 2004, it reached 5,13% of GDP in 2009 (See. Table 1). Moreover, the scope of health services provided by the Green Card scheme was extended with the regulation in 2004. Thus, the expenditures of the Green Card began to raise rapidly. The health expenditure for Green Card holders was four per thousand of GDP in 2010. The health expenditure per capita was 307 $. The health expenditures of the Green Card was used to be compensated by the payment from general budget to the Ministry of Health until 2012, After 2012, these expenses started to be covered by the General Health Insurance Scheme. Green card holder numbers per year and their expenditures per capita and the rate of expenditures to GDP are presented in Table 1.

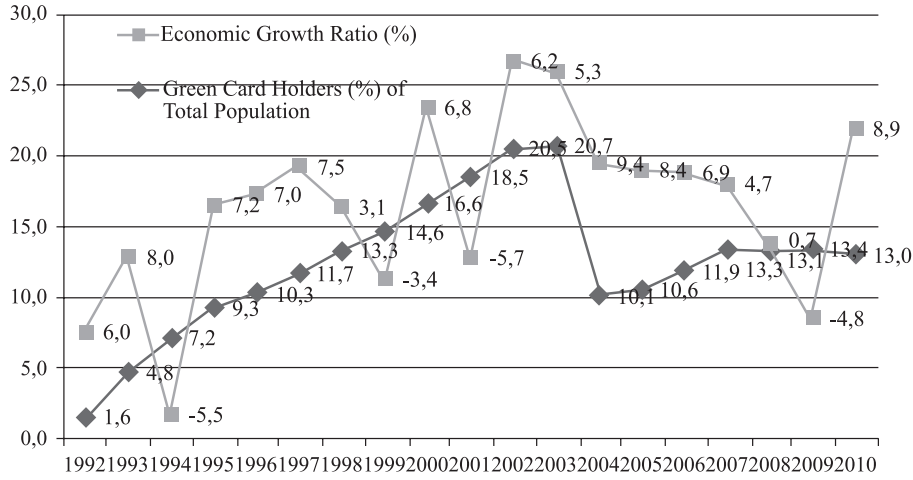
Table 1. *Number of Green Card Holder , Green Card Health Expenditures per Capita, Rate of Expenditures to GDP, Total Public Health Expenditure/GDP (2000-2010)*

	Number of Green Card Holders	Green Card Health Expenditure per Person $	Green Card Expenditures/ GDP %	Total Public Health Expenditures/GDP %
2000	10671670*	25	0,1	2,91
2001	12044089*	21	0,1	3,33
2002	13546541*	24	0,1	3,78
2003	13841462*	35	0,2	3,84
2004	6852000	109	0,2	3,86
2005	7256000	186	0,3	3,68
2006	8279000	246	0,4	3,96
2007	9355279	321	0,5	4,12
2008	9337850	334	0,4	4,42
2009	9647131	371	0,6	5,13
2010	9477093	307	0,4	n.a

• Estimation

Source: Ministry of Health (2004:41) SSI (2011),Emil ,Yılmaz (forthcoming) in Yılmaz, 2010 TURKSTAT GDP Statistics (2000-2010)TCMB, www.tcmb.gov.tr

Figure 1. *Economic Growth Ratio and Green Card Holders' Ratio in Total Population (1992-2010)*



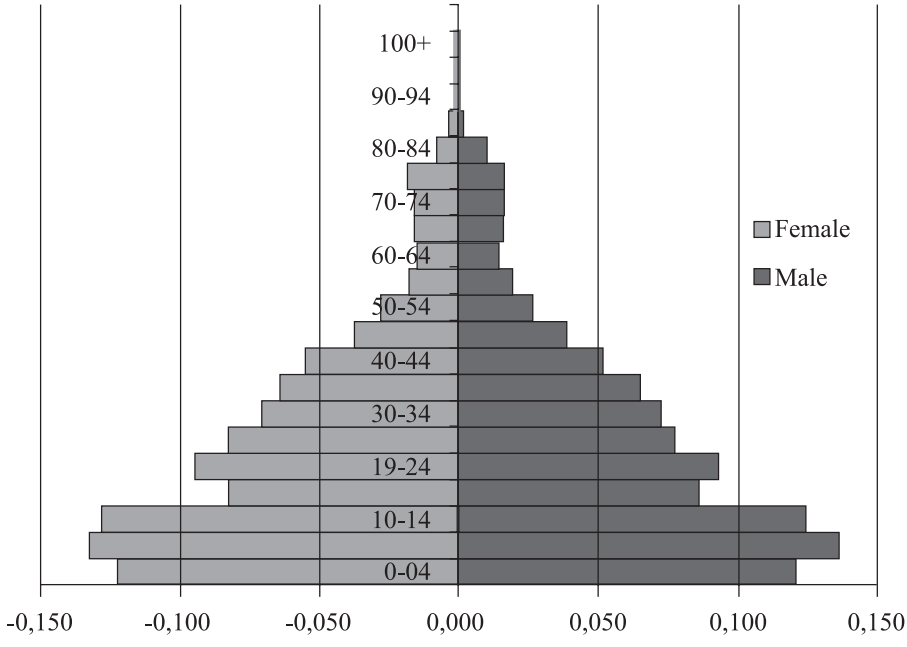
Source: Ministry of Health (2004:41) SSI (2011), Ministry of Development,(2011)

