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Sustaining Universal Health Coverage in Vietnam: Expanding Health Coverage for Informal Economy Workers

Duc Trong Pham

University of Labour and Social Affairs, Hanoi, Vietnam

ABSTRACT: As of 2022, Vietnam's health insurance coverage has reached approximately 91% of the population. However, over 5.4 million informal workers have not participated in health insurance due to limited access to health services, insufficient information about health insurance, loose labor contracts, and low income. This article presents solutions to expand health insurance coverage for informal workers and achieve the goal of maintaining universal health coverage. The proposed solution groups:

Solution groups for access to medical services, include: Increasing access to high-quality medical examinations and treatments; Enhancing access through investment and upgrading of grassroots healthcare; and reforming payment methods for medical costs. State management solution group, including: Strengthening law enforcement in signing labor contracts; Strengthening propaganda work; Encouraging participation in health insurance by households; Strengthening inspection and supervision of health insurance participation in salaried groups and individual production and business households. Solution group strengthens public policy and supports vocational training, including: Strengthening linkage policies in local economic development; Strengthening training to improve skills for informal workers; and strengthening public policies to increase income for informal workers.

KEYWORDS: Health insurance, labor distribution, universal health coverage, informal economy workers.

I. INTRODUCTION

Vietnam aims to establish a sustainable health insurance system that embodies the principles of "equity, efficiency, development, and quality" for all its citizens (Resolution No. 20-NQ/TW, 2017). This involves ensuring universal healthcare access to basic, high-quality medical services locally, as well as the development of top-notch medical examination and treatment services aligned with international standards. However, the current health insurance participation among informal workers remains notably low. A report by Vietnam Social Insurance in 2022 indicates that approximately 32.32% of informal economy workers are not enrolled in health insurance (ILO, 2021). Factors such as unstable employment, low income, lack of concern for health issues or insurance, and limited access to information and health services contribute to the challenges faced by these workers. Therefore, it is essential and logical to explore solutions that can expand health coverage for informal economy workers in Vietnam, thereby advancing toward universal health coverage.

Recent research indicates that the Vietnamese Government has long overlooked social security concerns within the informal economy workforce, particularly since the "Doi moi" of this sector. There appears to be a lack of focus, particularly on social and health insurance. However, to achieve universal health coverage objectives, attention must be directed towards labor quality, working hours, employment status, income, and access to medical services for these informal economy workers. According to a 2021 report by the International Labor Organization (ILO, 2021), increasing participation in social and health insurance among informal economy workers is crucial for Vietnam's social development. A formalization strategy necessitates a comprehensive and integrated approach. Currently, informal workers are predominantly engaged in agriculture, traditional craft villages, and rural areas; therefore, it is essential to encourage economic diversification away from agriculture and into other sectors to raise incomes and improve access to social security.

The World Bank's research on "The future of health financing in Vietnam" (Teo et al., 2019) examines the level of health insurance coverage. The study highlights that over 10% of people lack health insurance, with the majority being part of the

informal labor force. To achieve sustainable health financing and broader coverage, the study suggests directing this group to participate in household health insurance.

Another study, "Towards universal health insurance coverage in Vietnam, assessment and solutions" by Somanathan and colleagues at the World Bank (Somanathan et al., 2014), analyzes the current progress in implementing the roadmap toward universal health insurance. The report evaluates Vietnam's readiness, the challenges it faces in achieving universal coverage, and the necessary reforms. The assessment reveals a significant number of freelance, self-employed, and informal workers who are not covered by health insurance, posing a major obstacle to achieving universal coverage.

Out of the more than 15 million informal workers in Vietnam (GSO, 2021), approximately 60% are concentrated in rural areas, where traditional craft villages, individual business households, and cooperative groups are prevalent. Small and medium-sized communes in these areas have a much lower rate of health insurance participation compared to urban areas, where access to medical services is better. Additionally, different age groups exhibit varying levels of awareness regarding health insurance participation. Those in age groups that rarely fall ill often do not prioritize health insurance as much as those in other age groups.

