



# Administrative Simplification in the Mexican Social Security Institute





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## *Foreword*

The main objective of regulatory policy is to improve the daily lives of citizens through clear and effective rules. Laws and regulations affect all areas of business and life. They determine the contours of our safety and lifestyle, the ease of doing business and may help the achievement of societal and environmental goals. While good regulation is conducive to economic growth and well-being, inadequate regulation endangers both.

Improving and simplifying administrative formalities is an essential element of good regulatory policy. The way in which formalities are designed, implemented and enforced has a direct impact on their effectiveness, and thus, on their capacity to achieve the underlying public policy objectives.

The 2012 *Recommendation of the Council on Regulatory Policy and Governance* advises member countries to have programmes of administrative simplification that include measurements of the aggregate burdens of regulation where feasible and consider the use of explicit targets as a means to lessen administrative burdens for citizens and businesses.

Effective and efficient formalities make the daily lives of people easier and can promote the smooth operation of businesses. Moreover, simpler formalities are especially beneficial to small and medium-sized enterprises, where the proportion of resources allocated to administrative procedures is greater, compared to larger companies. They also benefit citizens who very frequently must go through government procedures to access public services. Streamlined formalities can also generate benefits for the public sector by increasing its efficiency.

The report *Administrative simplification in the Mexican Institute of Social Security* assesses the actions taken by the Mexican Institute of Social Security in recent years to improve its formalities, and estimates the savings in administrative burdens for citizens and business due to simplification. It also identifies actions that can reduce the burdens further.

This report is the result of an important partnership between the Mexican Institute of Social Security and the OECD. It is designed to benefit citizens and businesses in Mexico and to contribute to the international debate on good regulatory practices.

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This report was led by Manuel Gerardo Flores Romero under the supervision of Nick Malyshev, Head of the OECD Regulatory Policy Division, directed by Marcos Bonturi, Director of Public Governance. The report was prepared by members of the OECD Regulatory Policy Division, and its main authors are Andrés Blancas Martínez, Gloriana Madrigal Gutiérrez and Erik Miguel Pérez Pérez.

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### *Abbreviations and acronyms*

APP	Mobile application
CA	Co-ordination of Affiliation
CAISPN	Co-ordination of Comprehensive Health Care at the First Level
CBS	Co-ordination of Social Welfare
CC	Co-ordination of Collection
CCVVUCT	Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores
CES	Co-ordination of Health Education
CCEVD	Co-ordination of Companies Classification and Validity of Rights
CPE	Co-ordination of Economic Benefits
CSGDII	Co-ordination of Day-care Services for Comprehensive Children Development
CST	Co-ordination of Occupational Health
CONAMER	National Commission of Regulatory Improvement
ENE	Company or citizen that complies with normally efficient criteria
ENIGH	Survey on Household Income and Expenses
ENOE	National Survey on Occupation and Employment
ENSat	National Survey on Users Satisfaction with the IMSS Medical Services
IMSS	Mexican Institute of Social Security
INEGI	National Institute of Statistics and Geography
MCE	Standard Cost Model
MXN	Mexican pesos
OCDE	Organisation for Economic Co-operation and Development
SINCO	Classification National System
SIPARE	Referenced Payments System
TICs	Information and communication technologies
UMAE	High Specialty Medical Unit
FMU	Family Medicine Unit



## *Procedures analysed in the report*

Code	Name in Spanish	Name in English
Constancia de Desempleo	Constancia de baja para el retiro por desempleo	Discharge certificate for unemployment retirement
IMSS-01-001	Solicitud de pensión de invalidez	Request for a disability pension
IMSS-01-002	Solicitud de pensión de cesantía en edad avanzada o vejez	Request for an unemployment at and advanced age and old-age pension
IMSS-01-003-A	Solicitud de pensión de viudez Modalidad A) Viuda-Esposa o Concubina	Request for a widow or widower's pension Mode A) Widow-Wife or Common-law wife
IMSS-01-003-B	Solicitud de pensión de viudez Modalidad B) Viudo-Esposo o Concubinario	Request for a widow or widower's pension Mode B) Widower-husband or Common-law husband
IMSS-01-004-A	Solicitud de pensión de orfandad Modalidad A) Hijo menor de 16 años	Request for an orphan's pension Mode A) Son or daughter under 16 years of age
IMSS-01-004-B	Solicitud de pensión de orfandad Modalidad B) Hijo mayor de 16 años y hasta 25 años estudiante	Request for an orphan's pension Mode B) Son or daughter over 16-25 years old, student
IMSS-01-004-C	Solicitud de pensión de orfandad Modalidad C) Hijo mayor de 16 años incapacitado	Request for an orphan's pension Mode C) Son or daughter over 16 years old, disabled
IMSS-01-005	Solicitud de pensión de ascendientes	Request for an ascendant's pension
IMSS-01-006-A	Solicitud de inscripción a guardería del IMSS Modalidad A) De la trabajadora inscrita en el IMSS bajo el régimen obligatorio	Request for registration in an IMSS day-care centre Mode A) Of the worker registered at the IMSS under the mandatory regime
IMSS-01-006-B	Solicitud de inscripción a guardería del IMSS Modalidad B) Del trabajador viudo inscrito en el IMSS bajo el régimen obligatorio	Request for registration in an IMSS day-care centre Mode B) Of the widower worker registered at the IMSS under the mandatory regime
IMSS-01-006-C	Solicitud de inscripción a guardería del IMSS Modalidad C) Del trabajador divorciado inscrito en el IMSS bajo el régimen obligatorio	Request for registration in an IMSS day-care centre Mode C) Of the divorced worker registered at the IMSS under the mandatory regime
IMSS-01-006-D	Solicitud de inscripción a guardería del IMSS Modalidad D) Del trabajador(a) que por resolución judicial ejerza la patria potestad y la custodia de un menor inscrito en el IMSS bajo el régimen obligatorio	Request for registration in an IMSS day-care centre Mode D) Of the worker that due to a court decision has parental authority and custody of a child registered at the IMSS under the mandatory regime
IMSS-01-009	Solicitud de ayuda para gastos de matrimonio	Request for help for marriage expenses
IMSS-01-010	Solicitud de ayuda para gastos de funeral	Request for help for funeral expenses
IMSS-01-015	Solicitud para préstamo a cuenta de pensión del régimen de la Ley del Seguro Social 1973	Request for a loan against a pension under the 1973 Social Security Law regime
IMSS-01-016	Solicitud de pensión de incapacidad permanente	Request for a permanent disability pension
IMSS-01-018	Solicitud de pensión de retiro	Request for a retirement pension
IMSS-01-020	Solicitud de celebración de convenio de pago indirecto y reembolso de subsidios	Request for the execution of an indirect payment agreement and subsidies reimbursement
IMSS-01-022	Solicitud de pensión de retiro, cesantía en edad avanzada o vejez a través de transferencia de derechos IMSS-ISSSTE	Request for a retirement, unemployment at an advanced age or at old age pension through the transfer of IMSS-ISSSTE rights
IMSS-01-029-A	Solicitud para el pago de mensualidades no cobradas o reclamo de diferencias relativas a la pensión Modalidad A) Por el pensionado	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode A) By the pensioner
IMSS-01-029-B	Solicitud para el pago de mensualidades no cobradas o reclamo de diferencias relativas a la pensión Modalidad B) Por terceros, en caso de fallecimiento del pensionado	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode B) By third parties, in case of death of the pensioner
IMSS-01-031	Solicitud de modificación de pensión por hechos que inciden en el cálculo, en el monto del pago de la misma o corrección de nombre	Request for modification of pension due to facts that influence the calculations, the amount paid for the pension or correction of name

Code	Name in Spanish	Name in English
IMSS-01-034-A	Solicitud de modificación de pensión por finiquito Modalidad A) Finiquito por contraer nuevas nupcias	Request for modification of severance pension Mode A)
IMSS-01-034-B	Solicitud de modificación de pensión por finiquito Modalidad B) Finiquito de hijo huérfano por cumplir supuestos de Ley	Request for modification of severance pension Mode B) Settlement of an orphan child for complying with law provisions
IMSS-02-001-A	Alta patronal e inscripción en el seguro de riesgos de trabajo o reanudación de actividades Modalidad A) Para persona física	Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode A) For an individual
IMSS-02-001-C	Alta patronal e inscripción en el seguro de riesgos de trabajo o reanudación de actividades Modalidad C) Para persona moral	Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode C) For a juridical person
IMSS-02-008	Solicitud de asignación o localización de número de seguridad social	Request for assignation or tracking of social security number
IMSS-02-019-A	Autorización de servicios en circunscripción foránea Modalidad A) A petición del patrón o sujeto obligado	Authorisation of service in a foreign district Mode A) Upon request of the employer or obligated subject
IMSS-02-019-B	Autorización de servicios en circunscripción foránea Modalidad B) A petición del asegurado(a) o pensionado(a)	Authorisation of service in a foreign district Mode B) Upon request of the rights-holder or pensioner
IMSS-02-020-B	Solicitud de constancia de vigencia de derechos para recibir servicios médicos Modalidad B) A petición del asegurado(a) o pensionado(a)	Request for validity certificate of rights to receive medical services Mode B) Upon request of the rights-holder or pensioner
IMSS-02-025-A	Solicitud de constancia de semanas reconocidas Modalidad A) Constancia de semanas reconocidas en el IMSS	Request for certificate of acknowledged weeks Mode A) Certificate of acknowledged weeks in the IMSS
IMSS-02-025-B	Solicitud de constancia de semanas reconocidas Modalidad B) Constancia de períodos reconocidos IMSS-ISSSTE	Request for certificate of acknowledged weeks Mode B) Certificate of acknowledged periods IMSS-ISSSTE
IMSS-02-025-C	Solicitud de constancia de semanas reconocidas Modalidad C) Constancia de aclaración de semanas cotizadas ante el IMSS	Request for certificate of acknowledged weeks Mode C) Certificate of listed weeks at the IMSS
IMSS-02-066-A	Solicitud de registro y actualización de derechohabientes Modalidad A) Para registro de esposa (o)	Request for registration and updating of rights-holders Mode A) A) For registration of wife or husband
IMSS-02-066-B	Solicitud de registro y actualización de derechohabientes Modalidad B) Para actualización de datos de esposa (o)	Request for registration and updating of rights-holders Mode B) B) For updating wife or husband's data
IMSS-02-066-C	Solicitud de registro y actualización de derechohabientes Modalidad C) Para baja de esposa (o)	Request for registration and updating of rights-holders Mode C) C) For de-registration of wife or husband
IMSS-02-066-D	Solicitud de registro y actualización de derechohabientes Modalidad D) Para registro de concubina (río)	Request for registration and updating of rights-holders Mode D) D) For registration of common-law wife or husband
IMSS-02-066-E	Solicitud de registro y actualización de derechohabientes Modalidad E) Para actualización de datos de concubina (río)	Request for registration and updating of rights-holders Mode E) E) For updating common-law wife or husband's data
IMSS-02-066-F	Solicitud de registro y actualización de derechohabientes Modalidad F) Para baja de concubina (río)	Request for registration and updating of rights-holders Mode F) F) For de-registration of common-law wife or husband
IMSS-02-066-G	Solicitud de registro y actualización de derechohabientes Modalidad G) Para registro de padre o madre	Request for registration and updating of rights-holders Mode G) G) For registration of the father or mother
IMSS-02-066-H	Solicitud de registro y actualización de derechohabientes Modalidad H) Para actualización de datos de padre o madre	Request for registration and updating of rights-holders Mode H) H) For updating father or mother's data
IMSS-02-066-I	Solicitud de registro y actualización de derechohabientes Modalidad I) Para baja de padre o madre	Request for registration and updating of rights-holders Mode I) I) For de-registration of father or mother
IMSS-02-066-J	Solicitud de registro y actualización de derechohabientes Modalidad J) Para registro de hijo (a)	Request for registration and updating of rights-holders Mode J) J) For registration of the son or daughter
IMSS-02-066-K	Solicitud de registro y actualización de derechohabientes Modalidad K) Para actualización de datos de hijo (a)	Request for registration and updating of rights-holders Mode K) K) For de-registration of son or daughter's data
IMSS-02-066-L	Solicitud de registro y actualización de derechohabientes Modalidad L) Para baja de hijo (a)	Request for registration and updating of rights-holders Mode L) L) For de-registration of son or daughter
IMSS-02-066-M	Solicitud de registro y actualización de derechohabientes Modalidad M) Para registro de asegurado (a) o pensionado (a)	Request for registration and updating of rights-holders Mode M) M) For registration of the rights-holder or pensioner
IMSS-02-066-N	Solicitud de registro y actualización de derechohabientes Modalidad N) Para actualización de datos de asegurado (a) o pensionado (a)	Request for registration and updating of rights-holders Mode N) N) For updating rights-holder or pensioner's data
IMSS-02-066-O	Solicitud de registro y actualización de derechohabientes Modalidad O) Para baja de asegurado (a) o pensionado (a)	Request for registration and updating of rights-holders Mode O) O) For de-registration of rights-holder or pensioner



Code	Name in Spanish	Name in English
IMSS-02-096	Solicitud de estado de adeudo	Request for information on debit status
IMSS-03-001	Solicitud de campos clínicos y sedes para ciclos clínicos, internado médico y servicio social para instituciones educativas que imparten carreras en el área de la salud	Request for clinical fields and locations for clinical cycles, medical internship and social service for educational institutions that offer careers in the health area
IMSS-03-002-A	Solicitud para que médicos mexicanos ingresen como residentes en el Instituto Mexicano del Seguro Social Modalidad A) Aspirantes externos al IMSS para especialidades de entrada directa	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode A) Candidates external to the IMSS for direct entry specialties
IMSS-03-002-B	Solicitud para que médicos mexicanos ingresen como residentes en el Instituto Mexicano del Seguro Social Modalidad B) Aspirantes trabajadores del IMSS para especialidades de entrada directa	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode B) Candidates IMSS workers for direct entry specialties
IMSS-03-002-C	Solicitud para que médicos mexicanos ingresen como residentes en el Instituto Mexicano del Seguro Social Modalidad C) Aspirantes hijos de trabajadores del IMSS para especialidades de entrada directa	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode C) Candidates children of IMSS workers for direct entry specialties
IMSS-03-003-A	Solicitud para que médicos extranjeros ingresen como residentes en el Instituto Mexicano del Seguro Social Modalidad A) Aspirantes para especialidades de entrada directa	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode A) Candidates for direct entry specialties
IMSS-03-003-B	Solicitud para que médicos extranjeros ingresen como residentes en el Instituto Mexicano del Seguro Social Modalidad B) Aspirantes para especialidades de rama	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode B) Candidates for branch specialties
IMSS-03-004	Solicitud de rotaciones parciales en el Instituto Mexicano del Seguro Social de médicos residentes de otras instituciones	Request for partial rotations in the Mexican Social Security Institute of resident doctors from other institutions
IMSS-03-005-A	Solicitud de ingreso a la carrera de licenciatura en enfermería en escuelas del Instituto Mexicano del Seguro Social Modalidad A) Aspirantes externos al Instituto Mexicano del Seguro Social	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode A) External candidates to the Mexican Social Security Institute
IMSS-03-005-B	Solicitud de ingreso a la carrera de licenciatura en enfermería en escuelas del Instituto Mexicano del Seguro Social Modalidad B) Aspirantes trabajadores del Instituto Mexicano del Seguro Social	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode B) Candidates workers of the Mexican Social Security Institute
IMSS-03-005-C	Solicitud de ingreso a la carrera de licenciatura en enfermería en escuelas del Instituto Mexicano del Seguro Social Modalidad C) Aspirantes hijos de trabajadores del Instituto Mexicano del Seguro Social	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode C) Candidates children of workers of the Mexican Social Security Institute
IMSS-03-006	Solicitud para que personal del área de la salud extra-institucional ingrese o realice programas de educación continua en el Instituto Mexicano del Seguro Social	Request for extra-institutional health area personnel enters or joins on-going education programs at the Mexican Social Security Institute
IMSS-03-007-A	Solicitud para que cirujanos dentistas ingresen como residentes de cirugía maxilofacial en el Instituto Mexicano del Seguro Social Modalidad A) Aspirantes mexicanos, externos al Instituto Mexicano del Seguro Social	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode A) Mexican candidates, external to the Mexican Social Security Institute
IMSS-03-007-B	Solicitud para que cirujanos dentistas ingresen como residentes de cirugía maxilofacial en el Instituto Mexicano del Seguro Social Modalidad B) Aspirantes extranjeros, externos al Instituto Mexicano del Seguro Social	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode B) Foreign candidates, external to the Mexican Social Security Institute
IMSS-03-007-C	Solicitud para que cirujanos dentistas ingresen como residentes de cirugía maxilofacial en el Instituto Mexicano del Seguro Social Modalidad C) Aspirantes trabajadores del Instituto Mexicano del Seguro Social	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode C) Candidates workers of the Mexican Social Security Institute
IMSS-03-007-D	Solicitud para que cirujanos dentistas ingresen como residentes de cirugía maxilofacial en el Instituto Mexicano del Seguro Social Modalidad D) Aspirantes hijos de trabajadores del Instituto Mexicano del Seguro Social	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode D) Candidates children of workers of the Mexican Social Security Institute
IMSS-03-008	Calificación y dictaminación de riesgos de trabajo	Appraisal and ruling on occupational risks
IMSS-03-009	Determinación del Estado de Invalidez	Establishing disability status
IMSS-03-010	Solicitud de dictamen de incapacidad para beneficiario hijo	Request for a ruling of disability for a beneficiary son or daughter

Code	Name in Spanish	Name in English
IMSS-03-011	Atención Médica en Unidades de Medicina Familiar	Medical care in Family Medicine Units (FMU)
IMSS-03-014	Prescripción médica de oxígeno domiciliario	Medical prescription of home oxygen
IMSS-03-019	Solicitud de Atención Médica Domiciliaria	Request for home medical care
IMSS-03-020	Solicitud de Expedición de Certificado de Defunción	Request for issuance of a death certificate
IMSS-04-001-A	Inscripción a Cursos y Talleres de Prestaciones Sociales Institucionales Modalidad A) Jubilado IMSS	Enrolment in Courses and Workshops on Institutional Social Benefits Mode A) IMSS retiree
IMSS-04-001-B	Inscripción a Cursos y Talleres de Prestaciones Sociales Institucionales Modalidad B) Pensionado IMSS	Enrolment in Courses and Workshops on Institutional Social Benefits Mode B) IMSS pensioner
IMSS-04-001-C	Inscripción a Cursos y Talleres de Prestaciones Sociales Institucionales Modalidad C) Voluntarios	Enrolment in Courses and Workshops on Institutional Social Benefits Mode C) Volunteers
IMSS-04-001-D	Inscripción a Cursos y Talleres de Prestaciones Sociales Institucionales Modalidad D) Persona con Discapacidad	Enrolment in Courses and Workshops on Institutional Social Benefits Mode D) Person with disability
IMSS-04-002-A	Uso de instalaciones de prestaciones sociales Modalidad A) Deportivas	Use of social benefits facilities Mode A) Sports
IMSS-04-002-B	Uso de instalaciones de prestaciones sociales Modalidad B) No Deportivas-Equip-Empresas	Use of social benefits facilities Mode B) Non-sports-Equipment-Companies
IMSS-04-002-C	Uso de instalaciones de prestaciones sociales Modalidad C) No Deportivas-No Equip-Empresas	Use of social benefits facilities Mode C) Non-sports-No Equipment-Companies
IMSS-04-002-D	Uso de instalaciones de prestaciones sociales Modalidad D) No Deportivas-Ciudadano Equipadas	Use of social benefits facilities Mode D) Non-sports-Citizen Equipped
IMSS-04-002-E	Uso de instalaciones de prestaciones sociales Modalidad E) No Deportivas-Ciudadano No Equipadas	Use of social benefits facilities Mode E) Non-sports-Citizen Not Equipped
IMSS-04-004	Reposición de credencial	Replacement of credential
IMSS-05-001	Servicio de Salas y Auditorios en la Unidad de Congresos CMN siglo XXI	Chambers and Auditoriums Service at the CMN Siglo XXI Convention Unit
IMSS-05-002	Servicios Funerarios en Velatorios	Funeral services in funeral homes
IMSS-05-003	Servicio de Hospedaje, Balneario y Campamento en Centros Vacacionales	Lodging, health resort and camping in vacation facilities
Opinión 32D	Opinión del Cumplimiento de Obligaciones fiscales en materia de Seguridad Social (32D)	Opinion on the fulfilment of fiscal obligations in the Social Security area (32D)
SIPARE	Sistema de Pagos Referenciados	Referenced Payments System
<b>Total: 87</b>		

## *Executive summary*

Since 2012, the Mexican Institute of Social Security (IMSS) has worked to simplify its administrative formalities, benefiting citizens and businesses. Administrative simplification has led to a reduction in the number of data requirements that users or businesses must submit as part of an administrative formality, the simplification of forms and the use of plain language, among others.

In 2013, the IMSS introduced the *Digital IMSS Strategy* to enhance simplification and to facilitate access to government procedures and services for users, pensioners, business owners and citizens. This strategy made it possible to carry out procedures and request services through the IMSS's web page or through a mobile application that is freely available for users with a smartphone.

This report measures the impact on citizens and businesses of improving 84 formalities of the IMSS. Out of all the formalities analysed, 31 can be carried out online, and three through the mobile application. Using an adaptation of the Standard Cost Model, which included the collection of 506 surveys from users of the formalities, the report shows that simplification and digitisation have generated a 25% to 40% reduction in administrative burdens.

Administrative burdens are measured through the monetisation of the time allocated by users (citizens or businesses) to the collection, preparation and submission of the information required by government offices.

The reduction of data requirements, the improvement of forms and the possibility of sending information remotely (through a computer or a smartphone) decreases the number of person-hours users must devote to a formality. The Standard Cost Model methodology assumes that the person-hours freed are reintegrated into the economy in more productive activities.

This study reports a range in the savings derived from the simplification and digitisation efforts carried out by IMSS between 2012 and 2017. Although the report concludes that the digitisation of procedures alone resulted in burden reduction, the evidence collected indicates that simplification actions, such as the elimination of data requirements, were also carried out, leading to further reductions. Therefore, the lower bound of burden reduction of 25% should be considered as a “starting point”, and it is likely that the actual savings are higher.

This 25% reduction compares favourably with the experiences reported by OECD member countries, which have established a goal for burden reduction of between 20% and 25%.

The administrative burdens that IMSS users face could be further reduced by 11%. This could be achieved by digitising an additional 27 formalities and increasing the take-up of digital formalities by users from 19% to 25.8%. These goals were defined by IMSS, and can be achieved over 2-4 years, taking into consideration the availability of resources and the capacity of users to migrate to digital modalities.

A broad scope simulation shows that IMSS could, eventually, reduce administrative burdens by 32%. To achieve these savings, it is necessary to digitise all 84 formalities included in this report and to have at least 66% of the users employing the digital modality of the formalities.

To achieve this objective, further efforts and resources are required. The time frame for this objective is likely to be of more than 5 years.

It is important to highlight that during the development of this report, IMSS made further progress in the simplification and digitisation of administrative formalities. Thus, it is possible that the actual savings in administrative simplification to date are greater than 25%.

To continue with administrative burden reduction, the OECD recommends that IMSS consider the following actions:

- Digitise 27 additional formalities and increase the proportion of users who employ digital formalities from 19% to 25.8%. This should lead to an additional 11% reduction of the administrative burdens.
- Prioritise simplification efforts in the following formalities, as they represent 82% of potential savings:
  - Request of certificate of validity of rights to receive medical services. Category B) Request by the insured or retired citizen (IMSS-02-020-B)
  - Referenced payment system (SIPARE)
  - Medical attention in the units of family medicine (IMSS-03-011)
  - Request or localisation of the social security number (IMSS-02-008)
- Define a strategic plan that identifies the challenges and necessary resources to achieve the goal of reducing administrative burdens by 32%.
- For the future, gather and systematically keep records of administrative improvement actions in order to have enough evidence that allows a more precise evaluation of the reforms.

## Chapter 1. Introduction to the improvement of procedures in the Mexican Institute of Social Security (IMSS)

*This chapter explains the importance and links between regulatory policy, administrative simplification and the improvement of regulatory procedures. It also describes the nature of administrative burdens generated by government procedures and how its measurement contributes to strengthen administrative simplification programmes. It explains the Standard Cost Model as a technique to measure administrative burdens. Finally, it identifies the IMSS procedures analysed in this report and provides a brief explanation of the methodology used to measure burdens. The annex includes a detailed description of the methodology.*

## Regulatory policy, administrative simplification and the improvement of procedures

The creation of a quality regulatory policy is essential for a society's welfare, market development and environmental wellness (OECD, 2011<sup>[1]</sup>). This requires that governments and regulatory bodies design policies to achieve the objectives that have been set out, without hampering development or economic growth. Hence, evaluating the regulatory stock is relevant as an essential part of the regulatory improvement process. The consistent elaboration of regulations and rules, the lack of modernisation of the government systems through information and communication technologies (ICTs) and the absence of systematic strategies to review the regulatory stock have brought about an increasing administrative burden of regulations. Therefore, it is very valuable to evaluate and simplify the procedures that citizens and companies have to carry out.

Consequently, administrative simplification is an instrument that fosters innovation, increases entrepreneurship and improves public governance, since it creates more effective tools to implement regulations (OECD, 2009<sup>[2]</sup>). OECD countries have widely adopted administrative simplification strategies (OECD, 2010<sup>[3]</sup>), using as one of their guidelines the Dutch experience, which includes the Standard Cost Model (SCM). Developed by the Netherlands, the SCM is a methodology that allows the quantification of administrative burden costs and savings generated by simplification.

The Mexican Institute of Social Security (IMSS) is a public institution in charge of providing social security services for rights-holders, retirees and beneficiaries of the rights-holders and pensioners. This is established by the Social Security Law in its article 2: "Social security aims to warrant the right to health, medical assistance, livelihood protection and social services required for individual and collective welfare, as well as to award a pension that, if applicable and subject to compliance with legal requirements, will be granted by the State".

This report estimates the savings in administrative burdens the IMSS has generated, for the benefit of citizens and companies, due to the efforts made to improve their procedures between 2012 and 2017, and calculates the potential of additional savings that could be achieved if the strategy of information on digital procedures is intensified and the digitalisation process continues.

The following section covers the concept of administrative burdens and explains the international practices followed to measure them.

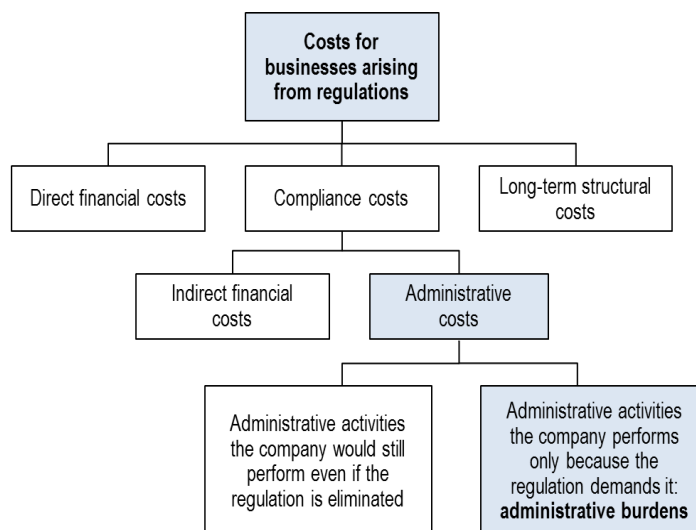
### Administrative burdens and the Standard Cost Model

#### *The nature of the administrative burdens*

The term administrative burden refers to the monetary value of time that citizens and entrepreneurs devote to comply with government procedures, which include filling out formats, gathering documents and other requirements, visiting government offices to inquire about the procedure, and the time needed to make the corresponding payments. The SCM methodology aims to measure the administrative burdens of the regulation in a standardised and cost-efficient manner, and makes it possible to focus administrative simplification and government efficiency efforts on the procedures that imply the greater burdens.

According to the SCM, companies face three types of costs arising from regulations: direct financial costs, compliance costs and long-term structural costs. Administrative costs are included in the compliance costs category (see Figure 1.1). The SCM only considers the administrative burdens companies face due to regulations, which are part of administrative costs.

**Figure 1.1. Costs for companies resulting from regulations**



Source: (SCM Network, n.d.<sup>[4]</sup>), *International Standard Cost Model Manual, Measuring and reducing the administrative burdens for business*, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

Costs for companies resulting from regulations are the following:

- **Direct financial costs:** Fiscal obligations the government demands to comply with regulations. That is, payment of rights, tariffs or rates users must settle in order to carry out the procedure.
- **Compliance costs:** These are all the costs necessary to comply with regulations. They are divided into two categories:
  - a. **Indirect financial costs:** Costs incurred to comply with the procedure requirements; they represent the amount of money with which it is possible to buy the equipment required to stick to regulations. An example of this type of cost is the adaptation of facilities that a company has to do in order to abide by Civil Protection Standards.
  - b. **Administrative costs:** These are the opportunity costs for undertaking procedures and are estimated as the lost wages due to the activities carried out in relation to the procedure submission. An example of these costs is the time the legal representative of the company dedicates to fill out the formats required to deliver accounting information reports.<sup>1</sup>
- **Long-term structural costs:** These are the costs related to structural changes (in activities, human resources and material resources) resulting from regulations. An example of these costs comes up when a threshold defined by a specific number of employees of a company is established, in order to comply with a regulation; thus, companies are stimulated to avoid increasing their size above the threshold, which

reduces the size of the average company in the economy and affects its performance.

- Regarding administrative costs that users afford to comply with regulations, it is necessary to distinguish between the administrative activities users undertake despite the regulation and those arising from regulatory demands.

To illustrate the difference, consider that the IMSS requests companies to have an electronic signature (*e.firma*) to carry out procedures on line. Therefore, in order to conduct the procedure Opinion on Compliance with Fiscal Obligations on Social Security Matters 32D (Opinion 32D), it is necessary to have the electronic signature. However, should a situation arise where this procedure is eliminated, the companies would continue to use the electronic signature to comply with procedures related to another government institution. That is, the electronic signature is an administrative cost the user will go on facing, even if the IMSS Opinion 32D procedure is eliminated. On the other hand, if the procedure requested a digital signature other than the *e.firma*, this would be eliminated upon derogation of the Opinion 32D procedure.

In line with the SCM methodology, the measurement of administrative burdens does not consider the direct financial costs that in this exercise refer to the payment of rights to comply with the regulation.

The calculation of administrative burdens is based on monetising the time devoted by citizens or companies to gather, prepare and deliver the information requested by regulatory authorities. The burdens are estimated building upon the time invested by users in activities required to carry out a procedure – the time to handle the procedure – multiplied by the cost related to the time invested by users based on their profile. The time cost is measured as the salary received by the company's employee or the salary the citizen does not receive due to the procedure's fulfilment.

For example, if a company needs authorisation so one of its employees may use the IMSS medical services in a Family Medicine Unit (FMU) other than his/her corresponding unit, administrative burdens derive from monetising the person-hours that the employees had to dedicate to carrying out the procedure. From information gathering and format filling, to visits to the public office, if the procedure is made in-person.

It is safe to assume that employees of the company with different profiles participated in this procedure. Thus, in this hypothetical procedure, if the general director devoted 2 hours to the procedure, the attorney 10 hours, the technical expert 8 hours, the secretary 9 hours, then the administrative burden for the company would be the result of multiplying the salary of each one of these people by each one of the hours invested:  $(MXN 251) \times (2) + (MXN 87) \times (10) + (MXN 60) \times (8) + (MXN 55) \times (9) = MXN 2\,347.00$ . If the company has to fulfil the procedure twice a year and there is a population of 5 000 similar companies, the total administrative burden in the economy generated by this procedure would be  $MXN 2\,347.00 \times 2 \times 5\,000 = MXN 23\,470\,000.00$ .

Therefore, the SCM monetarily quantifies the time invested by users in carrying out the procedures and identifies the most burdensome and the reason for it. This facilitates the prioritisation of administrative simplification efforts and the improvement of specific processes.

The SCM is a methodology developed by the Netherlands that has been broadly used in other OECD countries, such as the United Kingdom, Finland and Denmark, among others, to steer their administrative simplification efforts (OECD, 2010<sub>[3]</sub>). This report focuses on



providing useful information to help the IMSS continue implementing actions to simplify its procedures, and thus, in turn, increase the efficiency of its processes and reduce its own costs, as well as the costs for regulated citizens.

### *Administrative activities to measure burdens*

The SCM is a qualitative technique that considers the total time regulated subjects spend in the fulfilment of the procedure, in order to calculate administrative burdens. Consequently, it divides the fulfilment of the procedure into a range of measurable steps, known as standard activities. The model assumes that any person performs such standard activities in relation to all types of procedures and, as a result, it makes it possible to use the method in different countries and government levels, either in procedures that depend on a set of regulations or in a specific sector. Table 1.1 contains a list of standard activities used in this report.

When information on procedures users is gathered, it is necessary to ask them how much time they spend on each of the activities included in Table 1.1, in order to measure administrative burdens.

Therefore, the SCM helps measure the administrative consequences for users derived from the procedures and is currently the method most used for that purpose.

**Table 1.1. Standard administrative activities**

Activity
1. Identifying and understanding the procedure requirements.
2. Holding meetings with internal staff to prepare the information.*
3. Activities related to hiring and paying for external services to carry out the procedure.
4. Holding meetings with consultants or external services personnel to prepare for the procedure.
5. Collecting existent information.
6. Elaborating and generating new information.
7. Filling formats and/or elaborating requests and reports.
8. Creating and managing backup files (for example, logbooks, regular reports, electronic records, etc.).
9. Activities related to paying for the procedure, such as: paying directly at the institution, paying at the bank, paying in other offices, paying online.
10. Commuting to public offices to carry out the procedure (for example, collecting information, delivering the request).
11. Waiting at public offices to carry out the procedure.

\* Only measured in business procedures.

Source: Adapted from SCM Network (n.d.<sup>[4]</sup>), *International Standard Cost Model Manual, Measuring and reducing the administrative burdens for business*, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

### *Benefits and scope of the MCE*

The SCM measurements reveal the areas of the procedures in which it is possible to reduce administrative burdens. Given the orientation of the results, the SCM provides a baseline and is a source of simplification opportunities.

Adopting the SCM in the simplification process offers several advantages:

- It emphasises the elements of the regulation whose compliance is most cumbersome for users and identifies the total cost of administrative burdens.
- Measuring one baseline reveals where administrative burdens are generated during the companies' processes and shows where simplification can have more impact.

- Simplification efforts can be efficiently targeted classifying the sources of administrative burden and identifying which department/ministry is responsible of the burdensome regulation.
- The information gathered allows simulating how changes in regulation and procedures can affect the costs for users.
- The SCM can foster the exchange of data between government institutions.

The SCM focuses on offering a simplified and coherent methodology to calculate the administrative burdens government regulations impose on users. Such methodology adopts a pragmatic approach to measurement and offers coherent estimates in several areas of policy. Nevertheless, although the SCM offers advantages for the measurement of administrative burdens, it also has limitations. Box 1.1 contains a brief discussion on the scope and limitations of the SCM.

#### **Box 1.1. Scope and limitations of the SCM**

Although the SCM has advantages as a tool for administrative simplification, it also has limitations. The following is an analysis in this regard:

##### **What are the benefits of measuring administrative burdens, especially when the most burdensome formalities are already known?**

The SCM allows to: 1) identify why each procedure is burdensome for users, and 2) identify the best, more adequate and high-priority administrative simplification strategy.

