Scenarios

Brazil: The New Government's First Year, Review and Outlook



Health & Social Policies





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CONTEXT

One of the most relevant aspects of the political landscape in 2023 was the government's focus on its social agenda, a key platform for President Lula da Silva and the PT (Workers' Party). Even before taking office, Lula advocated for the approval of the Transition PEC (Constitutional Amendment Proposal), which increased fiscal space by BRL 145 billion to ensure funding for programs the government intended to implement. Programs such as Bolsa Família, Mais Médicos, Minha Casa Minha Vida, among others, were reinstated and expanded.

Due to insufficient revenue and increased expenses throughout the year, however, even with the approval of the PEC, these funds were not enough to cover all these payments. In November, the government was forced to make a budget cut of BRL 3.8 billion, impacting some programs such as Auxílio Gás (Gas Aid), the purchase of textbooks in basic education, and hospital assistance services for consultations, exams, treatments, and surgeries.

Social

Bolsa Família

Created in 2003 during Lula's first term, the program was replaced by Auxílio Brasil during the Bolsonaro administration, as an extension of the emergency aid paid during the COVID-19 pandemic. By raising the extreme poverty threshold to BRL 105 and poverty threshold to BRL 210 per month, the program increased the number of assisted families by 6 million.



With President Lula's new administration, Bolsa Família was reinstated with new rules. Managed by the Ministry of Social Development and Assistance, Family and Fight against Hunger under the leadership of Minister Wellington Dias, the new model establishes that a family must have income up to BRL 218 per person to receive a minimum amount of BRL 600, with an additional BRL 150 per child up to 6 years old. To qualify, families must meet eligibility criteria, such as school attendance requirements for children and adolescents, and updating the family's vaccination records. In 2023, the program helped 21.3 million families, representing a growth of 10.93% compared to 2022.

Minha Casa, Minha Vida

The program was created in 2009 and was replaced by Casa Verde e Amarela in 2020 during the Bolsonaro administration. In 2023, it was reinstated with new rules aiming to expand the number of assisted families and stimulate the national real estate market. To that end, President Lula announced the goal of financing two million homes by 2026. According to the new rules, private banks, digital banks, and credit cooperatives can now participate in the program, not just the public bank Caixa Econômica Federal. In November 2023, the first selection of proposals for the construction of 180,000 units was presented. Throughout the previous year, 21,000 houses were delivered, and 22,000 units that were previously halted underwent renovations. Additionally, around 500,000 units were contracted in terms of financing.

Health

Mais Médicos

In early 2023, Minister of Health Nísia Trindade announced the expansion of the Mais Médicos Program with the goal of addressing public health issues, alongside vaccination campaigns and the accreditation of primary care teams, oral health, and health agents.

Throughout the previous year, there was a 105% increase in the number of professionals in action. The government aims for each family health team to have at least one specialist from the program.



Health Industrial Complex

Another priority for the year was the development of the Health Industrial Complex to stimulate large-scale production of inputs and technologies for healthcare. The program is part of the agenda of an interministerial executive group, with the participation of social movements and the National Health Council. The strategy also aims to strengthen local production of goods and services, reduce litigation in healthcare, and promote job creation in the sector, with an expected investment of BRL 42.1 billion by 2026.

Digital Health

The Subcommission on Telemedicine, Telehealth, and Digital Health was established in the Chamber of Deputies, discussing issues such as the Unified Health System's (SUS) Single Health Record and the need for its interoperability with the private sector. In December, the final report of the committee was approved, recommending the creation of training programs with an emphasis on security and monitoring for managers and healthcare professionals, implementing robust continuous monitoring practices to ensure the integrity and confidentiality of patients' health information. The report also foresees the continuation of the committee's work in 2024.

On the Executive side, the Digital Government Secretariat—created by the new government and led by dentist Ana Estela Haddad—is working on the development of the Unified Electronic Health Record, in collaboration with the Secretariat of Primary Care and the Secretariat of Specialized Healthcare. The goal is to create two distinct interfaces. The first will be intended for patient access to health information through ConecteSUS. The second interface will be geared towards healthcare professionals through ConecteSUS Profissional, ensuring the continuity of health care.

National Policy for Cancer Prevention and Control

In November 2023, the National Congress approved the Bill <u>2952/22</u>, which creates the National Policy for Cancer Prevention and Control (PNPCC) and the National Program for Navigation of People with a Cancer Diagnosis. The bill became <u>Law No. 14,758</u>, <u>dated December 19</u>, <u>2023</u>. Its goal is to reduce cancer incidence, contribute to improving the quality of life of patients, reduce mortality, and ensure access to comprehensive care.

The text establishes that new treatments and medications related to the assistance of people with cancer will have priority in the analysis for incorporation into the Unified Health System (SUS), with their effective availability occurring within 180 days after incorporation. It also outlines a series of principles and guidelines for cancer prevention, diagnosis, and treatment, including the organization into regionalized networks, multiprofessional care, strengthening the health industry complex, and humanizing care.

The responsibilities of the different federal entities regarding the implementation of these policies should be agreed upon by the intergovernmental committees of the SUS.

What to expect for 2024?

Social

Considering it's an election year, the expectation is that social policies will gain prominence and remain a priority on the government's agenda. However, the intention of the social sector may be hindered by the deficit zero target pursued by the Minister of Finance, Fernando Haddad. This can happen because the government has not yet been able to cut expenses or increase revenue to reach the target, and it has urged caution in expanding these expenditures.

Nevertheless, there is an expectation of an expansion of the Minha Casa, Minha Vida program, including consideration for properties in rural areas. Overall, the government aims to stimulate the construction sector and create new jobs.



Health

For the Health portfolio, it will be important to monitor debates related to the financial sustainability of the sector, including the implementation of the SUS Table review, incorporation and provision of medicines, and discussions related to Supplementary Health, such as litigation in the sector, restrictions on continuous therapies, and fraud.

Regarding digital health, we expect a continuation of the policies established in 2023, such as the Electronic Health Record and Telehealth, along with the continuation of specific committees, such as the Subcommission on Telemedicine, Telehealth, and Digital Health in the Chamber of Deputies.

It is also noteworthy that in 2024, three new directors may be appointed to the National Health Surveillance Agency (Anvisa). The agency is expected to take a stance on electronic cigarettes in 2024, implement the unique identification of medical devices according to the IMDRF standard, and adopt the ISO IDMP standard in the regulatory process for medicines, among other initiatives.

Finally, related to the growing debate about vaccines—fueled in early 2024 by the spike in dengue cases and the availability of vaccines in public and supplementary health—and discussion about the Health Industrial Complex and its inclusion in the New Industry Brazil strategy, the drug production in Brazil is expected to be a key issue.





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