Most informal economy workers operate without labor contracts, and even when there is a labor relationship, employers do not provide health insurance for their employees. Therefore, in addition to effectively enforcing compulsory collection, extensive propaganda measures must be applied to increase access to health services. Strengthening public policy and state management are also crucial solutions to promote informal economy workers' participation in health insurance in Vietnam.

However, these studies primarily focus on policy-making issues and overlook labor structure by employment status, labor contract, working time, income, education, qualifications, level of expertise, and access to medical services. Given this reality, this article proposes three groups of solutions. This delves into solutions such as: These solutions include effectively enforcing compulsory collection, implementing extensive propaganda measures, and improving access to health services to encourage informal sector workers to participate in health insurance.

II. SCOPE OF APPLICATION

Informal economy workers are those with informal jobs, identified by their primary employment. They can be found within or outside the informal sector (ILO, 2014b). According to the ILO's conceptual framework, informal workers include the following groups:

(1) Own-account workers involved in their own business production units in the informal economic sector

(2) Employers/owners engaged in their own business production units in the informal economic sector

(3) Family-contributing workers, irrespective of whether they are working in business production units belonging to either the formal or informal economic sectors

(4) Member of producer’s cooperatives involved in the informal economic sector

(5) Employees holding informal jobs in formal business production units, employees working for business production units in the informal economic sector (cell 6) or employees hired for domestic work in households.

III. RESULT

Current status of health insurance participation among informal economy workers in Vietnam: To assess the current state of informal economy workers participating in health insurance, we categorize them into labor structure groups. Within each group (region, age, technical and professional level, labor contract, income...), we analyze the rate of health insurance participation. By examining the ratio of participation types in each group, we evaluate the limitations of each structural group.

A. Informal economy workers participating in health insurance in urban and rural areas

The number of informal economy workers in urban areas is typically lower than in rural areas since most informal economy work is mostly, in agriculture and handicraft villages... However, the health insurance participation rate in urban areas is much higher than in rural areas.

Table 1: Health insurance coverage of informal economy workers allocation by urban and rural areas in the period 2020 - 2022
(Unit: Thousand labors)

Years / Urban, rural	2020			2021			2022		
	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)

Nationwide	**12.679**	**7.730**	**60,97**	**13.964**	**8.778**	**62,86**	**15.774**	**10.360**	**65,68**
Urban	5.106	4.121	80.71	5.666	4.608	81,33	6.343	5.304	83,62
Rural	7.573	3.690	48,73	8.298	4.170	50,25	9.431	5.056	53,61

*(**Source:** GSO labor and employment survey data and VSS annual reports)*

Based on the data in Table 1, approximately 60% of informal economy workers, totaling 9,431 thousand individuals, are employed in rural areas. However, only 53.61% of these individuals possess health insurance cards, a significantly lower percentage compared to the 83.62% of urban workers who are covered. The disparity between the number of workers in rural areas and the number with health insurance is notable. Presently, roughly 5,414 thousand informal workers lack health insurance cards, with the majority located in rural areas (4,375 thousand workers) and the remainder (1,039 thousand labors) in urban areas.

This issue can be attributed to several factors. Informal economy workers in rural areas often contend with lower incomes and encounter greater difficulty accessing information about health insurance policies and benefits, particularly those who are unemployed or reside in economically challenged areas. Furthermore, urban areas generally offer superior access to medical services compared to rural areas, where medical infrastructure is still underdeveloped and the qualifications of medical personnel are limited.

Despite recent efforts by the Ministry of Health to prioritize enhancing services at commune health stations, including infrastructure, equipment, and human resources, skepticism persists regarding the competence of the medical teams at the commune level. Concerns about their capabilities and the ability to provide comprehensive treatment regimens prevail, with most commune-level health facilities primarily addressing common illnesses. Furthermore, the prevalent practice of seeking medical attention when ill remain entrenched in many rural communities.