##### **Is the measurement of the SCM statistically significant or does it consider representative samples of procedure users?**

The SCM is considered a qualitative and pragmatic exercise, with a methodology that is sufficiently solid to perform an approximate measurement of the administrative burdens that procedures generate for users. The SCM's methodology is not based on statistically representative samples of regulated subjects. In terms of costs, such an exercise would be very burdensome for the government.

Instead, the SCM methodology clearly identifies the groups of users of the formalities or services and, gathers information from them through surveys or focus groups. It identifies those who carry out the activities required to comply with the procedure within a reasonable period, that is, not very quickly nor very slowly (see below the section "Stage 2: Gathering and standardisation of data related to time and costs" of the SCM methodology).

##### **Does the SCM measure all costs resulting from the regulation, including the opportunity cost for the users due to the time spent waiting for an official answer?**

No, the SCM exclusively focuses on administrative burdens that are generated at the time of fulfilling the procedure; that is, on the time devoted to paperwork, information gathering and similar activities. There are alternative methodologies to measure other costs arising from regulations (OECD, 2014<sup>[5]</sup>).

Some OECD countries, such as Portugal (see Box 5.1), include as part of the total cost of the procedure the cost related to waiting for an official answer, also known as “opportunity cost”. However, such cost cannot be considered an administrative burden; it is the difference between the profits the company would obtain if it could receive the official government answer in less time or within the officially established time, and the profits it receives when it has to wait longer. Since profits depend on the capital return of the company, they differ between companies and depend on several assumptions, which complicates the measurement of the opportunity cost (OECD, 2014<sup>[5]</sup>).

**Is it absolutely necessary to gather information from regulated subjects on the procedures to measure administrative burdens?**

The basic principle of the SCM is identifying the factors that make a procedure burdensome for users. Therefore, one of the most reliable sources to gather the required information is the regulated subjects themselves. Nevertheless, the OECD recommends the following:

Governments must quantify administrative burdens and set quantitative goals for its reduction, before launching the project or during the process. However, quantification must be used cautiously considering efficiency. Qualitative methods, especially those that analyse inconvenience costs, must complement quantitative methods in order to focus efforts more adequately (OECD, 2010<sup>[3]</sup>).

The international experience of jurisdictions such as the European Commission and the United Kingdom shows that a measurement of the administrative burdens of all procedures – known as baseline – can be very burdensome. Therefore, it would be ideal to target efforts on priority processes or sectors to simplify.

Once public administrations have a background of critical information on administrative burdens based on the data gathered by users, some jurisdictions—such as Australia, the European Commission and the United Kingdom— choose to use such information to estimate the administrative burdens of other current or future procedures, as part of the Regulatory Impact Analysis exercise.

In contrast, in contexts such as the Czech Republic, where administrative burdens were measured only with information provided by public servants, the reliability of the data is a dilemma (OECD, 2010<sup>[3]</sup>).

**International experience shows that many countries have diverged from the methodology as established in the SCM Manual. Are these measurements valid?**

The OECD report *Why Is Administrative Simplification So Complicated* (OECD, 2010<sup>[3]</sup>) documents the administrative burdens reduction programmes undertaken by its member countries. Most of them implemented adaptations of the SCM methodology, whose differences in relation to the original methodology responded to national priorities, efficiency criteria or limitations as to available data. Although these differences complicate the international comparison of administrative burdens measurements results, the basic goal in each case was to target administrative simplification efforts on achieving the desired administrative burdens reductions, generally of 20%-25% of the total burdens.

The OECD also recommends its member countries to evaluate regulatory improvement policies to determine their impact and efficiency (OECD, 2012<sub>[6]</sub>); the OECD countries have the task of implementing the corresponding evaluations with the purpose of verifying if administrative burdens reduction programmes achieved their goals and if they require modifications to increase their efficiency and effectiveness.

Source: (OECD, 2014<sub>[5]</sub>), *OECD Regulatory Compliance Cost Assessment Guidance*, <http://dx.doi.org/10.1787/9789264209657-en>; (OECD, 2010<sub>[3]</sub>), *Why Is Administrative Simplification So Complicated?: Looking beyond 2010*, Cutting Red Tape, <http://dx.doi.org/10.1787/9789264089754-en>; (OECD, 2012<sub>[6]</sub>), *Recommendation of the Council on Regulatory Policy and Governance*, <http://dx.doi.org/10.1787/9789264209022-en>.

## The procedures in the Mexican Institute of Social Security

The IMSS procedures aim mainly at rights-holders that benefit from health services and/or that receive social security benefits or at companies that must comply with the regulations to register their employees as rights-holders. The IMSS is throughout the national territory, offering services in 283 hospitals and 1 129 Family Medicine Units (FMU) distributed in 35 regional delegations, as well as 3 718 IMSS-Prospera medical units. Additionally, it has 4 vacation centres, 1 367 day-care centres, 17 funeral homes and one Convention Unit at the Nacional Medical Center *Siglo XXI*, among other facilities.

This report measures the administrative burden of 87 procedures with its modes, selected by the IMSS through its administrative co-ordinations in March 2017. The 87 selected procedures grouped by co-ordinations are enlisted in Table 1.2. Table 1.4 shows the procedures complete with their name and code.

**Table 1.2. Total of selected procedures to measure administrative burdens by co-ordination at the IMSS**

Administrative unit	Number of selected procedures
Co-ordination of Companies Classification and Validity of Rights	22
Co-ordination of Economic Benefits	20
Co-ordination of Health Education	15
Co-ordination of Social Welfare	10
Co-ordination of Comprehensive Health Care at the First Level	4
Co-ordination of Day-care Services for Comprehensive Children Development	4
Co-ordination of Affiliation	3
Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores	3
Co-ordination of Collection	3
Co-ordination of Occupational Health	3
<b>Total</b>	<b>87</b>

It is important to mention that this exercise does not include all of the IMSS procedures, but only those proposed by the Normative Co-ordinations in several meetings with the OECD. On the other hand, some of them might not be valid and other digital procedures may have been released at the time of publication of this report.

Currently, rights-holders and/or companies can request IMSS services in four modes:

- In-person (visiting one of the offices or medical facilities)
- Through the Online (at the IMSS website: [www.imss.gob.mx](http://www.imss.gob.mx))
- Through the mobile application downloadable free of charge on any smartphone.
- Through the IMSS Call Centre.

Not all 87 selected procedures may be submitted in all modes. Currently some procedures can be carried out in all existing modes (for example, the *Medical Appointment* at the first level) and other procedures can only be submitted in one mode (for example, *Opinion 32D*, that is only submitted via the Online) or *Request for a retirement, unemployment at an advanced age or at old age pension* (which is only delivered in-person with physical formats at the IMSS service desks).

**Table 1.3. Summary of IMSS procedures by submission mode**

Number of procedures and their modes by administrative co-ordination

Administrative Unit	Total procedures	In person	Online	Mobile application
Affiliation	3	3	3	1
Comprehensive Health Care at the First Level	4	4	1	1
Social Welfare	10	10		
Collection	3	2	3	
Companies Classification and Validity of Rights	22	22	20	1
Vacation Facilities, Funeral Homes, Conferences Unit and Stores	3	3		
Health Education	15	15		
Economic Benefits	20	20		
Day-care services for Comprehensive Children Development	4	4	4	
Occupational Health	3	3		
<b>Total</b>	<b>87</b>	<b>86</b>	<b>31</b>	<b>3</b>

*Note:* Information submitted considering as the universe only the 87 procedures proposed by the IMSS.

In the last year, the digitalisation of IMSS procedures gained momentum; however, there are still many formalities that can only be carried out in person. Table 1.3 shows a summary of the progress in this digitalisation. Out of the 87 procedures analysed, 86 can be submitted in the in-person format, and one is submitted exclusively through the Online (*Opinion 32D*). Of all the procedures that were analysed, 31 can be fulfilled through the Online and three through the mobile application. Table 1.4 includes detailed information on each procedure.

**Table 1.4. IMSS procedures by submission mode**

Available modes

Code	Name	In person	Online	Mobile application
Constancia de Desempleo	Discharge certificate for unemployment retirement	√	√	
IMSS-01-001	Request for a disability pension	√		
IMSS-01-002	Request for an unemployment at and advanced age and old-age pension	√		

Code	Name	In person	Online	Mobile application
IMSS-01-003-A	Request for a widow or widower's pension Mode A) Widow-Wife or Common-law wife	√		
IMSS-01-003-B	Request for a widow or widower's pension Mode B) Widower-husband or Common-law husband	√		
IMSS-01-004-A	Request for an orphan's pension Mode A) Son or daughter under 16 years of age	√		
IMSS-01-004-B	Request for an orphan's pension Mode B) Son or daughter over 16-25 years old, student	√		
IMSS-01-004-C	Request for an orphan's pension Mode C) Son or daughter over 16 years old, disabled	√		
IMSS-01-005	Request for an ascendant's pension	√		
IMSS-01-006-A	Request for registration in an IMSS day-care centre Mode A) Of the worker registered at the IMSS under the mandatory regime	√	√	
IMSS-01-006-B	Request for registration in an IMSS day-care centre Mode B) Of the widower worker registered at the IMSS under the mandatory regime	√	√	
IMSS-01-006-C	Request for registration in an IMSS day-care centre Mode C) Of the divorced worker registered at the IMSS under the mandatory regime	√	√	
IMSS-01-006-D	Request for registration in an IMSS day-care centre Mode D) Of the worker that due to a court decision has parental authority and custody of a child registered at the IMSS under the mandatory regime	√	√	
IMSS-01-009	Request for help for marriage expenses	√		
IMSS-01-010	Request for help for funeral expenses	√		
IMSS-01-015	Request for a loan against a pension under the 1973 Social Security Law regime	√		
IMSS-01-016	Request for a permanent disability pension	√		
IMSS-01-018	Request for a retirement pension	√		
IMSS-01-020	Request for the execution of an indirect payment agreement and subsidies reimbursement	√		
IMSS-01-022	Request for a retirement, unemployment at an advanced age or at old age pension through the transfer of IMSS- ISSSTE rights	√		
IMSS-01-029-A	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode A) By the pensioner	√		
IMSS-01-029-B	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode B) By third parties, in case of death of the pensioner	√		
IMSS-01-031	Request for modification of pension due to facts that influence the calculations, the amount paid for the pension or correction of name	√		
IMSS-01-034-A	Request for modification of severance pension Mode A)	√		
IMSS-01-034-B	Request for modification of severance pension Mode B) Settlement of an orphan child for complying with law provisions	√		
IMSS-02-001-A	Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode A) For an individual	√	√	
IMSS-02-001-C	Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode C) For a juridical person	√	√	
IMSS-02-008	Request for assignation or tracking of social security number	√	√	√
IMSS-02-019-A	Authorisation of service in a foreign district Mode A) Upon request of the employer or obligated subject	√	√	

Code	Name	In person	Online	Mobile application
IMSS-02-019-B	Authorisation of service in a foreign district Mode B) Upon request of the rights-holder or pensioner	√	√	
IMSS-02-020-B	Request for validity certificate of rights to receive medical services Mode B) Upon request of the rights-holder or pensioner	√	√	
IMSS-02-025-A	Request for certificate of acknowledged weeks Mode A) Certificate of acknowledged weeks in the IMSS	√	√	√
IMSS-02-025-B	Request for certificate of acknowledged weeks Mode B) Certificate of acknowledged periods IMSS-ISSSTE	√		
IMSS-02-025-C	Request for certificate of acknowledged weeks Mode C) Certificate of listed weeks at the IMSS	√		
IMSS-02-066-A	Request for registration and updating of rights-holders Mode A) For registration of wife or husband	√	√	
IMSS-02-066-B	Request for registration and updating of rights-holders Mode B) For updating wife or husband's data	√	√	
IMSS-02-066-C	Request for registration and updating of rights-holders Mode C) For de-registration of wife or husband	√	√	
IMSS-02-066-D	Request for registration and updating of rights-holders Mode D) For registration of common-law wife or husband	√	√	
IMSS-02-066-E	Request for registration and updating of rights-holders Mode E) For updating common-law wife or husband's data	√	√	
IMSS-02-066-F	Request for registration and updating of rights-holders Mode F) For de-registration of common-law wife or husband	√	√	
IMSS-02-066-G	Request for registration and updating of rights-holders Mode G) For registration of the father or mother	√	√	
IMSS-02-066-H	Request for registration and updating of rights-holders Mode H) For updating father or mother's data	√	√	
IMSS-02-066-I	Request for registration and updating of rights-holders Mode I) For de-registration of father or mother	√	√	
IMSS-02-066-J	Request for registration and updating of rights-holders Mode J) For registration of the son or daughter	√	√	
IMSS-02-066-K	Request for registration and updating of rights-holders Mode K) For de-registration of son or daughter's data	√	√	
IMSS-02-066-L	Request for registration and updating of rights-holders Mode L) For de-registration of son or daughter	√	√	
IMSS-02-066-M	Request for registration and updating of rights-holders Mode M) For registration of the rights-holder or pensioner	√	√	
IMSS-02-066-N	Request for registration and updating of rights-holders Mode N) For updating rights-holder or pensioner's data	√	√	
IMSS-02-066-O	Request for registration and updating of rights-holders Mode O) For de-registration of rights-holder or pensioner	√	√	
IMSS-02-096	Request for information on debit status	√	√	
IMSS-03-001	Request for clinical fields and locations for clinical cycles, medical internship and social service for educational institutions that offer careers in the health area	√		
IMSS-03-002-A	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode A) Candidates external to the IMSS for direct entry specialties	√		
IMSS-03-002-B	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode B) Candidates IMSS workers for direct entry specialties	√		
IMSS-03-002-C	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode C) Candidates children of IMSS workers for direct entry specialties	√		
IMSS-03-003-A	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode A) Candidates for direct entry specialties	√		



Code	Name	In person	Online	Mobile application
IMSS-03-003-B	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode B) Candidates for branch specialties	√		
IMSS-03-004	Request for partial rotations in the Mexican Social Security Institute of resident doctors from other institutions	√		
IMSS-03-005-A	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode A) External candidates to the Mexican Social Security Institute	√		
IMSS-03-005-B	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode B) Candidates workers of the Mexican Social Security Institute	√		
IMSS-03-005-C	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode C) Candidates children of workers of the Mexican Social Security Institute	√		
IMSS-03-006	Request for extra-institutional health area personnel enters or joins on-going education programs at the Mexican Social Security Institute	√		
IMSS-03-007-A	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode A) Mexican candidates, external to the Mexican Social Security Institute	√		
IMSS-03-007-B	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode B) Foreign candidates, external to the Mexican Social Security Institute	√		
IMSS-03-007-C	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode C) Candidates workers of the Mexican Social Security Institute	√		
IMSS-03-007-D	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode D) Candidates children of workers of the Mexican Social Security Institute	√		
IMSS-03-008	Appraisal and ruling on occupational risks	√		
IMSS-03-009	Establishing disability status	√		
IMSS-03-010	Request for a ruling of disability for a beneficiary son or daughter	√		
IMSS-03-011	Medical care in Family Medicine Units (FMU)	√	√	√
IMSS-03-014	Medical prescription of home oxygen	√		
IMSS-03-019	Request for home medical care	√		
IMSS-03-020	Request for issuance of a death certificate	√		
IMSS-04-001-A	Enrolment in Courses and Workshops on Institutional Social Benefits Mode A) IMSS retiree	√		
IMSS-04-001-B	Enrolment in Courses and Workshops on Institutional Social Benefits Mode B) IMSS pensioner	√		
IMSS-04-001-C	Enrolment in Courses and Workshops on Institutional Social Benefits Mode C) Volunteers	√		
IMSS-04-001-D	Enrolment in Courses and Workshops on Institutional Social Benefits Mode D) Person with disability	√		
IMSS-04-002-A	Use of social benefits facilities Mode A) Sports	√		
IMSS-04-002-B	Use of social benefits facilities Mode B) Non-sports-Equipment-Companies	√		
IMSS-04-002-C	Use of social benefits facilities Mode C) Non-sports-No Equipment-Companies	√		
IMSS-04-002-D	Use of social benefits facilities Mode D) Non-sports-Citizen Equipped	√		
IMSS-04-002-E	Use of social benefits facilities Mode E) Non-sports-Citizen Not Equipped	√		



Code	Name	In person	Online	Mobile application
IMSS-04-004	Replacement of credential	√		
IMSS-05-001	Chambers and Auditoriums Service at the CMN Siglo XXI Convention Unit	√		
IMSS-05-002	Funeral services in funeral homes	√		
IMSS-05-003	Lodging, health resort and camping in vacation facilities	√		
Opinión 32D	Opinion on the fulfilment of fiscal obligations in the Social Security area (32D)		√	
SIPARE	Referenced Payments System	√	√	
<b>Total: 87</b>		<b>86</b>	<b>31</b>	<b>3</b>

## Methodology used to measure administrative burdens

This report provides the results of the measurement of administrative burdens generated by IMSS procedures, through an adaptation of the SCM. Table 1.5 includes a summary of the methodology used, based on the SCM. Annex 1.A. includes a broader section on methodological aspects.

**Table 1.5. Summary of the methodology used to measure administrative burdens**

<b>1. Selection of procedures to conduct surveys</b>	<p>The total number of procedures subject to the measurement of administrative burdens is 87, and they can be carried out in up to four formats: in person, online, by telephone and through a mobile application (see Table 1.3 and Table 1.4).</p> <p>The variable code to measure administrative burdens is the time users devote to fulfil the procedure, that is, the time it took to carry it out. Thirty procedures were selected to measure the handling times through direct surveys to citizens and entrepreneurs (hereafter, procedures through surveys), and, based on this information, estimate the handling time for the remaining procedures. The purpose was to select representative IMSS procedures, in order to be able to take this data into account to estimate handling times of the remaining procedures with quantitative and qualitative methods.</p> <p>The selection of the 30 procedures through surveys was based on criteria related to the complexity, the frequency and, most of all, the availability of information and the users that previously carried them out.</p> <p>Nonetheless, out of the 30 procedures through surveys, information was obtained only from 28 (see Annex Table 1.A.5 for a list of these procedures).</p> <p>For further details, see steps 1-9 of the SCM Manual, described in Annex 1.A.</p>
<b>2. Collecting information on the procedures</b>	<p>The first round of collection of information on the 87 IMSS procedures consisted in interviewing the IMSS government officers responsible of their handling. The purpose was to gather basic information about the procedures and their administration and operation.</p> <p>For further details, see steps 1-9 of the SCM Manual, described in Annex 1.A.</p>
<b>3. Identification of similar and independent procedures</b>	<p>Out of the procedures that were not measured through direct surveys, two subgroups were identified. During the initial analysis, in the interviews with public servants, groups of procedures with similar or basically similar requirements were identified. Therefore, it was concluded that they impose practically the same administrative burdens on the users, and the decision was made that for these procedures subgroups a technique that directly extrapolates the value of time taken to handle the closest procedures measured through surveys (hereafter, similar procedures) would be used (see Annex Table 1.A.15 for a list of these procedures).</p> <p>Procedures with requirements completely different, in global terms, to any other procedure (hereinafter, independent procedures). For the independent procedures subgroup quantitative techniques were used to estimate the handling times, using as an input the information on the procedures through surveys (see Annex Table 1.A.24 for a list of these procedures).</p> <p>For further details, see steps 10-14 of the SCM Manual, described in Annex 1.A.</p>
<b>4. Collection of direct surveys to users</b>	<p>To collect procedures through surveys, the interviews were limited to users that carried out the procedure in 2016 and for the different submission modes: Online, mobile application, by telephone and in person.</p> <p>A total of 506 interviews were conducted for the 28 procedures through surveys. The number of surveys per procedure is shown in Annex Table 1.A.12.</p> <p>For further details, see steps 10-13 of the SCM Manual, described in Annex 1.A.</p>

### 5. Calculation of administrative burdens

In general terms, the unitary administrative burden was a result of multiplying the handling time by the salary or opportunity cost of the procedure users. Annex Table 1.A.12 shows specific formulae for each procedure.

In procedures through surveys, the handling time used was the average of the findings collected that fulfilled the **normally efficient company** criteria. That is, extreme findings were eliminated, since the target is companies and citizens that do not carry out the procedure very quickly or very slowly, but those who do it at an intermediate speed.

For similar procedures, the assigned handling time corresponds to the nearest time to carry out the procedure. For independent procedures, the handling time using a series of statistical techniques that relate to the type of information and documents requested in the procedures, with the handling time was estimated. In both cases the procedures through surveys data was used as a source of information.

Total administrative burdens arise from multiplying the unitary administrative burden by the population of companies or citizens that carried out the procedure in 2017. The total burdens of only 84 out of the total procedures were estimated, since three procedures do not have registration of the total population for the year being analysed (see Annex Table 1.A.25 for a list of procedures lacking data regarding the population).

For further details, see step 14 of the SCM Manual, described in Annex 1.A.

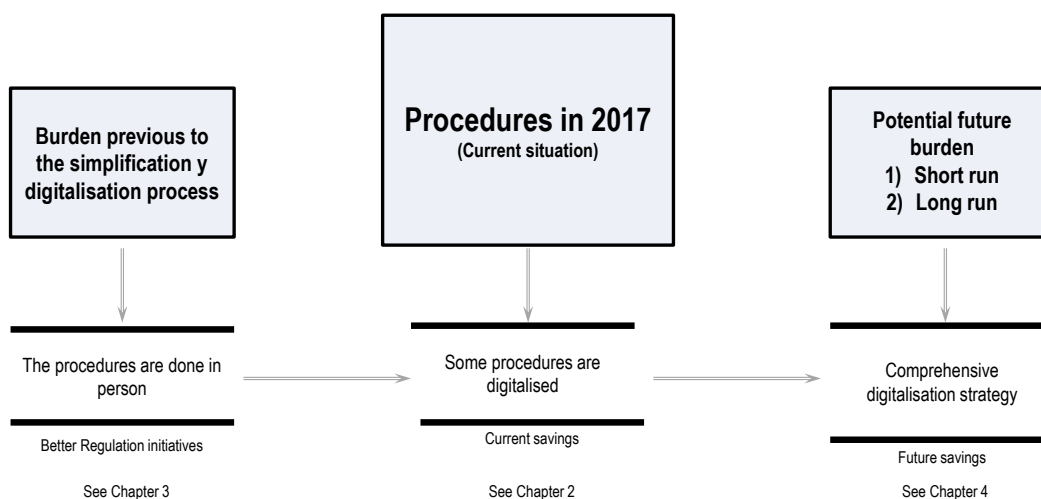
Unitary and total administrative burdens are shown in the following chapter.

## Reader's roadmap

Figure 1.2. offers a reader's road map on the results included in this report, which considers 2017 figures that served as the basis to identify the administrative burdens of IMSS procedures, included in Chapter 2. This digitalisation generates savings in administrative burdens that have benefited users. Chapter 3 includes the estimation of these savings. Chapter 4 contains estimations of the potential additional reduction of these burdens the IMSS could achieve should it continue promoting the use of digital formalities, as well as the simplification and digitalisation of additional procedures.

It is worth highlighting that, to date and during the execution of this report, the IMSS continued working on such simplification and digitalisation processes.

**Figure 1.2. Roadmap of the results of this report**



## Summary of the key messages included in this chapter

- The consistent elaboration of regulations and standards, the little use of information and communication technologies (ICTs) in government systems and the absence of systematic strategies to review the regulatory stock have brought about an

increasing administrative burden of regulations. Therefore, the evaluation and simplification of procedures that citizens and companies have to carry out are very valuable.

- The term administrative burdens refers to the monetary value of the time devoted by citizens and entrepreneurs to comply with government procedures, which include filling out formats, gathering documents and other requirements, visiting government offices to inquire about the procedure, and the time needed to make the required payments.
- The SCM is a methodology that aims at measuring the administrative burdens of regulations in a standardised and cost-efficient manner, and makes it possible to address administrative simplification and government efficiency improvement efforts to the procedures that imply the greater burdens.
- The calculation of administrative burdens is based on monetising the time devoted by citizens or companies to gather, prepare and deliver the information requested by regulatory authorities. Burdens are estimated building upon the time invested by users in activities required to carry out a procedure —the time to handle the procedure— multiplied by the cost related to the time invested by users based on their profile. The time cost is measured as the salary received by the company’s employee or the salary the citizen does not receive due to the procedure’s fulfilment.
- Therefore, the SCM monetarily quantifies the time invested by users in carrying out the procedures and identifies the most burdensome and the reason for it. This facilitates the prioritisation of administrative simplification efforts and the improvement of specific processes.
- This report measures the administrative burdens of 87 IMSS procedures. IMSS rights-holders or companies can currently submit their procedures or requests for services using four modes: in-person in one of the offices or medical facilities, through an Online portal, through a mobile downloadable free of charge on any smartphone or through the IMSS Call Centre.
- Of all analysed procedures, 86 can be carried out in person, 31 through the Online and three through the mobile application.
- 504 surveys were applied to users of 28 of the 87 procedures, to measure administrative burdens and the handling time invested in carrying out the procedure. Administrative burdens were calculated using the information gathered as well as qualitative and quantitative techniques.

## Note

<sup>1</sup> The waiting time for the procedure request, within the official deadlines or within time frames that exceed the official time, also implies costs for the companies, since it represents “opportunity costs”. Nevertheless, the SCM does not take these costs into consideration since they do not represent administrative burdens. Also, in order to estimate them, it is necessary to have information on the cost-effectiveness of the company, since lost profits while waiting from a government answer must be calculated, which hampers a solid estimate. See Box 1.1 for a discussion on the reach and limitations of the SCM.

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## Annex 1.A. Stages of the administrative burdens measurement in line with the Standard Cost Model (SCM) Manual

This section explains the stages and the steps required to measure administrative burdens in line with the SCM Manual guidelines, as well as adaptations made for each step for the purposes of this report. Annex Table 1.A.1. contains a summary of such stages and steps.

**Annex Table 1.A.1. Stages and steps of the SCM**

Stages and steps
<b>Stage 1. Preparatory analysis</b>
<ul style="list-style-type: none"> <li>Step 1. Identification of the information obligations, data requests and administrative activities</li> <li>Step 2. Identification of related regulations</li> <li>Step 3. Classification of information obligations by type</li> <li>Step 4. Identification of pertinent entrepreneurial segments</li> <li>Step 5. Identification of the population, rate and frequency</li> <li>Step 6. Interviews with companies versus expert evaluation</li> <li>Step 7. Identification of pertinent parameters to calculate costs</li> <li>Step 8. Preparation of the questionnaire for the interview</li> <li>Step 9. Expert review of steps 1-8</li> </ul>
<b>Stage 2: Obtaining and standardising data related to time and costs</b>
<ul style="list-style-type: none"> <li>Step 10. Selection of representative companies to be interviewed</li> <li>Step 11. Interviews with the companies</li> <li>Step 12. Elaboration and standardisation of time and resources estimates for each segment per activity</li> <li>Step 13. Expert review of steps 10-12</li> </ul>
<b>Stage 3: Calculation, outreach and reports</b>
<ul style="list-style-type: none"> <li>Step 14. Extrapolation of validated data</li> <li>Step 15. Information and transfer to database</li> </ul>

Source: Adapted from SCM Network (n.d.), *International Standard Cost Model Manual, Measuring and reducing the administrative burdens for business*, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

### Stage I. Preparatory analysis

This stage includes the analysis leading to the information gathering and administrative burdens estimate stages. It identifies the procedures to be analysed and shows the strategy used to gather information on how to comply with such regulation. The information collected in this stage was used to define the scope of the recommendations.

First of all, the IMSS already had a procedures inventory, therefore it was not necessary to define regulations or to identify the procedures arising from them. Instead, the procedures considered by the IMSS as relevant in terms of burden measurement were identified. Chapter 3 shows the list of procedures and the unit responsible for each one of them. The procedures are identified through the code granted by the (National Commission of Regulatory Improvement – CONAMER, previously COFEMER).

The OECD identified 182 IMSS procedures subject to cost calculation, aimed at rights-holders, employers (companies) and the general public. During this process, the IMSS proposed that the cost calculation focused on 87 procedures, set out by each of the responsible areas.

This stage consisted in interviewing public servants in charge of the 87 procedures proposed by the IMSS with the purpose of gathering detailed information to select a sample that would be measured using direct surveys with users. The information provided by users would then be used to select a group of procedures that would represent the proposed universe and would help measure the burden of the remaining procedures.

### ***Step 1. Identification of information obligations, data requests and administrative activities***

This review estimates the total or unitary burden of 87 procedures distributed in 10 units or co-ordinations, based on Annex Table 1.A.2. Table 1.4 shows a complete list of the procedures by name and code.

**Annex Table 1.A.2. Total procedures to measure by IMSS administrative unit**

Mexican Institute of Social Security (IMSS)	
Administrative unit	Number of procedures
Co-ordination of Companies Classification and Validity of Rights	22
Co-ordination of Economic Benefits	20
Co-ordination of Day-care Services for Comprehensive Children Development	4
Co-ordination of Affiliation	3
Co-ordination of Collection	3
Co-ordination of Health Education	15
Co-ordination of Occupational Health	3
Co-ordination of Comprehensive Health Care at the First Level	4
Co-ordination of Social Welfare	10
Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores	3
<b>Total</b>	<b>87</b>

Box 1.A.1 contains the definitions of information obligations, data requirements and administrative activities in line with the SCM methodology. Using these definitions, the decision was made to use IMSS procedures as an equivalent to information obligations. Thus, the report would focus on administrative burdens imposed by IMSS procedures to their regulated subjects and/or users.

#### **Annex Box 1.A.1. Definition of information obligations, data requirements and administrative activities**

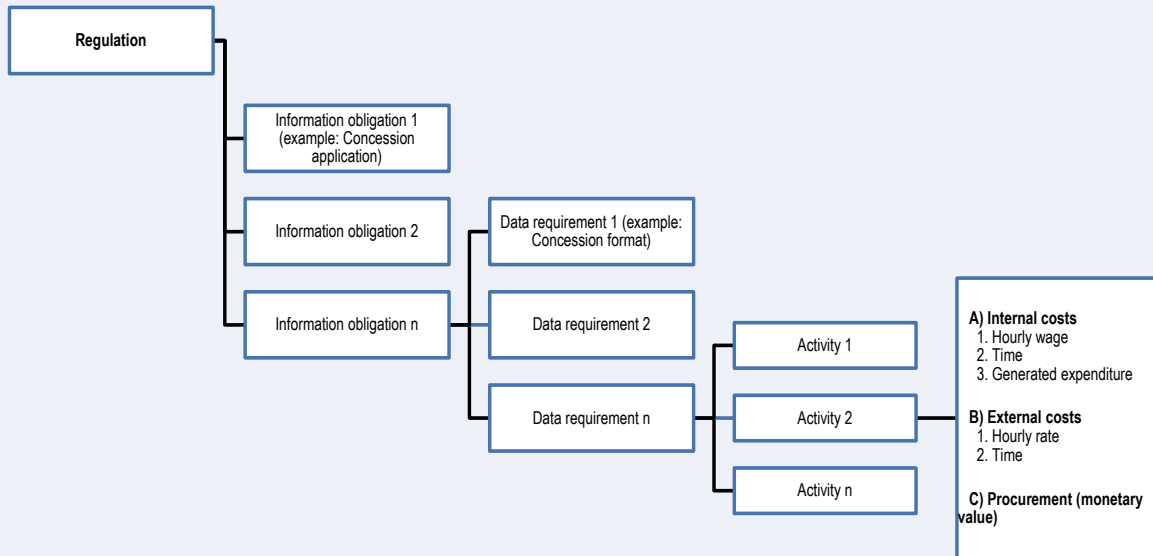
**Information obligations:** These are the requirements arising from regulations that imply providing information and data to the public sector or to third parties.

**Data requirements:** Each information obligation consists of one or more data requirements. The term data requirement means each information item that must be provided when complying with an information obligation (IO).

**Administrative activities:** Several specific activities have to be performed in order to deliver pertinent information for each data requirement. The SCM calculates the costs involved in carrying out each activity.

The following figure shows the SCM’s basic structure:

**Annex Figure 1.A.1. Basic structure of the SCM**



Source: Adapted SCM Network (n.d.), *International Standard Cost Model Manual, Measuring and reducing the administrative burdens for business*, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

Based on the definitions provided by the SCM methodology, data requirements were identified from the information that the IMSS requires from its users to carry out each one of the procedures, which includes attached documents.

Once the data requirements were identified, the following task was to categorise the administrative activities that users must perform to fulfil such requirements. Finally, the former will be validated during the interviews with employers (companies), rights-holders and citizens described in step 11. The administrative activities used for this report are included in Annex Table 1.A.3.<sup>1</sup>

**Annex Table 1.A.3. Standard administrative activities for procedures handling**

Activity
1. Identifying and understanding the procedure requirements.
2. Holding meetings with internal staff to prepare the information.*
3. Activities related to hiring and paying for external services to carry out the procedure.
4. Holding meetings with consultants or external services personnel to prepare for the procedure.
5. Collecting existent information.
6. Elaborating and generating new information.
7. Filling formats and/or elaborating requests and reports.
8. Creating and managing backup files (for example, logbooks, regular reports, electronic records, etc.).



- |   |
|---|
| 9. Activities related to paying for the procedure, such as: paying directly at the institution, paying at the bank, paying in other offices, paying online. |
| 10. Commuting to public offices to carry out the procedure (for example, collecting information, delivery of request).                                      |
| 11. Waiting at public offices to carry out the procedure.   |

\* Only measured in business procedures.

Source: Adapted from SCM Network (n.d.), “International Standard Cost Model Manual, Measuring and reducing the administrative burdens for business”, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

The identification of administrative activities aims at helping understand the process users must follow for each formality. The burden of each procedure is estimated based on the time users devote to these standard activities.

### ***Step 2. Identification of related regulations***

When analysing any standard cost calculation it is important to clarify if the administrative costs of an information obligation or data requirement are attributable to one or more regulations. If administrative costs are attributable to two or more regulations, it is essential to warrant that they are counted only once, as long as they do not have to be delivered twice or more times. This means avoiding double counting if the institution indeed registers information and does not request it for other procedures.

In this particular instance, the request for information or data for each procedure is already handled by the IMSS, which is why a simplification and digitalisation process in a shared platform could have great benefits.

### ***Step 3. Classification of information obligations by type***

To have a better perspective on the origin of costs, procedures can be classified according to their condition (for example: mandatory, inherent to specific circumstances or voluntary), or else, according to its function (for example: complaints, notifications, requests, etc.). Identifying the possible classifications of procedures makes it possible to select those that will be directly measured through surveys for users and, consequently, will be more adequately measured drawing on quantitative techniques for the remaining procedures.

At the IMSS, most procedures are associated with requests for the services it provides; therefore, they can be considered inherent to specific or voluntary circumstances, with the exception of business procedures.

### ***Step 4. Identification of relevant business segments***

When the regulation that creates a procedure identifies specific characteristics of the companies that must carry it out, it is advisable to determine the relevant business segment for a better measurement of the costs. This would be the case when dealing with regulations that only apply to small and medium companies and/or non-profit organisations. However, these clarifications impose a cost on the project in financial terms and in time, since identifying in greater detail the burden requires more information, time and investment.

This report measures administrative burdens without distinction in terms of the size or the type of the applicant company, since differences in salary already include a specific for such distinctions. The purpose is to establish a baseline to follow up on the simplification and digitalisation efforts. On the other hand, the exercise does distinguish between procedures addressed to the industrial sector and those focused on citizens (see step 7).



