

An excerpt from:

Better Health & Social Care: How are Co-ops & Mutuals Boosting Innovation & Access Worldwide?

An International survey of co-ops and mutuals at work in the health and social care sector (CMHSC14)

Volume 2: National Cases

Copyright © 2014 LPS Productions

Montréal, Québec, Canada

For the research framework, the analysis of the national cases, and other research components, including a description of the research team members, refer to Volume 1: Report.

For information regarding reproduction and distribution of the contents contact the editor and research leader:

Jean-Pierre Girard

LPS Productions

205 Chemin de la Côte Sainte-Catherine, #902

Montréal, Québec H2V 2A9

Canada

info@productionslps.com

URL <http://www.productionslps.com>



Inauguration of Panamédica pharmacy. Photo: Panamédica

Population (in thousands): 121,000

Population median age (years): 26.64

Population under 15 (%): 29.02

Population over 60 (%): 9.18

Total expenditure on health as a % of Gross Domestic Product: 6.2

General government expenditure on health as a % of total government expenditure: 15.8

Private expenditure on health as a % of total expenditure: 48.2

HEALTH SYSTEM

Public health care is guaranteed to all Mexican citizens as per Article 4 of the Constitution. Health care is provided through public social security institutions and the private sector. Public social security institutions include those related to particular professions (public workers, petroleum industry workers, armed forces, etc.) and those providing services to formal sector workers within those institutions. Everyone else receives services through another set of institutions, the majority of which also provide services in their own facilities. Users generally make small co-payments (except for the poorer segments of the population, which receive free health care). The private sector provides services to those with the ability to pay for health care either out-of-pocket or via private health insurance schemes.¹

In 2012 Mexico achieved universal health coverage by introducing a variety of schemes to reach self-employed, informal workers, and the unemployed and their families. Nevertheless, the health system continues to be challenged by access to health care – including geographic issues, facilities not adapted to demand, etc. It is these shortcomings which cooperatives are addressing.

Cooperatives are regulated by a General Cooperative Law (1994), currently under revision. The law makes specific mention neither to cooperatives providing health care nor to health cooperatives, but tacitly allows them within the defined categories of cooperatives, namely producer and consumer cooperatives. It specifically allows savings and credit cooperatives to provide social services by means of their social protection funds.

Within this framework, cooperatives engage in a wide range of activities, including savings and credit, agriculture, fisheries, forestry, consumer, cement industry, transport, textiles, artisanal production, artist, education, tourism, and medical services.² According to the National Statistical Institute (Instituto Nacional de Estadística, Geografía e Informática, INEGI), there were 8,974 active cooperatives in Mexico in 2013.³ In 2010, cooperatives numbered 4.5 million members and provided direct services to 10 million people.

HEALTH COOPERATIVES

There are few cooperative health experiences in Mexico. However, a number of cooperatives whose primary activities are in other sectors also provide medical services to their members and

facilitate access to health care by entering into strategic alliances with health care providers.

The health cooperatives identified take various forms – consumer, producer, and mixed consumer-producer cooperatives.

The first health cooperative in Mexico was founded in 2007. **Panamédica Cooperativa de Salud** was established by five health professionals, a number of members of a local association, and members of a multipurpose cooperative (savings, credit, and consumer). Its aim was to provide basic health care services to a community which was inadequately serviced by public health facilities. In 2010 it founded a health mutual to provide health care insurance, since consumer and producer cooperatives are barred from engaging in financial services as per cooperative law. (For further information on Panamédica, see “Case Study,” below.)

Two consumer health (user) cooperatives have also been identified.