B. Informal economy workers participate in health insurance by the status of employment

On average, workers often stay in the same job for many years. This means, that most workers do not undergo any changes in their employment status from one quarter to the next and instead continue to maintain their current status.

Table 2: Health insurance coverage of informal economy workers allocation by employment status in the period 2020 - 2022

(Unit: Thousand labors)

Years / Employment status	2020			2021			2022		
	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)
Nationwide	**12.679**	**7.730**	**60,97**	**13.964**	**8.778**	**62,86**	**15.774**	**10.360**	**65,68**
Employer	355	260	73,24	391	270	69,05	410	280	68,29
Own-account worker	4.122	2.839	68,75	4.539	3.139	69,00	5.064	3.412	67,38
Family-contributing worker	1.498	1.000	66,76	1.648	1.050	63,71	1.862	1.220	65,52
Members of producers' cooperative	8	5	62,50	10	7	70,00	15	10	66,67
Wage worker	6.696	3.631	54,23	7.376	4.319	58,55	8.423	5.438	64,56

***(Source:** GSO labor and employment survey data and VSS annual reports)*

According to data in Table 2, the participation rate in informal economy workers' health insurance nationwide has steadily increased over the 3 years from 2020 to 2022. Employers have the highest participation rate in health insurance compared to other groups. Those with higher income have better access to medical services, a better understanding of health insurance policies, and are protected through health insurance. However, it's likely that workers in this group are not covered through their business or household.

Out of 8,423 thousand wage workers, 2,985 thousand currently do not participate in health insurance. Along with family-contributing workers, this group has a low health insurance participation rate from 2020 to 2022. To explain this, wage workers

may not have contracts or labor agreements, and employers may not prioritize their employees' health or health insurance. Participating in health insurance involves paperwork and long-term commitments, which employers may avoid. Additionally, workers in this group are not personally protected by health insurance for poor households or household health insurance.

C. Informal economy workers participate in health insurance by type of economic ownership

Informal economy work is more accessible than formal economy employment for unemployed or semi-unemployed workers, although most maintain their current labor market status. Those without a job are readily available for immediate work and often accept jobs with fewer requirements, such as labor contracts, social security, and labor safety. Therefore, health insurance participation rates are often lower.

Table 3: Health insurance coverage of informal economy workers allocation by type of economic ownership in the period 2020 - 2022

(Unit: Thousand labors)

Years / Type of economic ownership	2020			2021			2022		
	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)
Nationwide	**12.679**	**7.730**	**60,97**	**13.964**	**8.778**	**62,86**	**15.774**	**10.360**	**65,68**
Individual/individual bus.prod.hh	10.016	6.027	60,17	11.241	7.027	62,51	13.045	8.685	66,58
Producers' cooperative	190	110	57,89	70	42	60,15	63	37	58,73
Non-State organization/enterprise enter	1.867	1.178	62,78	1.927	1.198	62,17	2.003	1.178	58,81
State	456	276	60,47	573	357	62,36	490	287	58,57
Foreign investment	139	139	100	154	154	100	173	173	100

***(Source:** GSO labor and employment survey data and VSS annual reports)*

Examining Table 3, In addition to foreign investment, health insurance participation will reach 100% in the entire period of 2020 - 2022. Due to the stringent oversight by the State in this economic sector, the majority of businesses with foreign involvement in management or technical roles dutifully adhere to Vietnamese laws governing production, business, social security, and worker safety. They enroll in health insurance for both foreign and Vietnamese workers. Additionally, these workers, often well-trained and skilled, exhibit heightened awareness regarding health protection and care. Conversely, the average health insurance participation rate for collectives, non-state enterprises/organizations, and state entities falls below the national average. Within the realm of individual production and business households, approximately 4.36 million workers have not enrolled in health insurance. This trend is primarily observed in rural and economically challenged areas, characterized by low income and a lack of awareness about health insurance policies, customs, and traditions. In severe circumstances, individuals in these areas only seek medical assistance when faced with severe illness.