### *Step 5. Identification of the population, rate and frequency*

In step 5 it is necessary to define the following concepts:

- Identify the **population** for each procedure
- Establish the **compliance rate** for each procedure
- Determine the **frequency** of submission of requests for each procedure

Each regulation or procedure has a population that shows how many companies and/or citizens are affected by it. In this case, the population means the users that must comply with the procedures or who request IMSS services.

In this report, **population** refers to the number of requests submitted to the IMSS during 2017 for each one of the selected procedures, through different modes (in-person, Online, telephone and/or mobile application).

**Frequency** indicates how many times a year must the procedure be fulfilled. In some occasions, frequency can be figured out based directly on the regulation. For example, companies pay employer-employee contributions every month through the Referenced Payments System (SIPARE). As to citizen procedures or procedures arising from IMSS services, frequency is a non-relevant concept, since these services are requested at the convenience of rights-holders.

With regards to the IMSS, what was measured was the number of procedures submitted by users and handled by the IMSS during 2017. The advantage of this metric is that it outlines more precisely the reality about IMSS administrative burdens, since it considers the procedures that were actually carried out. Its disadvantage is that it does not identify the **compliance rate**, that is, the IMSS effectiveness or capacity to make companies comply with the regulation to which they are subject, in relation to business procedures.

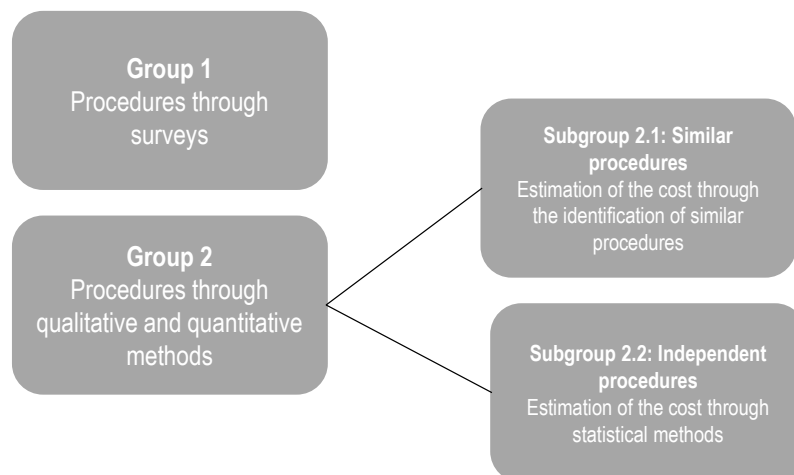
### *Step 6. Interviews with companies and citizens versus expert evaluation*

According to the SCM Manual, in order to decide on the method to identify administrative burdens, it is necessary to specify the criteria: for example, interviewing the users of the procedures, using expert evaluation, among others.

The methodological foundation to identify administrative burdens at the IMSS was to gather information in direct interviews with companies and citizens. The interview intends to obtain information on the users' experience, in terms of the time devoted to comply with procedures to accede to services or comply with regulations (handling time). Afterwards, the handling time would be multiplied by the opportunity cost of each user participating in the procedure.

Surveys were administered considering a sample of pre-defined procedures (Group 1: Procedures through surveys) in order to gather relevant information that allows to: 1) measure the average handling time of each procedure in this set and 2) estimate the time of those procedures that were not selected to carry out interviews (Group 2). The estimation and identification of time of Group 2 used qualitative methods (Subgroup 2.1: Similar procedures) and quantitative means (Subgroup 2.2: Independent procedures). See Annex Figure 1.A.2 for the classification of procedures according to the measurement method of administrative burdens. These methods are explained in the Stage 3 section.

**Annex Figure 1.A.2. Procedures classification, according to the method used to assign the administrative burden**



The selection of procedures through surveys (Group 1) focused on collecting information on all types of processes, units, formats, etc., present in the IMSS' operational process. The following are the criteria used to select such procedures.

- Administrative unit.
- Type of applicant:
  - Citizen.
  - Company.
- Requirements according to the procedures catalogue.
- Type of procedure:
  - Request.
  - Notice.
  - Opinion.
  - Certificates.
  - Registration.
  - Authorisation.
  - Affiliation.
  - Services.
- Representative procedures of each subgroup by similarity.

The process to select procedures subject to a collection through interviews accounted for 30 procedures for Group 1. As a result, in Group 2, the total procedures subject to an extrapolation process would be 57.

During the interviewing process, it was not possible to gather information on two procedures since no users were identified. Hence, Group 1 procedures amounted to 28. Annex Table 1.A.4 shows the burden measurement plan, according to the methodology type.

**Annex Table 1.A.4. Burdens measurement plan according to the methodology type**

Procedures through surveys (Group 1)	Procedures to measure with qualitative and quantitative methods (Group 2)
Original plan: 30 procedures	57 procedures
Executed plan: 28 procedures	59 procedures

Annex Table 1.A.5 shows the distribution of procedures selected to be directly measured according to the administrative unit.

**Annex Table 1.A.5. Procedures to analyse through direct users surveys (Group 1)**

Administrative unit and name of the procedure	Code
<b>Co-ordination of Companies Classification and Validity of Rights</b>	
Request for validity certificate of rights to receive medical services Mode B) Upon request of the rights-holder or pensioner	IMSS-02-020-B
Request for certificate of acknowledged weeks Mode A) Certificate of acknowledged weeks in the IMSS	IMSS-02-025-A
Request for certificate of acknowledged weeks Mode C) Certificate of listed weeks at the IMSS	IMSS-02-025-C
Request for registration and updating of rights-holders Mode A) For registration of wife or husband	IMSS-02-066-A
Request for registration and updating of rights-holders Mode B) For updating wife or husband's data	IMSS-02-066-B
Request for registration and updating of rights-holders Mode M) For registration of the rights-holder or pensioner	IMSS-02-066-M
<b>Co-ordination of Economic Benefits</b>	
Request for an unemployment at and advanced age and old-age pension	IMSS-01-002
Request for a widow or widower's pension Mode A) Widow-Wife or Common-law wife	IMSS-01-003-A
Request for help for marriage expenses	IMSS-01-009
Request for a loan against a pension under the 1973 Social Security Law regime	IMSS-01-015
Request for a permanent disability pension	IMSS-01-016
Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode A) By the pensioner	IMSS-01-029-A
Request for modification of pension due to facts that influence the calculations, the amount paid for the pension or correction of name	IMSS-01-031
Request for modification of severance pension Mode B) Settlement of an orphan child for complying with law provisions	IMSS-01-034-B
<b>Co-ordination of Health Education</b>	
Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode A) Candidates external to the IMSS for direct entry specialties	IMSS-03-002-A
Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode A) Mexican candidates, external to the Mexican Social Security Institute	IMSS-03-007-A
<b>Co-ordination of Social Welfare</b>	
Enrolment in Courses and Workshops on Institutional Social Benefits Mode B) IMSS pensioner	IMSS-04-001-B
<b>Co-ordination of Day-care Services for Comprehensive Children Development</b>	
Request for registration in an IMSS day-care centre Mode A) Of the worker registered at the IMSS under the mandatory regime	IMSS-01-006-A
<b>Co-ordination of Comprehensive Health Care at the First Level</b>	
Medical care in Family Medicine Units	IMSS-03-011
Request for issuance of a death certificate	IMSS-03-020
<b>Co-ordination of Occupational Health</b>	
Appraisal and ruling on occupational risks	IMSS-03-008
Establishing disability status	IMSS-03-009
<b>Co-ordination of Collection</b>	
Opinion on the fulfilment of fiscal obligations in the Social Security area (32D)	Opinión 32D
Referenced Payments System	SIPARE

Administrative unit and name of the procedure	Code
<b>Co-ordination of Vacation Facilities, Funeral Homes, Conferences Unit and Stores</b>	
Funeral services in funeral homes	IMSS-05-002
Lodging, health resort and camping in vacation facilities	IMSS-05-003
<b>Co-ordination of Affiliation</b>	
Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode C) For a juridical person	IMSS-02-001-C
Request for assignation or tracking of social security number	IMSS-02-008

Another important factor to consider is that the IMSS has four channels to submit a procedure: in-person, Online, mobile application and telephone. However, not all channels are available for all procedures, since the IMSS digitalisation strategy has progressed gradually. Nevertheless, information was gathered in each one of the existing modes for the 28 procedures whose cost was estimated through interviews. This is important because it allows information on each submission channel for the extrapolation process.

### *Step 7. Identification of pertinent parameters to calculate costs*

To estimate the administrative burden of each procedure it is necessary to be aware of the time companies, citizens or rights-holders dedicate to comply with standard activities – the handling time – and identify the internal and external costs of such time, plus the material inputs exclusively used to carry out procedures.

Internal handling time costs refer to the average salary paid to the company's staff and the opportunity cost for the citizens who undertake the standard administrative activities included in step 1. In both cases – citizens and companies users – it is essential to include the handling time of all people participating in the execution of the procedure, which will be multiplied by the salary or opportunity cost of each profile.

The IMSS users or obligated subjects can be employers (companies), rights-holders or citizens, so it is important to mention that the universe of procedures was divided in this first category to locate the cost.

Regarding business formalities, the staff who would potentially work on managing them was classified in four categories, based on information provided by the National System of Occupations Classification (SINCO)<sup>2</sup> and the general average salary per hour of all economic sectors for the first quarter of 2018 (see Annex Table 1.A.6).

- Assistant workers in administrative activities
- Technicians
- Professionals
- Managers

In contrast, for citizen procedures several salaries or opportunity costs were identified, based on the profile of the people who could use each one of the IMSS services.

- Workers
- Pensioners
- General population
- Students of all educational levels
- Professionals

- People with unremunerated employment
- General physicians and specialists, internal and external to the IMSS
- Resident doctors
- Nurses and assistants
- Dentists
- People who do not study nor work
- Economically active population

Annex Table 1.A.6 shows the profiles of IMSS procedures users, as well as the income or opportunity costs per minute. It is worth mentioning that each procedure has a different salary composition that depends on the target population. In several procedures, aimed at the users of IMSS services, salaries must take into consideration their condition: whether they are active workers, pensioners or beneficiaries. Also, users' age is considered according to the target population of each procedure. For example, the medical appointment procedure takes into account not only age and educational level, but also the role of the worker, pensioner or beneficiary to determine the specific opportunity cost.

Importantly, all opportunity costs are weighted considering federative state and educational level of IMSS rights-holders, except where users are part of a specific group, such as physicians external to the IMSS or dental surgeons.

Salaries were obtained mainly from the ENOE for the second quarter of 2018, according to the SINCO catalogue, whether it is by specialty (physicians) or by level of responsibility (position in the company). As far as students are concerned, the proposed opportunity cost is the average expense in education, which would not be of benefit for them since they are not in school. Finally, unremunerated salary was obtained from the INEGI estimations of unremunerated work in households. All salaries are current or updated to the first quarter of 2018. Regarding pensions, data was extracted from the ENIGH for IMSS pensioners.

Income or opportunity cost per hour (or fractions) of each type of employee as to business formalities, or user as to IMSS services, will be used to multiply it by the hours this user devoted to procedure handling. For example, in case surveys' findings indicate that in a **normally efficient company** (see step 12 for the definition of a normally efficient company) the general director devotes two hours to a specific procedure, the attorney dedicates 10 hours, the technician 8 hours and the secretary 9 hours, the administrative burden for such company would be  $(MXN 251) \times (2) + (MXN 87) \times (10) + (MXN 60) \times (8) + (MXN 55) \times (9) = MXN 2\,347.00$ .

**Annex Table 1.A.6. Salary or opportunity cost per minute per occupational profile**

Pesos per minute to the first quarter of 2018

Category	Salary of opportunity cost
Primary education	0.19
Secondary education	0.29
Technical professional education	0.25
High school education	0.36
Higher education	0.80
Unpaid work	0.44
Pensioner	0.58

Category	Salary of opportunity cost
IMSS worker	0.64
General practitioner	0.63
Dental surgeon physician (undergraduate)	0.71
Specialised physician external to the IMSS	1.15
IMSS general practitioner	0.82
IMSS specialised physician	1.08
IMSS medical intern	0.18
IMSS nurse assistant	0.47
Persons who only concluded secondary education	0.48
Personas who do not study nor work	0.00
Economically active population	0.42
Directive	0.86
Professional	0.60
Technician	0.58
Secretary	0.42

*Source:* Elaborated by the OECD based on the ENOE, 1st. trimester 2018, available in INEGI (n.d.), “Encuesta Nacional de Ocupación y Empleo (ENOE), Population de 15 años y más de edad”, <http://www.beta.inegi.org.mx/programas/enoe/15ymas/> (consulted 20 July 2018); INEGI (2011), “Sistema Nacional de Clasificación de Ocupaciones 2011, SINCO”, [http://internet.contenidos.inegi.org.mx/contenidos/Productos/prod\\_serv/contenidos/espanol/bvinegi/productos/metodologias/est/sinco\\_2011.pdf](http://internet.contenidos.inegi.org.mx/contenidos/Productos/prod_serv/contenidos/espanol/bvinegi/productos/metodologias/est/sinco_2011.pdf) (consulted 20 July 2018).

As far as external costs are concerned, the survey gathered information on the cost of consulting, agency or any other type of professional services the user has deployed to carry out the procedure.

Finally, acquisitions refer to the purchase of materials —*software*, USB sticks, standard formats with a cost— the user must buy and which are exclusively utilised to undertake the procedure. In the analysed procedures no purchase of materials of this kind was detected.

### ***Step 8. Elaboration of the questionnaire for the interview***

The purpose of using a questionnaire for the interview is to warrant that data will be gathered in a uniform, coherent and exact manner that ensures all information to be used for calculation purposes is collected as accurately as possible.

It is also important to structure the interview questionnaire in such a way that the interviewees can answer questions as precisely as possible, allowing for an efficient interview.

This report used an updated version of the questionnaire the OECD has deployed in similar projects in Mexico, which was in turn elaborated with the support of British consultants (OCDE and Secretaría de Economía, 2009<sup>[9]</sup>). The questionnaire was reviewed and adapted based on the advice of professional interviewers, seeking to improve data gathering, considering their adaptation using mobile electronic devices for such task.

The information requested in the survey pretends to measure the time applicants invested in carrying out the standard activities required to fulfil the procedure, as well as their perception regarding the hardship to carry it out.<sup>3</sup> The data requested in the questionnaire is the following:

- Number of employees involved in each procedure activity.
- Position of the employee(s).
- Time devoted to each activity (in hours).

- Use of external staff to carry out the procedure.
- Number of times the procedure was fulfilled the previous year.
- Procurement of assets or other goods arising from the procedure's request.
- Level of difficulty perceived by the interviewer.

According to the suggestions included in the SCM Manual, pilot tests were integrated to the questionnaire in order to make adaptations and incremental modifications and ensure gathering adequate results.

The questionnaire administered to entrepreneurs and users of procedures is included in Annex 1.B.

### ***Step 9. Expert review of steps 1-8***

At this stage, the SCM Manual suggests reviewing the steps indicated in Stage 1. The Manual assumes that Stage 1 is implemented by consultants – OECD experts in this case.

## **Stage 2: Gathering and standardisation of data related to time and costs**

### ***Step 10. Selection of representative companies and citizens to be interviewed***

This step consists in selecting the companies and citizens that would be interviewed with surveys, based on the profile of each formality. Initially the procedures were classified according to the type of user (companies and rights-holders) involved in fulfilling this goal.

On the basis of this classification it was possible to locate companies that had performed the IMSS business procedures, that is, any micro or small company with employees registered in the social security regime.

As to rights-holders procedures, administering surveys at the MFU and other IMSS facilities was planned, seeking to identify *in situ* the users of each procedure and mode.

The exercise proposed that the selection of the MFUs and facilities where surveys would be conducted should generate information including a broad spectrum of the IMSS population. For cost and effectiveness reasons, it was decided to administer surveys in Mexico City and surrounding states (see Annex Table 1.A.7 and Annex Table 1.A.8 for a list of locations). This means that for the same procedure interviews were performed at MFUs in Mexico City and other federative entities preselected with less population. In subsequent exercises, the IMSS could extend the use of surveys to other states, in order to obtain regional estimates of administrative burdens and thus define if the prioritisation of administrative simplification actions varies according to the region.

At the international level, the implementation of the SCM suggests gathering six surveys per procedure or per regulation to identify the normally efficient subject. In the IMSS case, the proposal was to conduct eight interviews in Mexico City for each selected procedure. Additionally, for a subgroup of procedures eight additional interviews would be carried out for each one of them in cities with 200-250 thousand inhabitants. The purpose of this differentiation was to determine if there were any differences between the MFUs in big and medium-sized cities.

To define Mexico City's MFUs, a geographical and demographical approach was the first to be reviewed. First, to broaden the rights-holders spectrum and to maximise the possibility of identifying the users of each selected procedure. The municipalities selected to visit the MFUs are shown in Annex Table 1.A.7.

**Annex Table 1.A.7. IMSS facilities in Mexico City**

Delegation in Mexico City	Served population	Day-care centres	Fumeral homes	MFU	Sub-delegation	Delegation	Operative unit
Magdalena Contreras	239 086	4	0	3	0	1	4
Benito Juárez	385 439	13	0	2	0	0	1
Cuauhtémoc	531 831	26	1	2	0	0	2
Gustavo A. Madero	1 185 772	20	0	2	1	0	4
Iztapalapa	1 815 786	9	0	2	2	0	0

The states selected to conduct the survey were the State of México, Hidalgo, Puebla and Querétaro, due to their closeness to CDMX. However, the selected cities would have a population of 200-250 thousand inhabitants to contrast with the level of attention provided in CDMX. The criteria used to select the MFU in such states were the same applied in Mexico City. Annex Table 1.A.8 lists the IMSS facilities located in cities within the specified population range.

**Annex Table 1.A.8. IMSS facilities in selected states**

State	Population parameter	Day-care centres	Funeral homes	MFU	Sub-delegation	Operative unit
Mexico City	-	131	1	44	9	1
State of Mexico	200- 250	n/a	0	2	1	n/a
Hidalgo	200- 250	n/a	1	2	1	n/a
Puebla	200- 250	n/a	0	2	1	n/a
Querétaro	200- 250	n/a	0	2	1	n/a

Finally, the list of FMU and facilities that were visited to perform the surveys are included in Annex Table 1.A.9 and Annex Table 1.A.10.

### *Step 11. Interviews with companies and citizens*

Professional interviewers conducted the interviews during the first half of 2018, in person at the IMSS facilities. In line with the SCM Manual, personal interviews are the most adequate method to identify the administrative costs imposed by procedures. For the 28 selected procedures to measure through direct surveys, a total of 506 interviews were performed, 314 in Mexico City and 192 in cities with a population of 200-250 thousand inhabitants in the previously mentioned states; when estimating the burden not all interviews were taken into consideration, only those that complied with the normally efficient company criterion. The surveys gathered by procedure are included in Annex Table 1.A.11.

**Annex Table 1.A.9. Medical facilities visited during the collection of information stage**

Mexico City

Name of the Unit	Type of Unit	Address	Municipality
FMU 1 Col. Roma	MFU	Orizaba 15, Col. Cuauhtémoc	Cuauhtémoc
FMU Hospital No. 10 La Postal	Hospital MFU	Tlalpan 931	Benito Juárez
FMU 31 Iztapalapa	MFU	Eje 8 Sur 1771, Col. El Manto	Iztapalapa
FMU 20 Vallejo	MFU	Calzada Vallejo 675, Col. Magdalena de las Salinas	Gustavo A Madero
Day-care centre G - 0052	Day-care centre	Francisco Lorenzana 10, Col. San Rafael	Cuauhtémoc
Day-care centre G - 0022	Day-care centre	Calzada Ermita Iztapalapa 40, Col. Santa Bárbara	Iztapalapa
Nursery School National Medical Centre Siglo XXI	Nursery school	Av. Periférico Sur 3400, Col. San Jerónimo Lidice	Magdalena Contreras



Name of the Unit	Type of Unit	Address	Municipality
North Delegation	Coordination of Health Education	Avenida Instituto Politécnico Nacional No. 5421, Col. Magdalena de las Salinas	Gustavo A Madero
National Medical Centre Siglo XXI	Coordination of Health Education and Document Reception Centre	Av. Cuauhtémoc No. 330, Col. Doctores	Cuauhtémoc
Sub-delegation 5 Centro	Sub-delegation	Avenida Hidalgo, Col. Centro	Cuauhtémoc
Sub-delegation 7 Del Valle	Sub-delegation	Avenida Coyoacán 1540 Col. del Valle Centro	Benito Juárez
No 01 Doctores	Funeral house	Dr. Rafael Lucio No. 237, Col. Doctores	Cuauhtémoc
Centre of Social Security Tepeyac	UOPSI	Calzada De Guadalupe 497 Col. Estrella	Gustavo A Madero

**Annex Table 1.A.10. IMSS facilities visited during the collection of information stage**

Cities in states between 200 thousand and 250 thousand inhabitants

Name of the unity	Type of unit	Address	State
FMU 69 Texcoco	MFU	Avenida 2 de Marzo 406, Texcoco de Mora, Texcoco	México
FMU-UMAA 231 Metepec	MFU	Avenida Hacienda Quebrada 304, Metepec	México
FMU 32 Pachuca	MFU	Boulevard Luis Donald Colosio 201, Pachuca de Soto	Hidalgo
HGZMF 1 Pachuca	Hospital and MFU	Avenida Francisco I Madero 407, Pachuca de Soto	Hidalgo
FMU 9 SANTA María	MFU	31 Poniente 1418, Tehuacán	Puebla
FMU 6 S. Juan Del Río	MFU	Hidalgo 106, San Juan Del Río	Querétaro
Tehuacán	SD	4 Norte 120, Tehuacán	Puebla
Pachuca	SD	Boulevard Luis Donald Colosio 2901, Pachuca de Soto	Pachuca De Soto
Los Reyes-La Paz	SD	Carretera Federal México Puebla 49, La Paz	La Paz
No 15 Pachuca	Funeral house	Av. Boulevard Luis Donald Colosio 1303 S/N, Pachuca	Pachuca de Soto
Vacation Centre Oaxtepec	Vacation Centre	Centro Oaxtepec, Morelos	Morelos
Vacation Centre Malintzi	Vacation Centre	Parque Nacional Malintzi, Huamantla	Tlaxcala
Vacation Centre La Trinidad	Vacation Centre	Av. Del Trabajo S/N, Santa Cruz Tlaxcala	Tlaxcala

**Annex Table 1.A.11. Surveys conducted to measure unitary burdens**

	Surveys conducted	Observations ENE	Observations that do not fulfil the ENE criterion
IMSS-01-002	16	11	5
IMSS-01-003-A	16	11	5
IMSS-01-006-A	16	14	2
IMSS-01-009	16	10	6
IMSS-01-015	16	10	6
IMSS-01-016	16	12	4
IMSS-01-029-A	16	12	4
IMSS-01-031	16	9	7
IMSS-01-034-B	16	13	3
IMSS-02-001-C	18	12	6
IMSS-02-008	24	16	8
IMSS-02-020-B	32	19	13
IMSS-02-025-A	16	9	7

	Surveys conducted	Observations ENE	Observations that do not fulfil the ENE criterion
IMSS-02-025-C	16	9	7
IMSS-02-066-A	32	21	11
IMSS-02-066-B	32	23	9
IMSS-02-066-M	32	17	15
IMSS-03-002-A	8	4	4
IMSS-03-007-A	8	4	4
IMSS-03-008	16	10	6
IMSS-03-009	16	11	5
IMSS-03-011	40	26	14
IMSS-03-020	16	12	4
IMSS-04-001-B	8	6	2
IMSS-05-002	16	14	2
IMSS-05-003	16	9	7
Opinión 32D	8	5	3
SIPARE	8	5	3
<b>Total</b>	<b>506</b>	<b>334</b>	<b>172</b>

### *Step 12. Implementation and standardisation of time and resources estimates for each segment*

This stage included estimating the average handling time a rights-holder or a normally efficient company would dedicate to each directly measured procedure. The inputs were the time registries devoted by the company's employees that contributed to the implementation of the procedure.

According to the SCM Manual, the estimation of the standard time is an exercise based on the **normally efficient company** notion, that seeks that time devoted to a procedure activities has a relative convergence throughout the surveys. This convergence is qualitatively evaluated, since the methodology does not pretend that the information has statistical significance.<sup>4</sup>

Evaluating the users or normally efficient companies helps establish a common parameter and eliminate special instances. Considering again the license to commercialise telephone services, the document refers to companies that dedicate a similar amount of time to gather the requirements and deliver the procedure. The extreme examples of companies that dedicate more time, or very little time, are excluded from the analysis.

Annex Table 1.A.11 includes a list of the findings used to calculate the average handling time and the findings eliminated because they do not coincide with the normally efficient company criterion. That is, it shows, for each analysed procedure, the total number of surveys gathered, as well as those that comply with the normally efficient company criterion and those that do not comply with it.

### *Step 13. Expert review of steps 10-12*

Professional interviewers carried out Steps 10 and 11. The OECD continuously followed up on their work and reviewed the results obtained in meetings and through consistent communication monitoring progress. The OECD, in partnership with the professional interviewers, carried out step 12.

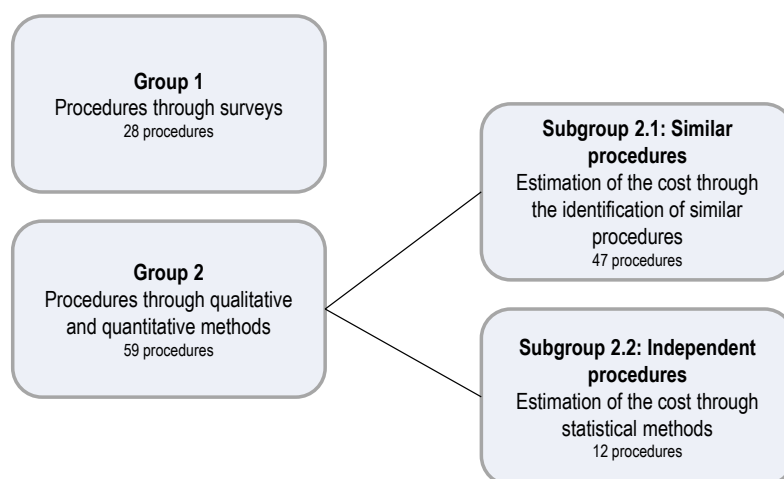
### Stage 3: Calculation, outreach and reports

Annex Figure 1.A.3 shows the groups in which the 87 procedures were classified in line with the administrative burden estimation method. These methods are explained in the following steps.

#### *Step 14. Estimation and extrapolation of validated data*

In general terms, administrative burdens by procedure are measured multiplying the handling time by the salary or opportunity cost. However, the population of IMSS procedures users includes several profiles: active and pensioner rights-holders, active and pensioner beneficiaries, the general population, etc., which forces to include different salaries or opportunity costs when calculating burdens. Additionally, the classification by procedures groups shown in Annex Figure 1.A.3, required establishing specific formulae for each procedure. Annex Table 1.A.12 includes the specific formulae used to calculate the unitary administrative burden **of each procedure**, still based on multiplying the handling time by the salary.

**Annex Figure 1.A.3. Procedures classification, according to the method used to assign administrative burdens**



*Notes:* Besides the 13 procedures included in Subgroup 2.2, the SIPARE (in the in-person mode) and the IMSS-02-025-A (in the mobile application mode) were estimated following the statistic method. However, their counterparts in Online for the SIPARE and the in-person mode for IMSS-02-025-A were estimated through interviews (Group 1).

To determine a quantitative method (econometric estimation) or a qualitative method (procedures by similarity), each procedure was studied considering information requirements. The purpose was to assign costs as accurately as possible, comparing the general results of the econometric estimation against the similarity of two procedures. In brief, if the number and type of information of two procedures coincided at least 85%, the qualitative method was selected, since the econometric estimation has an 85% predictive power (see sub-step 14.2.2 below).

Annex Table 1.A.12. Formulae to calculate the unitary cost of each procedure

Procedure	Calculation formula	Estimation method
Unemployment certificate	$CU = \frac{\text{Working population}}{PEA} * T_E$	Subgroup 2.2
IMSS-01-001	$CU = T_{CD} * (W_{gral} + W_{NR})$	Subgroup 2.1
IMSS-01-002	$CU = T_{CD} * ((W_{gral} * P_{TC}) + (W_{gral} * P_{TNC}))$	Group 1
IMSS-01-003-A	$CU = ((W_{gral} * P_{IDE}) * P_{60V}) + ((W_{PC}/2) * P_{V60}) * T_{CD}$	Group 1
IMSS-01-003-B	$CU = ((W_{gral} * P_{IDE}) * P_{60V}) + ((W_{PC}/2) * P_{V60}) * T_{CD}$	Subgroup 2.1
IMSS-01-004-A	$CU = ((W_{gral} * P_{IDE}) * P_{60V}) + ((W_{PC}/2) * P_{V60}) * T_{CD}$	Subgroup 2.1
IMSS-01-004-B	$CU = ((W_{gral} * P_{IDE}) * P_{60V}) + ((W_{PC}/2) * P_{V60}) * T_{CD}$	Subgroup 2.1
IMSS-01-004-C	$CU = ((W_{gral} * P_{IDE}) * P_{60V}) + ((W_{PC}/2) * P_{V60}) * T_{CD}$	Subgroup 2.1
IMSS-01-005	$CU = (W_{PNC} * 0.20) * T_{CD}$	Subgroup 2.1
IMSS-01-006-A	$CU = W_{gral} * T_{CD}$	Group 1
IMSS-01-006-B	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-01-006-C	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-01-006-D	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-01-009	$CU = W_{gral} * T_{CD}$	Group 1
IMSS-01-010	$CU = W_{NR} * T_{CD}$	Subgroup 2.1
IMSS-01-015	$CU = T_{CD} * ((P_{TC} * W_{PC}) + (P_{TNC} * W_{PNC}))$	Group 1
IMSS-01-016	$CU = T_{CD} * (W_{gral} + W_{NR})$	Group 1
IMSS-01-018	$CU = T_{CD} * ((W_{gral} * P_{TC}) + (W_{gral} * P_{TNC}))$	Subgroup 2.1
IMSS-01-020	$CU = W_D * T_D + W_P * T_P + W_T * T_T + W_S * T_S$	Subgroup 2.1
IMSS-01-022	$CU = T_{CD} * ((W_{gral} * P_{TC}) + (W_{gral} * P_{TNC}))$	Subgroup 2.1
IMSS-01-029-A	$CU = T_{CD} * ((P_{TC} * W_{PC}) + (P_{TNC} * W_{PNC}))$	Group 1
IMSS-01-029-B	$CU = T_{CD} * 0.28 * W_{PNC}$	Subgroup 2.1
IMSS-01-031	$CU = T_{CD} * ((P_{TC} * W_{PC}) + (P_{TNC} * W_{PNC}))$	Group 1
IMSS-01-034-A	$CU = T_{CD} * 0.28 * W_{PNC}$	Subgroup 2.1
IMSS-01-034-B	$CU = T_{CD} * ((0.5 * 0.28 * W_{PNC}) + (0.5 * W_{NN}))$	Group 1
IMSS-02-001-A	$CU = W_D * T_D + W_P * T_P + W_T * T_T + W_S * T_S$	Subgroup 2.1
IMSS-02-001-C	$CU = W_D * T_D + W_P * T_P + W_T * T_T + W_S * T_S$	Group 1
IMSS-02-008	$CU = W_{gral} * T_{CD}$	Group 1
IMSS-02-019-A	$CU = T_E * ((0.5 * W_D) + (0.5 * W_P))$	Subgroup 2.2
IMSS-02-019-B	$CU = T_E * (0.5 * W_{gral} + 0.5 * W_{PNC})$	Subgroup 2.2
IMSS-02-020-B	$CU = T_{CD} * ((P_{5T60} * W_{gral} + (P_{T60} * ((P_{TC} * W_{PC}) + (P_{TNC} * W_{PNC}))))$	Group 1
IMSS-02-025-A	$CU = W_{gral} * T_{CD}$	Group 1
IMSS-02-025-B	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-025-C	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-A	$CU = T_{CD} * (0.5 * W_{gral} + 0.5 * W_{NR})$	Group 1
IMSS-02-066-B	$CU = T_{CD} * (0.5 * W_{gral} + 0.5 * W_{NR})$	Group 1
IMSS-02-066-C	$CU = W_{gral} * T_{CD}$	Group 1
IMSS-02-066-D	$CU = T_{CD} * (0.5 * W_{gral} + 0.5 * W_{NR})$	Subgroup 2.1
IMSS-02-066-E	$CU = T_{CD} * (0.5 * W_{gral} + 0.5 * W_{NR})$	Subgroup 2.1
IMSS-02-066-F	$CU = W_{gral} * T_{CD}$	Subgroup 2.1

Procedure	Calculation formula	Estimation method
IMSS-02-066-G	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-H	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-I	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-J	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-K	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-L	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-M	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-066-N	$CU = W_{gral} * T_{CD}$	Group 1
IMSS-02-066-O	$CU = W_{gral} * T_{CD}$	Subgroup 2.1
IMSS-02-096	$CU = T_E * (0.5 * W_D + 0.5 * W_P)$	Subgroup 2.1 Subgroup 2.2
IMSS-03-001	$CU = T_E * W_P$	"Subgroup 2.1
IMSS-03-002-A	$CU = T_{CD} * W_{MG}$	Subgroup 2.2
IMSS-03-002-B	$CU = T_{CD} * W_{MGIMSS}$	Subgroup 2.2
IMSS-03-002-C	$CU = T_{CD} * W_{MG}$	Group 1
IMSS-03-003-A	$CU = T_{CD} * W_{MG}$	Subgroup 2.1
IMSS-03-003-B	$CU = T_{CD} * W_{MEIMSS}$	Subgroup 2.1
IMSS-03-004	$CU = T_E * W_{MRIMSS}$	Subgroup 2.1
IMSS-03-005-A	$CU = T_E * G_B$	Subgroup 2.1
IMSS-03-005-B	$CU = T_E * W_{AEIMSS}$	Subgroup 2.2
IMSS-03-005-C	$CU = T_E * G_B$	Subgroup 2.2
IMSS-03-006	$CU = T_E * W_{ME}$	Subgroup 2.2
IMSS-03-007-A	$CU = T_{CD} * W_{DC}$	Subgroup 2.2
IMSS-03-007-B	$CU = T_{CD} * W_{DC}$	Subgroup 2.2
IMSS-03-007-C	$CU = T_{CD} * W_{MGIMSS}$	Group 1
IMSS-03-007-D	$CU = T_{CD} * W_{DC}$	Subgroup 2.1
IMSS-03-008	$CU = T_{CD} * W_{gral}$	Subgroup 2.1
IMSS-03-009	$CU = T_{CD} * (W_{gral} + W_{NR})$	Subgroup 2.1
IMSS-03-010	$CU = T_{CD} * [(0.5 * (W_{gral} + (P_{6B} + P_{6B10} * G_P + P_{10B15} * G_{Sec} + P_{15B18} * G_B + P_{18B25} * G_S))) + (0.5 * (W_{NR} + (P_{6B} + P_{6B10} * G_P + P_{10B15} * G_{Sec} + P_{15B18} * G_B + P_{18B25} * G_S)))]$	Group 1
IMSS-03-011	$CU = T_{CD} * [(P_{6T} * W_{gral}) + (P_{6T10} * (G_P + W_{gral})) + (P_{10T15} * (G_{Sec} + W_{gral})) + (P_{15T18} * G_B) + (P_{18T25} * G_S) + (P_{25T60} * W_{gral}) + (P_{T60} * W_{PNC})) + ((P_{6B} * W_{gral}) + (P_{6B10} * (G_P + W_{gral})) + (P_{10B15} * (G_{Sec} + W_{gral})) + (P_{15B18} * G_B) + (P_{18B25} * G_S) + (P_{25B60} * W_{gral}) + (P_{B60} * W_{PNC}))]$	Group 1
IMSS-03-014	$CU = T_E * [(P_{6T} * W_{gral}) + (P_{6T10} * (G_P + W_{gral})) + (P_{10T15} * (G_{Sec} + W_{gral})) + (P_{15T18} * G_B) + (P_{18T25} * G_S) + (P_{25T60} * W_{gral}) + (P_{T60} * W_{PNC})) + ((P_{6B} * W_{gral}) + (P_{6B10} * (G_P + W_{gral})) + (P_{10B15} * (G_{Sec} + W_{gral})) + (P_{15B18} * G_B) + (P_{18B25} * G_S) + (P_{25B60} * W_{gral}) + (P_{B60} * W_{PNC}))]$	Subgroup 2.1
IMSS-03-019	$CU = T_{CD} * ((P_B * W_{NR}) + (P_T * W_{gral}))$	Group 1

Procedure	Calculation formula	Estimation method
IMSS-03-020	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.2
IMSS-04-001-A	$CU = T_{CD} * ((P_{TC} * W_{PC}) + (P_{TNC} * W_{PNC}))$	Subgroup 2.1
IMSS-04-001-B	$CU = T_{CD} * ((P_{TC} * W_{PC}) + (P_{TNC} * W_{PNC}))$	Group 1
IMSS-04-001-C	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.1
IMSS-04-001-D	$CU = T_{CD} * W_{PD}$	Group 1
IMSS-04-002-A	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.1
IMSS-04-002-B	$CU = T_{CD} * ((0.5 * W_P) + (0.5 * W_S))$	Subgroup 2.1
IMSS-04-002-C	$CU = T_{CD} * ((0.5 * W_P) + (0.5 * W_S))$	Subgroup 2.1
IMSS-04-002-D	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.1
IMSS-04-002-E	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.1
IMSS-04-004	$CU = T_E * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.1
IMSS-05-001	$CU = T_{CD} * ((0.5 * W_P) + (0.5 * W_S))$	Subgroup 2.1
IMSS-05-002	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.2
IMSS-05-003	$CU = T_{CD} * ((P_{PEA} * W_{PEA}) + (P_{PNEA} * W_{PNEA}))$	Subgroup 2.1
Opinión 32D	$CU = W_D * T_D + W_P * T_P + W_T * T_T + W_S * T_S$	Group 1
SIPARE	$CU = W_D * T_D + W_P * T_P + W_T * T_T + W_S * T_S$	Group 1 Subgroup 2.2

Notes: The IMSS-01-029-B procedure considers the widow/widower pension, which is defined as 40% of the disability pension. The disability pension represents 70% of the not married rights-holder; therefore, the widow/widower pension represents 28% of the normal pension.  
The procedures' names are included in Table 1.4.