Cooperativa de Salud Tosepan Pajti is a community health care cooperative which was established in 2009. It is a consumer/service cooperative focusing on preventive health care and serving indigenous families in Cuetzalan in the state of Puebla. It provides health care services in six health centres, each staffed by a doctor and health promoter. Health promoters provide information on good health practices, and offer courses and training for making soap and composing traditional medicines. They also promote organic horticultural production, the use of biodigesters, and water capture systems. Tosepan Pajti is a member of the Cooperative

Union Tosepán (Unión de Cooperativas Tosepán) which brings together 320 local cooperatives and 110,000 members of Nahuátl y Totonaku origins.⁴

According to INEGI, **Clinica de Especialidades, Sociedad Cooperativa de Consumo Clínica San José SC de RL de CUV**, located in San José Iturbide in Guanajuato, provides specialized medicine hospital services and employs 11-30 persons.

Other cooperatives identified are:

- **Cooperativa Bamboo**, a producer health cooperative made up of health professionals. Located in San Cristobal Ecatepec in the state of México, it provides health care through alternative and traditional medicine. Its holistic care includes rehabilitation, physiotherapy, acupuncture, podiatry, as well as counselling to assist with recuperation.⁵
- **Cooperativa Medica Social** in Salinas, San Luis Potosi is described in the INEGI register as an outpatient health services provider with fewer than five employees. No further information is available.

Health Cooperative Data (2013)

INEGI identifies 10 cooperatives active in health and social care activities, with a breakdown between those providing outpatient medical services, hospital, health and social care residences, and other social care activities. However, the registry is not comprehensive. Therefore, the table below is a compilation of data from the INEGI and other publically available information.

	Panamédica (data for 2013)	Cooperativa de Salud Tosepan Pajti	Cooperativa Bamboo⁶	Others
Number of cooperatives	1	1	1	2
Types of cooperative	Users and Producers	Users	Producers	1 consumer and 1 unknown
Members	12 health professionals/Users	N/A	N/A	N/A
Employees	31 health professionals	6 doctors, 6 health promoters	N/A	<35
Users	2,491, of which 598 are women (2013) ⁷		N/A	N/A
Facilities	Clinic, pharmacy, optical store	6 health centres (casas de salud), pharmacy	N/A	1 clinic, 1 medical office
Services	General medicine, dentistry, psychology, optometry, nutrition; orthopaedics, prosthetics, sports medicine, clinical learning and alternative therapies; laboratory services, social pharmacy, health and cooperative education.	Community health care: health promotion, preventive, and curative	Health promotion, curative, rehabilitation	Health promotion, preventive, and curative services
Revenue sources	Payment for services		Payment for services	

Case Study

Panamédica Health Cooperative is located in Colonia Villa Panamericana, home to 25,000 people and one of the largest welfare housing developments near Mexico City. The cooperative was founded in 2007 in response to the lack of access to (distance from) public health facilities, dissatisfaction with the quality of public services, and the high cost of alternative services offered by private health services. It began providing services in 2010. It was formed by five recently-graduated health professionals who not only sought employment opportunities but wanted to provide a human approach to medical care to members of a local association (Vecinos Organizados" del Pedregal de Carrasco) and of a savings, credit, and consumer cooperative (Movimiento y Desarrollo Cooperativo, MOVIDECO).

Panamédica is a producer-user cooperative that delivers quality and accessible health care, preventive health care, and health promotion under the principles of cooperation and solidarity economy.⁸

Initial capital enabled Panamédica to purchase equipment. Agreements were reached with local associations for its clinic.⁹ The cooperative originally offered only limited medical and dental consultations. In 2008 the Metropolitan Autonomous University (Universidad Autónoma Metropolitana) accredited Panamédica as a training clinic. This allowed medical interns (doctors and nurses) to join the five doctors then on staff to increase its service offerings. In 2010, it founded a mutual, Panamédica Mutual de Salud, and opened a social pharmacy.

Panamédica grew to have team of 31 health professionals (10 of whom are members), providing psychological counselling, nutrition, ophthalmology orthopaedics, dental care, sports medicine, and holistic massage therapy. It also runs a clinical laboratory and offers health seminars.¹⁰

Users of the clinic's services pay for services. However, in order ensure affordability, Panamédica has an innovative alternative to lower fees. Users can choose to pay a full fee or a "solidarity" fee, which is 50% of the full fee, paid in-kind through community service.¹¹

In 2012 Panamédica reported that it had an average of 4,000 users per year from Colonia Villa Panamericana and environs (delegación Coyoacán).¹²

Panamédica prides itself in being an autonomous and sustainable cooperative. It receives no support from the government or from political parties.