D. Informal economy workers participate in health insurance by type of labor contract

The labor contract serves as the legal foundation demonstrating the stability of an employee's work. Table 4 illustrates the period 2020-2022, an average of 79.6% of informal economy workers operated without any written labor contract about their work. Specifically, 61.3% of informal economy workers solely relied on a verbal agreement with their employer, while 18.3% had no agreement in place at all.

Table 4: Health insurance coverage of informal economy workers allocation by type of labor contract in the period 2020 - 2022

(Unit: Thousand labors)

N		Nationwide	Non fixed-term contract	From one to under three-year contract	From three-month to under one-year contract	Under three-month contract	Verbal agreement	No contract
2020	Formal workers	16.543	10.190,49	5.062,16	661,72	628,63	0	0
	Workers joined SHI	16.014	10.190,49	49.40,67	479,09	403,38	0	0
	Coverage (%)	96,8	100	97,60	72,40	64,17	0	0
	Informal workers	12.679	507,16	1.014,32	570,56	228,22	7.734,19	2.624,55
	Workers joined SHI	7.730	393,05	613,66	345,76	141	4.648,25	1.587,9
	Coverage (%)	60,97	77,50	60,50	60,60	61,97	60,1	60,5
2021	Formal workers	17.438	10.829	5.423	715	471	0	0
	Workers joined SHI	17.002	10.829	5.358,14	523,35	291,56	0	0
	Coverage (%)	97,5	100	98,80	73,20	61,93	0	0
	Informal workers	13.964	614,42	1.172,98	698,20	279,28	8.545,97	2.653,16
	Workers joined SHI	8.778	488,46	731,94	429,39	176,51	5.341,23	1.610,5
	Coverage (%)	62,86	79,5	62,4	61,5	63,20	62,5	60,7
2022	Formal workers	18.383	11.563	5.846	846	129	0	0
	Workers joined SHI	18.052	11.563	5.799,03	622,37	67,70	0	0
	Coverage (%)	98,2	100	99,2	73,6	52,61	0	0
	Informal workers	15.774	757,15	1.703,59	851,80	362,80	9.795,65	2.303
	Workers joined SHI	10.360	616,32	1.102,22	530,67	225	6.416,15	1.469,3
	Coverage (%)	65,7	81,4	64,7	62,3	62,10	65,50	63,80

***(Source**: GSO labor and employment survey data and VSS annual reports)*

Based on data Table 4, in 2022, informal economy workers lacking agreements or no labor contracts numbered 9,795.65 thousand and 2,303 thousand. As there are no written labor contracts associated with their work, individuals in these contract types typically engage in household health insurance or other social incentive programs. In general, the health insurance participation rate among informal economy workers was lower compared to formal workers. Even in contracts with indefinite terms, the average participation rate for informal workers throughout the period reaches 79.47%. However, for those in formal employment under such contracts, the participation rate in health insurance gradually declines, reaching 100%. For contracts lasting less than 3 months, the health insurance participation rate is nearly equal between the two worker types. The stability of an employee's current job also relies on the legality of the unit where they work, as evidenced by whether the unit is registered as a business or not. Typically, registered business operations often have the capacity for longer-term functioning and require stable workers for immediate service. Consequently, the health insurance participation rate for formal workers tends to be higher than that for informal workers.

E. Informal economy workers participate in health insurance by technical/professional qualifications

Informal labor is closely related to, and inversely proportional to, education and skill levels; Unsurprisingly, informal labor is predominantly found among individuals with the lowest technical qualifications, aligning with broader global trends; In Vietnam, this divide becomes even more pronounced. Globally, 80% of individuals lacking technical expertise are engaged in informal work, while only 14% of those with a college degree or higher occupy informal positions (ILO, 2021). In Vietnam, these figures stand at 86.7% and 4.6%, respectively (Table 5). While it's positive that there are few college and university graduates in informal jobs, some may conceal their diplomas to seek higher-income formal employment. This underscores the significant inequality associated with informal work. There has been a notable shift of workers from agriculture to manufacturing and service industries, leading to a sharp decline in informal work among agricultural and manual laborers (ILO, 2021). However, despite these changes, the lack of training is still tied to low income, limiting job options and perpetuating the risk of unemployment, thereby reducing participation in medical insurance.