Where:

CU=Unitary cost

G<sub>B</sub>=Public Expenditure per Student in High School Education

G<sub>P</sub>= Public Expenditure per Student in Primary Education

G<sub>Prees</sub>= Public Expenditure per Student in High School Education

G<sub>S</sub>= Public Expenditure per Student in Higher Education

G<sub>Sec</sub>= Public Expenditure per Student in Secondary Education

P<sub>10B15</sub>= Share of Beneficiaries 10-15 years old

P<sub>10T15</sub>= Share of Rights-holders 10-15 years old

P<sub>15B18</sub>= Share of Beneficiaries 15-18 years old

P<sub>15T18</sub>= Share of Rights-holders 15-18 years old

P<sub>18B25</sub>= Share of Beneficiaries 18-25 years old

P<sub>18T25</sub>= Share of Rights-holders 18-25 years old

P<sub>25T60</sub>= Share of Rights-holders 25-60 years old

P<sub>5T60</sub>=Share of Rights-holders 5-60 years old

P<sub>60V</sub>=Share of Widows under 60 years of age

P<sub>6B</sub>=Share of Beneficiaries under 6 years of age

P<sub>6B10</sub>= Share of Beneficiaries 6-10 years old

P<sub>6T</sub>=Share of Rights-holders under 6 years of age

P<sub>6T10</sub>= Share of Rights-holders 6-10 years old

P<sub>B</sub>=Share of IMSS Beneficiaries

PEA= Economically Active Population

P<sub>IDE</sub>=Share of Available Income for the Wife= (Share of Income of the Worker-Fixed Household Costs)/2

P<sub>PEA</sub>= Share of Economically Active Population

$P_{PNEA}$  = Share of Non-Economically Active Population  
 $P_T$  = Share of IMSS Rights-holders  
 $P_{T60}$  = Share of Rights-holders over 60 years of age  
 $P_{TC}$  = Share of Married Rights-holders  
 $P_{TNC}$  = Share of Not Married Rights-holders  
 $P_{V60}$  = Share of Widows over 60 years of age  
 $T_{CD}$  = Directly Cost-calculated Time  
 $T_D$  = Directive Time  
 $T_e$  = Estimated Time  
 $T_p$  = Professional Time  
 $T_S$  = Technical Time  
 $T_T$  = Technical Time  
 $W_{AEIMSS}$  = IMSS Nursing Assistant Salary  
 $W_D$  = Directive Salary  
 $W_{DC}$  = Dental Surgeon Salary  
 $W_{Gral}$  = General Weighted Salary  
 $W_{ME}$  = Specialised Physician Salary  
 $W_{MEIMSS}$  = IMSS Specialised Physician Salary  
 $W_{MG}$  = General Medical Salary  
 $W_{MGIMSS}$  = IMSS General Doctor Salary  
 $W_{MRIMSS}$  = IMSS Resident Doctor Salary  
 $W_{NN}$  = Person who neither Study nor Work Salary  
 $W_{NR}$  = Unremunerated Work Cost  
 $W_p$  = Professional Salary  
 $W_{PC}$  = Married Rights-holder Pension = Weighted General Pension + 15% supplement for spouse  
 $W_{PD}$  = Disability Pension = 70% of the Unmarried Rights-Holder Pension  
 $W_{PEA}$  = Economically Active Population Salary  
 $W_{PNC}$  = Unmarried Rights-Holder Pension  
 $W_{PNEA}$  = Non Economically Active Population Salary  
 $W_S$  = Secretarial Salary  
 $W_T$  = Technical Salary

The unitary cost does not take into consideration the transportation cost to and from rights-holders assistance offices. Also, even though all procedures are free of charge, the IMSS has a portfolio of services it offers with financial charges to the general public. These costs are not considered in the measurement.

Annex Table 1.A.13 contains the calculation formulae used to estimate the unitary cost of each procedure, when these do not follow the same criteria of the in-person format or when there was no information available because the procedure was eliminated. As may be seen, the formats for three procedures already eliminated and are not available in a digital formats. In another procedure (IMSS-02-096), the digital version was extrapolated from a similar procedure (SIPARE) and the in-person format was calculated according to an estimation described in the previous table.

The method used to calculate the unitary administrative burden for each group of procedures is explained below.

**Annex Table 1.A.13. Formulae to calculate the population by procedure**

Digital procedures (When are different to the in-person format)

Procedure	Estimation formula
Unemployment certificate	No information available on the digital version digital because the procedure has been eliminated
IMSS-02-019-A	No information available on the digital version because the procedure has been eliminated
IMSS-02-019-B	No information available on the digital version because the procedure has been eliminated
IMSS-02-096	$CU = T_D * W_D + T_P * W_P + T_T * W_T + T_S * W_S$

*Sub-step 14.1. Calculation of unitary administrative burdens of procedures through surveys (Group 1)*

The 28 procedures carried out through surveys (Group 1) were selected aiming at identifying representative procedures that could be used to measure the remaining procedures (Group 2).

Unitary administrative burdens of procedures through surveys (Group 1) were calculated according to the following formula:

$$CU_{i,h}(\cdot) = \sum_j (S_j)(T_{i,j,h}) + CI_{i,h}$$

- $CU_{i,h}(\cdot)$  is a function-indicator of the unitary cost that included procedure i in the h mode, for Mexico City or for selected cities with a population of 200-250 thousand inhabitants.
- $S_j$  is the average salary (or opportunity cost) weighted per hour of person j involved in procedure i. It is worth mentioning that in business procedures usually several individuals participate in fulfilling one, in contrast with procedures related to health services and economic benefits. Thus, each procedure will have a different salary specification weighted by the type of user.
- $T_{i,j,h,k}$  is the average total handling time for each procedure i, in mode h, measured in hours devoted by person involved j to perform activity k. The average is obtained including only the findings gathered from surveys that comply with the normally efficient company or citizen criterion.
- $CI_{i,h}$  is the cost of inputs necessary to conclude procedure i in mode h.

*Sub-step 14.2. Calculation of burdens for procedures without surveys (Group 2)*

The following step consisted in extrapolating information on the handling time obtained in Group 1 procedures to measure the burden in those whose handling time was not directly measured (Group 2).

As previously mentioned, the extrapolation exercise included two types of analysis: a qualitative analysis, which identified procedures based on their similarity and to which the total handling time identified in the procedures through interviews was assigned (Subgroup 2.1: Similar procedures); and a quantitative analysis, which used data from the information gathering process to estimate the handling time of each procedure (Subgroup 2.1: Independent procedures). It is worth mentioning that in both cases extrapolation was done considering the handling time and not the burden, since this last item depends on the salary of each applicant's profile. That is, a procedure can be identical in form, but targeted to different profiles, which would affect its unitary administrative burden.



*Sub-step 14.2.1. Estimation of time for similar procedures***Annex Table 1.A.14. Example of procedures extrapolation by similarity in information and requirements**

Enrolment in an IMSS day-care centre Mode A) Of the worker registered at the IMSS under the mandatory regime (IMSS-01-006-A)	Enrolment in an IMSS day-care centre Mode B) Of the widower worker registered at the IMSS under the mandatory regime (IMSS-01-006-B)	Enrolment in an IMSS day-care centre Mode C) Of the divorced worker registered at the IMSS under the mandatory regime (IMSS-01-006-C)	Enrolment in an IMSS day-care centre Mode D) Of the worker that due to a court decision has parental authority and custody of a child registered at the IMSS under the mandatory regime (IMSS-01-006-D)
Certificate of validity of rights	Certificate of validity of rights	Certificate of validity of rights	Certificate of validity of rights
CURP's printed copy	CURP's printed copy	CURP's printed copy	CURP's printed copy
Certificate of the company you work for, that must contain the following:	Certificate of the company you work for, that must contain the following:	Certificate of the company you work for, that must contain the following:	Certificate of the company you work for, that must contain the following:
Name or trade name of the company	Name or trade name of the company	Name or trade name of the company	Name or trade name of the company
Working hours	Working hours	Working hours	Working hours
Days off	Days off	Days off	Days off
Holiday period	Holiday period	Holiday period	Holiday period
Signature of the employer or agent	Signature of the employer or agent	Signature of the employer or agent	Signature of the employer or agent
Birth certificate of the child	Death certificate of the child's mother	Legal document that certifies the child's custody	Legal document that certifies the child's custody
Proof of registration as beneficiary of the child	Birth certificate of the child	Birth certificate of the child	Birth certificate of the child
Printed copy of the child's CURP	Proof of registration as beneficiary of the child	Proof of registration as beneficiary of the child	Proof of registration as beneficiary of the child
Proof of the medical admission test of the child	Printed copy of the child's CURP	Printed copy of the child's CURP	Printed copy of the child's CURP
Vaccination card of the child	Proof of the medical admission test of the child	Proof of the medical admission test of the child	Proof of the medical admission test of the child
	Vaccination card of the child	Vaccination card of the child	Vaccination card of the child

The extrapolation to similar procedures consisted in identifying comparable procedures, so that at least one of them would be selected to be part of the procedures through surveys. Thus, the average handling time detected in the surveys would be directly assigned to similar procedures. As mentioned earlier in this section, when two formalities shared at least 85% of the number and types of requirements, the estimation would be based on the similarity detected in the formats. An example of the similarity between different procedures can be appreciated in the examples contained in Annex Table 1.A.14 Annex Table 1.A.14.

Annex Table 1.A.15 shows all pairs identified as similar procedures, as well as the time allocated for each one of them. That is, it shows the pair of procedures where one of which was estimated through surveys and its similar was allocated the same time due to their similarities as to the type and amount of data. The table highlights the time in minutes per procedure and mode.

**Annex Table 1.A.15. Procedures for which the time of a similar procedure was allocated**

Extrapolating through qualitative methods. Subgroup 2.1

Code	Name of the procedure (allocated time)	Version	Time (minutes)	Procedure time estimated through surveys	Time (minutes)
IMSS-01-001	Request for a disability pension	P	386.8	IMSS-01-016	386.8
IMSS-01-003-B	Request for a widow or widower's pension Mode B) Widower-husband or common-law husband	P	291.8	IMSS-01-003-A	291.8
IMSS-01-004-A	Request for an orphan's pension Mode A) Son or daughter under 16 years of age	P	291.8	IMSS-01-003-A	291.8
IMSS-01-004-B	Request for an orphan's pension Mode B) Son or daughter over 16-25 years old, student	P	291.8	IMSS-01-003-A	291.8
IMSS-01-004-C	Request for an orphan's pension Mode C) Son or daughter over 16 years old, disabled	P	291.8	IMSS-01-003-A	291.8
IMSS-01-005	Request for an ascendant's pension	P	291.8	IMSS-01-003-A	291.8
IMSS-01-006-B	Request for registration in an IMSS day-care centre Mode B) Of the widower worker registered at the IMSS under the mandatory regime	I	204.4	IMSS-01-006-A	204.4
IMSS-01-006-B	Request for registration in an IMSS day-care centre Mode B) Of the widower worker registered at the IMSS under the mandatory regime	P	328.4	IMSS-01-006-A	328.4
IMSS-01-006-C	Request for registration in an IMSS day-care centre Mode C) Of the divorced worker registered at the IMSS under the mandatory regime	I	204.4	IMSS-01-006-A	204.4
IMSS-01-006-C	Request for registration in an IMSS day-care centre Mode C) Of the divorced worker registered at the IMSS under the mandatory regime	P	328.4	IMSS-01-006-A	328.4
IMSS-01-006-D	Request for registration in an IMSS day-care centre Mode D) Of the worker that due to a court decision has parental authority and custody of a child registered at the IMSS under the mandatory regime	I	204.4	IMSS-01-006-A	204.4
IMSS-01-006-D	Request for registration in an IMSS day-care centre Mode D) Of the worker that due to a court decision has parental authority and custody of a child registered at the IMSS under the mandatory regime	P	328.4	IMSS-01-006-A	328.4
IMSS-01-010	Request for help for funeral expenses	P	343.0	IMSS-01-009	343.0
IMSS-01-018	Request for a retirement pension	P	278.4	IMSS-01-002	278.4
IMSS-01-022	Request for a retirement, unemployment at an advanced age or at old age pension through the transfer of IMSS-ISSSTE rights	P	278.4	IMSS-01-002	278.4
IMSS-01-029-B	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode B) By third parties, in case of death of the pensioner	P	219.8	IMSS-01-029-A	219.8
IMSS-01-034-A	Request for modification of a severance pension Mode A) Settlement because of remarrying	P	303.3	IMSS-01-034-B	303.3
IMSS-02-001-A	Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode A) For an individual	I	403.4	IMSS-02-001-C	403.4
IMSS-02-001-A	Employer's registration and enrolment in occupational risks insurance or resumption of activities Mode A) For an individual		580.8	IMSS-02-001-C	580.8
IMSS-02-025-B	Request for certificate of acknowledged weeks Mode B) Certificate of acknowledged periods IMSS-ISSSTE	P	245.0	IMSS-02-025-C	245.0
IMSS-02-066-C	Request for registration and updating of rights-holders Mode C) For de-registration of wife or husband	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-C	Request for registration and updating of rights-holders Mode C) For de-registration of wife or husband	I	25.5	IMSS-02-066-A	25.5

Code	Name of the procedure (allocated time)	Version	Time (minutes)	Procedure time estimated through surveys	Time (minutes)
IMSS-02-066-D	Request for registration and updating of rights-holders Mode D) For registration of common-law wife or husband	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-D	Request for registration and updating of rights-holders Mode D) For registration of common-law wife or husband	I	25.5	IMSS-02-066-A	25.5
IMSS-02-066-E	Request for registration and updating of rights-holders Mode E) For updating common-law wife or husband's data	I	13.0	IMSS-02-066-B	13.0
IMSS-02-066-E	Request for registration and updating of rights-holders Mode E) For updating common-law wife or husband's data	P	229.8	IMSS-02-066-B	229.8
IMSS-02-066-F	Request for registration and updating of rights-holders Mode F) For de-registration of common-law wife or husband	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-F	Request for registration and updating of rights-holders Mode F) For de-registration of common-law wife or husband	I	25.5	IMSS-02-066-A	25.5
IMSS-02-066-G	Request for registration and updating of rights-holders Mode G) For registration of the father or mother	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-G	Request for registration and updating of rights-holders Mode G) For registration of the father or mother	I	25.5	IMSS-02-066-A	25.5
IMSS-02-066-H	Request for registration and updating of rights-holders Mode H) For updating father or mother's data	I	13.0	IMSS-02-066-B	13.0
IMSS-02-066-H	Request for registration and updating of rights-holders Mode H) For updating father or mother's data	P	229.8	IMSS-02-066-B	229.8
IMSS-02-066-I	Request for registration and updating of rights-holders Mode I) For de-registration of father or mother	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-I	Request for registration and updating of rights-holders Mode I) For de-registration of father or mother	I	25.5	IMSS-02-066-A	25.5
IMSS-02-066-J	Request for registration and updating of rights-holders Mode J) For registration of the son or daughter	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-J	Request for registration and updating of rights-holders Mode J) For registration of the son or daughter	I	25.5	IMSS-02-066-A	25.5
IMSS-02-066-K	Request for registration and updating of rights-holders Mode K) For de-registration of son or daughter's data	I	13.0	IMSS-02-066-B	13.0
IMSS-02-066-K	Request for registration and updating of rights-holders Mode K) For de-registration of son or daughter's data	P	229.8	IMSS-02-066-B	229.8
IMSS-02-066-L	Request for registration and updating of rights-holders Mode L) For de-registration of son or daughter	P	215.3	IMSS-02-066-A	215.3
IMSS-02-066-L	Request for registration and updating of rights-holders Mode L) For de-registration of son or daughter	I	25.5	IMSS-02-066-A	25.5
IMSS-02-066-N	Request for registration and updating of rights-holders Mode N) For updating rights-holder or pensioner's data	P	241.8	IMSS-02-066-M	241.8
IMSS-02-066-N	Request for registration and updating of rights-holders Mode N) For updating rights-holder or pensioner's data	I	14.4	IMSS-02-066-M	14.4
IMSS-02-066-O	Request for registration and updating of rights-holders Mode O) For de-registration of rights-holder or pensioner	P	241.8	IMSS-02-066-M	241.8
IMSS-02-066-O	Request for registration and updating of rights-holders Mode O) For de-registration of rights-holder or pensioner	I	14.4	IMSS-02-066-M	14.4
IMSS-03-002-B	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode B) Candidates IMSS workers for direct entry specialties	P	1 204.0	IMSS-03-002-A	1 204.0

Code	Name of the procedure (allocated time)	Version	Time (minutes)	Procedure time estimated through surveys	Time (minutes)
IMSS-03-002-C	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode C) Candidates children of IMSS workers for direct entry specialties	P	1 204.0	IMSS-03-002-A	1 204.0
IMSS-03-003-A	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode A) Candidates for direct entry specialties	P	1 204.0	IMSS-03-002-A	1 204.0
IMSS-03-003-B	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode B) Candidates for branch specialties	P	1 204.0	IMSS-03-002-A	1 204.0
IMSS-03-007-B	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode B) Foreign candidates, external to the Mexican Social Security Institute	P	253.8	IMSS-03-007-A	253.8
IMSS-03-007-C	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode C) Candidates workers of the Mexican Social Security Institute	P	253.8	IMSS-03-007-A	253.8
IMSS-03-007-D	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode D) Candidates children of workers of the Mexican Social Security Institute	P	253.8	IMSS-03-007-A	253.8
IMSS-03-010	Request for a ruling of disability for a beneficiary son or daughter	P	509.2	IMSS-03-009	509.2
IMSS-03-019	Request for home medical care	P	67.3	IMSS-03-011	67.3
IMSS-04-001-A	Enrolment in Courses and Workshops on Institutional Social Benefits Mode A) IMSS retiree	P	211.3	IMSS-04-001-B	211.3
IMSS-04-001-C	Enrolment in Courses and Workshops on Institutional Social Benefits Mode C) Volunteers	P	211.3	IMSS-04-001-B	211.3
IMSS-04-001-D	Enrolment in Courses and Workshops on Institutional Social Benefits Mode D) Person with disability	P	211.3	IMSS-04-001-B	211.3
IMSS-04-002-A	Use of social benefits facilities Mode A) Sports	P	211.3	IMSS-04-001-B	211.3
IMSS-04-002-B	Use of social benefits facilities Mode B) Non-sports-Equipment-Companies	P	211.3	IMSS-04-001-B	211.3
IMSS-04-002-C	Use of social benefits facilities Mode C) Non-sports-No Equipment-Companies	P	211.3	IMSS-04-001-B	211.3
IMSS-04-002-D	Use of social benefits facilities Mode D) Non-sports-Citizen Equipped	P	211.3	IMSS-04-001-B	211.3
IMSS-04-002-E	Use of social benefits facilities Mode E) Non-sports-Citizen No Equipment	P	211.3	IMSS-04-001-B	211.3
IMSS-05-001	Chambers and Auditoriums Service at the CMN Siglo XXI Convention Unit	P	241.3	IMSS-05-003	241.3

*Notes:* Where: P: in-person procedures, I: Procedures through Online and A: Procedures by Mobile Application. The code and the name in the two first columns refer to the procedures for which the time of a similar procedure was allocated, estimated through surveys.

With the handling times defined for subgroup 2.1 procedures, the unitary administrative burdens were calculated using the formulae contained in Annex Table 1.A.11 and Annex Table 1.A.12.

#### *Sub-step 14.2.2. Estimation of times for independent procedures*

For Subgroup 2.2: Independent procedures, the purpose is to identify a series of parameters that allow the estimation of the handling time, based on several known variables. Thus, the “unknown” variable is the handling time and the “known” variables are the procedure’s

characteristics, such as its user's profile —whether it is professional or secretarial, for example— or the number of requirements.

Parameters can be estimated through an econometric regression using the ordinary least squares technique (Gujarati and Porter, 2009<sub>[10]</sub>). The final equation to estimate such parameters was the following:

$$\ln(\widehat{T}_{i,h}) = \hat{\alpha} + \hat{\beta} \sum_t (IN(\theta)_{i,h}^n + IP(\theta)_{i,h}^n + DN(\theta)_{i,h}^n + DP(\theta)_{i,h}^n) + \widehat{u}_{i,h}$$

Where:

- $\ln(\widehat{T}_{i,h})$  is the natural logarithm of  $\widehat{T}_{i,h}$ .
- $\widehat{T}_{i,h}$  is the handling time estimated for each procedure  $i$  and by mode  $h$ .
- $\hat{\alpha}$  is the intercept parameter
- $\hat{\beta}$  is the parameter of the exogenous variable to estimate.
- Exogenous variables depend on a parameter  $\theta$  that is a geometric transformation over original variables  $IN$ ,  $IP$ ,  $DN$  and  $DP$ . The transformation was made building upon an analysis of the main components to reduce the dimensionality of the regression and avoid multicollinearity problems.
- Exogenous variables are:  $IN(\theta)$  that is the number of data or new information requested by procedure  $i$ , in mode  $h$  on a specific person.  $IP(\theta)$  is the existing information,  $DN(\theta)$  means new documents and  $DP(\theta)$  existing documents. Superscript  $n$  refers to the person who owns the data or document requested, and can have three values in variables  $IN$  and  $IP$ : beneficiaries, applicants or legal representatives, and two in  $DN$  and  $DP$ : legal and personal. See Glossary.
- $\widehat{u}_{i,h}$  is the regression error.
- The way this equation was derived is explained below, showing the results of the estimation parameters, the prediction power of the model and the estimation of the handling times for independent procedures.

#### *i) Original equation*

The original model used to estimate the handling time is based on the following formula, where the type of information explains the handling time devoted to each procedure, according to its mode:

$$\widehat{T}_{i,h} = \hat{\alpha} + \hat{\beta}_l^m IN_{i,h}^n + \hat{\beta}_l^m IP_{i,h}^n + \hat{\beta}_l^m DN_{i,h}^n + \hat{\beta}_l^m DP_{i,h}^n + \widehat{u}_{i,h}$$

Where:

- $\widehat{T}_{i,h}$  is the time estimated for procedure  $i$  and for mode  $h$ .
- Exogenous variables are:  $IN$  that refers to the number of data or new information requested by procedure  $i$ , in mode  $h$  over a user's profile.  $IP$  is the existing information,  $DN$  are the new documents and  $DP$  the existing documents.
- $\hat{\alpha}$  is the parameter intercept to estimate.
- $\hat{\beta}_l^m$  are the parameters to estimate of each exogenous variable, where  $l$  is the indicator for the ordinal number of the parameter in the regression and has values within the  $\{1,10\}$  range. Indicator  $m$  may have three values for variables  $IN$  and  $IP$ :

*beneficiaries, applicants and legal representatives; and two for DN and DP: legal and personal.*

- As mentioned before, the equation has 10 parameters (indicated in  $m$  and  $n$ ), since each variable can derive in 2 or 3 sub-variables, due to the profile of the information's owner or the nature of the documents in question.
- For example:  $\hat{\beta}_l^m DP_{i,h}^n$  is composed of the following sub-variables:

$$\hat{\beta}_l^m DP_{i,h}^n = \hat{\beta}_l^{legal} DP_{i,h}^{legal} + \hat{\beta}_l^{personal} DP_{i,h}^{personal}$$

- $\widehat{u}_{i,h}$  is the regression error.

This regression would pose two challenges: multicollinearity and heterocedasticity. The way both problems were corrected is explained below.

#### *ii) Principal components analysis to eliminate multicollinearity*

Aiming to reduce the regression's multicollinearity problem an algebraic transformation of exogenous variables was implemented, based on the existing correlation between them. This transformation intended to reduce the dimensionality of data and consequently a principal components analysis was conducted. This type of analysis reduces the number of variables, with no significant loss on information quality and thus eliminates multicollinearity (Jolliffe, 2002<sub>[11]</sub>), (Perez, 2017<sub>[12]</sub>).

The principal components analysis is useful when there is a high correlation between study variables. The information obtained from IMSS procedures, according to the user's classification and the new or existing condition, shows that there was indeed a high correlation between the 10 exogenous variables.

Statistical analysis shows that the three first components, based on the information breakdown, accounted for 92% of data variability —see Table 1.A.16. On the other hand, the first two components account for 80% of the variability. Therefore, regarding regression transformation, tests were made using up to four components, respectively, to determine the best option. However, the best alternative was the use of two components, since this specification eliminated the multicollinearity problem and the regressions' parameter turned out to be significant.

Annex Table 1.A.16 shows the components results for each variable. It only includes the first six components since, based on previous analysis, components 7 to 9 do not provide relevant information. That is, the variability in the information is explained with six components.

**Annex Table 1.A.16. Analysis of main components**

In-person procedures

Component	Eigenvalue	Difference	Share	Accumulated
Comp1	4.85675	2.48991	0.5396	0.5396
Comp2	2.36684	1.25378	0.263	0.8026
Comp3	1.11306	0.724436	0.1237	0.9263
Comp4	0.388623	0.161284	0.0432	0.9695
Comp5	0.227338	0.179944	0.0253	0.9947
Comp6	0.047394	0.047394	0.0053	1
Comp7	0	0	0	1
Comp8	0	0	0	1
Comp9	0	.	0	1

**Annex Table 1.A.17. Main components of the information categories**

In-person procedures						
Variable	Comp1	Comp2	Comp3	Comp4	Comp5	Comp6
Datos del Solicitante Nuevos	-0.0002	0.0742	0.9117	0.3919	-0.096	-0.0223
Datos del Solicitante Pre existentes	0.2237	0.4916	0.1567	-0.2603	0.7534	0.2201
Datos del Beneficiario Nuevos	0.4182	-0.2507	0.0016	0.0571	0.0328	0.0891
Datos del Beneficiario Pre existente	0.3916	0.2841	0.047	-0.2483	-0.1568	-0.8231
Datos del Representante Pre existentes	0.4182	-0.2507	0.0016	0.0571	0.0328	0.0891
Documentos Personales Nuevos	0.164	0.4435	-0.3762	0.7956	0.0253	-0.0351
Documentos Personales Pre existentes	0.2648	0.4733	0.022	-0.2665	-0.6275	0.4905
Documentos Legales Nuevos	0.4182	-0.2507	0.0016	0.0571	0.0328	0.0891
Documentos Legales Pre existentes	0.4182	-0.2507	0.0016	0.0571	0.0328	0.0891

Regarding digital procedures, components are shown below. According to Annex Table 1.A.18, for digital procedures, the first three components account for 99% of the information variability.

**Annex Table 1.A.18. Analysis of main components**

Digital procedures				
Component	Eigenvalue	Difference	Share	Accumulated
Comp1	4.48829	3.4505	0.7480	0.7480
Comp2	1.03779	0.570709	0.1730	0.9210
Comp3	0.46708	0.460241	0.0778	0.9989
Comp4	0.006839	0.0068394	0.0011	1.0000
Comp5	0	0	0.0000	1.0000
Comp6	0	-	0.0000	1.0000

As is the case with in-person procedures, the estimation used the first two components for variables' transformation.

**Annex Table 1.A.19. Main components of the information categories**

Digital procedures				
Variable	Comp1	Comp2	Comp3	Comp4
Existing Applicant Data	0.3793	-0.2520	0.7842	-0.4215
New Beneficiary Data	0.4611	0.0713	-0.2929	-0.1726
Existing Beneficiary Data	0.4584	-0.1911	0.1740	0.8504
Existing Representative Data	0.4611	0.0713	-0.2929	-0.1726
Existing personal documents	0.0899	0.9406	0.3120	0.0991
New legal documents	0.4611	0.0713	-0.2929	-0.1726

Consequently the transformation to eliminate the multicollinearity of the regression based on the original variables, was done as follows:

$$(IN_{i,h}^n)(\theta_1^n + \theta_2^n), (IP_{i,h}^n)(\theta_1^n + \theta_2^n), (DN_{i,h}^n)(\theta_1^n + \theta_2^n), (DP_{i,h}^n)(\theta_1^n + \theta_2^n)$$

Where  $\theta_1$  is the value of component 1 and  $\theta_2$  of component 2, respectively. Finally, the regression would be modified as follows:

$$\widehat{T}_{i,h} = \widehat{\alpha} + \widehat{\beta} \sum (IN(\theta)_{i,h}^n + IP(\theta)_{i,h}^n + DN(\theta)_{i,h}^n + DP(\theta)_{i,h}^n) + \widehat{u}_{i,h}$$

Information of original variables was subject to a linear transformation in order to eliminate multicollinearity. Therefore, these variables depend now on components  $\theta$ .

iii) Logarithmic transformation to eliminate heterocedasticity

Aiming to eliminate heterocedasticity, the functional form was changed, applying a natural logarithm to the endogenous variable (Heij Christiaan, de Boer Paul, Franses Philip Hans, 2004<sub>[13]</sub>). The following is the final functional form of the regression used to estimate the burdens of the subgroup 2.2 procedures:

$$\ln(\widehat{T}_{i,h}) = \widehat{\alpha} + \widehat{\beta} \sum (IN(\theta)_{i,h}^n + IP(\theta)_{i,h}^n + DN(\theta)_{i,h}^n + DP(\theta)_{i,h}^n) + \widehat{u}_{i,h}$$

Annex Table 1.A.21 includes pertinent statistical tests showing that this equation indeed allowed to eliminate heterocedasticity.

iv) *Estimation of parameters*

The final equation was used to estimate the parameter, based on the data obtained in procedures through surveys. The ordinary least square technique was used. The regression results are included in Annex Table 1.A.20.

**Annex Table 1.A.20. Results of the regressions used to estimate the time needed for IMSS procedures**

Total time per procedure in natural logarithm		
Category	In-person procedures	Digital procedures
Parameter	0.024793	0.1081836
Statistic $p$	0.001	0.000
Constant	5.289143	2.459722
R <sup>2</sup>	0.2522	0.6777
Statistic $F$	0.0007	0.0000
N	42	17

The final equation was estimated separate from Group 1 in-person procedures and digital procedures, since the nature of each of them is essentially different. The number of available observations was 42 for in-person procedures and 17 for digital procedures.

As mentioned before, 28 procedures were estimated through interviews. However, for 26 of these in the in-person mode, interviews were carried out in Mexico City and for a sub-sample of 16 procedures, information was also gathered in facilities in other states. Therefore, 42 observations are available in the Annex Table 1.A.20 regression. On the other hand, the cost of 12 digital procedures was calculated in Mexico City and five digital procedures in other states.



The selection of in-person and digital procedures whose cost was directly estimated outside Mexico City was randomised, once those procedures that could only be fulfilled in the IMSS central offices were excluded. For example, procedures related to health education. For detailed information of the facilities visited in Mexico City and other states see Annex Table 1.A.7 and Annex Table 1.A.8.

Estimated parameters have a very high statistical significance, as shown by statistic  $p$  in Annex Table 1.A.20. Additionally, statistic tests were performed to review the consistency and strength of regression.

Annex Table 1.A.21 shows *Breusch-Pagan* and *White* tests for heterocedasticity, as well as the *Ramsey* test on the model's specification. With regards to heterocedasticity, the White test indicates that the model is homoscedastic for in-person and digital procedures. The Ramsey test shows that the model has no omitted variables (Hayashi Fumio, 2000<sub>[14]</sub>).

**Annex Table 1.A.21. Results of the regressions used to estimate the time needed for IMSS procedures**

Total time per procedure in natural logarithm		
Category	In-person procedures	Digital procedures
<b>Ramsey test</b>		
	<b>Coefficient (statistic)</b>	
Hat	7.109488 (0.625)	-2.090011 (0.620)
Hatsq	-0.5404677 (0.675)	0.3753671 (0.466)
Constant	-17.23147 (0.675)	5.490672 (0.467)
<b>Breusch-Pagan test</b>		
	<b>Statistical</b>	
Ho: constant variance		
Chi2(1)	4.84	0.32
Prob > chi2	0.0279	0.5705
<b>White test</b>		
Ho: constant variance		
Chi2(2)	4.83	2.26
Prob > chi2	0.0892	0.3228

v) *Evaluation of the prediction power of the model*

Estimated parameters were used to measure the model's capacity to predict the real handling times of procedures through surveys. Annex Table 1.A.22 includes a set of 19 examples of in-person procedures and Annex Table 1.A.23 a set of 12 digital procedures, comparing the total real time it takes to perform each of them (identified through interviews) and the estimate for regression parameters. Results suggest that parameters have an important predictive power since it has an average adjustment of 85%.

