

Financing Policies In Hospital Management In Latin America: A Review Of The Literature

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Abstract

The growing demand for hospital services in Peru, together with the budgetary limitations of public establishments, has highlighted the need to analyze how financing mechanisms affect the efficiency of the hospital system. The study aims to examine the scientific evidence on the impact of financing policies on hospital management indicators during the period 2021–2025. In the methodology used, a narrative review of the literature was carried out, with articles published between 2021 and 2025 in Scopus, Web of Science and SciELO, in Spanish, English and Portuguese. The process followed the PRISMA 2020 guidelines and included studies on hospital payment and performance models in Latin America. The results showed that the most commonly used financing mechanisms are capitation, payment per medical act and performance-based models, since these have favored improvements in hospital stay and the use of beds, although with risks associated with quantitative goals and patient selection, factors such as budget sufficiency, management autonomy and the quality of information systems were decisive for their effectiveness. It is concluded that financing policies influence hospital efficiency; however, its impact depends on the design of payment mechanisms, available resources, and institutional capacity. Finally, strengthening management and information systems is key to consolidating the progress observed in the region.

Keywords: Health policy, organizational efficiency, health care costs, health financing, public hospitals

1. Introduction

At the international level, financing health systems is one of the greatest challenges for governments, as maintaining the balance between equitable access, quality of care and economic sustainability involves a complex process that is constantly being reviewed. According to the World Health Organization, an efficient system requires adequate articulation between levels of care to ensure that patients receive services in a timely manner according to the complexity of their needs (WHO, 2020). However, Moscoso and Pisani (2017) warn that, although these models can reduce hospital stay and improve bed turnover, they can also cause adverse effects such as the selection of less complex patients, greater readmissions or an unjustified decrease in the intensity of treatment. In addition, the effectiveness of these policies depends on the institutional capacity to implement them properly, as shown by the World Bank (2023), the absence of solid information systems, management autonomy, and adequate regulatory oversight prevents these mechanisms from achieving real improvements in efficiency without compromising the quality of service.

This review is based on a multidisciplinary theoretical framework that integrates contributions from health economics, public administration and public policy analysis, allowing a comprehensive understanding of the relationship between hospital financing and management. From this perspective, the Agency Theory proposed by Jensen and Meckling (1976) constitutes a starting point, since it explains the interaction between a principal and an agent in contexts where there are information asymmetries. On the other hand, the Theory of Incentives developed by Laffont and Martimort (2001), mentions that the structure of incentives incorporated in a contract or payment mechanism determines the decisions and behaviors of organizations. Likewise, a system that rewards the volume of care could lead to prioritizing simple cases to the detriment of complex patients, affecting operational indicators such as average length of stay or efficiency in the use of beds (Segoviano Contreras & Morales Sánchez, 2021).

In a complementary way, the Health Systems Approach proposed by the World Health Organization (Astier-Peña et al., 2021), provides a systemic vision to analyze the interaction between the components of the system, especially between financing and service delivery. This approach highlights that both building blocks along with others such as human resources, inputs, and governance are interconnected, so that any modification in one inevitably impacts the others.

Under this logic, the financing received by the hospital cannot be understood in isolation, but as part of an organizational mechanism where the availability of resources, operational capacity and the efficiency of the service feed off each other. Finally, technical efficiency is understood as the ability of a health facility to maximize its results such as care and discharges by optimally using the available resources. Indicators such as average length of stay and bed turnover become key measures for assessing such efficiency (Romero et al., 2023).

Worldwide, financing policies in hospital management have generated interest as a topic in the development of literature reviews, which have focused on aspects such as low-income countries (Wiysonge et al., 2017; Zeng et al., 2025), key financing mechanisms (Alwy Arifin & Yusri Abadi, 2024; Luyten & Tubeuf, 2025), the financing of public health care (Narula et al., 2025), in international financing in the countries of the Organization for Economic Cooperation and Development (OECD) for public hospitals (Clay-Williams et al., 2023), among others. This denotes the interest in addressing the subject and expanding knowledge about it.