The Figure 1 indicates economic growth and Green Card holders' ratio in total population. The total number of Green card holders increased especially during the 2001 economic crises. During the crisis economy shrank by 8%, registered insured numbers decreased, so the Green Card applications increased (OECD/WB,2008: 34). As it is understood from Figure 1 the Green Card holders' ratio in total population increased from 14,6 per cent in 2000 to 16,6 per cent in 2001. During the 2009 financial economic crisis, the Green Card holders' ratio increased by 2,3 per cent compared to 2008. With the new regulation in 2004, there has been a change in the system of the Green Card and the previous Green Cards begun to be replaced with the new ones, so previous Green Cards were cancelled.

B- The Demographic Structure of the Green Card Holders

Social Security Institution (SSI) statistics about people benefiting from the Green Card provides data only in terms of sex, age and province. Thus, poverty status and employment status of these people can only be estimated by the Surveys of Household Budget conducted by Turkish Statistics Institution annually.

Figure 2. *Green Card Holders Age Pyramids in Turkey (2010)*

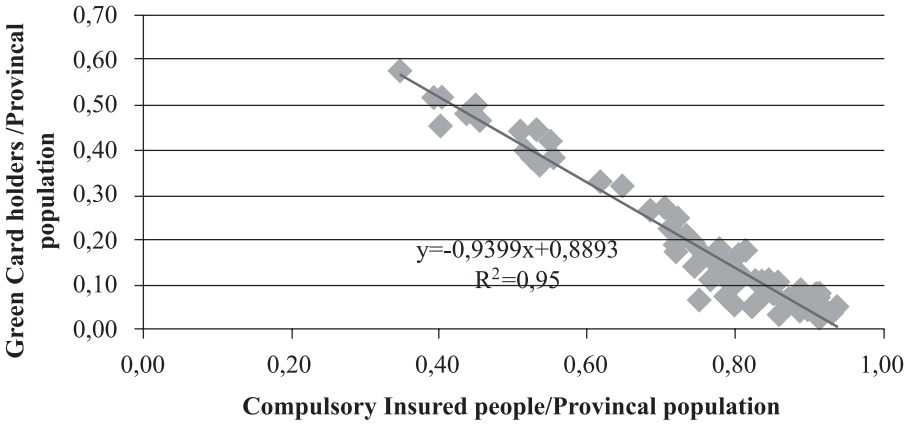


Source: SSI (2010/b)

About 46% of the Green Card holders are citizens below the age of 18. Of these population, 9% of are between the age of 19-24, 15 % are between the age of 25-34, 11% are between the age of 35-44, 7% are between the age of 45-54, 12% are over the age of 55. Nearly more than half of the Green Card users are elderly and children (SSI, 2010/b).

The population rate under the coverage of the Green Card and the population rate under the coverage of the compulsory social insurance have been shown in the figure below. When the scope of compulsory social insurance narrows, then the rate of the population of Green Card holders increase.

Figure 3. *Province's Population Ratios by Green Card and Compulsory Social Insurance (2010) (Dependent variable: Green Card holders/Provincial population, independent variable: compulsory insured people/provincial population)*



Source: It's estimated by author using data of SSI, 2010/a-b, TURKSTAT, 2009 and using Microsoft Office Excel 2007

The scatter of the Green Card holders according to their employment status has been estimated by 2008 and 2009 Household Budget Survey conducted by Turkish Statistics Institution. There is the scatter plot of the Green Card holders according to their employment (Figure 3).

A 28% of the Green Card holders were employed in 2009[8]. The scatter plot of the ones employed has been given in the figure according to their occupational position (Figure 3). About 20% of the Green Card holders who have been employed have been working as regularly paid workers, a 20 % of them have been working as casual employees, 30% of them have been self employed and 31% of them have been working as unpaid family workers.