**Annex Table 1.A.22. Comparison of the real and estimated time for relevant procedures**

Digital procedures				
Procedure	Version	Real handling time	Estimated handling time	Adjustment
IMSS-02-001-C	I	307	292.1966	1.05
IMSS-02-008	I	10.6	12.02835	0.88
IMSS-02-008	A	20.6	12.02835	1.71
IMSS-02-020-B	I	8.6	12.19513	0.70
IMSS-02-025-A	I	8.2	12.19513	0.67
IMSS-02-066-A	I	25.5	14.26805	1.78
IMSS-02-066-B	I	13	14.26805	0.91
IMSS-02-066-M	I	14.4	14.26805	1.00
IMSS-03-011	A	11.5	12.02835	0.95
IMSS-03-011	I	11.5	15.45258	0.74
Opinión 32D	I	21.8	13.63336	1.59
SIPARE	I	37.8	13.44691	2.81

**Annex Table 1.A.23. Comparison of the real and estimated time for relevant procedures**

In-person procedures				
Procedure	Version	Real handling time	Estimated handling time	Adjustment
IMSS-01-002	P	278	360	1.29
IMSS-01-003-A	P	292	378	1.30
IMSS-01-006-A	P	328	328	1.00
IMSS-01-009	P	343	286	0.83
IMSS-01-015	P	259	249	0.96
IMSS-01-016	P	387	360	0.93
IMSS-01-029-A	P	220	278	1.26
IMSS-01-031	P	250	277	1.11
IMSS-01-034-B	P	303	282	0.93
IMSS-02-001-C	P	565	476	0.84
IMSS-02-008	P	198	209	1.06
IMSS-02-020-B	P	302	209	0.69
IMSS-02-025-C	P	245	237	0.97
IMSS-02-066-A	P	215	220	1.02
IMSS-02-066-B	P	230	216	0.94
IMSS-02-066-M	P	242	205	0.85
IMSS-04-001-B	P	211	213	1.01
IMSS-05-002	P	254	216	0.85
IMSS-05-003	P	241	216	0.90

*vi) Estimation of handling times for independent procedures*

In average, the prediction power model results suggest that estimated parameters are considered adequate to use them to calculate the handling time of independent procedures. Annex Table 1.A.24 contains a list of subgroup 2.2 procedures and their estimated handling times.

**Annex Table 1.A.24. Independent procedures at the IMSS**

Time extrapolated based on quantitative methods

Code	Name of the procedure	Version	Time
Constancia de Desempleo	Discharge certificate for unemployment retirement	I	S/I
Constancia de Desempleo	Discharge certificate for unemployment retirement	P	216.5
IMSS-01-020	Request for the execution of an indirect payment agreement and subsidies reimbursement	P	580.8
IMSS-02-019-A	Authorisation of service in a foreign district Mode A) Upon request of the employer or obligated subject	I	S/I
IMSS-02-019-A	Authorisation of service in a foreign district Mode A) Upon request of the employer or obligated subject	P	249.8
IMSS-02-019-B	Authorisation of service in a foreign district Mode B) Upon request of the rights-holder or pensioner	I	S/I
IMSS-02-019-B	Authorisation of service in a foreign district Mode B) Upon request of the rights-holder or pensioner	P	235.6
IMSS-02-025-A	Request for certificate of acknowledged weeks Mode A) Certificate of acknowledged weeks in the IMSS	A	9.5
IMSS-02-096	Request for information on debit status	P	230.6
IMSS-02-096	Request for information on debit status	I	47.3
IMSS-03-001	Request for clinical fields and locations for clinical cycles, medical internship and social service for educational institutions that offer careers in the health area	P	247.1
IMSS-03-004	Request for partial rotations in the Mexican Social Security Institute of resident doctors from other institutions	P	216.5
IMSS-03-005-A	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode A) External candidates to the Mexican Social Security Institute	P	296.4
IMSS-03-005-B	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode B) Candidates workers of the Mexican Social Security Institute	P	314.3
IMSS-03-005-C	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode C) Candidates children of workers of the Mexican Social Security Institute	P	314.3
IMSS-03-006	Request for specialised physicians to enter or join on-going education programs at the Mexican Social Security Institute as maxillofacial surgery interns	P	323.3
IMSS-03-014	Medical prescription of home oxygen	P	225.3
IMSS-04-004	Replacement of credential	P	201.2
SIPARE	Referenced Payments System	P	209.1

*Notes:* The time for the Unemployment Certificate, IMSS-02-019-A and IMSS-02-019-B in the online version could not be extrapolated because the information obtained was not enough to estimate it.

N/I = No information

P = In person

I = Online

Having defined the handling times for independent procedures, the unitary administrative burdens were calculated using the formulae shown in Annex Table 1.A.11 and Annex Table 1.A.12.

The following chapter includes the measurement of the unitary administrative burdens for analysed procedures, divided by administrative unit.

#### *Sub-step 14.3. Measurement of Total Administrative Burdens*

After defining the unitary administrative burdens, total administrative burdens were calculated using the following formula:

$$CAT = \sum_i \sum_h (CU_{i,h})(P_{i,h})$$

Where:

- $CAT$  is the total administrative burden, that refers to the sum of the costs of each one of the IMSS procedures, multiplied by their population that, as already mentioned, refers to the number of applications submitted in 2017.
- $CU_{i,h}$  is the unitary cost of procedure  $i$  for mode  $h$ . As mentioned before, there are four modes: in-person, Online, mobile application and telephone.
- $P_{i,h}$  is the population of mode  $h$ , for procedure  $i$ ,

$$P_{i,h} = \alpha_{i,h,j} \sum_j^m p_{i,h,j}$$

- $P_{i,h}$  is composed of the sum of each one of the salaries (or opportunity costs), that corresponds to each profile that submits a request for procedure  $i$  in mode  $h$ , which is multiplied by the share of each type of user. These users can be rights-holders by age group (beneficiaries, pensioners, active rights-holders), the population in general, the economically active population, etc.
- Sub-index  $j$  refers to the profile of the person involved in procedure  $i$ .

The following chapter contains the measurement of total administrative burdens, organised by administrative unit.

During the procedures review process, some of them reported zero population or did not have any request in 2017. Annex Table 1.A.25 shows the procedures identified with these characteristics. The total administrative burden calculated for them was zero.

**Annex Table 1.A.25. Procedures with population zero**

Code	Name of the procedure
NA	Unemployment certificate
IMSS-02-019-A	Authorisation of services in a foreign district. Mode A) Upon request of the employer or obligated subject
IMSS-02-019-B	Authorisation of services in a foreign district. Mode B) Upon request of the rights-holder or pensioner
IMSS-02-025-A	Request for certificate of acknowledged weeks. Mode A) Certificate of acknowledged weeks in the IMSS
IMSS-02-096	Request for information on debit status
IMSS-03-001	Request for clinical fields and locations for clinical cycles, medical internship and social service for educational institutions that offer careers in the health area
IMSS-03-004	Request for partial rotations in the Mexican Social Security Institute of resident doctors from other institutions

Additionally, for three procedures, the IMSS has no population registries. These procedures are included in Annex Table 1.A.26. Since they were indeed carried out in 2017, but not registered, they were not considered when measuring total administrative burdens.

**Annex Table 1.A.26. Procedures without information on population**

Code	Name of the procedure
IMSS-01-029-B	Request for payment of non-collected monthly payment or claim for differences related to the pension Mode B) By third parties, in case of death of the pensioner
IMSS-03-014	Medical prescription of home oxygen
IMSS-03-019	Request for home medical care

***Step 15. Information and transfer to database***

The SCM Manual indicated that this is the stage when the report with the main results of the measurement process, as well as detailed information on the methodology, must be prepared. This report represents the fulfilment of this step.

**Notes**

<sup>1</sup> The SCM manual identifies 16 standard activities. Previous experiences of the SCM use in Mexico suggest that it is advisable to implement only the 11 activities included in Table 3. See (OCDE and Secretaría de Economía, 2009<sup>[9]</sup>)

<sup>2</sup> The following definitions are based on the SINCO classification:

Assistant workers in administrative activities: workers who perform administrative support roles at the general offices. This category also included delivery persons and private drivers, since in the interviews it was detected that this is one of the activities performed to comply with the procedures. For example: Secretaries and drivers.

Technician: Person in charge of gathering requirements and handling simple procedures, with limited specialisation. For example: Operators.

Professional: Person in charge of gathering requirements and handling procedures of all types, with a high level of specialisation. For example: Attorneys.

Director: Person in charge of gathering requirements and handling procedures of a complex nature, that cannot be delegated to third parties. These are in general the owners or directors of the company. For example: legal representatives.

<sup>3</sup> The time dedicated to measuring administrative burdens (see steps 12 and 14), and the reported difficulty are used to elaborate the complexity index (see step 14).

<sup>4</sup> See Box 1.1 for an analysis of the representativeness of the MCE data.

## Annex 1.B. Questionnaires used when gathering information about the IMSS

### Questionnaire for in-person procedures

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 1. INTERVIEWER	<input type="text"/> LOCATION CDMX(1) /ZSU(2)	<input type="text"/> ID SAMPLE Type of establishment	<input type="text"/> <input type="text"/> ID PROCEDURE	<input type="text"/> <input type="text"/> FOLIO	<input type="text" value="P"/> VERSION P in person / I Online/ A App	<input type="text"/> <input type="text"/> ID UNIT
--	---	--	---	--	--	--

**OECD SURVEY/IMSS ABOUT TIME AND COST OF CARRYING OUT PROCEDURES**

Check refusal  1  2  3  4  5  6  7  Starting time: \_\_\_\_: \_\_\_\_ Day  Month

Good morning / evening / night, my name is \_\_\_\_\_, I work for EREFORM / BGC. We are conducting a survey for an international review by the OECD and the IMSS, with the purpose of finding the time users like you dedicate to carry out several procedures. Today we are interviewing people that carried out a procedure in this Family Medical Unit (day-care centre, Sub-delegation or funeral home) and we would take some minutes of your time to learn about your opinion regarding the time it took you to fulfil this procedure. All the information you provide will be used exclusively for statistical purposes, as part of a group, and not individually. If you wish to participate, you may choose not to answer any of the questions that might be uncomfortable for you and you can stop answering whenever you decide to do so. Can you give me a few minutes to answer several questions?

**INTERVIEWER: THE INTERVIEW APPLIES TO RIGHTS-HOLDERS, RELATIVES OR PENSIONERS OVER 18 YEARS OF AGE THAT CARRIED OUT THE FORMALITY OR PERSONS WHO ARE RESPONSIBLE FOR THEM IF THEY CANNOT ANSWER THE QUESTIONS IN THE INTERVIEW BECAUSE THEY ARE UNDER LEGAL AGE OR HAVE ANY OTHER IMPEDIMENT.**

**SELECT WHO IS ANSWERING (INTERVIEWER PLEASE NOTE DOWN IF THE INTERVIEWEE IS A...)**

- |  |     |                          |
|--|-----|--------------------------|
| Worker   | (1) | <input type="checkbox"/> |
| Relative or representative of a worker               | (2) |                          |
| Pensioner or retiree                                 | (3) |                          |
| Relative or representative of a pensioner or retiree | (4) |                          |
| NS   | (8) |                          |
| NC   | (9) |                          |

**Starting time:** \_\_\_\_\_:\_\_\_\_\_

Schooling. What is your educational level (maximum degree)?

None	(1)	Incomplete high school education	(7)	
Incomplete primary education	(2)	Complete primary education	(8)	
Complete primary education	(3)	Incomplete undergraduate education	(9)	
Incomplete secondary education	(4)	Complete undergraduate education	(10)	
Complete secondary education	(5)	Master's degree or doctoral degree	(11)	
Commerce/Technical Career	(6)	NC	(99)	

1. Did you carry out the procedure or did you hire somebody to carry it out (for example, an operator, a consultant, an attorney, an accountant or a company)?

You personally carried it out (1) Please go to 2   
 You hired external services (2)

1.1 How many operators/consultants and/or companies did you hire to carry out the procedure? \_\_\_\_\_

1.1.1 Which is the trade or characteristics of the operator / consultant you hired? (DELIVER CARD 1, FOR EACH CASE, ASK: →						
	Opera- tor	Attor- ney	Accoun- tant	Consul- tant	Other	Ns/Nc
1	(1)	(2)	(3)	(4)	(5)	(9)
2	(1)	(2)	(3)	(4)	(5)	(9)
3	(1)	(2)	(3)	(4)	(5)	(9)
4	(1)	(2)	(3)	(4)	(5)	(9)
5	(1)	(2)	(3)	(4)	(5)	(9)

1.1.2 Approximately how much did you pay each operator or consultant for his/her services?						
Amount (in pesos)	Nc					
	(99999)					
	(99999)					
	(99999)					
	(99999)					
	(99999)					

1.1.3 If you hired a company, please answer which is its trade? (DELIVER CARD 3 and continue)

1.1.3.1 Approximately, how much did you pay each company for its services?

1.1.3			→					1.1.3.1						
	Trade	Ns/Nc	Amount		Nc									
1		(99)					(99999)							
2		(99)					(99999)							

**2. How did you obtain the information required to carry out your procedure...?** (READ OPTIONS 1-4. REGISTER 5 AND 6 IF THEY ARE EXPRESSED SIMULTANEOUSLY)

- Directly here at the FMU/Day-care centre/SD (IMSS offices) (1)
- At the IMSS website (2)
- Through the cell application (App) (3)
- By telephone (4)
- COFEMER website (esp.) (5)
- Online.gob.mx site (esp.) (6)
- Other: \_\_\_\_\_

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IN PERSON

3. How many times did you have to visit the IMSS office to carry out and fulfil the procedure? **This includes asking for information, picking up formats or applications, delivering the format or applications, delivering missing documents, asking about the progress achieved in the procedure, picking up the answer.** (SELECT ONLY ONE ANSWER.)

3.1 Approximately how much time did each visit take? (INTERVIEWER: READ THE OPTIONS, THE PERSON MUST CHOOSE ONLY ONE AND INDICATE THE TIME IN EACH CASE)

Time/times	0-5 min	6-15 min	16-30 min	31-45 min	46-60 min	More than one hour		
One (1)	(1)	(2)	(3)	(4)	(5)	(6)		
Two (2)	(1)	(2)	(3)	(4)	(5)	(6)		
	(1)	(2)	(3)	(4)	(5)	(6)		
Three (3)	(1)	(2)	(3)	(4)	(5)	(6)		
	(1)	(2)	(3)	(4)	(5)	(6)		
	(1)	(2)	(3)	(4)	(5)	(6)		
4 or more (4)	(1)	(2)	(3)	(4)	(5)	(6)		
	(1)	(2)	(3)	(4)	(5)	(6)		
	(1)	(2)	(3)	(4)	(5)	(6)		
	(1)	(2)	(3)	(4)	(5)	(6)		



**4. Now, please pay attention and help me by providing the following information. I am going to read the following list of activities (DELIVER CARD 2). Tell me which ones did you perform to carry out the procedure and how much time did it take in each case?; did you have to...? (READ THE ACTIVITY AND, SHOULD THAT BE THE CASE, CONTINUE)**

4.1 And how much time did this activity take? IF THE INTERVIEWEE ANSWERS "ONE DAY", ASK HOW MANY HOURS OF THE DAY DID HE/SHE INVEST IN THE PROCEDURE AND EXPLAIN WHAT IS HE/SHE REFERRING TO.

	4. Activity	No	Ns	Not Applicable	Yes	→	Hours	Minutes					
1	Identifying and understanding the procedure requirements	(2)	(3)	(4)	(1)								
2	Performing activities related to hiring and paying operators or companies to carry out the procedure	(2)	(3)	(4)	(1)								
3	Holding meetings with operators or companies to prepare for the procedure	(2)	(3)	(4)	(1)								
4	Holding meetings with internal staff to prepare the information	(2)	(3)	(4)	(1)								
5	Gathering existing information. For example: date of birth, voter's credential, proof of residency, etc.	(2)	(3)	(4)	(1)								
6	Elaborating and generating new information and documents: <b>Illness certificate, validity certificate, etc.</b>	(2)	(3)	(4)	(1)								
7	Filling out forms and/or elaborating requests	(2)	(3)	(4)	(1)								
8	Creating and administering <b>backup files</b> (for example: logbooks, regular reports, electronic records, etc.)	(2)	(3)	(4)	(1)								
9	Paying for the procedure, such as: paying directly at the institution, <b>at the bank, in other offices</b> , paying electronically ( <b>this applies only for procedures ID 26, 27 y 28</b> )	(2)	(3)	(4)	(1)								
10	<b>Commute to the IMSS offices to carry out the procedure</b>	(2)	(3)	(4)	(1)								
11	<b>Waiting at the IMSS offices to carry out the procedure</b>	(2)	(3)	(4)	(1)								
	Other _____	(2)	(3)	(4)	(1)								

**5. Now, we will talk about the purchase of materials needed to carry out the procedure, for example: special stationery (copies for crosschecking purposes, CD's, payment of courier services, etc.). Would you be so kind to tell me if you purchased this type of materials to carry out this procedure?**

Yes (1) Go to 5.1      No (2) Go to 6      Does not know (3) Go to 6

5.1 What were the specific purchases you made to carry out this procedure? (INTERVIEWER: FOR EACH PURCHASE, ASK AND CONTINUE)

5.2 Approximately, how much did you pay for this purchase?

	5.1		→	5.2						
	Purchase of input	Nc		Cost	Nc					
1		(99)			(99999)					
2		(99)			(99999)					
3		(99)			(99999)					
4		(99)			(99999)					
5		(99)			(99999)					
6		(99)			(99999)					
7		(99)			(99999)					

6. For the procedure you carried out today, were you asked to submit any certified copy or any copy validated before a Notary Public or other instances?

Yes (1) Go to 6.1      No (2) Go to 7      Ns (3) Go to 7      Nc (4) Go to 7

6.1 How many certified copies did your procedure require? \_\_\_\_\_

INTERVIEWER, FOR EACH COPY ASK 6.2

6.2 How much did you pay for the issuance of the certified copy?

	6.1 Name of the document	→	6.2 Cost (in pesos)						
				Ns/Nc					
1				(99999)					
2				(99999)					
3				(99999)					
4				(99999)					

**7. In your opinion, was it very easy, easy, difficult or very difficult to carry out the procedure you just finished?**

Very easy (1)                      Difficult (4)  
 Easy (2)                              Very difficult (5)  
 Nor easy, nor difficult (esp.) (3)              Ns/Nc (9)

**8. In your opinion, did you have to comply with unnecessary requirement(s) to carry out the procedure?**

Yes (1) Go to 8.1                      No (2) Go to 9                      Does not know (3) Go to 9

**8.1 Which is (are) the requirement(s) you consider unnecessary?**

	Name of the requirement	
1		
2		
3		
4		
5		

**9. Think about other procedures you have carried out at the IMSS during the last year (April /March 2017 to date)**

Compared to those procedures, how easy or difficult do you consider it was to carry out this procedure: very easy, easy, difficult or very difficult?

Very easy (1)                      Very difficult (5)  
 Easy (2)                              I have not carried out other procedures at the IMSS (esp.) (6)  
 Nor easy, nor difficult (esp.) (3)              This is the first time I carry out a procedure (esp.) (7)  
 Difficult (4)                              NS /NC (8)

**10. Do you have any suggestions and/or complaints regarding this procedure?**

Suggestions
Complaints

**11. Besides the procedure you carried out today, is there any other procedure that has been or is particularly problematic or cumbersome at the IMSS?**

Yes (1) 11.1 Which is (are) the procedure or procedures wwhich were problen atic or cumbersome?

	Name of procedures	
1		
2		
3		
4		
5		

No (2) Finish and thank the interviewee  
 Does not know (3) Finish and thank the interviewee

Completion time: \_\_\_\_\_:\_\_\_\_\_

Name of the interviewer (full name and last name):

\_\_\_\_\_

Name of the supervisor (full name and last name):

\_\_\_\_\_

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Supervisor code

## Questionnaire for digital procedures

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I/A
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2. INTERVIEWER

LOCATION  
CDMX(1) /ZSU(2)

ID SAMPLE  
Type of establishment

ID PROCEDURE FOLIO

VERSION ID UNIT  
P in person /I Online/ A App

## OECD SURVEY/IMSS ABOUT TIME AND COST OF CARRYING OUT PROCEDURES

Check refusal 

1	2	3	4	5	6	7	
---	---	---	---	---	---	---	--

 Starting time: \_\_\_\_\_:\_\_\_\_\_ Day 

--	--

 Month 

--	--

Good morning / evening / night, my name is \_\_\_\_\_, I work for EREFORM / BGC. We are conducting a survey for an international review by the OECD and the IMSS, with the purpose of finding the time users like you dedicate to carry out several procedures. Today we are interviewing people that carried out a formality online or through the cell application APP, and we would take some minutes of your time to learn about your opinion regarding the time it took you to fulfil this formality. All the information you provide will be used exclusively for statistical purposes, as part of a group, and not individually. If you wish to participate, you may choose not to answer any of the questions that might be uncomfortable for you and you can stop answering whenever you decide to do so. Can you give me a few minutes to answer several questions?

**INTERVIEWER: THE INTERVIEW APPLIES TO RIGHTS-HOLDERS, RELATIVES OR PENSIONERS, OVER 18 YEARS OF AGE THAT CARRIED OUT THE FORMALITY OR PERSONS WHO ARE RESPONSIBLE FOR THEM IF THEY CANNOT ANSWER THE QUESTIONS IN THE INTERVIEW BECAUSE THEY ARE UNDER LEGAL AGE OR HAVE ANY OTHER IMPEDIMENT.**

**THIS CARD CAN APPLY TO THOSE PERSONS THAT HAVE CARRIED OUT ANOTHER FORMALITY AND WHO DECLARE THEY HAVE CARRIED OUT ONE OF THE PROJECT ONLINE OR ELSE BETWEEN EMPLOYEES OF ANY OF THE COMPANIES THAT COLLABORATE IN THE PROJECT.**

**SELECT WHO IS ANSWERING (INTERVIEWER, PLEASE NOTE DOWN IF THE INTERVIEWEE IS A...)**

- Worker (1)
- Relative or representative of a worker (2)
- Pensioner or retiree (3)
- Relative or representative of a pensioner or retiree (4)
- NS (8)
- NC (9)

Starting time: \_\_\_\_:\_\_\_\_

Schooling. What is your educational level (maximum degree)?

- None (1)
- Incomplete primary education (2)
- Complete primary education (3)
- Incomplete secondary education (4)
- Complete secondary education (5)
- Commerce/Technical Career (6)
- Incomplete high school education (7)
- Complete primary education (8)
- Incomplete undergraduate education (9)
- Complete undergraduate education (10)
- Master's degree or doctoral degree (11)
- NC (99)

1. Did you carry out the procedure or did you hire somebody to carry it out (for example, an operator, a consultant, an attorney, an accountant or a company)? NOT APPLICABLE IN THE CASE OF A PROCEDURE THROUGH AN APP

- You personally carried it out (1) Please go to 2
- You hired external services (2)

**1.1 How many operators/consultants and/or companies did you hire to carry out the procedure? \_\_\_\_\_**

1.1.1 Which is the trade or characteristics of the operator / consultant you hired? (DELIVER CARD 1, FOR EACH CASE, ASK: →

	Oper-ator	Attor-ney	Accoun-tant	Con-sultant	Other	Ns/ Nc
1	(1)	(2)	(4)	(5)	(6)	(9)
2	(1)	(2)	(4)	(5)	(6)	(9)
3	(1)	(2)	(4)	(5)	(6)	(9)
4	(1)	(2)	(4)	(5)	(6)	(9)
5	(1)	(2)	(4)	(5)	(6)	(9)

1.1.2 Approximately how much did you pay each operator or consultant for his/her services?

Amount (in pesos)	Nc				
	(99999)				
	(99999)				
	(99999)				
	(99999)				
	(99999)				

**1.1.3 If you hired a company, please answer which is its trade?** (DELIVER CARD 3 and continue)

1.1.3.1 Approximately, how much did you pay each company for its services?

1.1.3			→	1.1.3.1						
Trade	Ns/Nc			Amount	Nc					
1	(99)				(99999)					
2	(99)				(99999)					

2. How did you obtain the information required to carry out your procedure...? (READ OPTIONS 1-4. REGISTER 5 AND 6 IF THEY ARE EXPRESSED SIMULTANEOUSLY)

- Directly here at the FMU/Day-care centre/SD (IMSS offices) (1)
- At the IMSS website (2)
- Through the cell application (App) (3)
- By telephone (4)
- COFEMER website (esp.) (5)
- Online.gob.mx site (esp.) (6)
- Other: \_\_\_\_\_

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#### ONLINE AND THROUGH THE APP

3. Now, please pay attention and help me by providing the following information. I am going to read the following list of activities (DELIVER CARD 2). Tell me which ones did you perform to carry out the procedure and how much time did it take in each case?; did you have to...? (READ THE ACTIVITY AND, SHOULD THAT BE THE CASE, CONTINUE)

3.1 And how much time did this activity take? IF THE INTERVIEWEE ANSWERS "ONE DAY", ASK HOW MANY HOURS OF THE DAY DID HE/SHE INVEST IN THE PROCEDURE AND EXPLAIN WHAT IS HE/SHE REFERRING TO.

	3. Activity	No	Ns	Not Applicable	Yes	→	Hours	Minutes				
1	Identifying and understanding the procedure requirements	(2)	(3)	(4)	(1)							
2	Performing activities related to hiring and paying operators or companies to carry out the procedure. Not applicable for the App.	(2)	(3)	(4)	(1)							
3	Holding meetings with operators or companies to prepare for the procedure. Not applicable for the App.	(2)	(3)	(4)	(1)							
4	Holding meetings with internal staff to prepare the information	(2)	(3)	(4)	(1)							

5	<b>Gathering existing information.</b> For example: date of birth, voter's credential, proof of residency, etc.	(2)	(3)	(4)	(1)								
6	Elaborating and generating new information and documents: <b>Illness certificate, validity certificate, etc.</b>	(2)	(3)	(4)	(1)								
7	Filling out forms and/or elaborating requests	(2)	(3)	(4)	(1)								
8	Creating and administering <b>backup files</b> (for example: logbooks, regular reports, electronic records, etc.)	(2)	(3)	(4)	(1)								
9	Paying for the procedure, such as: paying directly at the institution, <b>at the bank, in other offices,</b> paying electronically	(2)	(3)	(4)	(1)								
10	<b>Commute to the IMSS offices to</b> carry out the procedure	(2)	(3)	(4)	(1)								
11	<b>Waiting at the IMSS offices to</b> carry out the procedure	(2)	(3)	(4)	(1)								
	Other _____	(2)	(3)	(4)	(1)								

4. Now, we will talk about the purchase of materials needed to carry out the procedure, for example: special stationery (copies for crosschecking purposes, CD's, payment of courier services, etc.). Would you be so kind to tell me if you purchased this type of materials to carry out this procedure?

- Yes (1) Go to 4.1
- No (2) Go to 5
- Does not know (3) Go to 5

4.1 What were the specific purchases you made to carry out this procedure? (INTERVIEWER: FOR EACH PURCHASE, ASK AND CONTINUE)

4.2 Approximately, how much did you pay for this purchase?

	4.1		→	4.2						
	Purchase of input	Nc		Cost	Nc					
1		(99)			(99999)					
2		(99)			(99999)					
3		(99)			(99999)					
4		(99)			(99999)					
5		(99)			(99999)					

**5. In your opinion, was it very easy, easy, difficult or very difficult to carry out the procedure you just finished?**

- Very easy (1)
- Easy (2)
- Nor easy, nor difficult (esp.) (3)
- Difficult (4)
- Very difficult (5)
- Ns/Nc (9)

**6. In your opinion, did you have to comply with unnecessary requirement(s) to carry out the procedure?**

- Yes (1) Go to 6.1
- No (2) Go to 7
- Do not know (3) Go to 7

**6.1 Which is (are) the requirement(s) you consider unnecessary?**

	Name of the requirement	
1		
2		
3		
4		
5		

**7. Think about other procedures you have carried out at the IMSS during the last year (April /March 2017 to date)****Compared to those procedures, how easy or difficult do you consider it was to carry out this procedure: very easy, easy, difficult or very difficult?**

- Very easy (1) Very difficult (5)
- Easy (2) I have not carried out other procedures at the IMSS (esp.) (6)
- Nor easy, nor difficult (esp.) (3) This is the first time I carry out a procedure (esp.) (7)
- Difficult (4) NS /NC (8)

**8. Do you have any suggestions and/or complaints regarding this procedure?**

Suggestions
Complaints



**9. Besides the procedure you carried out today, is there any other procedure that has been or is particularly problematic or cumbersome at the IMSS?**

Yes (1) 9. Which is (are) the procedure or procedures that were problematic or cumbersome?

Name of procedures	
1	
2	
3	
4	
5	

No (2) Finish and thank the interviewee

Does not know (3) Finish and thank the interviewee

Completion time: \_\_\_\_\_:\_\_\_\_\_

Name of the interviewer (full name and last name):

\_\_\_\_\_

Name of the supervisor (full name and last name):

\_\_\_\_\_

Supervisor code

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## Chapter 2. Measuring the administrative burdens of procedures in the Mexican Institute of Social Security

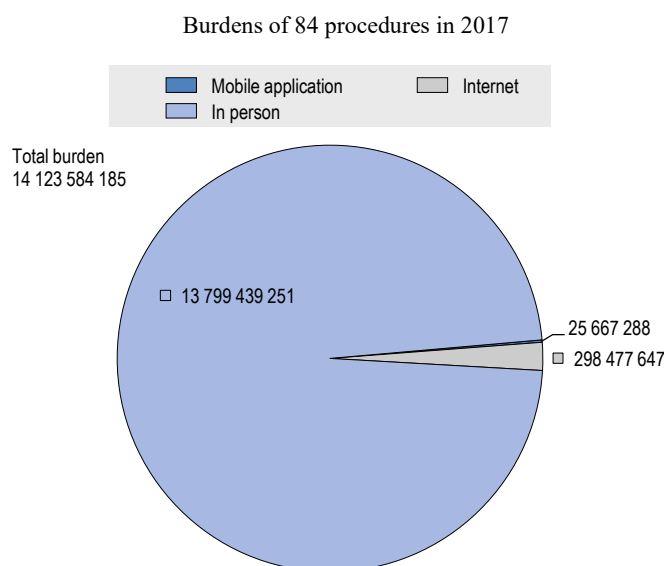
*This chapter introduces administrative burdens triggered by procedures carried out in the IMSS. The first section shows the total aggregate administrative burdens by procedure version – in person, online and mobile application – and compares it to its total population. Furthermore, it includes the unitary and total administrative burdens organised by IMSS' administrative area, with an emphasis on procedures that can be carried out through digital means. The chapter concludes with the Institute's procedures that represent 81% of total administrative burdens.*

## Total administrative burdens

The total administrative burden is defined as the unitary administrative burden of the procedure multiplied by the number of times it was carried out during a given period (population). In turn, the unitary administrative burden of each procedure is the result of multiplying the handling time devoted by users by the value of the opportunity cost or salary of each type of user.

For the 84 procedures analysed,<sup>1</sup> the total administrative burden, taking into consideration the population of procedures users, amounted to MXN 14 123 million. As seen in Figure 2.1, the largest share of the burdens (98%, equivalent to MXN 13 799 million), which the IMSS rights-holders and companies face, were originated by procedures carried out in the in person format. On the other hand, the administrative burden generated by digital procedures is barely 2%, equivalent to MXN 324.1 million.

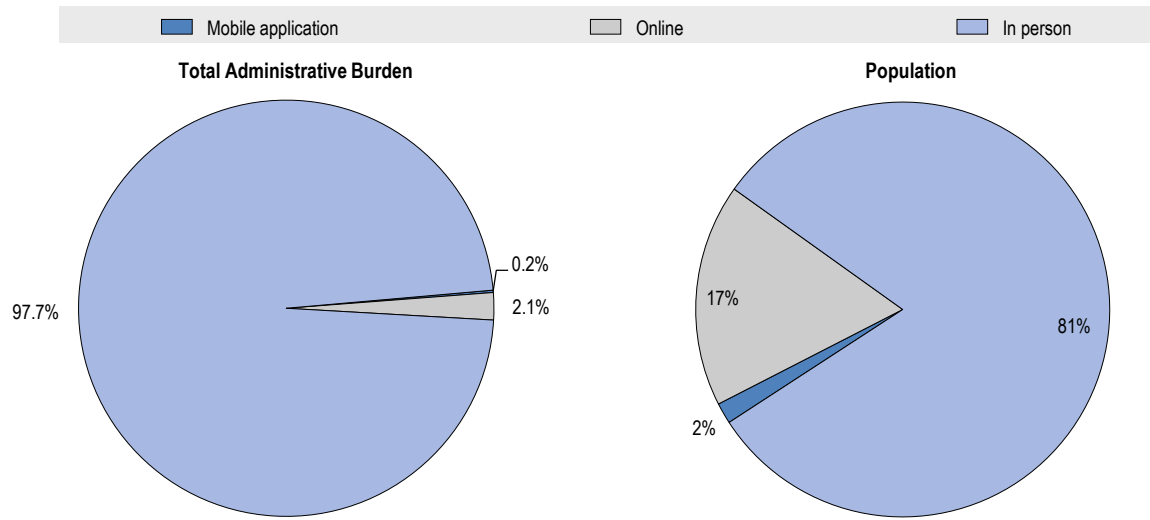
**Figure 2.1. Total administrative burdens at the IMSS**



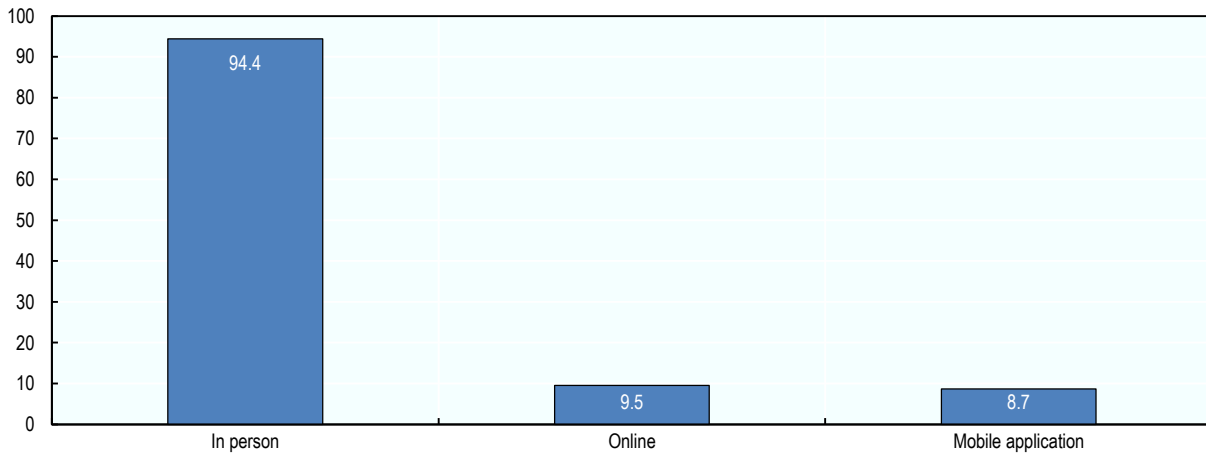
Comparing the total burden with the number of applications submitted in 2017 (population) by submission mode, the procedures delivered through TICs generate a proportionally lower burden compared to the in person procedures; these results are an evidence of the benefits of digital procedures. Figure 2.2 shows that 2% of the total burden originated in the procedures carried out online, is generated by 17% of the total number of applications submitted in 2017. In addition, 0.2% of the total burden is produced by 2% of the requests made through the mobile application.