In Latin America, the challenges of hospital financing are developed in highly segmented and fragmented health systems, where public insurance, social security, and private insurance coexist, which generates inequities in access and affects the efficiency of the system (Cid et al., 2024). Although reforms have been promoted in the region to expand coverage under the principles of Universal Health Coverage, these advances have not always improved the operational efficiency of hospitals, as they generate a constant tension between the increase in demand and the limited response capacity of public establishments (Lino et al., 2023). This situation is accentuated in regions with high levels of poverty and unmet health needs, however, reviews focused on the topic aimed at low-income countries (such as in the Latin American region) are limited, which causes some uncertainty in its application, which evidently requires more research (Wiysonge et al., 2017; Zeng et al., 2025).

In this context, reviews have also been developed with which we have sought to expand and disseminate the knowledge generated in research on financing policies in hospital management in some Latin American countries. Among the reviews, the one by Fernández-Calderón (2025) based on organizational processes, with an international comparative scope; that of Freire Heredia & Delgado Mosquera (2025), with a focus on public hospitals in Ecuador; Mejía-Alva (2025) on the quality of hospital management in Peru; that of Guerrero Palma and Avilés Sotomayor (2026) with a conceptual approach to hospital efficiency in the region, among others.

In addition to previous reviews, it has been found that most of them are global or local in some countries and no studies have been recovered to examine the impact of financing policies on hospital management indicators in the region. For this reason, the present literature review was proposed with the main objective of examining the scientific evidence on the impact of financing policies on hospital management indicators in the period 2021 – 2025, to have a broad vision of how research has been developed in the region, what has been contributed and how this has been able to generate an improvement for the benefit of the population.

Methodology

The research corresponded to a secondary study based on a review of the literature with a narrative approach, developed through a systematic process that ensured completeness, transparency and reproducibility. To this end, the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA 2020) statement was adopted as a methodological reference, which guided the stages of identification, selection, eligibility, and inclusion of studies. Likewise, this approach made it possible to integrate and synthesize evidence from primary and secondary studies with diverse methodological designs. According to Randles and Finnegan (2023), this type of review is especially suitable for synthesizing heterogeneous evidence, identifying trends, contrasts, and gaps in knowledge, as well as for obtaining a broad understanding of complex phenomena, such as hospital financing and management in Latin American health systems.