Table 5: Health insurance coverage of informal economy workers allocation by technical/professional qualifications in the period 2020 - 2022

(Unit: Thousand labors)

Years / Technical/ Professional qualifications	2020			2021			2022		
	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)	Labors	Labors joined SHI	Coverage (%)
Nationwide	**12.679**	**7.730**	**60,97**	**13.964**	**8.778**	**62,86**	**15.774**	**10.360**	**65,68**
No qualifications	10.802,51	6.509,59	60,26	11.995,1	7.463,34	62,22	13.676	8.919,5	65,22
Primary	595,91	374,05	62,77	656,31	410,59	62,56	709,83	465,29	65,55
Secondary	583,23	370,06	63,45	614,42	397,22	64,65	662,51	441,89	66,7
College	291,62	194,57	66,72	293,21	197,79	67,45	316	217,21	68,88
University and higher	405,73	281,73	69,44	404,96	309	76,32	410,12	316	77,07

*(**Source:** GSO labor and employment survey data and VSS annual reports)*

Almost all informal workers do not have qualifications. Table 5 shows an inverse correlation between technical/professional qualifications and the number of workers. Specifically, the group with no qualifications had the highest rate, averaging 85.9% over the entire period. The primary, secondary, university and higher education groups follow with an average rate of 2.9%, and the college group has the lowest average rate at about 2.1%.

Additionally, according to the data in Table 5, the participation rate in health insurance is lowest in the group with no qualifications (65.22% in 2022), which is lower than the national average (65.68% in 2022). Conversely, this rate is highest in university and post-graduate groups. This disparity can be explained by the fact that the untrained group often holds more precarious and unstable jobs, with employers failing to sign labor contracts or only reaching verbal agreements. Consequently, they are not protected by the social security system in general and health insurance in particular.

IV. RECOMMENDATIONS

A. Enhance medical service accessibility

1) Expand access to high-quality medical diagnosis and treatment services.

Step by step advising on the development of the Law on Medical Examination and Treatment must ensure the requirements of good protection for users of medical examination and treatment services and the protection of doctors as well as publicity and transparency in medical examination and treatment activities; Further institutionalize the socialization policy in medical diagnosis and treatment; prioritize patient needs; Improve access to high-quality medical diagnosis and treatment services. Simultaneously, uphold socialization policies and diversify medical service types; ensure fairness between public and private medical facilities. Introduce innovative mechanisms to protect patients' rights while emphasizing the obligations of healthcare professionals and medical facilities; Emphasize accelerating administrative procedure reforms and integrating information technology in medical activities. Gradually curb the misuse of technology and high costs, preventing medical service prices from becoming unaffordable for low-income individuals. Avoid unnecessary reliance on excessive technical expertise.

2) Improve access to healthcare by investing in and upgrading grassroots medical services.

Currently, local medical infrastructure is more limited than central facilities, leading many to believe that seeking medical care requires a trip to larger hospitals, despite the time and money involved. To address this, it's crucial to enhance the quality of medical care, reduce costs, and ensure accessibility. This can be achieved by improving staff qualifications, upgrading equipment and facilities, and maintaining high standards for drugs and diagnostic techniques. Additionally, appropriate financial and management mechanisms should be in place to encourage reasonable use of medical services, especially in rural and remote areas, ensuring easier access to healthcare at the grassroots level.

Enhancing the capacity of medical stations should focus on primary healthcare for communities, aligning with the World Health Organization's emphasis on improving grassroots health capacity and primary care. This direction is in line with Resolution No. 20/NQ-TW of the 12th Party Central Committee and the Ministry of Health's guidance on enhancing grassroots medical capacity. It's important to recognize that the function of a medical station is specific, encompassing medical examination and treatment, first aid, emergency care, disease detection and treatment, and preventive health activities. Therefore, a medical station cannot function as a specialized clinic or hospital.