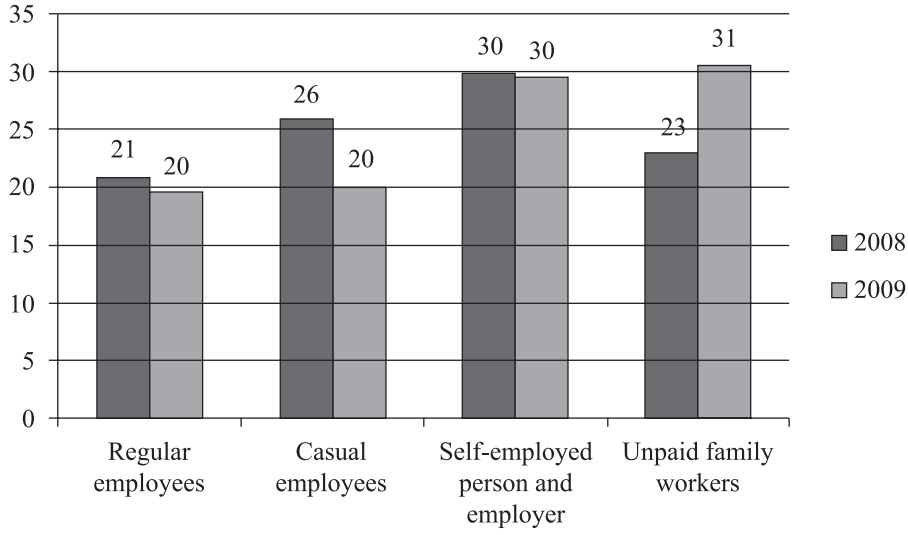
Moreover the Green Card holders who have been working are also the ones who are excluded from the scope of compulsory social insurance system. About 58% of the employed Green Card holders have been

8 *It's estimated by author using data of* TURKSTAT (2009), Household Budget Survey Data Set

working for the agriculture sector and these people are out of the scope of compulsory social insurance program in terms of the cash benefit such as pension, daily allowances (Figure 5). The farmers having low income and temporary agriculture workers in Turkey have been out of the scope of the compulsory social insurance system. In the contributory system, it is possible to establish a specific insurance program and having social insurance voluntary. This system has been applied for the temporary agriculture workers in Turkey; however, it has not been so successful. It has been estimated that 1,5% of temporary agriculture workers were registered for the voluntary social insurance program in 2003 (Karadeniz, 2007).

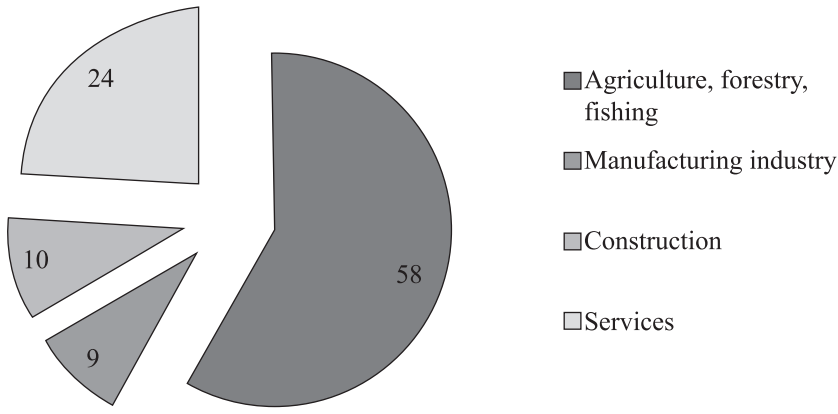
On the other hand, due to Green Card implementation, social insurance contribution evasion have increased. Green Card holders work as unregistered and never pay social security contributions in non agricultural sector.

Figure 4. *The Scatter Plot of Green Card Holders who are Employed According to Their Employment Status (2008-2009)*



Source: Data was adapted from TURKSTAT Household Budget Survey of 2008 and 2009 by author

Figure 5. *The Scatter of Green Card Holders who are Employed According to their Sectors (2009)*



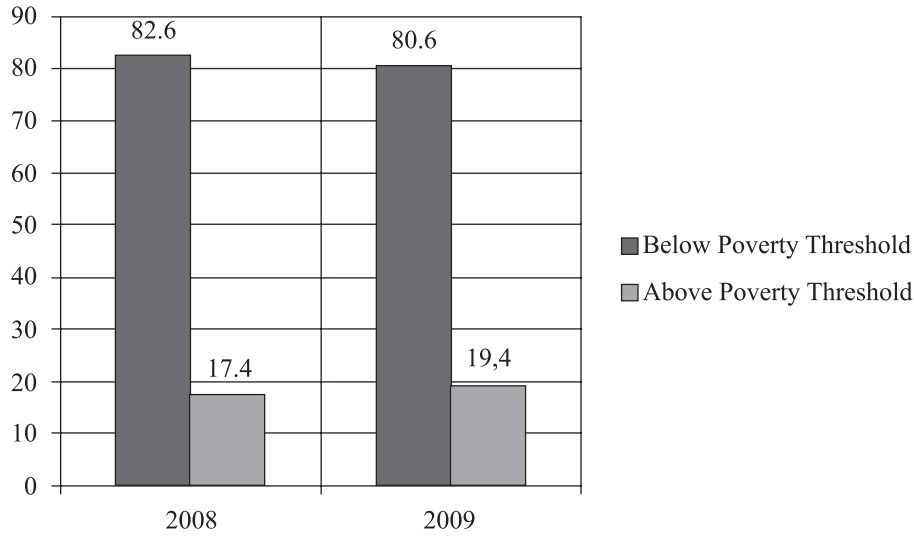
Source: Data was adapted from TURKSTAT Household Budget Survey of 2009 by author