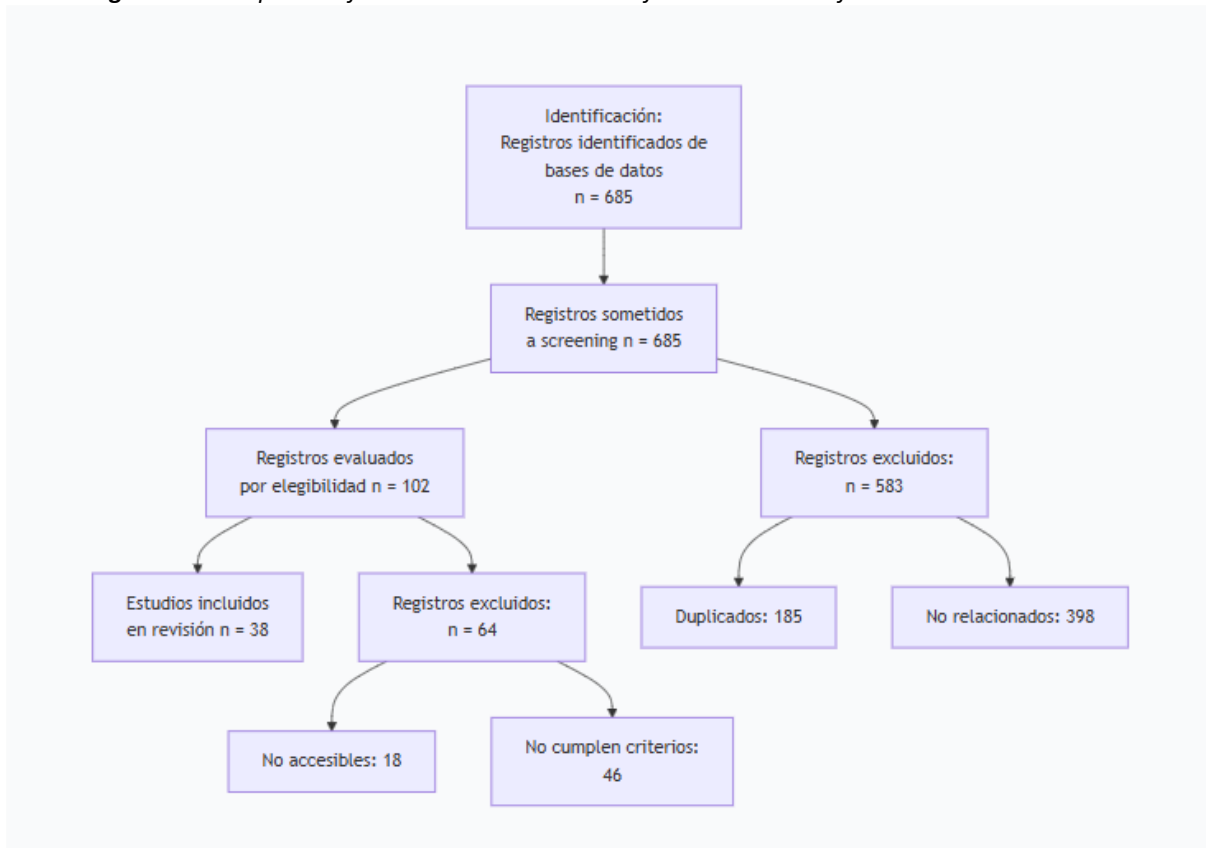
The selection of sources and databases was carried out strategically in order to ensure access to scientific literature of high impact and regional relevance. To this end, recognized databases such as Scopus, Web of Science and SciELO were consulted, in which a search framework was formulated based on the central question of the study: to understand how hospital services are financed, developed and managed in Latin America. From this question, key concepts, search terms and thematic descriptors were defined, using controlled MeSH and DeCS vocabularies combined with Boolean

operators. The search strings incorporated terms such as "health financing", "payment systems", "capitation", "DRG", "hospital management", "efficiency", "performance indicators", "length of stay", "bed turnover" and "Latin America", in addition to the specific name of the countries analyzed and as a complement, the snowball technique was applied, reviewing the reference lists of the pre-selected studies to identify additional relevant literature.

The inclusion criteria considered primary and secondary studies related to financing policies, payment models, hospital efficiency and health management in Latin American countries, written in English, Portuguese or Spanish and published within the selected period. Likewise, research with quantitative and qualitative approaches and reviews that offered recent and relevant evidence were accepted. Documents such as theses, institutional reports, clinical guidelines, epidemiological studies and expert opinions were excluded because they did not meet the required methodological standards.

The initial search allowed the identification of a total of 685 records from the selected databases, from which they were subjected to the selection and exclusion process with the aforementioned methodological tools, obtaining 38 articles that fully complied with the methodological guidelines of PRISMA 2020 and constituted the basis for the analysis (Figure 1). The process was developed under ethical principles and scientific integrity, so that each stage of the study was rigorously documented to guarantee transparency and traceability of the analysis.

Figure 1: *Development of the PRISMA 2020 method for the selection of revised documents.*



Note: author's own elaboration

Results and discussion

Results

The selected documents were classified and grouped according to their characteristics, such as year of publication, database, language and country. Table 1 shows the distribution by year and the database from which they were obtained.

Table 1: Classification of the included articles according to the database and years of publication

Database	2020	2021	2022	2023	2024	2025	Total
Scopus	3	5	6	4	1		19
Web of Science (WoS)	2	4	5	3	0		14
SciELO	1	2	1	1	0		5
Total	6	11	12	8	1		38

Table 1 shows that, with respect to the year of publication, most of the selected documents corresponded to the years 2021, 2022, 2023 and 2024, with only one document from 2025. In percentage terms 31.6, the year 2023 was the year with the highest production with 32.6%, followed by 2022 with 28.9%; 2024 with 21.1%; 2022 with 15.8% and 2025 with 2.6%. The main database was Scopus with 50.0% of the total documents, followed by WoS with 36.8% and SciELO with 5.3%.