Dental care at Panamédica



Inauguration of Panamédica pharmacy

SAVINGS & CREDIT COOPERATIVES

The savings and credit cooperative sector is active in promoting health by facilitating access to preventive, curative, and rehabilitative health care. Its financial products enable members to access loans and grants to cover health care costs. It also operates a number of health care delivery programmes. A number of savings and credit cooperatives also have agreements with medical service providers and suppliers (pharmacies, laboratories, etc.) which enable members to benefit from discounted prices.

The following are examples of the types of service provided.

Caja Popular Cristóbal Colón was founded in 1971 to provide members with financial services. In April 2011, in response to the growing need of members to access medical services, it established PROSALUD. PROSALUD offers free health care to members and to young persons who have savings accounts but

are not of legal age to become full members of the cooperative. It provides services in the areas of general medicine, dentistry, nutrition, and psychology, and engages in health promotion campaigns and disease prevention. PROSALUD benefits 40,000 members and nearly 20,000 children who hold savings accounts with the cooperative.¹³

Cooperativa de Ahorro y Préstamo Caja Popular Atemajac (Caja Popular Atemajac) established a family medical service unit in 2008 at its office in Zapopan, part of the Guadalajara metropolitan area in the state of Jalisco. The unit, now called UniMedCoop, provides a range of health care services to both members and non-members, with members benefiting from reduced rates. The medical services provided include general medical care and specialist care in homeopathy, psychology, nutrition, paediatrics, gynaecology, cardiology, otolaryngology, angiology, counselling, and individual or family therapy and dentistry. In 2014, the cost of services for members was approximately \$3.80 USD (50 MXN) for general consultations and \$11.50 USD (150 MXN) for specialist services; for non-members, the price range was \$6.10-19.20 USD (80-250 MXN). In addition, members benefit from discounted pricing for laboratory tests and pharmaceuticals through the cooperative's partnership agreements. The cooperative, established in 1959, has 44,000 members and 32 branch offices around the country.¹⁴

Caja Popular San Nicolas in León, Guanajuato also runs a family medical unit for its 13,000 members and the community in which it operates. The unit provides basic health care, health promotion, and disease prevention. Members have discounts of 50% or more on general medical consultation, gynaecology, orthodontic and dentistry services, paediatrics, nutrition, and psychological care.¹⁵

Caja Popular Mexicana (CPM) takes a proactive role as an employer in promoting health. It is one of the largest savings and credit cooperatives in the region with 463 branch offices in 22 states, 1.8 million members, and nearly 6,000 employees. CPM runs an interdisciplinary health project, the **Integral Health Project** (Proyecto Integral de Salu), designed to maintain and improve the physical and mental health and social development of their employees, cooperative leaders, and their families. The project includes the following: programmes for health emergencies such as epidemics; health fairs offering free health consultations and diagnostics, and at which nutritionists, dentists, ophthalmologists, laboratories and government institutions provide services and promote health; free counselling for

occupational stress; a nutritional programme to help employees adopt a healthy lifestyle (physical activity, proper diet and positive attitude), with 50% of costs covered by the cooperative; a sports programme which organizes a "mini-Olympics" among the branch offices; and a traffic education programme to reduce road accidents. The project also has entered into a strategic alliance with health care providers. Its organizational innovation was recognized by the Mexican government in 2010, when CPM received the national labour prize – Premio Nacional del Trabajo.¹⁶