C- The Implementation of the Green Card and Targeting of Assistances

Does the Green Card really reach the poor? In Turkey there are some doubts in this subject. Some believe that the Green Card system is abused by the rich (Taşcı, 2010: 89). In order to answer this question, the people whose income is lower than one third of minimum wage per capita and the people whose income is more than one third of minimum wage per capita have been confirmed from the Survey of Turkish Statistics Institution Household Budget. The study with the data from TURKSTAT 2006 Household Budget Survey has estimated that 78,9 % of the Green Card holders were below the poverty limit to have the right to get Green Card legally (Gürsel et al. 2009)[9]. With the estimation held in 2008 taking into consideration the Household Survey again, it is understood that 80,6% of the Green Card holders had the income below the poverty limit (their income was below one third of gross minimum wage) in 2009.

9 In this paper (Gürsel et. Al. 2009), was taken considered that old poverty limit (the income per capita being less than one third of the net minimum wage). Poverty limit increased in 2008 by Law No: 5754 from one third of the net minimum wage to one third of the gross minimum wage, so most of poor people have gotten benefit from green card.

Figure 6. *Scatter of Green Card Holders Income According to Poverty Threshold (2008-2009) %*

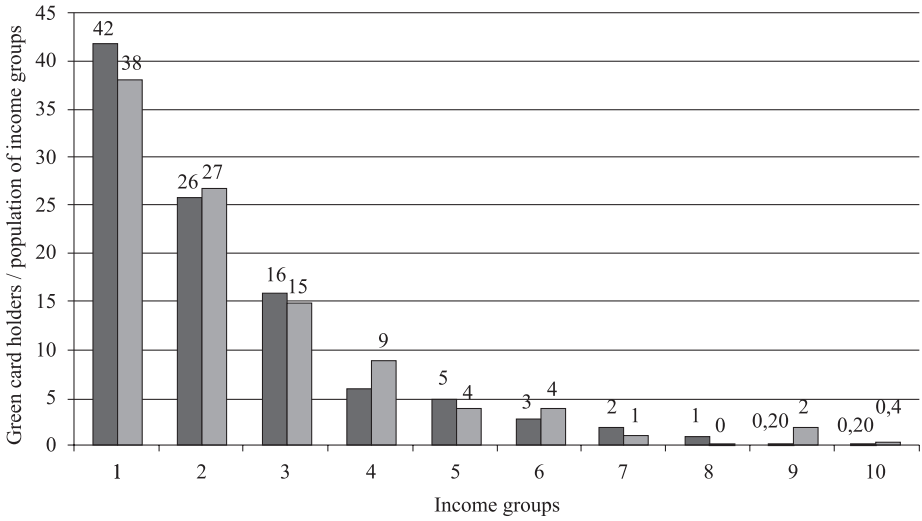


Source: Data is adopted and has been calculated from TURKSTAT Household Budget Survey of 2008 and 2009 by author

While confirming whether the Green Card holders are in the poor group, splitting the income per capita from minimum to maximum in ten groups and having a look at the income group of the Green Card holders may be a second method (Gürsel et al. 2009). With this method, 82% of the Green Card holders have been confirmed to be in three lowest income group according to the estimations of the 2006 Household Budget Survey data (Gürsel et al. 2009).

The scatter plot of the Green Card holders have been estimated according to their income groups by using the data of TURKSTAT Household Budget Survey 2008 and 2009 data and they have been shown below (Figure 7).