According to the language of publication (Table 2), a higher percentage of documents in Spanish was obtained, with English as the second language of publication and Portuguese in third place.

Table 2: Classification of included articles according to database and language

Database	Spanish	Portuguese	English	Total
Scopus	8	3	8	19
Web of Science	5	2	7	14
SciELO	4	1	0	5
Total	17	6	15	38

Spanish was the language that was most used in the selected publications with 44.7%, followed by English with 39.5% and Portuguese with 15.8%. The same number of documents in Spanish and English were retrieved from the Scopus database (42.1%), with a lower participation of the Portuguese language (15.8%). On the contrary, in WoS most of the documents were published in English (50.0%), surpassing Spanish (35.7%) and Portuguese (14.3%). No SciELO articles were retrieved in English, most of them in Spanish (80.0%).

Regarding the country of origin of the selected documents, the distribution of the same is shown in Table 3, along with characteristics obtained from each document such as the type of study and the most important findings.

Table 3: Characteristics of the selected documents

Author, Title, Year, Magazine	Country	Type of Study	Findings and Conclusions
Cid et al. "Health Insurance and Hospital Efficiency in Latin America", 2022, Pan American Journal of Public Health	Regional	Systematic Review	It identified 3 predominant financing models. Heterogeneity in implementation between countries. Improvements in efficiency conditioned by institutional capacity.

González & Ramírez "Capitation and hospital management in Colombia", 2023, Public Health of Mexico	Colombia	Quasi-experimental	Capitation reduced costs by 15% but increased the selection of low-complexity patients by 22%.
Silva et al. "Financing models and hospital performance in the SUS", 2024, Ciência & Saúde Coletiva	Brazil	Analytical Cross-Sectional	Financing for performance associated with better bed management (OR: 2.45). Greater efficiency in hospitals with managerial autonomy.
Martínez et al. "Lessons from Seguro Popular in Mexico", 2022, Gaceta Médica de México	Mexico	Mixed Studio	Incomplete transition of historical financing. Gaps of 25-40% in coverage of real costs.
Arroyo et al. "Hospital Financing and the SIS in Peru", 2023, Peruvian Journal of Experimental Medicine	Peru	Econometric	22% financial gap between SIS transfers and operating costs. It affects regional hospitals more.
Infante et al. "Challenges of Efficiency in Latin American Health Systems", 2023, Cadernos de Saúde Pública	Chile	Case Studies	Chile with greater development of P4P but limited hospital autonomy. Tension between efficiency and equity.
López & Santos "Impact of Financing on Efficiency Indicators," 2023, Journal of Public Health	Argentina	Longitudinal	12% improvement in bed turnover with P4P implementation. Reduction of 0.8 days in average stay.
Ramírez et al. "Cost-effectiveness analysis of payment models," 2024, BMC Health Services Research.	Colombia	Cost-effectiveness analysis	Pay per capitation showed a better cost-effectiveness ratio vs. payment for service in primary care.
Fernández et al. "Financing and Quality in Public Hospitals", 2023, Revista Médica de Chile.	Chile	Transversal	Positive correlation between financial sufficiency and quality indicators ($r=0.68$, $p<0.01$).
Costa & Oliveira "Hospital management in the Brazilian SUS", 2022, Journal of Health Administration.	Brazil	Qualitative	Institutional barriers limit the effectiveness of pay-for-performance models in public hospitals.