The information shown in Figure 2.2 suggests that the use of digital procedures is beneficial for users, since the administrative burden faced by users to perform procedures through these means is much lower, compared to the in person mode procedures. The information shown in Figure 2.3 confirms this conclusion: the average administrative burden of digital procedures is significantly lower. The in person mode generates, on average, MXN 94.4; on the other hand, the average administrative burden of the online process is MXN 9.5 and on mobile devices, MXN 8.7. On average, an in person procedure generates 10 times more administrative burden to the user than the on-line mode and 10.8 times more than the mobile application.

**Figure 2.2. Total administrative burden and population by IMSS version**



**Figure 2.3. Average unitary administrative burden by type of procedure, MXN**



*Note:* The population of each procedure weights the average.

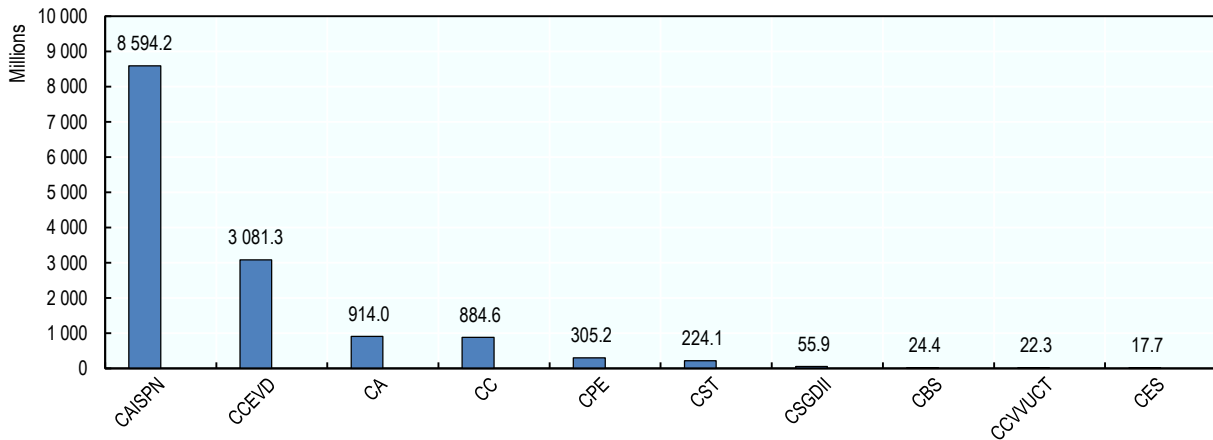
Figure 2.4 shows the total administrative burdens for each IMSS co-ordination, and Figure 2.5 shows the percentage contribution of each area. The following sections show, for each co-ordination, the unit burden for each procedure, as well as the population and the total administrative burden for each procedure.

It should be noted that the total burden per administrative co-ordination is only a reference for the procedures analysed, since, as already mentioned, the analysis does not include all existing procedures. Therefore, possibly other procedures whose cost was not calculated add significant burdens.

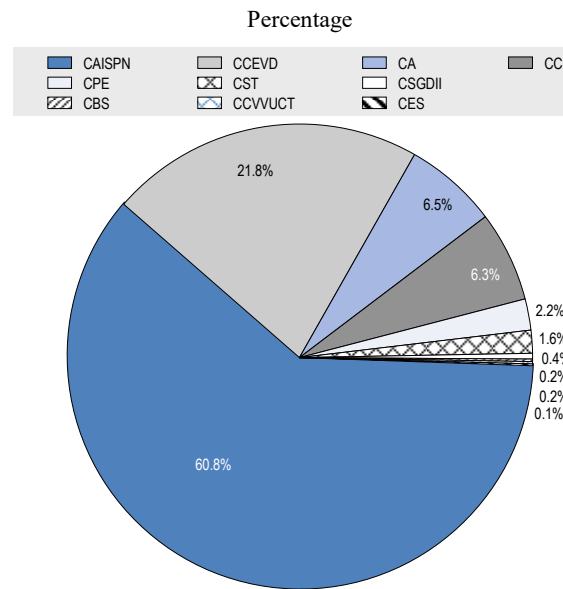
Considering this provision, the CAISPN is the administrative unit that accumulates the highest burdens with MXN 8 594 million, equivalent to 61% of the IMSS total burdens. In fact, the CAISPN and the CCEVD that accumulate MXN 11 675 million, represent 83% of the total burden. Figure 2.4 and Figure 2.5 show that while it is important to reduce burdens

at the institutional level, the IMSS strategy to go on with administrative simplification should include the CAISPN and the CCEVD units. In any case, the final chapters will review the strategy of burdens reduction in procedures, which may include other co-ordinations.

**Figure 2.4. Total administrative burden by administrative area of the IMSS, MXN**



**Figure 2.5. Participation of the co-ordinations in the total administrative burden of the IMSS**



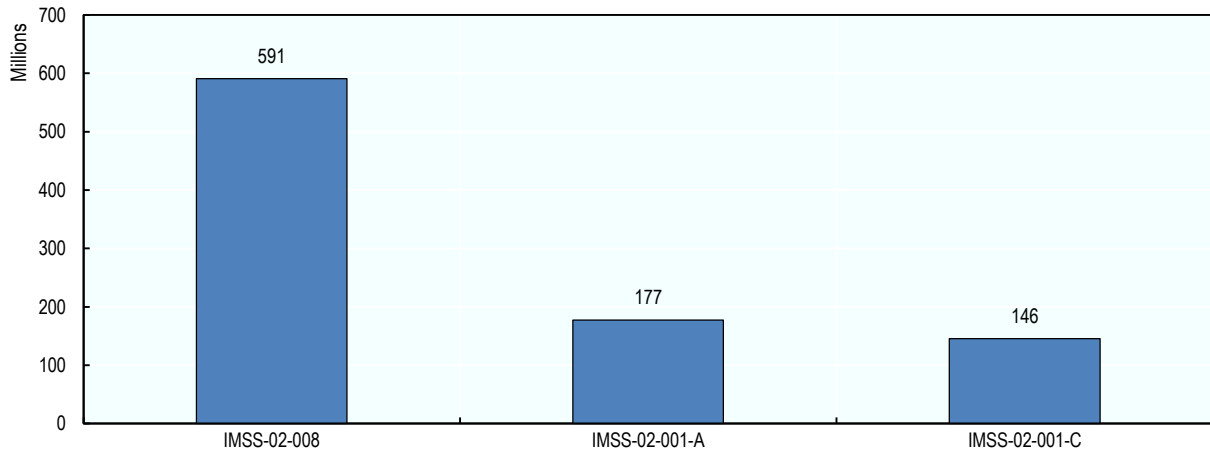
### Co-ordination of Affiliation

#### Total administrative burden by procedure

The Co-ordination of Affiliation (CA) is in charge of the initial contact between the IMSS and the companies and rights-holders, either to register them as employers or as new workers, or to assign rights-holders their Social Security Number (NSS). The CA has 48 procedures, only three of which were selected for this review: *Employer’s Registration for an Individual or a Legal Person (IMSS-02-001-A and IMSS-02-001-C)* and *the Request for Assignment or Tracking of Social Security Number (IMSS-02-008)*.

The CA is the third co-ordination with the highest administrative burden of the IMSS, with 6.5% of the total burden. The three analysed procedures of this co-ordination shown in Figure 2.6 are among the ten procedures with the highest administrative burdens of the IMSS, and one of them is located within the four procedures that represent more than 80% of the total IMSS’s burden (see subsection below).

**Figure 2.6. Total administrative burden of the IMSS Co-ordination of Affiliation, MXN**



*Total administrative burden by version*

The CA procedures are available on digital versions. The IMSS-02-008 procedure can be done in person (at the window), online (IMSS Digital Services) or through the IMSS mobile application (IMSS Digital); procedures IMSS-02-001 A and C can be carried out in person or online.

Figure 2.7 shows the impact of penetration in the use of digital platforms on each CA process burden, and Table 2.1 includes the data on total administrative burdens and population for CA procedures. 86.2% of the applications (population) of CA procedures are submitted by digital means (online plus mobile application), which represent only 13.8% of the total burden of the co-ordination.

**Figure 2.7. Total administrative burden and population by version of the Co-ordination of Affiliation**

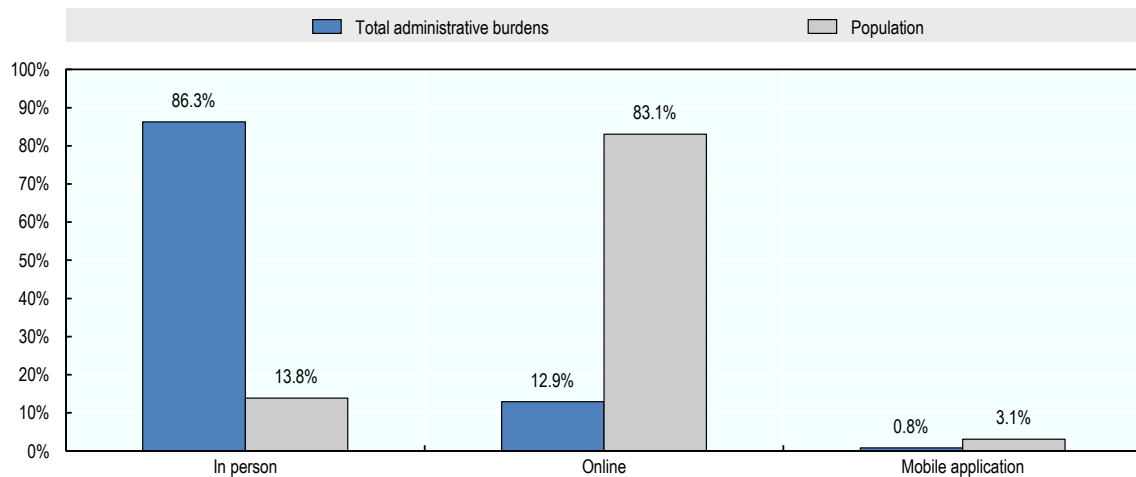


Table 2.1 shows that the online version of IMSS-02-001-A procedure has a population that accounts for 50.4% of this procedure population and the respective burden only represents 9.2%, which is another evidence of the benefits digital procedures offer users.

**Table 2.1. Total administrative burden by version of the IMSS Co-ordination of Affiliation**

Code	Version	Unitary burden	Population		Total administrative burden*		
			#	%	MXN	% in mode	% in total
IMSS-02-001-A	Online	282.79	57 833	50.4%	16 354 776	9.2%	
	In person	2 832.81	56 859	49.6%	161 070 917	90.8%	
<b>Sub-total</b>		-	<b>114 692</b>	<b>100.0%</b>	<b>177 425 693</b>	<b>100.0%</b>	19.4%
IMSS-02-001-C	Online	282.79	12 986	20.6%	3 672 352	2.5%	
	In person	2 832.81	50 086	79.4%	141 884 275	97.5%	
<b>Sub-total</b>		-	<b>63 072</b>	<b>100.0%</b>	<b>145 556 626</b>	<b>100.0%</b>	15.9%
IMSS-02-008	Mobile application	13.23	540 275	3.1%	7 149 007	1.2%	
	Online	6.81	14 431 355	83.5%	98 259 965	16.6%	
	In person	210.30	2 308 875	13.4%	485 561 372	82.2%	
<b>Sub-total</b>		-	<b>17 280 505</b>	<b>100.0%</b>	<b>590 970 345</b>	<b>100.0%</b>	64.7%
<b>Co-ordination's total</b>					<b>913 952 664</b>		<b>100.0%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

It also highlights that IMSS-02-008 procedure is intensively used in digital formats: 83.5% of the requests are submitted online and 3.1% through the mobile application. The total burden for each of these modes is 16.6% online and 1% through the mobile application. These data suggest that the benefits of simplifying and digitising CA procedures for users are clear.

### *Co-ordination of Comprehensive Health Care at the First Level*

#### *Total administrative burden by procedure*

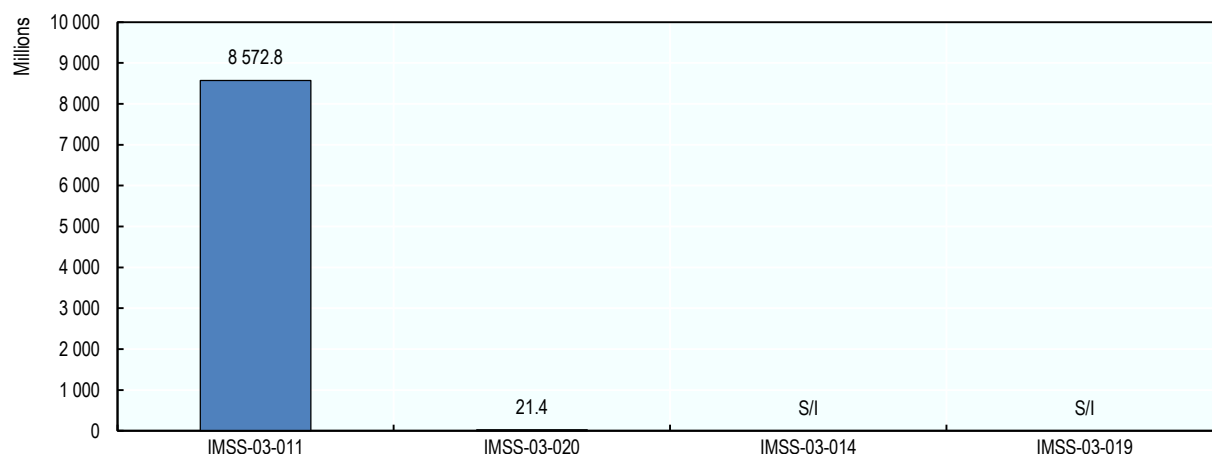
The Co-ordination of Comprehensive Health Care at the First Level (CAISPN) is responsible for the attention to rights-holders in their first contact with the IMSS regarding health issues. In this exercise, the administrative burden of four procedures was measured: *Medical care in Family Medicine Units (FMU) (IMSS-03-011)*, *Medical prescription of home oxygen (IMSS-03-014)*, *Request for home medical care (IMSS-03-019)* and *Request for issuance of a death certificate (IMSS-03-020)*.

The CAISPN is the co-ordination with the highest administrative burden at the IMSS, with 60.8% of the total (see Figure 2.5), mainly due to the *Medical Care in Family Medicine Units (FMU)* procedure. This is the procedure with the highest burdens, since it accounts for 60.7% of the total burden of the procedures analysed, with MXN 8 573 million (see Figure 2.20) and 99.8% of the co-ordination burden (see Figure 2.8 and Table 2.2).

It was not possible to calculate the total administrative burden of IMSS-03-014 and IMSS-03-019 procedures, since there are no population records.



**Figure 2.8. Total administrative burden of the IMSS Co-ordination of Comprehensive Health Care at the First Level, MXN**

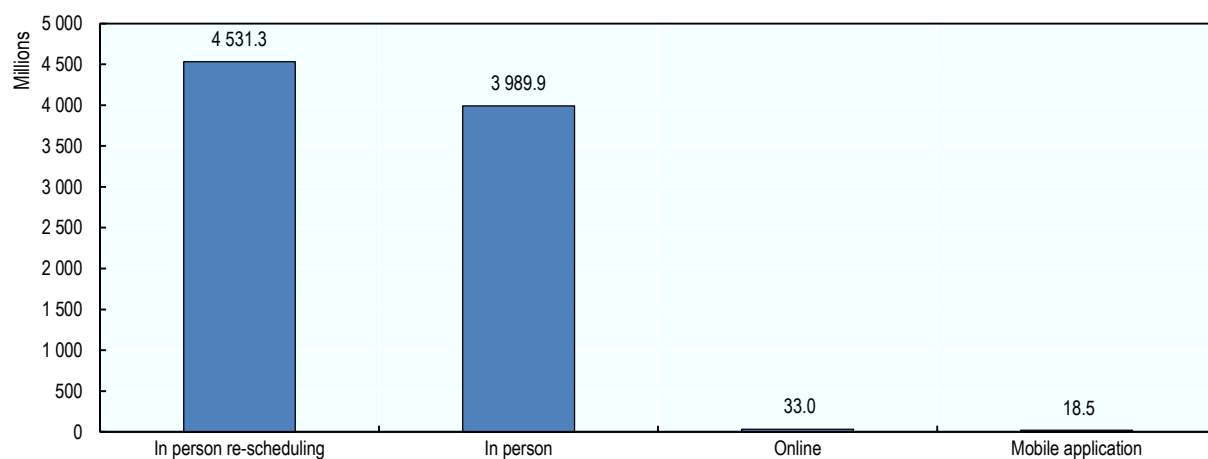


*Total administrative burdens by version*

The CAISPN has only one digitised procedure, the *Medical Care in Family Medicine Units* (FMU) (IMSS-03-011). It can be carried out through five different channels: In-person, In-person re-scheduled, Online, Mobile Application (App) and Telephone. During the estimation, it was identified that the appointment via telephone has the same cost as the online version.

Figure 2.9 shows that the largest share of administrative burdens for IMSS-03-011 procedure corresponds to the in person and in person re-scheduled versions (in which rights-holders are assigned a new appointment in the same medical consultation visit). Both amount to MXN 8 521 million. The number of requests related to this burden in 2017 constituted 94.5%, leaving 5.5% for digital modes and the telephone version.

**Figure 2.9. Total administrative burden by version of the IMSS-03-011 procedure, MXN**



*Note:* IMSS-03-011: Medical care in Family Medicine Units.

Table 2.2 shows the unitary burdens, the population that carries out the procedure and the total administrative burden, by each procedure version. Regarding IMSS-03-011 procedure, it is worth noting that the unitary burden of the in person re-scheduled mode is lower than the in person burden, since the user is already at the FMU and there are no

administrative burdens for transfers. Likewise, the difference in unitary burden between the in person and the digital versions is significant. It also highlights that the use of digital options in this procedure is very rare. The intensification of efforts to promote digital versions of IMSS-03-011 procedure would result in reductions of administrative burdens for the user.

**Table 2.2. Total administrative burden by version of the IMSS Co-ordination of Comprehensive Health Care at the First Level**

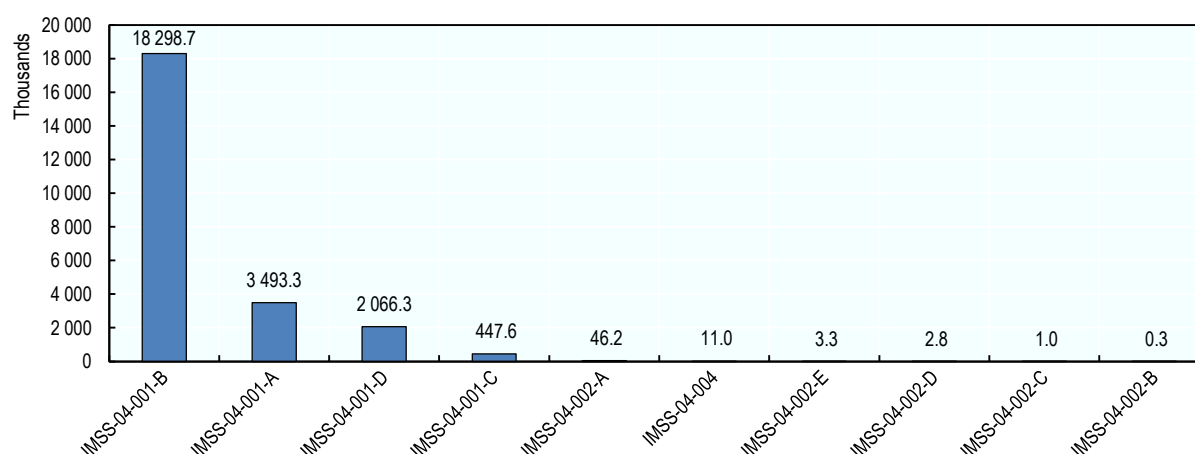
Code	Version	Unitary burden	Population		Total administrative burdens*		
			#	%	#	% in mode	% in total
IMSS-03-011	Mobile application	7.7	2 414 337	1.9%	18 518 281	0.2%	
	Online	7.7	4 307 823	3.4%	33 041 566	0.4%	
	In person	98.9	40 361 651	32.2%	3 989 894 150	46.5%	
	In person re-scheduling	57.8	78 349 086	62.5%	4 531 324 515	52.9%	
<b>Sub-total</b>			<b>125 432 897</b>	<b>100.0%</b>	<b>8 572 778 512</b>	<b>100.0%</b>	<b>99.8%</b>
IMSS-03-020	In person	173.9	123 003		21 390 185		0.2%
IMSS-03-014	In person	150.2	S/I		S/I		
IMSS-03-019	In person	91.2	S/I		S/I		
<b>Co-ordination's total</b>					<b>8 594 168 697</b>		<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. Also, the sum of total burdens in monetary value and percentage may be different from the rounded total.

Finally, it was not possible to calculate the total burdens of IMSS-03-014 and IMSS-03-019 procedures due to lack of records on their population.

### *Co-ordination of Social Welfare*

The Co-ordination of Social Welfare (CBS) is responsible for providing the rights-holders, as part of their social benefits, services aimed at promoting health, preventing diseases and accidents and contributing to the general increase of the population's living standards. The most frequent procedure of the Co-ordination in 2017 was the *Enrolment in Courses and Workshops on Institutional Social Benefits for IMSS pensioners* (IMSS-04-001-B) with 131 470 applications (see Figure 2.10 and Table 2.3). Likewise, this is the most onerous procedure of the CBS, with MXN 18.2 million, which is equivalent to 75.1% of its total burden. The second most onerous procedure is the *Enrolment in Courses and Workshops on Institutional Social Benefits for IMSS retirees* (IMSS-04-001-A) with MXN 3.4 million, which is equivalent to 14.3% of the CBS's burden.

**Figure 2.10. Total administrative burden of the IMSS Co-ordination of Social Welfare, MXN****Table 2.3. Total administrative burden of the IMSS Co-ordination of Social Welfare**

Code	Name of the procedure	Unitary burden	Population	Total administrative burdens*	
				MXN	%
IMSS-04-001-A	Enrolment in Courses and Workshops on Institutional Social Benefits Mode A) IMSS retiree	139.2	25 098	3 493 265	14.3%
IMSS-04-001-B	Enrolment in Courses and Workshops on Institutional Social Benefits Mode B) IMSS pensioner	139.2	131 470	18 298 651	75.1%
IMSS-04-001-C	Enrolment in Courses and Workshops on Institutional Social Benefits Mode C) Volunteers	56.6	7 908	447 627	1.8%
IMSS-04-001-D	Enrolment in Courses and Workshops on Institutional Social Benefits Mode D) Person with disability	90.0	22 957	2 066 272	8.5%
IMSS-04-002-A	Use of social benefits facilities Mode A) Sports	56.6	817	46 246	0.2%
IMSS-04-002-B	Use of social benefits facilities Mode B) Non-sports-Equipment-Companies	112.4	3	337	0.0%
IMSS-04-002-C	Use of social benefits facilities Mode C) Non-sports-No Equipment-Companies	112.4	9	1 012	0.0%
IMSS-04-002-D	Use of social benefits facilities Mode D) Non-sports-Citizen Equipped	56.6	49	2 774	0.0%
IMSS-04-002-E	Use of social benefits facilities mode E) Non-sports-Citizen Not Equipped	56.6	59	3 340	0.0%
IMSS-04-004	Replacement of credential	49.3	224	11 040	0.0%
<b>Total</b>			<b>188 594</b>	<b>24 370 564</b>	<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

The CBS is the second IMSS Co-ordination with less administrative burdens for the rights-holders (see Figure 2.5), however, currently, the Co-ordination does not have any digitised procedure, so the digitisation of some of its procedures may offer benefits for users.

### *Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores*

The Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores (CCVVUCT) is responsible for the services the IMSS provides to the general public, such as funeral homes, vacation centres, the Convention Unit at the National Medical Centre *Siglo XXI* and the IMSS stores.

Three procedures were analysed for this report. The results are shown in Table 2.4 and Figure 2.11. The CCVVUCT has a total administrative burden of MXN 22.3 million. 95.2% of this burden derives from IMSS-05-003 procedure, with a population of 328 786.

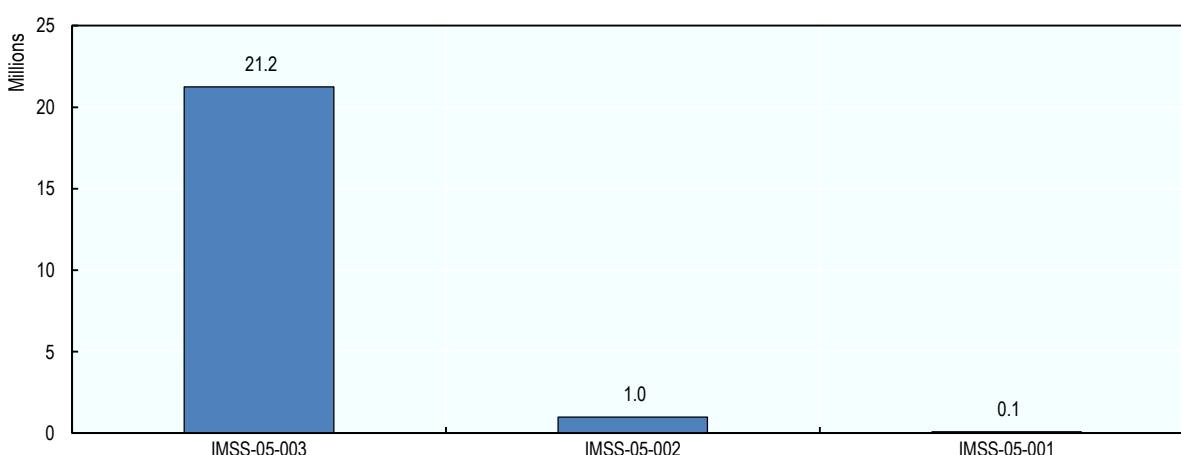
**Table 2.4. Total administrative burdens of the IMSS Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores**

Code	Name of the procedure	Unitary burden	Population	Total administrative burdens*	
				MXN	%
IMSS-05-001	Chambers and Auditoriums Service at the CMN Siglo XXI Convention Unit	128.3	688	88 265	0.4%
IMSS-05-002	Funeral Services in Funeral Homes	62.2	15 907	989 785	4.4%
IMSS-05-003	Lodging, health resort and camping in vacation facilities	64.6	328 786	21 239 512	95.2%
<b>Total</b>			<b>345 381</b>	<b>22 317 562</b>	<b>100%</b>

*Notes:* \* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

Since these services are open to the public, users would greatly benefit from digitisation, mainly regarding IMSS-05-003 procedure,<sup>2</sup> since there are digital platforms that offer similar services.

**Figure 2.11. Total administrative burden of the IMSS Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores, MXN**



## Co-ordination of Companies Classification and Validity of Rights

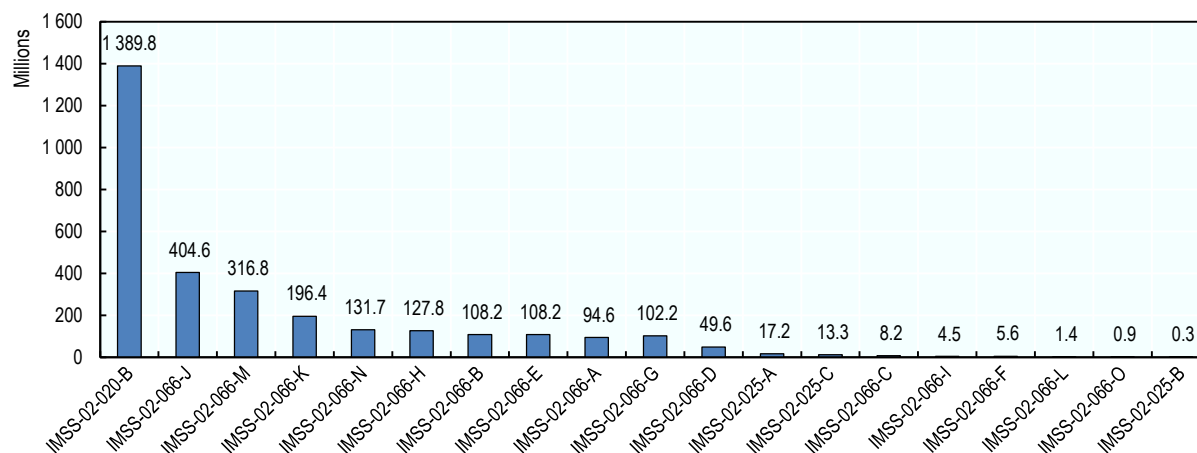
### Total administrative burden by procedure

The Co-ordination of Companies Classification and Validity of Rights (CCEVD) addresses issues related to the IMSS services rights-holders can use or receive, as either consultation of validity of rights, issuance of a certificate of acknowledged weeks, or registration, data updating or de-registration from IMSS services. The CCEVD is the Co-ordination with the largest number of procedures and services considered for this review, accounting for 22 of the 87 procedures analysed.

The CCEVD procedures generate 21.8% of the IMSS total burden (see Figure 2.5 above). It has four of the ten IMSS procedures with the highest burdens: The *Request for Validity Certificate of Rights of the rights-holder* (IMSS-02-020-B), *Request for Registration of the Son or Daughter at the FMU* (IMSS-02-066-J), *Registration of Rights-holder or Pensioner at the FMU* (IMSS-02-066-M), and *Updating of son or daughter's data* (IMSS-02-066-K), with 9.8%, 2.9%, 2.2% and 1.4% of the IMSS total burden, respectively (see Figure 2.20 towards the end of the chapter).

Figure 2.12 shows the total burden per procedure for this co-ordination, and Table 2.5 includes the population and burden data disaggregated by submission mode. The *Unemployment Certificate* and *Authorization of Service in a Foreign District Upon Request of the Employer or Obligated Suspect* (IMSS-02-019 modes A and B) were eliminated before 2016, so their total administrative burden is zero.

**Figure 2.12. Total administrative burden of the IMSS Co-ordination of Companies Classification and Validity of Rights, MXN**

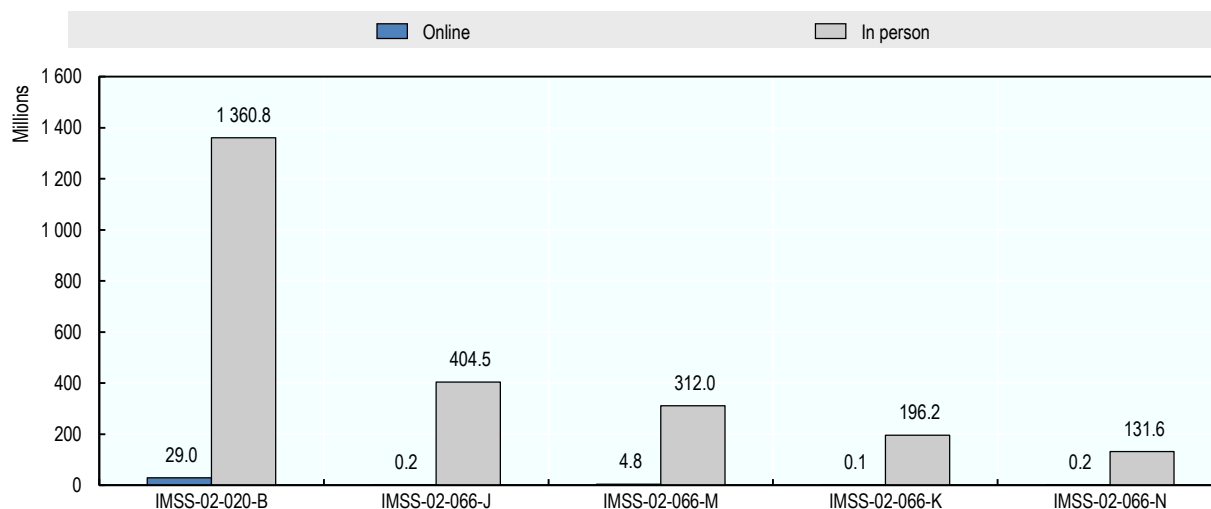


### Total administrative burden by version

The CCEVD has 20 procedures that can be carried out online, including one that has a mobile application version (IMSS-02-025-A). 36.6% of the Co-ordination procedures are handled online, and account for only 1.7% of the total burden.

Figure 2.12 shows the five procedures with the highest total burdens of the CCEVD divided into their various versions.

**Figure 2.13. The five procedures with the highest burden, by version, of the IMSS Co-ordination of Companies Classification and Validity of Rights**



The five CCEVD procedures with the highest burden are equivalent to 79% of the total burden of this Co-ordination's procedures. However, the in person version constitutes 78%, while 1% corresponds to the online version. The average unitary cost of the in person version is MXN 192.4, while that of the online version is MXN 9.8, which means the former's cost is 19.6 times the cost of the online version. The CCEVD has an area of opportunity to reduce administrative burdens significantly, by promoting the use of digital media.