Figure 7. *Distribution – Analysis of Green Hard Holders by Income Groups (2008 and 2009) %*



Source: It has been calculated from TURKSTAT Household Budget Survey of 2008 and 2009 by author

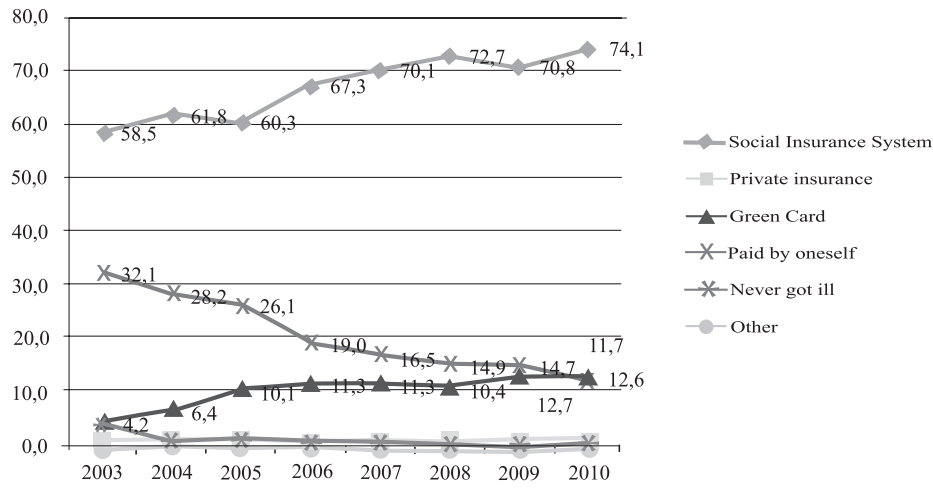
It can be inferred from the figure that 80,1% of the Green Card holders are in three income groups having the lowest income in 2009. Moreover, it is clear that Green Cards are mainly used by the poor. This ratio was 84 % in 2008. It can be estimated due to economic crises some employees who lost their job between fourth and sixth income groups could got get the Green Card but this issue should be searched in detail by new surveys.

D- The Implementation of the Green Card and the Change in Health Expenditures of Households

With the extension of the scope of health services by the implementation of the Green Card, out of pocket health expenditures of household have decreased. While the rate of people who compensated their own health expenditures was 32,1% in 2003, this rate decreased to 11,7% in 2010. The rate of people who provided health service by the Green Card has risen from 4,2% to 12,6%. Moreover, the rate of people who provided their health service from compulsory social insurance system has

risen from 58,5% to 74,1 % during the same period. The causes of this increase may be listed as follows: the increasing number of compulsorily insured with the development in the economy in years between 2003-2007, the effect of Health Transformation Program in 2004 aiming to increase the availability of health services (Ministry of Health, Ed. Akdağ 2008). Thanks to this program, with the regulation held in 2004 not only the accessibility of workers to Social Insurance Institution, but also their accessibility to all health centres became possible and their accessibility to health services increased significantly (Karadeniz, 2009).

Figure 8. *Channels to Meet the Medicine and Therapy Costs (2003-2010)*



Source: TURKSTAT Life Satisfaction Survey 2010

It should not be forgotten that especially the poor people use the Green Card scheme. Thus, it can be stated that implementation of the Green Card also had an impact on alleviating poverty. Thanks to the Green Card, 13 % of the population most of whom are poor have been able to get health service with the cost of four per thousand of GDP in 2010. Until 2004, the Green Card program was inefficient in terms of reducing out of pocket health expenditures. For instance in 2003, for outpatient treatment while employees (SSK insurers) were paying 8,3 TL as out of pocket payment, this amount was 22,6 TL for the Green Card holders

(WB, 2003 in OECD/WB, 2008: 30). Moreover, there is no sufficient data about decreasing out-of-pocket health payment of poor households. However, when only 24% of first 20 % poorest income groups (in five income groups) benefited from the Green Card program in 2003 this ratio increased %68 in 2006 Household Budget Survey. This data indicates that accession possibilities of the poorest people to health services have increased (OECD, WB, 2008: 65).

Except the Green Card applicants, about 11,7 % of the population did not have public health coverage in 2010 according to the research conducted by TURKSTAT Life Satisfaction Survey. This group included unregistered workers, people owning a real estate and cannot get a Green Card because of this and self employed having premium debts and cannot get a Green Card because of this. Moreover, the people who do not pay their premiums although they can afford and the ones who pay for their own health service themselves are in the group of people who have no health insurance (Üstündağ, Yoltar, 2007: 73-76).

II- GENERAL HEALTH INSURANCE SCHEME AND HEALTH COVERAGE FOR NEEDY

Since 01st January 2012 General health insurance scheme has been extended to all population, and green card scheme was repealed. On the other hand, if personal income is below the one third of monthly minimum wage, health insurance contribution will be financed by State. If the personal income is above one third of monthly minimum wage and the ones who do not work in the scope of compulsory insurance system or the ones who do not have a pensioner or the ones who are not depended on all these are obliged to pay the health insurance premium with the change in the regulation held in 2008. According to this law, citizens will pay health insurance premiums according to their income. The income and premium costs have been shown in the Table 2.