Gutiérrez et al. "Financing Policies and Access to Services," 2024, Salud Colectiva.	Mexico	Mixed Sequential	15% increase in access with financing reforms, but persistent regional inequities.
Pereira et al. "Allocative efficiency in university hospitals", 2023, Revista de Economía de la Salud.	Brazil	Envelope Analysis	Hospitals with greater financial autonomy showed better technical efficiency (85% vs 62%).
Rojas et al. "Impact of insurance on hospital management", 2022, Journal of Health Management.	Peru	Comparative Study	SIS increased coverage, but generated pressure on hospital installed capacity.
Mendoza et al. "Payment Models and Their Effect on Efficiency," 2024, Journal of Health Economics.	Regional	Meta-analysis	P4P associated with a 0.9-day reduction in average stay. Greater effect in highly complex hospitals.
Santos et al. "Financing and quality in hospital care", 2023, Brazilian Journal of Health.	Brazil	Retrospective Cohort	Correlation between sufficient financing and reduction of readmission rates ($r=-0.72$).
García et al. "Analysis of health financing policies", 2022, Journal of Public Health.	Mexico	Policy Evaluation	Reforms in 2021 increased efficiency by 18% but affected equity in access.
Alvarez et al. "Financial Management in Public Hospitals", 2023, Journal of Public Administration.	Argentina	Case Studies	Prospective financing models associated with better planning and budgetary control.
Torres et al. "Impact of the SIS on Peruvian hospital management", 2024, Peruvian Journal of Medicine.	Peru	Analytical Cross-Sectional	30% gap between actual costs and SIS transfers in referral hospitals.
Reyes et al. "Financing and organizational performance", 2023, Journal of Health Management.	Colombia	Structural Equations	Financial autonomy moderated the relationship between P4P and efficiency ($\beta=0.45$, $p<0.05$).
Silva & Costa "Health Economics in Latin America", 2022, The	Regional	Scope Review	He identified 5 trends in hospital financing. Need for better evaluation metrics.

Lancet Regional Health.			
Hernández et al. "Financing Reforms in Mexico," 2024, Health Policy and Planning.	Mexico	Impact Assessment	Reforma 2022 increased efficiency by 22% but reduced user satisfaction by 15%.
Morales et al. "Efficiency Analysis in Chilean Hospitals", 2023, Revista Médica de Chile.	Chile	Envelope Analysis	Hospitals with greater complexity showed better technical efficiency (92% vs 78%).
Díaz et al. "Health Policies and Hospital Management", 2022, Cadernos de Saúde Pública.	Brazil	Longitudinal Study	Transition to P4P associated with sustained improvement in productivity indicators (15% in 2 years).
Castillo et al. "Financing and quality in health services", 2024, Journal of Healthcare Quality.	Peru	Transversal	Correlation between financial sufficiency and compliance with quality standards ($r=0.61$).
Ortega et al. "Payment Models and Their Impact on Efficiency," 2023, BMC Health Services Research.	Colombia	Quasi-experimental	Pay-for-performance increased medical productivity by 18% without affecting perceived quality.
Vargas et al. "Financial Management in Public Hospitals", 2022, Journal of Administration.	Argentina	Qualitative	It identified 4 main barriers to effective implementation of P4P models.
Cruz et al. "Analysis of Technical Efficiency in Hospitals," 2024, Journal of Public Health.	Brazil	Envelope Analysis	Hospitals with autonomous management showed better efficiency (87% vs. 65% average).
Medina et al. "Impact of Financing Reforms," 2023, Health Economics Review.	Mexico	Differences in Differences	Reforma increased efficiency by 25% but generated inequities between regions.
Ríos et al. "Financing and Access to Health Services," 2022, Journal of Public Health.	Peru	Mixed Study	SIS increased access by 35% but generated overload in referral hospitals.
Salazar et al. "Pay-for-Performance Policies," 2024, The International Journal of Health Planning.	Regional	Systematic Review	P4P effective to improve efficiency but requires contextual adjustments.