OTHER COOPERATIVES

Cooperatives active in other sectors also operate medical centres. For example, **Cruz Azul** was established as a worker cooperative in 1934 by 192 cement workers. Today the Cruz Azul Group brings together 10 cooperative societies, workers, service, and savings and credit cooperatives, and operates a number of subsidiaries in horizontal activities including social enterprises. One of these, Médica Azul S.A., provides medical services (superior to those set out by law) for its members, workers, and their families.¹⁷ It owns and operates two hospitals and one clinic, located in Mexico City, Hidalgo, and Oaxaca. In 2012 Cruz Azul provided medical attention to 2,160 persons in 20 communities.¹⁸ It is the third largest cement company in Mexico, controlling 16% of the market. It secures the livelihoods of more than 8,000 families.¹⁹

INEGI also identifies cooperatives that operate outpatient medical care services for their members and the communities in which they operate. These include medical offices operated by a butchers' cooperative (Sociedad Cooperativa de Tablajeros SC de RL de CV) in Pijijiapan, Chiapas and by a child care cooperative (Cooperativa Jardín de Niños Valentin Zamora) in Iztacalco, in the Federal District of Mexico. A clinic was also set up by a transport cooperative (Cooperativa Transfluvial in Coatzacoalcos) in Veracruz de Ignacio de la Llave. INEGI reports that all these medical services have five employees or less.

SOCIAL COOPERATIVES

Four social care cooperatives figure in the INEGI registry. These are providing services and/or sheltered employment to persons with physical and mental disabilities or with drug or alcohol dependence. These cooperatives (and one other) are identified as follows:

- Scodich Sociedad Cooperativa de Discapacitados de Chiapas (disabled persons)

- Cooperativa Kinal Anstetik San Cristóbal de las Casas, Chiapas (social services, including sheltered employment)
- Cooperativa la Piña de Vila Purificacion, Villa Purificación, Jalisco (persons with dependence)
- Grupo Patoni, Tlalnepantla de Baz, Estado de Mexico (persons with dependence)
- Cooperativa Neuroticos Anonimos Grupo Redencion, Tláhuac, Distrito Federal (persons with dependence)

Social Cooperative Data (2013)

Number of cooperatives	5
Types of cooperative	N/A
Number of employees	<30 (data for 4 cooperatives)
Services	Services for person with disabilities and drug and alcohol dependencies, counselling, employment

SOURCES

¹ Gómez Dantés, Octavio, Sergio Sesma, Victor M., Becerril, Felicia M., Knaul, Héctor Arreola, and Julio Frenk. 2011. "Sistema de salud de México." *Salud Pública Mexicana* 2011 53(2):220-232. Retrieved April 29, 2014 (http://bvs.insp.mx/rsp/articulos/articulo_e4.php?id=002625).

² Ignacio, José, and Carlos González Manterola. 2012. "Presencia del Cooperativismo." Pp. 10-33 in *Una mirada al cooperativismo y su participación en redes para el desarrollo*, edited by L@Red de la Gente/Bansefi. Retrieved April 29, 2014 (<http://www.lareddelagente.com/Libro/Libro/01%20Presencia%20del%20Cooperativismo.pdf>).

³ Instituto Nacional de Estadísticas y Geografía. 2013. "El Directorio Estadístico Nacional de Unidades Económicas." Mexico City. Retrieved April 29, 2014 (<http://www.inegi.org.mx/est/contenidos/proyectos/deneu/presentacion.aspx>).

⁴ Barcala, Gregorio. 2013. "Tosepan una organización indígena ejemplar (2013)." Slide Share Website. Retrieved May 12, 2014 (http://www.slideshare.net/gbarcalar/tosepan-una-organizacion-indigena-ejemplar-2013?utm_source=slideshow02&utm_medium=ssemail&utm_campaign=share_slideshow_loggedout).

⁵ Centro Integral Para la Salud BAMBOO. 2014. "Quiropráctica Deportiva y Salud Integral." Cooperativa Bamboo Blog. Retrieved April 26, 2014 (<http://saludbamboo.blogspot.com>).

⁶ Centro Integral Para la Salud BAMBOO 2014.