**Table 2.5. Total administrative burden by version of the IMSS Co-ordination of Companies Classification and Validity of Rights**

Code	Version	Unitary burden	Population		Total administrative burden*		
			#	% in mode	MXN	% in mode	% in total
Constancia de Desempleo**	Online	0	0		0		
	In person	208.3	0		0		
<b>Sub-total</b>			<b>0</b>		<b>0</b>		
IMSS-02-019-A**	Online	0	0		0		
	In person	182.1	0		0		
<b>Sub-total</b>			<b>0</b>		<b>0</b>		
IMSS-02-019-B**	Online	0	0		0		
	In person	143.5	0		0		
<b>Sub-total</b>			<b>0</b>		<b>0</b>		
IMSS-02-020-B	Online	5.5	5 256 735	44.6%	28 999 354	2.1%	
	In person	208.7	6 519 648	55.4%	1 360 799 129	97.9%	
<b>Sub-total</b>			<b>11 776 383</b>	<b>100%</b>	<b>1 389 798 484</b>	<b>100%</b>	<b>45.1%</b>
IMSS-02-025-A	Mobile application	6.1	0	0.0%	0		0.0%
	Online	5.3	3 267 335	100%	17 209 614	100%	
	In person	92.8	0	0.0%	0		0.0%

Code	Version	Unitary burden	Population		Total administrative burden*		
			#	% in mode	MXN	% in mode	% in total
<b>Sub-total</b>			<b>3 267 335</b>	<b>100%</b>	<b>17 209 614</b>	<b>100%</b>	<b>0.6%</b>
IMSS-02-025-B	In person	177.7	1 499		266 382		0.0%
IMSS-02-025-C	In person	177.7	74 776		13 288 155		0.4%
IMSS-02-066-A	Online	13.8	1 446	0.4%	19 903	0.0%	
	In person	233.5	405 042	99.6%	94 569 179	100.0%	
<b>Sub-total</b>			<b>406 488</b>	<b>100%</b>	<b>94 589 082</b>	<b>100%</b>	<b>3.1%</b>
IMSS-02-066-B	Online	7.0	16 561	2.0%	116 208	0.1%	
	In person	130.1	831 240	98.0%	108 108 216	99.9%	
<b>Sub-total</b>			<b>847 801</b>	<b>100%</b>	<b>108 224 424</b>	<b>100%</b>	<b>3.5%</b>
IMSS-02-066-C	Online	16.4	134	0.4%	2 195	0.0%	
	In person	255.6	31 916	99.6%	8 156 669	100.0%	
<b>Sub-total</b>			<b>32 050</b>	<b>100%</b>	<b>8 158 864</b>	<b>100%</b>	<b>0.3%</b>
IMSS-02-066-D	Online	13.8	800	0.4%	11 011	0.0%	
	In person	233.5	212 315	99.6%	49 571 292	100.0%	
<b>Sub-total</b>			<b>213 115</b>	<b>100%</b>	<b>49 582 303</b>	<b>100%</b>	<b>1.6%</b>
IMSS-02-066-E	Online	7.0	16 561	2.0%	116 208	0.1%	
	In person	130.1	831 240	98.0%	108 108 216	99.9%	
<b>Sub-total</b>			<b>847 801</b>	<b>100%</b>	<b>108 224 424</b>	<b>100%</b>	<b>3.5%</b>
IMSS-02-066-F	Online	16.4	88	0.4%	1 441	0.0%	
	In person	255.6	21 899	99.6%	5 596 657	100.0%	
<b>Sub-total</b>			<b>21 987</b>	<b>100%</b>	<b>5 598 098</b>	<b>100%</b>	<b>0.2%</b>
IMSS-02-066-G	Online	16.4	3 065	0.8%	50 204	0.0%	
	In person	255.6	399 651	99.2%	102 137 519	100.0%	
<b>Sub-total</b>			<b>402 716</b>	<b>100%</b>	<b>102 187 723</b>	<b>100%</b>	<b>3.3%</b>
IMSS-02-066-H	Online	8.4	16 561	2.0%	138 291	0.1%	
	In person	153.6	831 240	98.0%	127 703 967	99.9%	
<b>Sub-total</b>			<b>847 801</b>	<b>100%</b>	<b>127 842 258</b>	<b>100%</b>	<b>4.1%</b>
IMSS-02-066-I	Online	16.4	95	0.5%	1 556	0.0%	
	In person	255.6	17 760	99.5%	4 538 866	100.0%	
<b>Sub-total</b>			<b>17 855</b>	<b>100%</b>	<b>4 540 422</b>	<b>100%</b>	<b>0.1%</b>
IMSS-02-066-J	Online	16.4	9 365	0.6%	153 395	0.0%	
	In person	255.6	1 582 634	99.4%	404 468 675	100.0%	
<b>Total</b>			<b>1 591 999</b>	<b>100%</b>	<b>404 622 070</b>	<b>100%</b>	<b>13.1%</b>
IMSS-02-066-K	Online	8.4	16 851	1.3%	140 712	0.1%	
	In person	153.6	1 277 384	98.7%	196 245 373	99.9%	
<b>Sub-total</b>			<b>1 294 235</b>	<b>100%</b>	<b>196 386 086</b>	<b>100%</b>	<b>6.4%</b>
IMSS-02-066-L	Online	16.4	7	0.1%	115	0.0%	
	In person	255.6	5 469	99.9%	1 397 695	100.0%	
<b>Sub-total</b>			<b>5 476</b>	<b>100%</b>	<b>1 397 809</b>	<b>100%</b>	<b>0.0%</b>
IMSS-02-066-M	Online	9.2	523 136	21.0%	4 838 834	1.5%	
	In person	158.3	1 971 091	79.0%	311 994 556	98.5%	
<b>Sub-total</b>			<b>2 494 227</b>	<b>100%</b>	<b>316 833 390</b>	<b>100%</b>	<b>10.3%</b>
IMSS-02-066-N	Online	9.2	16 562	2.0%	153 193	0.1%	
	In person	158.3	831 241	98.0%	131 573 158	99.9%	
<b>Sub-total</b>			<b>847 803</b>	<b>100%</b>	<b>131 726 351</b>	<b>100%</b>	<b>4.3%</b>

Code	Version	Unitary burden	Population		Total administrative burden*		
			#	% in mode	MXN	% in mode	% in total
IMSS-02-066-O	Online	9.2	9	0.2%	83	0.0%	
	In person	158.3	5 471	99.8%	865 978	100.0%	
<b>Sub-total</b>			<b>5 480</b>	<b>100%</b>	<b>866 062</b>	<b>100%</b>	<b>0.0%</b>
<b>Co-ordination's total</b>					<b>3 081 341 998</b>		<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. Also, the sum of total burdens in monetary value and percentage may be different from the rounded total.

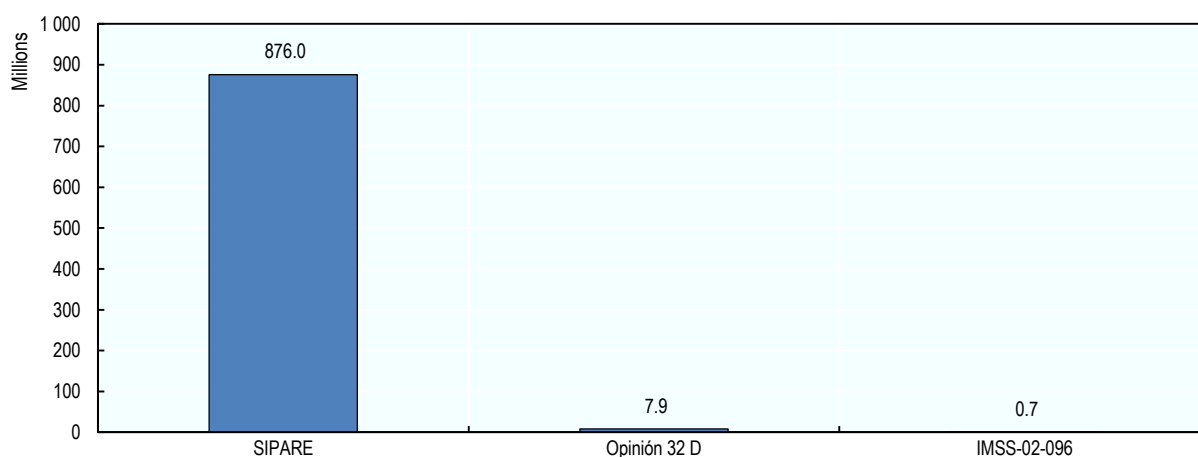
### *Co-ordination of collection*

#### *Total administrative burden by procedure*

The Co-ordination of Collection (CC) is responsible for collecting payments of social security contributions made by employers based on the IMSS business procedures. Three procedures were analysed for this report: *Request for information on debit status* (IMSS-02-096), *Referenced Payments System* (SIPARE) and *Opinion on the fulfilment of fiscal obligations in the Social Security area* (Opinion 32D).

Figure 2.14, Figure 2.15 and Table 2.6 introduce the results of the measurement process. The SIPARE is the procedure with the highest total burden of this Co-ordination. It is the system through which employers are assigned a capture line that is used to pay for IMSS social security contributions. It is worth mentioning that this is one of the three IMSS procedures with the highest burden, that amounts to MXN 876 million and accounts for 6.2% of the total IMSS burden.

**Figure 2.14. Total administrative burden of the IMSS Co-ordination of Collection, MXN**



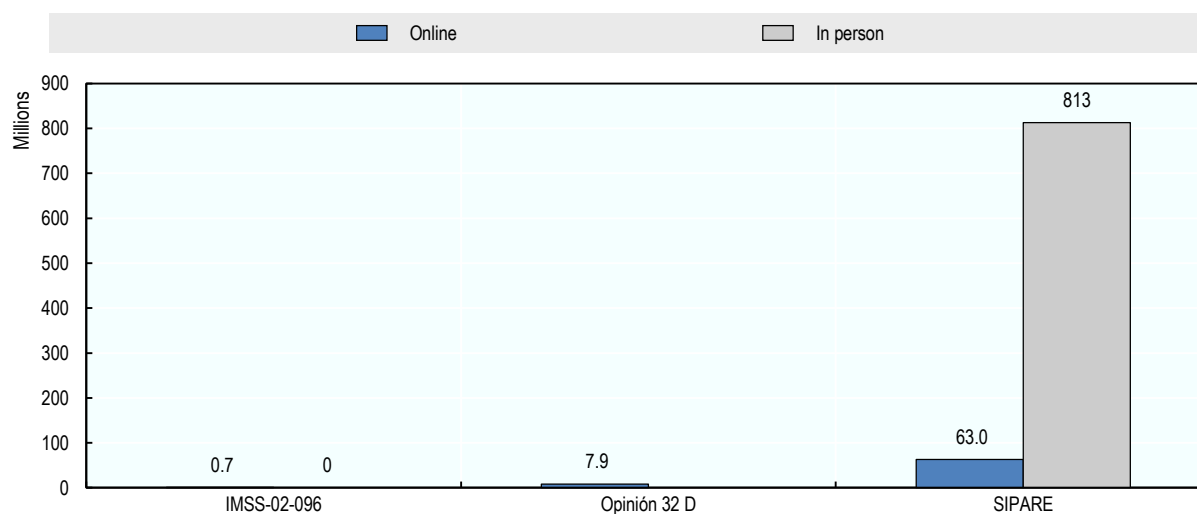
#### *Total administrative burden by version*

The three CC procedures have a digital version. The SIPARE process starts online and allows employers to pay for their obligations either at the bank window or online. Currently, only 30% of payments are made online (population) and this represents 7% of



the total cost of the procedure. IMSS-02-096 and Opinión 32D are the only IMSS procedures where 100% of the population is handled online (see Table 2.6 y Figure 2.15).

**Figure 2.15. Total administrative burden by version of the IMSS Co-ordination of Collection, MXN**



**Table 2.6. Total administrative burden by version of the IMSS Co-ordination of Collection**

Code	Version	Unitary burden	Population		Total administrative burden*		
			#	% in mode	MXN	% in mode	% in total
IMSS-02-096	Online	28.3	23 023	100.0%	652 572	100.0%	
	In person	168.1	0	0.0%	0	0.0%	
<b>Sub-total</b>		<b>196.5</b>	<b>23 023</b>	<b>100.0%</b>	<b>652 572</b>	<b>100%</b>	<b>0.1%</b>
Opinión 32D	Online	14.8	534 056		7 894 539		0.9%
SIPARE	Online	22.7	2 779 055	30.0%	63 016 362	7.2%	
	In person	125.4	6 480 722	70.0%	812 989 342	92.8%	
<b>Sub-total</b>			<b>9 259 777</b>	<b>100.0%</b>	<b>876 005 704</b>	<b>100%</b>	<b>99.0%</b>
<b>Co-ordination's total</b>					<b>884 552 814</b>		<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. Also, the sum of total burdens in monetary value and percentage may be different from the rounded total.

### *Co-ordination of Health Education*

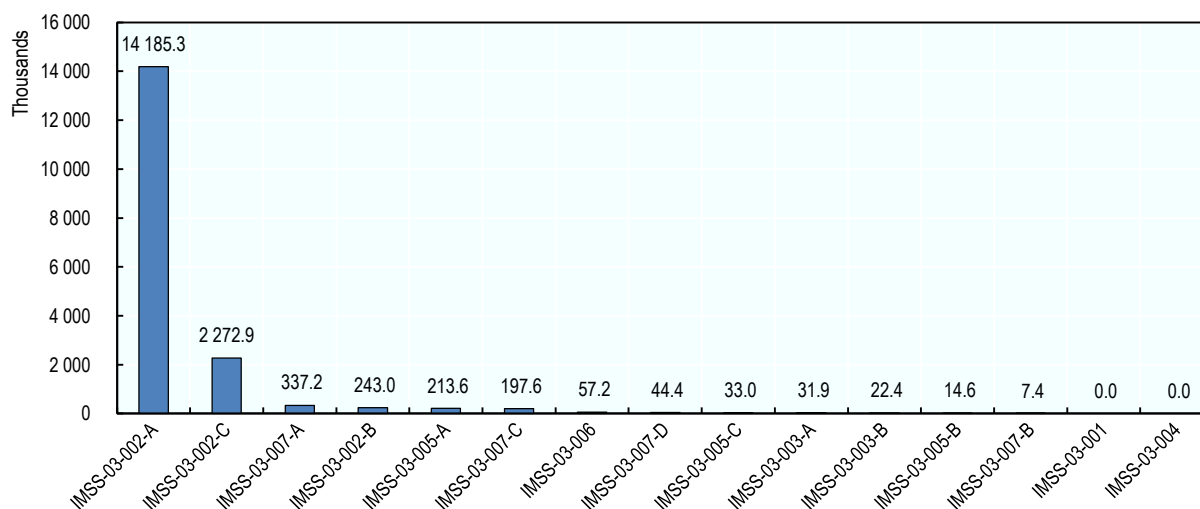
The Co-ordination of Health Education (CES) is responsible for issues related to educational services in the IMSS health area. Those physicians applying to enter as IMSS residents for a direct entry specialty, should initiate a *Request for Mexican doctors to join the Mexican Institute of Social Security as interns Mode A) Candidates external to the IMSS for direct entry specialties (IMSS-03-002-A)*. In 2017, the Institute received a total of 5 336 applications, so this procedure has the largest population and highest total burden of the CES, with MXN 14.1 million (see Table 2.7 and Figure 2.16). It should be noted that IMSS-03-001 and IMSS-03-004 procedures were eliminated in 2017.

**Table 2.7. Total administrative burden of the IMSS Co-ordination of Health Education**

Code	Name of the procedure	Unitary burden	Population	Total administrative burden*	
				MXN	%
IMSS-03-001**	Request for clinical fields and locations for clinical cycles, medical internship and social service for educational institutions that offer careers in the health area	148.2	0	0	0.0%
IMSS-03-002-A	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode A) Candidates external to the IMSS for direct entry specialties	2 658.4	5 336	14 185 314	80.3%
IMSS-03-002-B	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode B) Candidates IMSS workers for direct entry specialties	2 892.5	84	242 974	1.4%
IMSS-03-002-C	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode C) Candidates children of IMSS workers for direct entry specialties	2 658.4	855	2 272 947	12.9%
IMSS-03-003-A	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode A) Candidates for direct entry specialties	2 658.4	12	31 901	0.2%
IMSS-03-003-B	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode B) Candidates for branch specialties	3 206.1	7	22 443	0.1%
IMSS-03-004**	Request for partial rotations in the Mexican Social Security Institute of resident doctors from other institutions	38.1	0	0	0.0%
IMSS-03-005-A	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode A) External candidates to the Mexican Social Security Institute	106.4	2 007	213 613	1.2%
IMSS-03-005-B	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode B) Candidates workers of the Mexican Social Security Institute	147.3	99	14 584	0.1%
IMSS-03-005-C	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode C) Candidates children of workers of the Mexican Social Security Institute	112.9	292	32 953	0.2%
IMSS-03-006	Request for extra-institutional health area personnel enters or joins on-going education programs at the Mexican Social Security Institute	371.1	154	57 157	0.3%
IMSS-03-007-A	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode A) Mexican candidates, external to the Mexican Social Security Institute	1 057.0	319	337 182	1.9%
IMSS-03-007-B	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode B) Foreign candidates, external to the Mexican Social Security Institute	1 057.0	7	7 399	0.0%
IMSS-03-007-C	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode C) Candidates workers of the Mexican Social Security Institute	1 085.9	182	197 633	1.1%
IMSS-03-007-D	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode D) Candidates children of workers of the Mexican Social Security Institute	1 057.0	42	44 394	0.3%
<b>Total</b>			<b>9 396</b>	<b>17 660 494</b>	<b>100%</b>

\* When calculating the total burdens, up to five decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

\*\* Procedure eliminated in 2017.

**Figure 2.16. Total administrative burden of the IMSS Co-ordination of Health Education, MXN**

### *Co-ordination of Economic Benefits*

The Co-ordination of Economic Benefits (CPE) addresses the issues related to the economic benefits that workers and their beneficiaries are entitled to receive. Some of these are the following: pensions (retirement, old age, widowhood, disability, etc.), monetary aid (for marriage or funeral expenses), loans against a pension, pension settlements (to meet the assumptions of law or because of remarrying), or clarifications on pension payments.

Table 2.8 and Figure 2.17 show the results of the CPE administrative burden measurement. The CPE procedure with the highest burden is IMSS-01-002, which corresponds to the *Request for a retirement, unemployment at an advanced age or at old age pension*. It accounts for 28% of the CPE cost and is the second procedure with the largest population of the Co-ordination, with 323 990. The IMSS-01-015 procedure, *Request for a loan against a pension under the 1973 Social Security Law regime*, is the procedure with the largest population of the CPE, with 466 129, and is the second procedure with the highest administrative burden of the Co-ordination. It was not possible to locate IMSS-01-029-B procedure's total burden because the CPE has no information on the population.

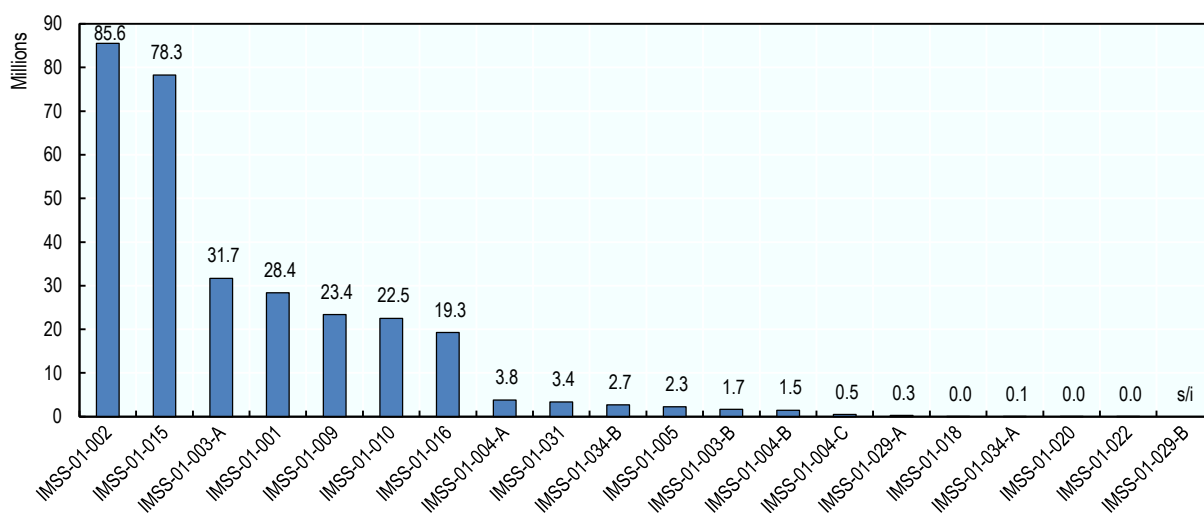
**Table 2.8. Total administrative burden of the IMSS Co-ordination of Economic Benefits**

Code	Name of the procedure	Unitary burden	Population	Total administrative burden*	
				MXN	%
IMSS-01-001	Request for a disability pension	519.8	54 625	28 392 261	9.3%
IMSS-01-002	Request for an unemployment at and advanced age and old-age pension	264.1	323 990	85 558 273	28.0%
IMSS-01-003-A	Request for a widow or widower's pension Mode A) Widow-Wife or Common-law wife	294.7	107 496	31 674 070	10.4%
IMSS-01-003-B	Request for a widow or widower's pension Mode B) Widower-husband or common-law husband	294.7	5 650	1 664 792	0.5%
IMSS-01-004-A	Request for an orphan's pension Mode A) Son or daughter under 16 years of age	294.7	12 903	3 801 914	1.2%
IMSS-01-004-B	Request for an orphan's pension Mode B) Son or daughter over 16-25 years old, student	294.7	4 970	1 464 428	0.5%

Code	Name of the procedure	Unitary burden	Population	Total administrative burden*	
				MXN	%
IMSS-01-004-C	Request for an orphan's pension Mode C) Son or daughter over 16 years old, disabled	294.7	1 741	512 992	0.2%
IMSS-01-005	Request for an ascendant's pension	294.7	7 767	2 288 574	0.7%
IMSS-01-009	Request for help for marriage expenses	325.6	71 898	23 407 971	7.7%
IMSS-01-010	Request for help for funeral expenses	255.2	88 247	22 521 391	7.4%
IMSS-01-015	Request for a loan against a pension under the 1973 Social Security Law regime	167.9	466 129	78 263 370	25.6%
IMSS-01-016	Request for a permanent disability pension	519.8	37 051	19 257 880	6.3%
IMSS-01-018	Request for a retirement pension	264.1	146	38 555	0.0%
IMSS-01-020	Request for the execution of an indirect payment agreement and subsidies reimbursement	350.3	21	7 357	0.0%
IMSS-01-022	Request for a retirement, unemployment at an advanced age or at old age pension through the transfer of IMSS- ISSSTE rights	264.1	8	2 113	0.0%
IMSS-01-029-A	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode A) By the pensioner	139.7	1 859	259 766	0.1%
IMSS-01-029-B*	Request for the payment of non-collected monthly payment or claim for differences related to the pension Mode B) By third parties, in case of death of the pensioner	35.4	S/I	S/I	
IMSS-01-031	Request for modification of pension due to facts that influence the calculations, the amount paid for the pension or correction of name	181.8	18 577	3 377 069	1.1%
IMSS-01-034-A	Request for modification of severance pension Mode A)	282.4	185	52 244	0.0%
IMSS-01-034-B	Request for modification of severance pension Mode B) Settlement of an orphan child for complying with law provisions	258.0	10 422	2 688 358	0.9%
<b>Total</b>			<b>1 213 685</b>	<b>305 233 376</b>	<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

**Figure 2.17. Total administrative burden of the IMSS Co-ordination of Economic Benefits**



Upon completion of the analysis for this report, the CPE does not have any digitised procedures; however, the IMSS continues its simplification and digitisation efforts. Its short-term plan aims to, at least, have all its procedures available online in their initial stage and requiring only one visit to the window, to conclude the process.

### *Co-ordination of Occupational Health*

The Co-ordination of Occupational Health (CST) is responsible for evaluating the disability or permanent disability conditions of workers or beneficiaries who have suffered an accident, and deciding when they can resume their activities. The CST operates three procedures: *Appraisal and ruling on occupational risks* (IMSS-03-008), *Establishing disability status* (IMSS-03-009) and *Request for a ruling of disability for beneficiary son or daughter* (IMSS-03-010).

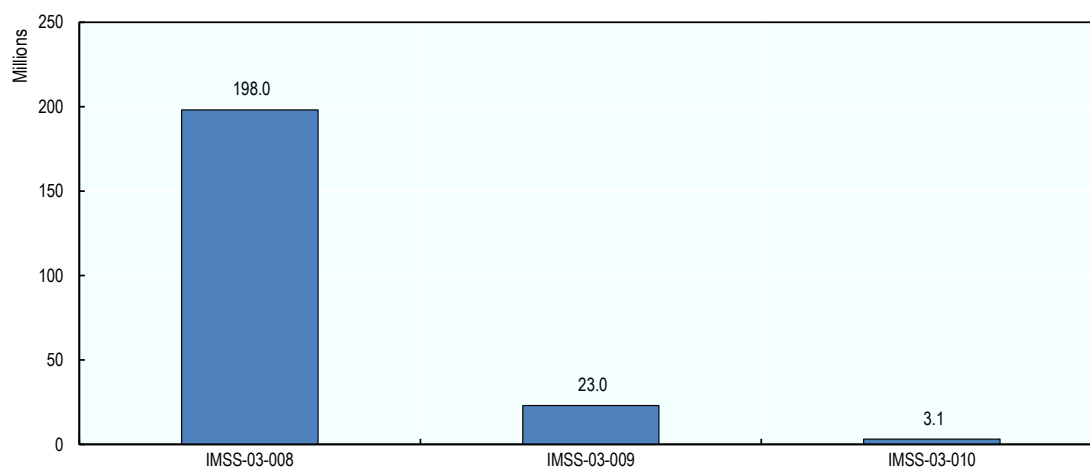
**Table 2.9. Total administrative burden of the IMSS Co-ordination of Occupational Health**

Code	Name of the procedure	Unitary burden	Population	Total administrative burden*	
				MXN	%
IMSS-03-008	Appraisal and ruling on occupational risks	279.1	709 465	197 988 011	88.3%
IMSS-03-009	Establishing disability status	558.1	41 265	23 029 965	10.3%
IMSS-03-010	Request for a ruling of disability for a beneficiary son or daughter	341.4	9 064	3 094 144	1.4%
<b>Total</b>			<b>759 794</b>	<b>224 112 120</b>	<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

Table 2.9 and Figure 2.18 show the results of the CST burden measurement process. IMSS-03-008 procedure is the most relevant of the Co-ordination, since through it workers can obtain a certificate of occupational disability, and with this, continue to receive their salary. It is one of the ten most onerous procedures, located in position 7, and it accounts for 1.4% of total IMSS burden. In 2017, the procedure was requested 709 465 times, amounting to total load of MXN 197.9 million, equivalent to 88% of the CST burden.

**Figure 2.18. Total administrative burden of the IMSS Co-ordination of Occupational Health, MXN**



## *Co-ordination of Day-care Services for Comprehensive Child Development*

### *Total administrative burden by procedure*

The Co-ordination of Day-care Services for Comprehensive Child Development (CSGDII) is responsible for the process of admission of infants to the IMSS day-care centres. Four different profiles of rights-holders can make use of day-care services: female workers, widower workers, divorced workers and workers who have parental authority; all of them must be registered under the mandatory regime.

Table 2.10 and Figure 2.19 show the results of the CSGDII procedures burdens measurement process. All the procedures of this Co-ordination can be carried out in person at the IMSS day-care centres or be initiated online. IMSS-01-006-A procedure stands out, with a total population of 223 215, and accounting for 99.7% of the Co-ordination's total burden, MXN 55.7 million. In contrast, the second highest total burden represents only 0.1%, MXN 90 111, and corresponds to IMSS-01-006-D procedure.

### *Total administrative burden by version*

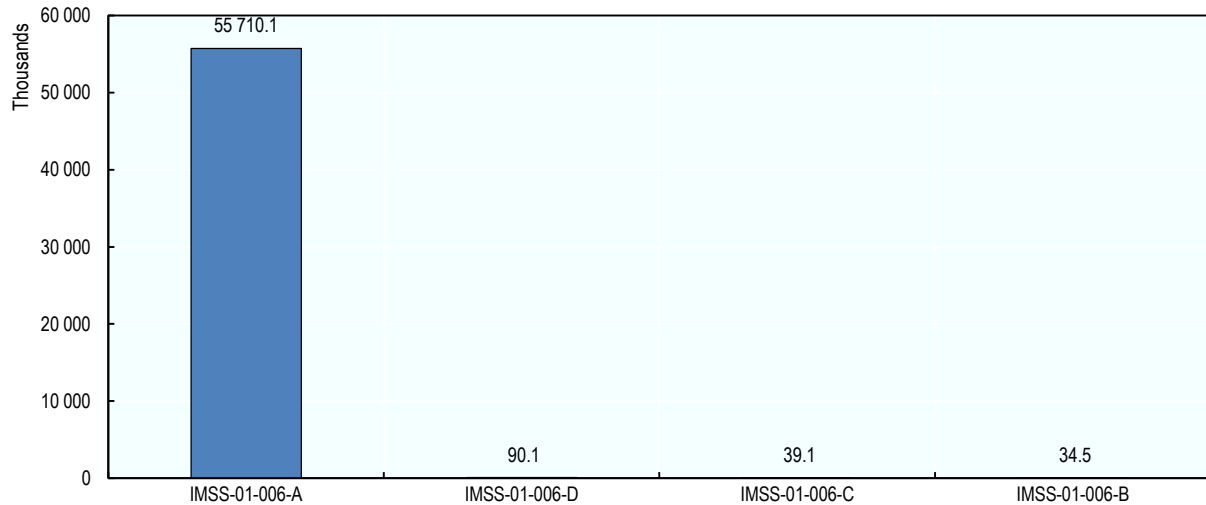
The four CSGDII procedures can be initiated online. This is the Co-ordination with the largest share of population performing the procedures online, with 50.3% (112 569). However, the unitary burden of the online version of the procedures is very similar to the in person mode. This is due to the fact that the citizen still has to carry out more than half of the procedure at the IMSS facilities (day-care centre and FMU). The procedures of this administrative area cannot be carried out in a completely remote fashion, since users must visit the day-care centre for an informative session.

**Table 2.10. Total administrative burden, by version, of the IMSS Co-ordination of Day-care Services for Comprehensive Child Development**

Code	Version	Unitary burden	Population		Total administrative burdens*		
			#	% in mode	MXN	% in mode	% in total
IMSS-01-006-A	Online	209.9	112 138	50.2%	23 542 713	42.3%	
	In person	289.6	111 077	49.8%	32 167 431	57.7%	
<b>Sub-total</b>			<b>223 215</b>	<b>100%</b>	<b>55 710 143</b>	<b>100%</b>	<b>99.7%</b>
IMSS-01-006-B	Online	209.9	65	47.4%	13 646	39.6%	
	In person	289.6	72	52.6%	20 851	60.4%	
<b>Sub-total</b>			<b>137</b>	<b>100%</b>	<b>34 497</b>	<b>100%</b>	<b>0.1%</b>
IMSS-01-006-C	Online	209.9	83	52.5%	17 425	44.5%	
	In person	289.6	75	47.5%	21 720	55.5%	
<b>Sub-total</b>			<b>158</b>	<b>100%</b>	<b>39 145</b>	<b>100%</b>	<b>0.1%</b>
IMSS-01-006-D	Online	209.9	283	72.8%	59 414	65.9%	
	In person	289.6	106	27.2%	30 697	34.1%	
<b>Sub-total</b>			<b>389</b>	<b>100%</b>	<b>90 111</b>	<b>100%</b>	<b>0.2%</b>
<b>Co-ordination's total</b>			<b>223 899</b>		<b>55 873 897</b>		<b>100%</b>

\* When calculating the total burdens, up to 5 decimal places were used in the value of the unitary burden, in order to reach a more accurate estimation; this explains the discrepancy between the multiplication of the reported value in the unitary burden and population table. In addition, the sum of total burdens in monetary value and percentage may be different from the rounded total.

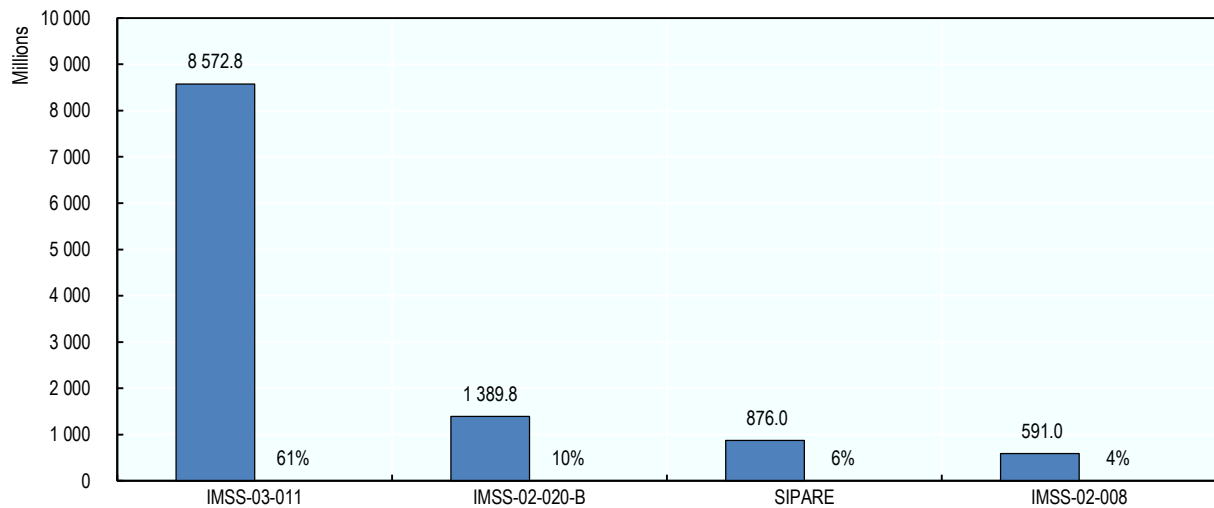
**Figure 2.19. Total administrative burden of the IMSS Co-ordination of Day-care Services for Comprehensive Child Development, MXN**



### Procedures with the highest administrative burden

The four procedures shown in Figure 2.20 account for 81% of the IMSS total administrative burden, which constitutes just over MXN 11.4 billion. The *Medical Care in Family Medicine Units* (FMU) (IMSS-03-011) is the procedure with the highest total burden: MXN 8 573 million and alone represents 61% of the IMSS total burden.

**Figure 2.20. Procedures that account for 81% of the total administrative burdens of the IMSS, MXN**



The procedures shown in Figure 2.20 are already digitised; however, the use of digital versions is still not frequent. Only 18% of these procedures were carried out through digital means in 2017. This suggests the potential impact of promoting the use of digital channels of these procedures on the potential total burden. Chapter 4 describes the potential impact

of burden reduction under a more frequent use of the digital mode scenario in IMSS procedures.

### Summary of the key messages in this chapter

- The unitary administrative burden of each procedure is the result of multiplying the handling time users dedicate to the procedure by the value of the opportunity cost or salary of each type of user.
- The total administrative burden is defined as the unitary administrative burden of the procedure multiplied by the number of times it was carried out during a given period (population).
- The total administrative burden of the 84 procedures analysed (there were no population records for three procedures) was MXN 14 123 million. 98% of these burdens were originated by procedures carried out in person and 2% were generated by digital procedures.
- The procedures carried out through TICs at the IMSS generate a proportionally lower burden compared to the in person procedures: 2% of the burdens derive from digital procedures, which involve 17% of the population of procedures users. In contrast, 83% of the population that conducts the procedures in person, face 98% of the IMSS procedures burden.
- The use of digital procedures is beneficial for users, since the administrative burden they face for carrying out procedures through this means is much lower. The average administrative burden of digital procedures is significantly lower. The in person procedures generate, on average, MXN 94.4; on the other hand, the average administrative burden of online procedures is MXN 9.5 and on mobile devices, MXN 8.7.
- On average, an in person procedure produces 10 times more administrative burden for the user than online mode and 10.8 times more than the mobile application.
- The procedures of two IMSS co-ordinations accumulate 83% of the charges generated: the CAISPN and the CCEVD.
- Four procedures concentrate 81% of the total IMSS burdens: IMSS-03-11, IMSS-02-020-B, SIPARE and IMSS-02-008, so that future efforts to reduce burdens at the IMSS should include them as a priority.
- Evidence shows that the unitary administrative burden of the IMSS online or mobile application modes of the IMSS co-ordinations analysed is significantly lower, with the exception of the CSGDII, in which the user still has to visit the offices several times despite starting the process online.
- In addition, with some exceptions, evidence shows that the use of digital procedures modes is not frequent among IMSS users.



## Notes

<sup>1</sup> As mentioned in phase 3 of Annex 1.A, administrative burdens could not be estimated for three formalities out of the 87 selected for the review due to a lack of information on the population carrying out the procedure.

<sup>2</sup> Reservations can be made for the Vacation Centres and the Convention Unit through the IMSS call centre.

## Reference

SCM Network (n.d.), “International Standard Cost Model Manual, Measuring and reducing the administrative burdens for businesses”, Standard Cost Model Network, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.