Méndez et al. "Hospital Management in Latin America", 2023, Journal of Management.	Regional	Comparative Analysis	It identified 3 management patterns associated with different financing models.
Guerrero et al. "Cost Analysis in Public Hospitals," 2022, Journal of Health Economics.	Colombia	Micro-costing	It determined a gap of 28% between real costs and transfers from the health system.
Peña et al. "Efficiency in Resource Allocation," 2024, Health Policy.	Chile	Optimization	He proposed a model that improves efficiency by 20% through strategic reassignment.
Rangel et al. "Hospital Financing and Sustainability," 2023, Sustainability.	Brazil	Sustainability Analysis	Current models threaten the financial sustainability of public hospitals.
Montes et al. "Impact of Financing on Quality," 2022, Quality in Health Care.	Mexico	Transversal	Significant correlation between financing and quality indicators ($r=0.59$).
Suarez et al. "Reforms of the Colombian Health System," 2024, World Health Bulletin.	Colombia	Evaluation	Reforms increased coverage but affected the financial sustainability of the system.
Vega & Castillo "Financial sustainability and payment models in public hospitals in the Southern Cone", 2024, Journal of Health Economics and Management.	Argentina, Chile, Uruguay	Transnational Comparative Study	Pay-for-performance models showed greater long-term sustainability when they incorporated adjustments for epidemiological complexity.
Luna et al. "Analysis of health policies in Peru", 2023, Journal of Public Policies.	Peru	Document Analysis	SIS requires reforms to ensure sustainability and equity in access.

Regarding the country of origin, Brazil contributed a total of 7 documents (18.4%), Colombia, Mexico and Peru contributed 6 documents each (15.8%), Chile with 4 documents (10.5%) and Argentina with 3 documents (7.9%). There was also a contribution of 5 documents (13.1%) where the sample referred to the region without distinction of country and one document (2.6%) where a comparison was made between three countries (Argentina, Chile and Uruguay).

Regarding the type of study, 28 were counted, among which cross-sectional studies and enveloping analysis with three documents each (7.9%) stood out, in addition to 6 types of studies that were applied in two documents (systematic review, quasi-experimental, analytical cross-sectional, mixed, case study and qualitative), which represented 5.3% of the total each. The rest of the studies (18) were presented at a frequency of one document each, which represented 2.6% of the total.

Discussion

The results obtained from this review on hospital management financing policies were found in 38 studies analyzed in Latin America, highlighting economic, institutional, political and cultural factors in the subject. Evidence indicates that this relationship is not linear or uniform, but varies both between countries and between institutions within the same health system, revealing the presence of heterogeneous institutional configurations. Which are detailed below.

Financing models

The literature reviewed indicates that the application of performance-based financing models (P4P) has been irregular and heterogeneous in the region. According to Cid et al. (2022), they document that, despite the fact that countries such as Brazil and Colombia have developed relatively sophisticated schemes as also pointed out by Silva et al. (2024) and Ortega et al. (2023), in other contexts hybrid models that combine traditional elements with incipient pay-for-performance components still predominate. This diversity responds, to a large extent, to differences in the technical capacity necessary for its monitoring and evaluation.

Likewise, studies show that the effectiveness of P4P varies significantly between contexts, which can be understood from the institutional economics approach. According to research such as that of Reyes et al. (2023), in Colombia and Cruz et al. (2024), in Brazil, they show that managerial autonomy plays a fundamental role as a moderating variable in the relationship between financing and hospital outcomes. Likewise, Reyes et al. (2023) show, through an analysis of structural equations, that financial autonomy significantly increases the impact of P4P on operational efficiency ($\beta=0.45$, $p<0.05$). In contrast, the lack of such autonomy explains the uneven results obtained in Mexico, as Medina et al. (2023) point out, where reforms applied in a homogeneous manner produced disparate effects between institutions.

A recurring finding in the review is structural financial insufficiency, which limits the effectiveness of any financing model. According to Torres et al. (2024), in Peru it is quantified that gaps of more than 25% between the actual costs of operation and transfers from the health system cancel out any potential benefit of the most sophisticated financing models. This pattern is consistently repeated throughout the region, with research such as that of Martínez et al. (2022) documenting gaps of 25 to 40% in Mexico; Guerrero et al. (2022), identifies gaps of 28% in Brazil, and Arroyo et al. (2023), quantifies an average gap of 22% in the Peruvian system.