Table 2. *Health Insurance Premiums According to Personal Income (2012)*

Income per person in family	**Income (Turkish Liras)**	**Premium (Turkish Liras)**
Below one third of monthly minimum wage	Below 295,5	Premium is financed by State
One third of monthly minimum wage between monthly minimum wage	295,5	35
Monthly minimum wage between twice of monthly minimum wage	886,5	106
More than twice of monthly minimum wage	1773	212

Source : Law number 5510 and (ASPB, 2012)

Citizens with low income but not being as poor as to get a green card have low premium quantities can be considered as a positive issue in terms of developing the scope of green card. Moreover, if the people who are not included in the compulsory social insurance coverage do not pay their general health insurance premiums, they will not be able to benefit from general health insurance. Nearly half of the population work as unregistered, so it can be understood how difficult it is to collect premiums (Keyder, 2007: 28).

However, with the extension of the health care coverage, Turkish social security system comes (faces) face to face with some problems in terms of targeting health benefit and contribution evasion. Tax financed social assistances such as the Green Card program can induce unregistered employment and contribution evasion (see. Özsuca, Gökbayrak, 2010: 111; Karadeniz, 2011). Some employees, whose health contributions are paid by the State, can work as unregistered. Mean testing have been made by SYDV (Social Assistances and Solidarity Fund) since beginning of the 2012 (ASBP, 2012). In spite of the positive improvement such as developed automation programs, there are still some problems like inadequate inspection and insufficient institutional capacity for targeting health benefit. Turkey doesn't have reliable demographic and financial information in order to implement income testing as permanently and in a healthy way (Alper, 2010: 21)

CONCLUSION

The study has certain limitations. We tried to determine effects of the health coverage extension as well as targeting health benefit. However, this survey is based on secondary data such as TUIK household Budget Survey, SGK (Social Secuirty Institution) statistics on green card holders. In order to examine the effects of the health coverage extension and targeting benefit, we need more evidences via qualitative and quantitative research, which can answer the questions regarding who are really needy, why people don't pay contribution, or why people abuse the health system and what are the main obstacles targeting health benefit.

The health insurance system was based on the social insurance system mainly financed by premiums in Turkey. Workers, self employed (such as tradesman, craftsman) and farmers used to pay health insurance premiums to their own institutions. The health insurance of civil servants used to be provided by the institutions they worked in. Moreover, it was possible that unemployed people could be included in the system by paying the premium of health and retirement. However, it was impossible for the poor and the ones not being able to pay the premiums to benefit from the system. A health program called the Green Card system established in 1992 for the poor financed by taxes until transferring to the system of general health insurance. The health program used to include the ones who were not included by any social insurance institution and people whose income was below one third of the minimum wage per capita. In the beginning, the system only used to pay for the inpatient treatment of the poor. The scope of the services provided by the Green Card was extended in 2004 and outpatient treatment (examination, medical treatment etc.) and prescriptions were also included in the program. Thus, the expenses for the Green Card holders have increased fast and became equal to the level of the compulsory insured. General Health Insurance came into effect in 2008. With this regulation, it was suggested that the Green Card applications should continue until 2012 and it should be included in the general health insurance coverage later. Still, all the services provided by general health insurance have been given to Green Card holders. Green Card has been financed by the premiums (transferred from taxes) which are funded from the state's budget to the budget of Social Security Institution. About 13 % of the population who do not have health insurance

was provided health service by having expenses at the rate of 4 per thousand of GDP with the application of Green Card in 2010. More than half of the Green Card holders were children and the elderly. Thanks to the Green Card, health coverage extended. According to TURKSTAT Life Satisfaction Survey rate of people who compensated their own health expenditures was 32,1% in 2003, this rate decreased to 11,7% in year 2010. The rate of people who provided health service by Green Card has risen from 4,2 % in 2003 to 12,6% in 2010. According to the estimation performed by using the TURKSTAT 2010 Household Budget Survey data, 80 % of the Green Card holders are in the poorest three income groups among ten income groups. Almost 80,6 % of the Green Card holders are below the poverty limit to deserve a Green Card in 2009. These rates indicate that Green Card has reached to the target groups. The people who are not poor enough to entitle a Green Card having low income have to pay premiums and they have been included in the scope of health insurance. However, the operation of the system will be seen as time passes.

The implementation of the Green Card scheme has been a positive example it has been financed by taxes having minimal health expenses and provides health service to the group who do not have social insurance. Social insurance system has been based on working with regular employment. However, there are some difficulties in terms of including the poor and little educated people into the scope of social insurance (registration, premium payment), having a high rate of employment in agriculture and having employment structure based on casual, seasonal, self employed or unpaid family employment instead of having regular paid work. In this case, agriculture workers, temporary workers, self employed who have got low income, unpaid family workers may be excluded from compulsory social insurance system. Health systems financed by tax such as the Green Card can be seen as an important step in developing the scope of health insurance. At the beginning of 2012general health insurance program was extended for poor and green card program was repealed. However, we can say that the Green Card program has continued, because health contribution has been paid by the State.