⁷ Panamédica, personal correspondence, June 2, 2014.

⁸ Panamédica Cooperativa de Salud. 2014. Website. Retrieved April 26, 2014 (<http://panamedica.coop>).

⁹ Villarreal-Lezama, J.C. 2009. "El Sistema de Salud Mexicano y las respuestas alternativas a la procuración de salud." *Salud Urbana* 6(9): 133-140. Retrieved April 28, 2014 (http://148.206.107.15/biblioteca_digital/articulos/14-556-7928vrg.pdf).

¹⁰ Guerrero, Jaime Quintana, and Carolina Bedoya Monsalve. 2013. "Panamédica: salud solidaria bajo ataques partidistas." *desinformamos*, No. 115, October. Retrieved May 17, 2014 (<http://desinformamos.org/2012/08/panamedica-salud-solidaria-bajo-ataques-partidistas/>).

INSURANCE

A cooperative society, Protecciones y Beneficios S.C. (PRYBE), offers a wide range of insurance products to the cooperative sector, including complementary health insurance, Seguro de gastos médicos mayores.²⁰ In 2011, it provided health insurance to more than 2,000 people.²¹

MUTUALS

A general law regulating insurance mutuals has existed since 1935: Ley General de Instituciones y Sociedades Mutualistas de Seguros (revised in 2014). The law allows mutuals to provide their own health insurance and health services.

In 2010, the Panamédica Health Cooperative began promoting a mutual to provide health insurance. On March 10, 2014 it started enrollment for the "Mutual Panamédica Scheme," which is expected to attract current users of the health facilities and their families who lack access to health care coverage via social security.²²

¹¹ Solidarité Mondiale. 2010. "Une aide n'est jamais refusée: Soins de santé solidaires à Mexico City." Brussels. Retrieved May 17, 2014 (<http://www.solmond.be/IMG/pdf/SM-Mexique.pdf>). Pp. 20-21.

¹² Guerrero and Monsalve 2013.

¹³ Caja Popular Cristóbal Colón. 2014. "Programa Salud." Webpage. Retrieved May 4, 2014 (http://www.ccolon.org.mx/cpcc2013/prosalud_os2013.php?op=Osocial&Osocial=Ps).

¹⁴ Caja Popular Atemajac. 2014. "Unidad Médica Cooperativa." Webpage. Retrieved May 1, 2014 (<http://www.cajapopularatemajac.coop/servicios/unimed-coop>).

¹⁵ Caja Popular San Nicolas. 2014. "Unidad Médica La Familia." Webpage. Retrieved May 1, 2014 (<http://www.cajapopularsannicolas.com/beneficios.php>).

¹⁶ Government of Mexico. 2010. "Premio Nacional del Trabajo." Mexico City. Retrieved May 15, 2014 (http://buenaspracticass.stps.gob.mx/buenaspracticass/pdf/prenat10_083_ficha_cajapopular.pdf).

¹⁷ Cooperativa La Cruz Azul. 2014. Website. Retrieved May 6, 2014 (<http://www.cruzazul.com.mx/>).

¹⁸ Edita MediaResponsable. 2014. "Caso Práctico Cooperativa La Cruz Azul / Anuario Corresponsables 2012 Edición México." *Corresponsables.com*. Retrieved May 6, 2014 (<http://www.corresponsables.com/servicios/directorio/casos/caso-practico-cooperativa-la-cruz-azul-anuario-corresponsables-2012-edici>).

¹⁹ Cooperativa La Cruz Azul 2014.

²⁰ Protecciones y Beneficios S.C. 2014. Website. Retrieved May 17, 2014 (<http://www.prybe.coop>).

²¹ ICMIF Microfinance. 2011. "Más que seguros! Protecciones y Beneficios S.C." Slide Share Website. Retrieved May 17, 2014 (<http://www.slideshare.net/icmifmicroinsurance/122-prybe-21-septiembre2011>).

²² Panamédica, personal correspondence, June 2, 2014.