In Vietnam, there is an overreliance on hospital-based care, leading to overcrowding and reduced access to medical services, particularly for marginalized groups. Strengthening lower-level hospitals is essential to alleviate the burden on higher-level hospitals. Emphasizing preventive healthcare and promoting healthy lifestyles can also reduce hospitalization rates, shifting the focus towards health promotion and preventive care. Prioritizing the quality of services at commune health stations will enhance patient convenience and improve the efficiency of higher-level health facilities, without increasing costs.

3) Reform payment methods for medical examination and treatment costs.

Harmonize payment methods: for district hospitals, consider removing inpatient services from the capitation payment system. For provincial hospital services, revise the capitation payment system to eliminate provincial referral costs and medical examination and treatment costs beyond the district level from the district capitation fund. Alternative payment methods to cover referral costs at provincial hospitals should include capped fee-for-service payments for outpatient treatment and case-based payments for inpatients. The method of paying medical expenses must be accompanied by more effective implementation and appropriate additional solutions: these additional solutions clarify the agreements between the buyer and the supplier and mutual expectations. They counteract some of the unfavorable incentives of different payment methods, reducing the risk of exposing patients to more and more expensive services for which they often have to pay largely or entirely out of pocket. Contracts between Vietnam Social Insurance and suppliers can be used to identify and implement these additional solutions. Although Vietnam is undergoing a reform to payment methods, case-based payments will not solve inefficiencies in hospital care. Additional policies need to be developed to limit the potential side effects of case-based payments, such as incentives for unnecessary hospitalizations, reductions in quality of care, and the overcoming of diseases. However, in general, a well-designed case-based payment mechanism that covers the majority of health conditions and diagnoses will encourage providers to deliver inpatient care more effectively.

B. Strengthening State management

1) Control and enforce the law in signing labor contracts.

In recent years, the government has implemented numerous measures to facilitate the formalization of the economy. This includes converting production and business households to operate under specified enterprise forms. These efforts aim to streamline the establishment of new enterprises and foster business startups while reducing verbal agreements and the absence of labor contracts, particularly in rural areas. However, there is currently a gap in informal labor management, especially in small and medium-sized enterprises, as well as in the oversight of construction projects, seafood exploitation, handicraft villages, and mineral extraction in rural areas.

In addition to awareness campaigns and advocacy efforts to promote a sense of responsibility, there is a need to bolster inspection and supervision activities and impose stricter penalties for intentional violations of current labor regulations. This includes non-compliance with labor contracts, failure to adhere to labor safety regulations, and neglecting to provide social and health insurance for employees. It is also essential to enhance the labor reporting mechanism for production and business establishments, improve the labor market information system and employment services, and provide legal counsel for workers.

2) Enhance propaganda efforts.

First, strengthen the dissemination of information about health insurance laws for both employers and informal workers in employment status. Up to 67.6% of informal workers are self-employed or work as part of a household. These are often fields that mainly employ unskilled workers. This is a "vulnerable" group of workers, as individuals in this category are less likely to secure formal job placement. Social security is not guaranteed, work is unstable, and labor productivity and wages are low. Furthermore, there is a lack of awareness among both employers and informal workers regarding legal regulations on labor contracts, working conditions, and social insurance. This is due to limited access to information, an urgent need for employment, and a lack of understanding of labor laws. For informal workers who create their own employment opportunities, it is essential to research and develop suitable, simple, and easy-to-understand forms of propaganda, especially to create the most favorable conditions for them to access and strengthen private activities. This could involve consultations, open hotlines, and encouraging the participation of major social and professional organizations.

