**IIPPE Annual Conference - 2019**

**Abstract IIPPE**

- Group: Political Economy of Healthcare Working Group (IIPPE)

- Domínio: Health System

- Title: Following the money: study of Management Contracts between Rio de Janeiro and São Paulo Governments and Social Health Organizations

**Introduction**: The Brazilian Health System (SUS) is a responsibility of the Government and a right of each citizen. This model was created in 1988, but since then there are movements to transfer this obligation to private initiative. This study, based on preliminary results of the author's doctoral thesis, aims to analyze how the creation of legal and administrative mechanisms allowed the transfer of public funds to private non-profit entities through Management Contracts. The Social Health Organizations are a fundamental mechanism in this type of privatization into Brazilian public health system. In this work we investigate the Management Contracts signed between the states of Rio de Janeiro and São Paulo and Social Health Organizations since 1998 until 2015. **Objectives:** This article have this objectives: a) investigate the transfer of public funds to Social Health Organizations in the states of Rio de Janeiro and São Paulo; b) analyze the number of Management Contracts signed between Social Health Organizations and the state governments of Rio de Janeiro and São Paulo between 1998 and 2015; c) to identify the Social Health Organizations that received the most funds on the basis of the Management Contracts.

**Methodology**: This was an exploratory study with a qualitative and quantitative approach and documental analysis. In the first stage, secondary data were collected from the Management Contracts signed between the Social Health Organizations and the State Health Secretariats of the states of São Paulo (SP) and Rio de Janeiro (RJ), from 1998 to 2015. It was carried out reading and analysis of the 211 contracts, in addition to 972 additive terms. Finally, the result of the sum of all management contracts and additives was obtained.

**Results:** Of the total of 38 Social Health Organizations studied, 27 carried out activities in São Paulo and 11 in Rio de Janeiro. Over all management contracts in the surveyed states, they depart from the principles of public administration. This is because it lacks transparency in agreed goals and indicators; there is no general disclosure of the data in an easy way. In general, contracts fail to present adequate mechanisms to measure the quality of the services provided. The total resources of the health departments of São Paulo and Rio de Janeiro transferred to Social Health Organizations since 1998 until 2015 the total amount of U $ 14,074,258,548.8 R$ (R $ 52,637,726,972.57). This data also show that for each Management Contract there are, on average, four Additive Terms.

**Conclusions:** It is possible to affirm that an expressive financial value is transferred from the states of Rio de Janeiro and São Paulo to non-profit entities called Social Health Organizations. This is not a policy of under or overfinancing of public health. The lack of onlendings is restricted to health services managed directly by the government. We conclude that entities move a lot of public funds and may be making a profit. In addition, the Social Health Organizations have benefits and advantages because they are philanthropic entities, which can result in unfair benefit to legal entities of private law for profit.

**Keywords**: Social Health Organization. Privatization. Government Financing. Brazilian Health System.