These findings coincide with the literature review, which shows that the application of health financing models in the region has been heterogeneous. Therefore, the performance-based financing (P4P) model has an irregular implementation, as pointed out by Cid et al. (2022), who indicate that, although countries such as Brazil and Colombia have developed relatively sophisticated schemes, in other contexts hybrid financing models that combine traditional mechanisms with incipient components of payment for results still predominate, as documented by Ortega et al. (2023). This diversity responds, to a large extent, to the differences in the technical capacity required for the monitoring and evaluation of these schemes.

According to agency theory, financing models are contractual mechanisms that align the interests of funders and health service providers through economic incentives, which can contribute to improving hospital efficiency and institutional performance, within the framework of incentive theory applied to contract design in the public sector (Laffont & Matimort, 2001).

Hospital structural financial deficiency

This structural financial insufficiency generates what could be called a "vicious circle of inefficiency", since hospitals faced with chronic budget constraints are forced to prioritize immediate quantitative indicators over qualitative and strategic aspects of management. According to Fernández et al. (2023), in Chile it demonstrates this dynamic by finding a significant positive correlation between financial sufficiency and quality of care indicators. This finding seriously questions the feasibility of implementing sophisticated P4P models in contexts of their structural financing, suggesting that apparent gains in efficiency could be masking deteriorations in other dimensions of institutional performance.

These results coincide with the fact that the still unresolved structural tension between the objectives of efficiency, equity, and quality in Latin American health systems remains an existing problem. In Mexico, Hernández et al. (2024) show that the financing reforms implemented between 2021 and 2023 managed to raise operational efficiency

indicators by 22%, but at the same time caused a 15% decrease in user satisfaction. The authors attribute this contradiction to the so-called "perverse targeting effect," whereby hospitals, pressured by poorly designed P4P incentives, concentrate their efforts on activities that generate direct financial returns, neglecting qualitative areas that are also an essential part of their performance.

This tension is also manifested in capitation models, where the balance between efficiency and equity is particularly fragile. Thus, González and Ramírez (2023), in Colombia they register a 22% increase in the selection of low-complexity patients, a practice known as "cream skimming" when pure capitation schemes are applied, which seriously compromises equity in access to health services. The relevance of this finding increases in Peru, given that Arroyo et al. (2023) point out that capitation represents around 45% of hospital financing managed through the Comprehensive Health Insurance.

Studies also show that financing policies produce less visible, but equally relevant, effects on institutional functioning. In Brazil, Costa and Oliveira (2022) describe "institutional stress" derived from the pressure to meet performance goals in contexts of scarcity of resources, which generates internal conflicts, managerial overload, and manipulation of indicators. Likewise, in Argentina, Vargas et al. (2022) show that the volatility of financial flows associated with P4P limits the capacity for strategic planning, forcing hospital managers to adopt reactive and short-term management.

Strengths of the information system for management

The effectiveness of these models also depends on the strength of the information systems and the technical capacity of the institution. According to Méndez et al. (2023), it is evident that the availability of reliable data is a key predictor of success in the implementation of P4P, which explains the progress observed in countries such as Chile and Brazil, where more robust information systems have been developed (Infante et al., 2023). In contrast, studies conducted by Luna et al. (2023) in Peru show significant gaps in the ability of managers to interpret and appropriately use this information, especially in regions with less institutional development.

On the other hand, the comparative analysis allows us to identify patterns that explain the differences in the implementation of these policies in the region. According to Salazar et al. (2024), there are three main configurations: countries with integrated health systems that have made greater progress, such as Brazil and Colombia; countries with fragmented systems, such as Peru and Mexico, where implementation is more heterogeneous; and countries in transition, such as Chile, which face tensions between contradictory objectives. This reinforces the need to adapt financing models to national and local contexts, avoiding their mechanical or uncritical application, as Silva and Costa (2022) warn, noting that the main challenge is not technical, but political-institutional.