On the other hand, social assistances are financed by indirect taxes such as VAT (Value Added Tax). In Turkey nearly 70% of the total tax

revenues were indirect taxes in 2005 (DPT, 2007: 13). Indirect taxes are regressive and inequitable as they are independent from household income. Therefore, poor people usually pay these taxes. It can be said that social assistances are financed by poor people if the indirect taxes share in total taxes is high.

Sometimes indirect taxes can be used to ensure tax equity. For instance while luxury goods and services are taxed by high ratio, necessary consumption goods can be exempt from indirect taxes (Yenimahalleli, Yaşar, 2007: 43, Prasad, 2008: 8). If the tax equity cannot be provided via indirect taxes, health financing by indirect taxes is not been desired (Yenimahalleli, Yaşar, 2007: 43).

Our suggestions for extending de facto health care coverage as following :

1- In order to prevent illegal cases benefitting from the system, a strong supervision system should be established and there should be a strong coordination between public constitution and institutions.

2- Poverty threshold should be determined by region for health benefit

3- Registered employment should be stimulated. Contribution ratio should be decreased in labour intensive sectors, and social insurance inspection system should be strengthened. Awareness raising campaigns should be increased for risky groups using appropriate tools for each groups (Karadeniz, 2011).

References

Alper, Yusuf (2010), "Sosyal Güvenlik Reformu: Genel Sağlık Sigortası, Önemi, Esasları ve Problemler", *Sosyal Diyalog*, 1(2): 14-22.

ASPB (2012), "GSS'de Gelir Testi SYD Vakıfları Tarafından Uygulanacak", http://www.sosyalyardimlar.gov.tr/tr/haberler/s/4807 (04.06.2012).

DPT (2007), *Dokuzuncu Beş Yıllık Kalkınma Planı, Vergi Özel İhtisas Komisyonu Raporu*, (2007-2013), Ankara, Yayın No: DPT: 2734, ÖİK: 685.

Gürsel, Seyfettin, Burak Darbaz, Ulaş Karakoç (2010), *"Yeşil Kart: Türkiye'nin En Maliyetli Sosyal Politikasının Güçlü ve Zayıf Yanları"*, Araştırma No-

tu *039*, www.betam.bahcesehir.edu.tr (05.05.2010).

Güzel, Ali, Ali Rıza Okur, Nurşen Caniklioğlu (2010), *Sosyal Güvenlik Hukuku*, Beta Yayınlar, 13. bası, İstanbul.

Fişek, Gürhan, Şerife Türcan Özsuca, Mehmet Ali Şuğle (1998), *Sosyal Sigortalar Kurumu Tarihi, 1946-1996*, Kasım, Ankara, Türkiye Ekonomik ve Toplumsal Tarih Vakfı, Sosyal Sigortalar Kurumu Yayın No: 598.

Holcman, Robert (2004), Social Protection in Turkey: Fragmented and Disconnected From Supply of Hospital Care, *International Social Security Review*, 57(2):63-86.

Karadeniz, Oğuz (2007), "Social Security of Casual Agriculture Workers in Turkey", 5th International Research Conference on Social Security, Warsaw, 5-7 March 2007, "Social security and the labour market: A mismatch?" International Social Security Association, Research Program, http://www.issa.int/pdf/warsaw07/2karadeniz.pdf (02.06.2010).

Karadeniz, Oğuz (2009), "*Turkey Annual National Report Pensions, Health and Long-term Care, Analytical Support on the Socio-Economic Impact of Social Protection Reforms"*, http://socialprotection.eu/files/353/asisp_ANR09_Turkey.pdf (06.06.2010).

Karadeniz, Oğuz (2011*), Uluslararası Trendler Çerçevesinde AB'de ve Türkiye'de Kayıtlı İstihdamı Teşvik Politikaları*, SGK, II. Uluslararası Sosyal Güvenlik Sempozyumu, Ankara.

Keyder, Çağlar (2007), "Giriş*", Avrupa'da ve Türkiye'de Sağlık Politikaları, Reformlar, Sorunlar, Tartışmalar*, (Derleyenler, Çağlar Keyder, Nazan Üstündağ, Tuba Ağartan, Çağrı Yoltar), İletişim Yayınları, 1. bası, İstanbul, s.15-35.

Ministry of Health (2004), *80.Yılında Tedavi Hizmetleri* (1923 - 2003), Ankara.

Ministry of Health (2008), *Türkiye Sağlıkta Dönüşüm İlerleme Raporu*, Editör Recep Akdağ.