Secondly, widely promotes and encourages participation in health insurance. For groups of informal workers in rural areas, conduct propaganda and advocacy, along with coordination with relevant units to organize training classes so that informal workers understand the "superiority" of health insurance policies. Simultaneously, develop plans and select target groups to have propaganda content tailored to their needs, and engage in appropriate dialogue to change behavior, such as raising awareness among both employers and informal employees about labor rights, employment, legal regulations on labor contracts, labor relations, and working conditions. Understanding the benefits that participants are entitled to and the process of using health insurance cards at medical facilities is an essential requirement, encouraging users to purchase health insurance for their

families. Research simple, easy-to-understand forms of propaganda, especially creating the most favorable conditions for them to access and strengthen consulting activities, open hotlines, and encourage the participation of key organizations in basic rights.

3) Encourage household involvement in health insurance.

The main reasons for the low health insurance participation rate among informal workers are the inability to pay health insurance premiums, unstable income, and cognitive problems. Encouraging this group to participate in household health insurance not only provides coverage but also helps increase risk sharing and address the issue of "medical backflow". Participating in household health insurance will reduce the size of the informal sector by extending insurance coverage to spouses and other family members of formal workers. This participation enhances the risk sharing of the Health Insurance Fund and contributes to broader medical risk sharing.

4) Enhance oversight of health insurance compliance in both salaried groups and individual production and business households.

Despite existing government regulations and penalties for evading health insurance payments, the fines remain insufficient. Following inspections, many employers opt to pay fines as the amount is considerably lower than the health insurance premiums for their employees. There is a significant gap in managing informal labor within salaried groups, necessitating sanctions for deliberate breaches of current regulations pertaining to labor contracts, labor safety, social insurance, and health insurance for employees. Improving the reporting mechanism for individual production and business establishments is crucial. Furthermore, establishing a labor market information system, employment services, and legal advice for workers is essential. It is imperative to optimize the ability to verify each individual's health insurance status.

C. Strengthen public policy and promote vocational training

1) Enhance connection policies in local economic growth.

Limited capacity, knowledge, and social capital are the primary factors compelling workers to seek informal employment. This type of work offers few chances for learning, advancement, and integration into broader societal progress. Consequently, informal workers find themselves trapped in a cycle of continual risk. Moreover, informal labor is predominantly concentrated in rural regions, where individuals struggle to leverage public policy support, consultative organizations, and political systems, often remaining passive. They operate in isolation and intermittently. Yet, given the significant contributions of informal workers to Vietnamese society and the economy, it is imperative to acknowledge their social standing and role, and facilitate their access to public services. Supportive policies are essential to further harness the potential of households, informal production and businesses, and informal workers. This can be achieved by establishing linkages, expanding subcontracting, and promoting the role of industry associations to facilitate access to resources, credit, capital, and technical support. In urban areas, enhancing urban infrastructure must be accompanied by the allocation of spaces for street vendors, small traders, and service providers such as motorbike repair, equipment maintenance, locksmithing, and household services. Rural development policies should prioritize cooperative and associational forms among households and small production and business entities, enabling them to participate in supplying traditional products for urban sales chains.

2. Enhance training to boost skills for informal workers.

The low rate of trained workers in informal labor (14.9%) hampers labor productivity and the competitiveness of informal workers, making the quality of human resources a crucial factor. Given the limitations in capacity, knowledge, and financial resources of informal workers, it's essential to develop tailored training programs and methods for each worker type. These programs should prioritize practicality, accessibility, affordability, and the integration of training with employment and career development to enhance workers' income.

3) Enhance public policies to boost income for informal workers.

Presently, informal workers are often overlooked in various public policies, receiving minimal support from unions and legal measures. Social aid and legal support initiatives have yet to reach a significant portion of this demographic. It is the State's duty to guarantee fundamental rights for workers in terms of employment, occupational safety, and social security. This includes advocating for the establishment of labor contracts, participation in health insurance, and safeguarding minimum working conditions. Additionally, there should be enforcement of laws pertaining to fair wages and income, as well as protection against employer violations and mistreatment. An effective monitoring system is essential for each industry and entity that employs informal workers to ensure fair wages and a gradual increase in their income, ultimately aligning it with that of formal workers in similar positions.

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