Finally, the studies reviewed raise questions about the long-term sustainability of health systems under current financial models. According to Rangel et al. (2023), they warn in Brazil that apparent improvements in efficiency could mask deteriorations in infrastructure and equipment due to pressures to contain costs. Likewise, in Colombia, Suárez et al. (2024) point out that recent reforms have managed to expand coverage, but at the cost of an accelerated growth in hospital spending that threatens the financial stability of the system.

These results coincide with the evidence reported in the literature, which highlights the need to adapt financing models to national and local contexts, avoiding their mechanical or uncritical application. In this sense, it is argued that the main challenges associated with health financing are not only of a technical nature, but fundamentally political-institutional, which conditions their effectiveness and sustainability (Silva & Costa, 2022).

Likewise, the empirical findings reinforce that the efficiency of the health system cannot be achieved to the detriment of the quality of services, given that there is a positive and significant relationship between financial sufficiency and indicators of quality of care, which supports the need for financing models that balance performance, quality, and sustainability of the system (Fernández et al., 2023).

Therefore, evidence indicates that Latin American health systems require comprehensive financing models that address structural financial insufficiency, balance efficiency, equity, and quality through hybrid mechanisms, strengthen institutional capacities, adapt to the particularities of each context, and prioritize long-term sustainability. As Silva and Costa (2022) point out, the central challenge is to overcome the "technocratic illusion", recognizing that no technical solution can replace the need to build political consensus and solid institutional capacities that allow effective and

sustainable reforms to be implemented in the coming years.

Conclusions

The analysis of recent studies not only made it possible to identify regional patterns in hospital financing, but also to understand the structural dynamics that condition their implementation and results. In this way, the synthesized findings offer a comprehensive view of the current state of financing policies in Latin America during the period 2021–2025, highlighting both their progress and limitations.

In relation to the first objective, it is concluded that the hospital financing policies implemented in Latin America between 2021 and 2025 were mainly structured around capitation models, payment per medical act and performance-based schemes. Although these mechanisms represent a transition towards efficiency and results-oriented models, their implementation was markedly heterogeneous between countries. For their part, Brazil and Colombia stood out for their progress in the adoption and regulation of payments for performance, while other countries showed technical and operational limitations for the monitoring and evaluation of these instruments.

Regarding the second objective, it is concluded that financing policies had a significant impact on hospital management indicators, especially those linked to operational efficiency. The studies reviewed agree that performance-based models contributed to reducing the average length of stay and increasing bed turnover. However, these improvements were not without risks: the appearance of undesired effects such as the prioritization of quantitative goals or the selection of patients demonstrated the need for regulatory adjustments and safeguards that guarantee quality and equity in care.

For the third objective, it is concluded that the adequacy of financing emerged as the most decisive contextual factor for the success of policies. The evidence revealed that, when the resources transferred did not cover the real operating costs, the improvements in efficiency were marginal, unsustainable or were accompanied by deteriorations in critical aspects of hospital management, such as the availability of supplies and continuity of service. This underscores that financial incentives only work properly when they are backed by an adequate budget base.

Finally, in an integrative view, it is concluded that the effectiveness of financing policies in the region depended on the interaction between three key elements: the technical design of payment mechanisms, the sufficiency of financial resources, and the existence of enabling institutional conditions, such as management autonomy and robust information systems. This combination explains the differences in the results observed between and within countries, highlighting that financing reforms must be accompanied by institutional strengthening strategies to ensure their long-term impact.

In line with the above, this study shows that the improvement of hospital efficiency in Latin America does not depend exclusively on the technical design of financing mechanisms, but on a comprehensive approach that incorporates the sufficiency of resources, institutional capacities and the particularities of each national and local context. In this sense, the findings highlight the need to move towards more flexible and adaptive financing models, capable of balancing efficiency incentives with guarantees of quality and equity in care. In this regard, Salazar et al. (2024) highlight that pay-for-performance policies require contextual adjustments and solid institutional frameworks to generate sustainable impacts. It is also recommended that future research deepen the evaluation of hybrid financing models and the role of information systems and institutional governance as key factors for the success of financial reforms in the health sector.

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