Ministry of Development, Ekonomik ve Sosyal Göstergeler, 1950-2010, http://www.dpt.gov.tr/PortalDesign/PortalControls/WebIcerikGosterim.aspx?Enc=83D5A6FF03C7B4FC5A73E5CFAD2D9676 (06.09.2011).

OECD, WB (2008), *OECD Reviews of Health System: Turkey* (*in Turkish*) http://www.tusak.saglik.gov.tr/pdf/kitaplar/200902201441250.OECD_Kitap.pdf (29.06.2010).

Özkan, Necati (2007), *Türkiye ve Dünya'dan Örneklerle Seçim Kazandıran Kampanyalar*, Mediacat, 3. basım, İstanbul.

Özsuca, Şerife, Şenay Gökbayrak (2010), Kayıt Dışı İstihdamla Başetme ve Denetim, Kadim Projesi Etki Değerlendirme Analizi, *III. Çalışma Yaşamı Kongresi*, 3-4 Nisan, Ankara, İş Müfettişleri Derneği, A.Ü. SBF, Sosyal Politika Araştırma ve Uygulama Merkezi, Ankara SMMMO Odası.

Prasad, Naren (2008), *Policies for redistribution: The use of taxes and social transfers*, Discussion Paper, International Institute for Labour Studies, www.ilo.org/public/english/.../dp19408.pdf (04.06.2012).

Sözer, Ali Nazım (1998), Sosyal Hukuk, İzmir SSI, 2010/a, (Insured Statistics) *Sigortalı İstatistikleri*, Mart 2010, http://www.sgk.gov.tr (05.06.2010).

SSI 2010/b (Non-Contributory Payments Statistics) *Primsiz Ödemeler İstatistikleri*, Mart 2010, http://www.sgk.gov.tr (05.06.2010).

SSI 2011 (Non-Contributory Payments Statistics) *Primsiz Ödemeler İstatistikleri*, Ocak 2011, http://www.sgk.gov.tr (05.09.2011).

Tatar, Mehtap, Salih Mollahaliloğlu, Bayram Şahin, Sabahattin Aydin, Anna, Maresso Cristina Hernández- QUEVEDO (2011), *Turkey: Health system review. Health Systems in Transition*, 13(6):1–186, http://www.euro.who.int/en/who-we-are/partners/observatory/health-system-reviews-hits/full-list-of-hits/turkey-hit-2011 (05.06.2012).

Taşçı, Faruk (2010), *Sosyal Politikalarda Can Simidi: Sosyal Yardım*, Nobel Yayın Dağıtım, Ankara, Haziran.

TCMB (Republic of Turkey Central Bank) www.tcmb.gov.tr (02.06.2010).

TURKSTAT (2000-2010), GDP Statistics http://www.tuik.gov.tr/PreTablo.do?tb_id=55&ust_id=16 (02.09.2011).

TURKSTAT (2008), *Household Budget Survey Data Set*, Ankara.

TURKSTAT (2009), *Household Budget Survey Data Set*, Ankara.

TURKSTAT, *Life Satisfaction Survey*, 2003-2004-2005-2006-2007-2008-2009-2010 http://www.tuik.gov.tr/VeriBilgi.do?tb_id=41&ust_id=11 (06.09.2011).

TURKSTAT (2010), *Nüfus İstatistikleri ve Projeksiyonlar*, http://www.tuik.gov.tr/VeriBilgi.do?tb_id=39&ust_id=11 (02.09.2011).

Üstündağ, Nazan, Çağrı, Yoltar (2007), "Türkiye'de Sağlık Sisteminin Dönüşümü, Bir Devlet Etnografisi"*, Avrupa'da ve Türkiye'de Sağlık Politikaları, Reformlar, Sorunlar, Tartışmalar* içinde, (Derleyenler, Çağlar Keyder, Nazan Üstündağ, Tuba Ağartan, Çağrı Yoltar), İletişim Yayınları, 1. bası, İstanbul, s.55-9.

Yaşar, Yenimahalleli, Gülbiye (2007), *Sağlığın Finansmanı ve Türkiye için Sağlık Finansman Modeli Önerisi*, Yayınlanmamış Doktora Tezi, Ankara, Ankara Üniversitesi SBE, Çalışma Ekonomisi ve Endüstri İlişkileri Ana Bilim Dalı, Tez Danışmanı: Prof. Dr. Şerife Türcan Özşuca.

Yılmaz, Hakkı Hakan (2010), "2010 Yılının Sağlık Bütçesi Açısından Görünümü ve Kamu Sağlık Harcamalarına Karşılaştırmalı Bir Bakış", *Sağlık-Sen Dergisi,* Şubat, 4-11.

VII. Demirel Hükümeti Program, http://www.tbmm.gov.tr/hukumetler/HP49.htm, (01.06.2012).