### Chapter 3. Impact of administrative simplification processes in the Mexican Institute of Social Security

*This chapter presents the impact of reducing administrative burdens generated by the Institute's procedures. The decrease in burdens is a result of simplification and digitisation processes, which started in 2012. A decline in information requirements, accompanied by improved formats and submission of information through a computer or smartphone led to less person-hours devoted to carry out formalities. The impact is measured as an aggregate for the IMSS and is shown by administrative co-ordination for 84 procedures analysed in this report.*

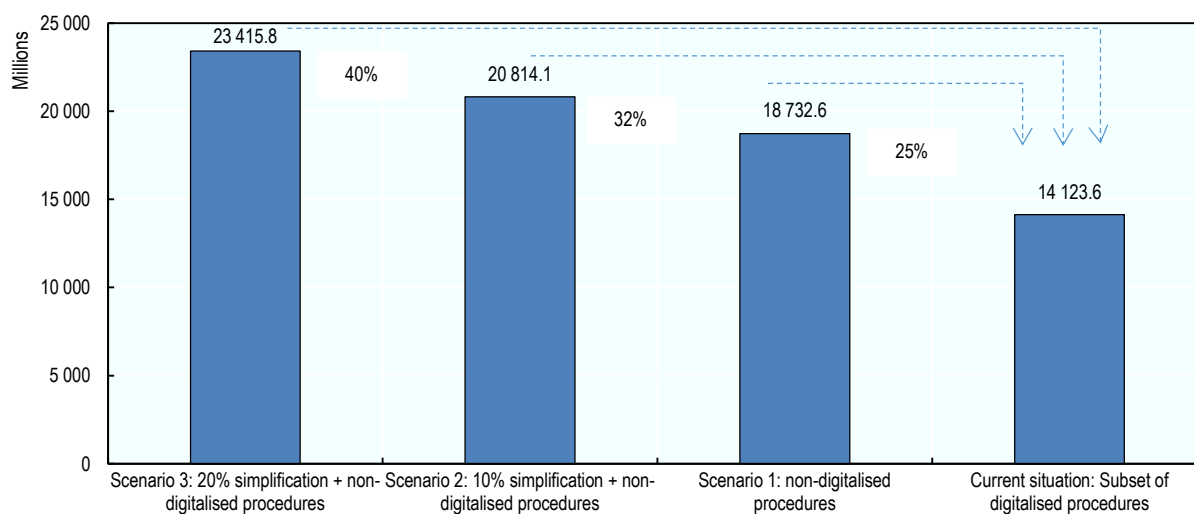
For more than a decade, the IMSS has undertaken actions to simplify its procedures, benefiting users, such as citizens and companies. The benefits of this simplification have led to reduce the number of requirements demanded to the rights-holders or companies when carrying out a procedure; simplify formats, and use ordinary citizen language, among others. Furthermore, since 2013, the IMSS enabled users to conduct procedures remotely through the Institute’s website or through the mobile application, freely available to any person in possession of a smartphone. Therefore, the Institute created the IMSS Digital Strategy, in order to facilitate the provision of social security services to rights-holders, employers, retirees, pensioners and citizens in general, offering digital solutions through modern attention channels.

This chapter introduces the results of the impact measurement of IMSS procedures simplification and digitisation efforts, obtained by measuring the savings in burdens due to procedure improvement. The source of this burden reduction is the decrease in person-hours that citizens, corporate employees, and even company owners must invest, since requirements mitigation, formats improvement, or the possibility of sending information from home or from the office through a computer or smartphone require less time. The SCM methodology assumes that the person-hours released, monetised by the value of the person or employee’s opportunity cost, are re-inserted into the economy in more productive activities compared with mere procedure handling. Indeed, reducing administrative burdens releases resources to the economy, which will have a greater impact on productivity and growth.

### Aggregate impact of IMSS simplification and digitalisation

Figure 3.1 shows the results of IMSS procedures’ simplification and digitisation impact measurement. Depending on the foreseen scenario, the IMSS total administrative burden decrease is estimated to amount to 25%-40%.

**Figure 3.1. Impact of the improvement in IMSS procedures, MXN**



This report shows a savings range as it was impossible to accurately define the initial conditions of IMSS procedures, due to the lack of the formats used before the simplification reported by the Institute.

- **Scenario 1: Non-digitalised procedures.** This scenario estimates how much would the burden amount to if the 31 digitised procedures were only carried out in person. In addition, it is assumed that the remaining in person procedures had no improvement whatsoever in terms of requirements reduction. Under this scenario, it is estimated that the burden would amount to MXN 18 732 million.<sup>1</sup> Thus, the IMSS procedures' improvement impact —that is, total administrative burden decrease with regard to current situation— is 25%.
- **Scenario 2: Non-digitalised procedures + 10% simplification.** This scenario estimates the burdens based on two assumptions:
  - The 31 digitised procedures are only conducted in person.
  - In person procedures were improved through administrative simplification – requirements elimination; formats improvement; use of ordinary citizen language – that results in a 10% reduction of administrative burdens.

Under this scenario, total administrative burdens would amount to MXN 20 814 millions.<sup>2</sup> Therefore, under scenario 2, the IMSS procedures improvement impact would mean a 32% decrease of total administrative burdens.

- **Scenario 3: Non-digitalised procedures + 20% simplification.** This scenario considers the same assumptions of scenario 2, but with a 20% savings in the in person procedure burdens due to simplification. Under these assumptions, the IMSS procedures' improvement impact would account for a 40% total administrative burdens reduction, meaning MXN 23 415 million.

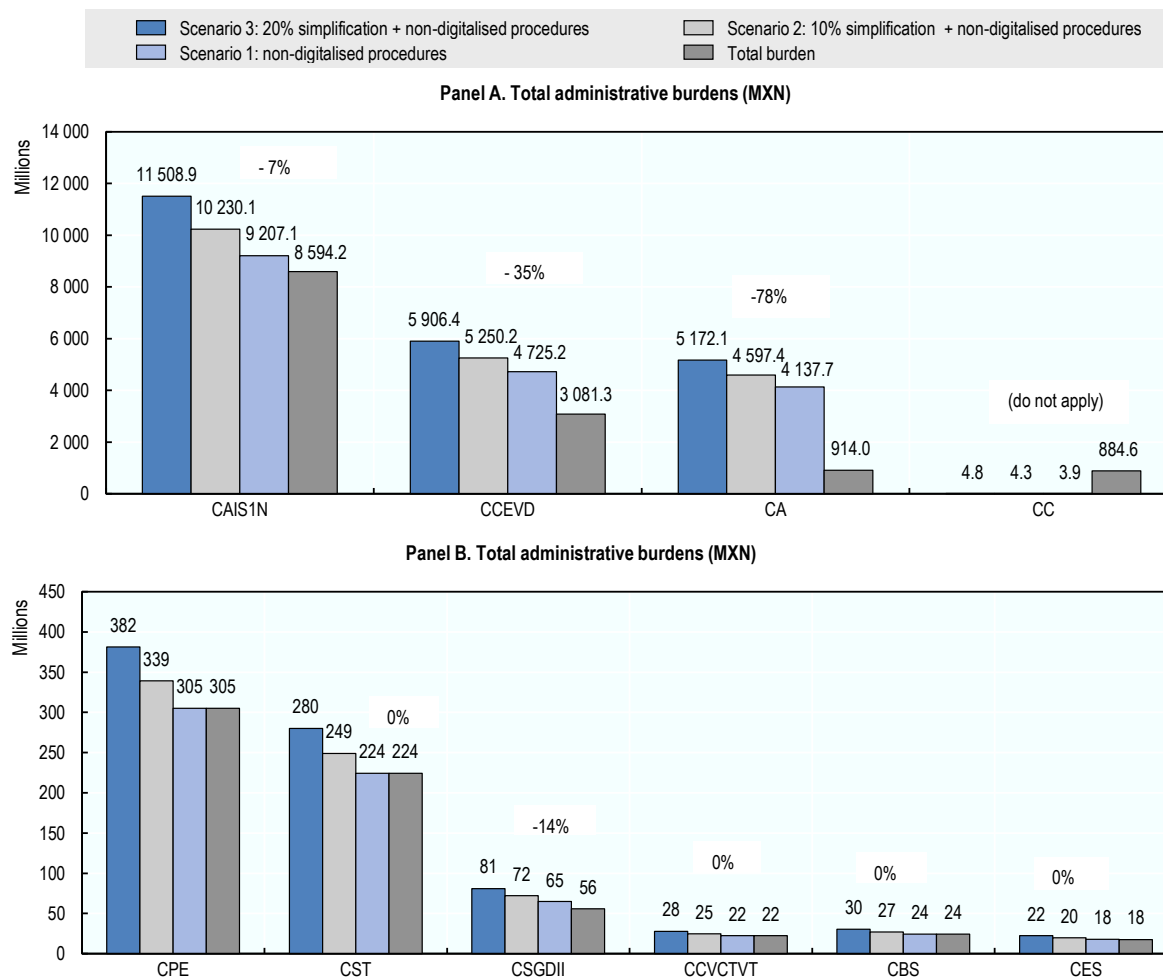
According to these scenarios, the range of savings generated for IMSS users —citizens and entrepreneurs— amounts to 25%-40%. It was necessary to estimate a range because, although the procedures digitisation proved to result in the decrease of significant administrative burdens for their users, it was reasonable to foresee that the decrease was higher than that arising from the use of information technologies, since the collected evidence suggests that the IMSS undertook simplification actions. Therefore, 25% should be considered as a “lower bound” and it is likely that actual savings are above this lower limit.<sup>3</sup>

Considering the above, a reduction of at least 25% in the IMSS administrative burdens through the procedures' improvements favourably compares with the international experiences reported by OECD countries, which set out as a target decreasing procedures burdens in 20%- 25%, see Box 5.1.

## Impact of improvements in IMSS procedures by administrative unit

### *Comparison of savings between administrative units*

Figure 3.2 shows the results by IMSS administrative unit of the administrative burdens estimations under the scenarios described above. The only savings percentage reported in burdens refers to scenario 1. The following section shows the percentage savings of each scenario. It is worth noting that the three co-ordinations with more percentage savings are those that have digitised the biggest share of their procedures: the Co-ordination of Affiliation (CA) (at least 78% savings), the Co-ordination of Companies Classification and Validity of Rights (CCEVD) (at least 35% savings), and the Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII) (at least 14% savings).

**Figure 3.2. Impact of improvements in IMSS procedures by co-ordination**

*Note:* The Co-ordination of Collection (CC) has two additional procedures in the current burden measurement (SIPARE and Opinion 32D) that did not exist in the past, so the current administrative burden is higher than the burden existing before any improvement.

The CA stands out as the unit that has provided more benefits to its users in relative terms, through the procedures improvements process with at least 78% savings in administrative burdens. The CA improved three procedures (IMSS-02-001-A, IMSS-02-001-C and IMSS-02-008) between January and October 2016, and they are mostly carried through digital means.

The CC manages procedures conducted by entrepreneurs or commercial businesses employers, which facilitates the introduction, promotion and penetration of digital means. In fact, in March 2015, this co-ordination introduced the Opinion on the fulfilment of fiscal obligations in the Social Security area (32D), the first digital IMSS procedure since its creation. It is worth mentioning that no estimations were made for Opinion 32D or for the Benchmarked Payment System (SIPARE) regarding their cost before digitisation. In relation to Opinion 32D there was no need to perform this exercise since it was initiated in the digital version. However, it stands out that with the digitisation of IMSS-02-096 procedure Request for information on debit status, the CC generated at least 83% savings for its users (see Table 3.4 below).

On the other hand, five of the analysed co-ordinations (CBS, CCVVUCT, CES, CPE and CST) have not digitised any of their procedures,<sup>4</sup> so the administrative burden pertains to the burden in scenario 1.

The following section introduces current and estimated administrative burdens for each co-ordination under each scenario.

### *Co-ordinations with savings due to procedures digitising*

**Table 3.1. Savings derived from the improvement in the Co-ordination of Affiliation (CA) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-02-001-A	406 126 244	361 001 105	324 900 995	177 425 693	56%	51%	45%
IMSS-02-001-C	223 338 981	198 523 539	178 671 185	145 556 626	35%	27%	19%
IMSS-02-008	4 542 659 154	4 037 919 248	3 634 127 324	590 970 345	87%	85%	84%
<b>Total</b>	<b>5 172 124 379</b>	<b>4 597 443 893</b>	<b>4 137 699 503</b>	<b>913 952 664</b>	<b>82%</b>	<b>80%</b>	<b>78%</b>

**Table 3.2. Savings derived from the improvement in the Co-ordination of Comprehensive Health Care at the First Level (CAISPN) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-03-011	11 482 160 402	10 206 364 802	9 185 728 322	8 572 778 512	25%	16%	7%
IMSS-03-014	S/I	S/I	S/I	S/I	S/I	S/I	S/I
IMSS-03-019	S/I	S/I	S/I	S/I	S/I	S/I	S/I
IMSS-03-020	26 737 731	23 766 872	21 390 185	21,390,185	20%	10%	0%
<b>Total</b>	<b>11 508 898 134</b>	<b>10 230 131 674</b>	<b>9 207 118 507</b>	<b>8 594 168 697</b>	<b>25%</b>	<b>16%</b>	<b>7%</b>

**Table 3.3. Savings derived from the improvement in the Co-ordination of Companies Classification and Validity of Rights (CCEVD) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
Constancia de Desempleo	245 863 060	218 544 942	196 690 448	0	100%	100%	100%
IMSS-02-019-A	S/I	S/I	S/I	S/I	S/I	S/I	S/I
IMSS-02-019-B	S/I	S/I	S/I	S/I	S/I	S/I	S/I
IMSS-02-020-B	3 072 499 415	2 731 110 591	2 457 999 532	1 389 798 484	55%	49%	43%
IMSS-02-025-A	379 024 046	336 910 263	303 219 237	17 209 614	95%	95%	94%
IMSS-02-025-B	332 977	295 979	266 382	266 382	20%	10%	0%
IMSS-02-025-C	16 610 193	14 764 616	13 288 155	13 288 155	20%	10%	0%
IMSS-02-066-A	118 633 488	105 451 990	94 906 791	94 589 082	20%	10%	0%
IMSS-02-066-B	137 827 603	122 513 425	110 262 083	108 224 424	21%	12%	2%
IMSS-02-066-C	10 238 644	9 101 017	8 190 915	8 158 864	20%	10%	0%
IMSS-02-066-D	62 197 595	55 286 751	49 758 076	49 582 303	20%	10%	0%
IMSS-02-066-E	137 827 603	122 513 425	110 262 083	108 224 424	21%	12%	2%
IMSS-02-066-F	7 023 933	6 243 496	5 619 147	5 598 098	20%	10%	0%

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-02-066-G	128 651 039	114 356 479	102 920 831	102 187 723	21%	11%	1%
IMSS-02-066-H	162 810 306	144 720 272	130 248 245	127 842 258	21%	12%	2%
IMSS-02-066-I	5 703 931	5 070 161	4 563 145	4 540 422	20%	10%	0%
IMSS-02-066-J	508 577 572	452 068 953	406 862 057	404 622 070	20%	10%	1%
IMSS-02-066-K	248 542 755	220 926 893	198 834 204	196 386 086	21%	11%	1%
IMSS-02-066-L	1 749 355	1 554 982	1 399 484	1 397 809	20%	10%	0%
IMSS-02-066-M	493 499 061	438 665 832	394 799 249	316 833 390	36%	28%	20%
IMSS-02-066-N	167 743 347	149 105 197	134 194 677	131 726 351	21%	12%	2%
IMSS-02-066-O	1 084 254	963 781	867 403	866 062	20%	10%	0%
<b>Total</b>	<b>5 906 440 176</b>	<b>5 250 169 046</b>	<b>4 725 152 141</b>	<b>3 081 341 998</b>	<b>48%</b>	<b>41%</b>	<b>35%</b>

**Table 3.4. Savings derived from the improvement in the Co-ordination of Collection (CC) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-02-096	4 838 133	4 300 563	3 870 507	652 572	87%	85%	83%
Opinión 32D	N/A	N/A	N/A	7 894 539	N/A	N/A	N/A
SIPARE	N/A	N/A	N/A	876 005 704	N/A	N/A	N/A
<b>Total</b>	<b>4 838 133</b>	<b>4 300 563</b>	<b>3 870 507</b>	<b>884 552 814</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Table 3.5. Savings derived from the improvement in the Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-01-006-A	80 802 654	71 824 581	64 642 123	55 710 143	31%	22%	14%
IMSS-01-006-B	49 593	44 083	39 675	34 497	30%	22%	13%
IMSS-01-006-C	57 195	50 840	45 756	39 145	32%	23%	14%
IMSS-01-006-D	140 816	125 170	112 653	90 111	36%	28%	20%
<b>Total</b>	<b>81 050 258</b>	<b>72 044 674</b>	<b>64 840 206</b>	<b>55 873 897</b>	<b>31%</b>	<b>22%</b>	<b>14%</b>

### *Savings in co-ordinations that have not digitised any of their procedures<sup>5</sup>*

For the CBS, CCVVUCT, CES, CPE and CST co-ordinations, savings in administrative burdens are estimated in a 0%-20% range.<sup>6</sup> All these co-ordinations reported improvements in their procedures, reducing administrative burdens for their users; therefore, the savings percentage is positive. However, as in the remaining co-ordinations, there was not enough evidence available to quantify these improvements accurately.

## Summary of the key messages in this chapter

- Since 2012, the IMSS has undertaken actions to simplify its procedures, benefiting users, including citizens and companies.
- In 2013 the Institute implemented the IMSS Digital Strategy responding to the need to simplify and facilitate procedures and services to rights-holders, pensioners, retirees, employers and citizens in general. This made it possible to carry out



procedures remotely, through the IMSS website and/or the mobile application, freely available to any person in possession of a smartphone, offering digital solutions through modern attention channels.

- The benefits of the simplification have led to reduce the number of requirements demanded to the rights-holders or companies when carrying out procedures, simplify formats, and use ordinary citizen language, among others.
- The IMSS procedure simplification and digitisation impact is estimated as a 25%-40% decrease of total administrative burdens, according to the analysed scenario.
- The reduction of burdens due to the simplification and digitisation of a procedure is reflected on the decrease of person-hours that the citizen, the companies or the companies owners themselves must invest since requirements mitigation, formats improvement or the possibility to send the information required for the procedure from home or the office using a computer or a mobile phone, demand less hours.
- The SCM methodology assumes that the person-hours released, monetised by the value of the person or employee's opportunity cost, are re-inserted into the economy in more productive activities.
- This document reports a range of savings on the simplification and digitisation efforts achieved by the IMSS before the procedures digitisation process. It was necessary to estimate a range because, although the procedures digitisation proved to result in the decrease of significant administrative burdens for their users, it is reasonable to foresee that the decrease was higher than that arising from the use of information technologies, since the collected evidence suggests that the IMSS undertook simplification actions. Therefore, 25% should be considered as a "floor" and it is likely that actual savings are above this lower limit.
- The reduction of at least 25% in the IMSS administrative burdens through the procedures' improvements favourably compares with the international experiences reported by OECD countries, which set out as a target decreasing procedures burdens in 20%- 25%.
- The three IMSS co-ordinations with more percentage savings are those that have digitised the biggest share of their procedures, that is, the Co-ordination of Affiliation (CA) (at least 78% savings), the Co-ordination of Companies Classification and Validity of Rights (CCEVD) (at least 35% savings), and the Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII) (at least 14% savings).

## Notes

<sup>1</sup> In general terms, the methodology used to obtain this figure included the following steps: i) regarding the 31 digitised procedures, the corresponding unitary burden measurement for each in person procedure was multiplied by the population that carried out the procedure online, and ii) this result was added to the administrative burden of the remaining procedures. Only 82 procedures were included in this scenario since, compared to the current situation, two procedures are newly created.

<sup>2</sup> In general terms, the methodology to obtain this figure included the following steps: i) unitary administrative burdens of in person procedures were increased by a factor equivalent to  $(1/(1-0.1))$ ; ii) this modified unitary burden of each in person procedure was multiplied by the relevant population; iii) this result was added to the total administrative burden that would result from multiplying, for the 31 digital procedures, the modified unitary burden of the corresponding in person procedures by the population that carries out the digital procedures. Only 82 procedures were included in this scenario since, compared to the current situation, two procedures are new.

<sup>3</sup> An accurate estimation of the simplification impact required detailed information about the improvement procedures actions undertaken by the IMSS since 2012. The information gathered was not enough to reach a robust calculation.

<sup>4</sup> In some instances full digitisation of procedures will require to solve the need for the rights-holder's presence at the IMSS offices, such as in the disability pension procedure.

<sup>5</sup> As mentioned before, full digitisation of procedures will require to solve the need for the rights-holder's presence at the IMSS offices, such as in the disability pension procedure.

<sup>6</sup> Administrative burdens by co-ordination of the CBS, CCVCTVT, CES, CPE and CST co-ordinations under savings scenarios result from multiplying the burdens of these co-ordinations included in Chapter 2 by a 1 factor for Scenario 1, since in this scenario there are no savings due to digitised procedures; by a factor of  $(1/(1-0.1))$  for a 10% savings in burdens due to the administrative simplification for Scenario 2; and by a  $(1/(1-0.2))$  factor for a 20% savings in burden due to administrative simplification. Due to the mechanical nature of results, these are reported in Annex 3.A.1.

## Reference

SCM Network (n.d.), "International Standard Cost Model Manual, Measuring and reducing the administrative burdens for businesses", Standard Cost Model Network, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

### Annex 3.A. Calculation of savings in co-ordinations that have not digitised any of their procedures

**Annex Table 3.A.1. Savings derived from the improvement in the Co-ordination of Social Welfare (CBS) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-04-001-B	22 873 314.0	20 331 834.6	18 298 651.2	18 298 651.2	20%	10%	0%
IMSS-04-001-A	4 366 581.2	3 881 405.5	3 493 265.0	3 493 265.0	20%	10%	0%
IMSS-04-001-D	2 582 840.5	2 295 858.2	2 066 272.4	2 066 272.4	20%	10%	0%
IMSS-04-001-C	559 534.0	497 363.6	447 627.2	447 627.2	20%	10%	0%
IMSS-04-004	13 799.5	12 266.2	11 039.6	11 039.6	20%	10%	0%
IMSS-04-002-A	57 807.2	51 384.2	46 245.8	46 245.8	20%	10%	0%
IMSS-04-002-E	4 174.6	3 710.7	3 339.7	3 339.7	20%	10%	0%
IMSS-04-002-D	3 467.0	3 081.8	2 773.6	2 773.6	20%	10%	0%
IMSS-04-002-C	1 264.5	1 124.0	1 011.6	1 011.6	20%	10%	0%
IMSS-04-002-B	421.5	374.7	337.2	337.2	20%	10%	0%
<b>Total</b>	<b>30 463 204.0</b>	<b>27 078 403.6</b>	<b>24 370 563.2</b>	<b>24 370 563.2</b>	<b>20%</b>	<b>10%</b>	<b>0%</b>

**Annex Table 3.A.2. Savings derived from the improvement in the Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores (CCVVUCT) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-05-003	26 549 389.9	23 599 457.7	21 239 511.9	21 239 511.9	20%	10%	0%
IMSS-05-002	1 237 230.9	1 099 760.8	989 784.7	989 784.7	20%	10%	0%
IMSS-05-001	110 331.0	98 072.0	88 264.8	88 264.8	20%	10%	0%
<b>Total</b>	<b>27 896 951.8</b>	<b>24 797 290.5</b>	<b>22 317 561.4</b>	<b>22 317 561.4</b>	<b>20%</b>	<b>10%</b>	<b>0%</b>

**Annex Table 3.A.3. Savings derived from the improvement in the Co-ordination of Occupational Health (CST) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-03-008	247 485 013.8	219 986 679.0	197 988 011.1	197 988 011.1	20%	10%	0%
IMSS-03-009	28 787 456.2	25 588 849.9	23 029 964.9	23 029 964.9	20%	10%	0%
IMSS-03-010	3 867 680.3	3 437 938.1	3 094 144.3	3 094 144.3	20%	10%	0%
<b>Total</b>	<b>280 140 150.4</b>	<b>249 013 467.0</b>	<b>224 112 120.3</b>	<b>224 112 120.3</b>	<b>20%</b>	<b>10%</b>	<b>0%</b>

**Annex Table 3.A.4. Savings derived from the improvement in the Co-ordination of Health Education (CES) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-03-002-A	17 731 642.7	15 761 460.2	14 185 314.2	14 185 314.2	20%	10%	0%
IMSS-03-002-C	2 841 183.4	2 525 496.3	2 272 946.7	2 272 946.7	20%	10%	0%
IMSS-03-007-A	421 477.6	374 646.8	337 182.1	337 182.1	20%	10%	0%
IMSS-03-002-B	303 716.9	269 970.6	242 973.5	242 973.5	20%	10%	0%
IMSS-03-005-A	267 016.6	237 348.1	213 613.3	213 613.3	20%	10%	0%
IMSS-03-007-C	247 040.8	219 591.8	197 632.7	197 632.7	20%	10%	0%
IMSS-03-006	71 446.3	63 507.8	57 157.0	57 157.0	20%	10%	0%
IMSS-03-007-D	55 492.4	49 326.5	44 393.9	44 393.9	20%	10%	0%
IMSS-03-005-C	41 191.5	36 614.7	32 953.2	32 953.2	20%	10%	0%
IMSS-03-003-A	39 876.3	35 445.6	31 901.0	31 901.0	20%	10%	0%
IMSS-03-003-B	28 053.5	24 936.4	22 442.8	22 442.8	20%	10%	0%
IMSS-03-005-B	18 230.6	16 205.0	14 584.5	14 584.5	20%	10%	0%
IMSS-03-007-B	9 248.7	8 221.1	7 399.0	7 399.0	20%	10%	0%
IMSS-03-004	S/I	S/I	S/I	S/I	N/A	N/A	N/A
IMSS-03-001	341 674.4	303 710.6	273 339.5	273 339.5	20%	10%	0%
<b>Total</b>	<b>22 417 291.7</b>	<b>19 926 481.5</b>	<b>17 933 833.4</b>	<b>17 933 833.4</b>	<b>20%</b>	<b>10%</b>	<b>0%</b>

**Annex Table 3.A.5. Savings derived from the improvement in the Co-ordination of Economic Benefits (CPE) procedures**

Code	Total administrative burdens (MXN)				Savings percentage in relation to current situation (%)		
	Scenario 3	Scenario 2	Scenario 1	Current situation	Scenario 3	Scenario 2	Scenario 1
IMSS-01-029-B	S/I	S/I	S/I	S/I	N/A	N/A	N/A
IMSS-01-002	106 947 841.7	95 064 748.2	85 558 273.4	85 558 273.4	20%	10%	0%
IMSS-01-015	97 829 212.9	86 959 300.3	78 263 370.3	78 263 370.3	20%	10%	0%
IMSS-01-003-A	39 592 586.9	35 193 410.6	31 674 069.5	31 674 069.5	20%	10%	0%
IMSS-01-001	35 490 326.8	31 546 957.2	28 392 261.5	28 392 261.5	20%	10%	0%
IMSS-01-009	29 259 963.7	26 008 856.6	23 407 970.9	23 407 970.9	20%	10%	0%
IMSS-01-010	28 151 738.5	25 023 767.5	22 521 390.8	22 521 390.8	20%	10%	0%
IMSS-01-016	24 072 349.7	21 397 644.1	19 257 879.7	19 257 879.7	20%	10%	0%
IMSS-01-004-A	4 752 392.2	4 224 348.6	3 801 913.7	3 801 913.7	20%	10%	0%
IMSS-01-031	4 221 336.4	3 752 299.0	3 377 069.1	3 377 069.1	20%	10%	0%
IMSS-01-034-B	3 360 447.0	2 987 064.0	2 688 357.6	2 688 357.6	20%	10%	0%
IMSS-01-005	2 860 716.9	2 542 859.5	2 288 573.5	2 288 573.5	20%	10%	0%
IMSS-01-003-B	2 080 990.1	1 849 769.0	1 664 792.1	1 664 792.1	20%	10%	0%
IMSS-01-004-B	1 830 534.7	1 627 141.9	1 464 427.8	1 464 427.8	20%	10%	0%
IMSS-01-004-C	641 239.6	569 990.8	512 991.7	512 991.7	20%	10%	0%
IMSS-01-029-A	324 707.4	288 628.8	259 765.9	259 765.9	20%	10%	0%
IMSS-01-034-A	65 305.1	58 049.0	52 244.1	52 244.1	20%	10%	0%
IMSS-01-018	48 194.0	42 839.1	38 555.2	38 555.2	20%	10%	0%
IMSS-01-020	9 195.7	8 174.0	7 356.6	7 356.6	20%	10%	0%
IMSS-01-022	2 640.8	2 347.4	2 112.6	2 112.6	20%	10%	0%
<b>Total</b>	<b>381 541 720.0</b>	<b>339 148 195.5</b>	<b>305 233 376.0</b>	<b>305 233 376.0</b>	<b>20%</b>	<b>10%</b>	<b>0%</b>

## Chapter 4. Potential savings in administrative burdens in the Mexican Social Security Institute

*This chapter addresses the potential savings in administrative burdens that the IMSS could achieve from further improving its procedures. The estimate is based on the targets established by each administrative co-ordination in consultation with the OECD. The targets include digitisation of procedures and an increase in population using those. Potential savings are shown on an aggregated basis in the IMSS, and by administrative co-ordination. Finally, an estimate of savings is provided in the case digital efforts and procedures were to increase.*

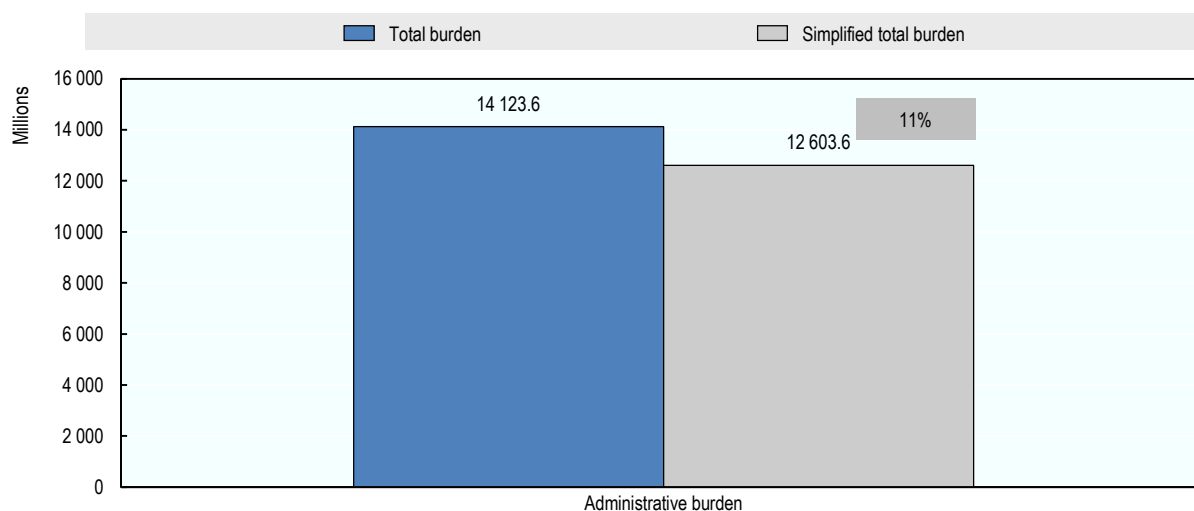
The OECD finds in this report that the strategy to improve IMSS procedures has had positive effects on users, since it estimates that administrative burdens have decreased at least 25%. However, the benefits for IMSS users can be extended even more intensifying the use of the procedures digital modes and digitising those that are not yet available by this means.

Out of the 87 IMSS procedures analysed, 31 can be carried out through digital means, either online or through the mobile application (see Table 1.3). However, the use of these modes is proportionally low, amounting only to 19% of all requests handled by the IMSS (see Figure 2.2). What would be the additional savings in administrative burdens for users if the share of use of the procedures digital versions increases? Below are the calculations of potential savings derived from an increase in the number of digital procedures, and an increase in the use of the digital mode.

### Potential total savings

The administrative burdens faced by citizens and entrepreneurs who use IMSS procedures could be reduced 11%, equivalent to MXN 1 519.9 million (see Figure 4.1), with a digitisation and dissemination strategy implemented by the IMSS that would involve the digitisation of 27 additional procedures —with which there would be a total of 58 procedures available in digital format— and with an increase in the use of these means by users from 19% to 25.8% (see Table 4.1).<sup>1</sup>

**Figure 4.1. Potential savings in administrative burdens in the Mexican Social Security Institute, MXN**



**Table 4.1. Use of procedures submission modes at the IMSS: current situation and targets to achieve**

Procedures' submission mode	Current %	Target to achieve	Change
In person	37.6%	31.8%	↓ 5.7%
Online	15.2%	19.8%	↑ 4.6%
Mobile application	1.6%	3.9%	↑ 2.2%
Telephone ( <i>call center</i> )	2.2%	2.2%	No Change
In person re-scheduling	43.4%	43.4%	No Change
<b>Digital means</b>	<b>19.0%</b>	<b>25.8%</b>	<b>↑ 6.7%</b>

The target of implementing 27 additional digital procedures and of achieving the use of digital formalities in a given percentage – shown in Table 4.1 – was defined by the IMSS, in consultation with the OECD. The definition of these targets was based on balancing the foreseen availability of financial, material, and human resources at the IMSS to carry out the digitisation process and to undertake an effective campaign to disseminate digital procedures, on the profiles of IMSS procedures users and their potential to use their digital versions, and on realistic goals to be achieved within the next 2-4 years.

The following section includes detailed targets regarding the use of modes by procedure, as well as potential savings by administrative co-ordination and by procedure.

## Potential savings per administrative unit

### Comparison of savings between co-ordinations

Figure 4.2. Potential savings in administrative burdens per IMSS co-ordination, MXN

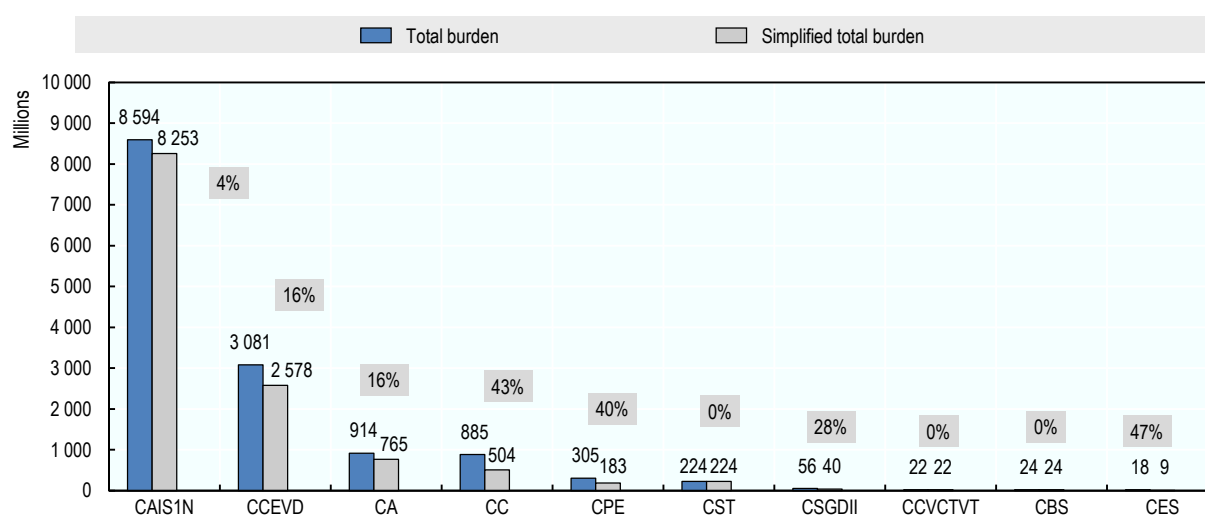


Figure 4.2 shows the potential savings in administrative burdens by co-ordination. Also, this subsection provides detailed information on the savings of each co-ordination. As seen, the CCEVD is the administrative area with the highest potential savings in nominal terms, decreasing from MXN 3 081.3 million to MXN 2 577.9 million. The co-ordination with the highest potential relative savings is the CES, which aims at a 47% reduction in its burdens derived from ambitious expectations regarding the use of its digital procedures: 100% in all of them, but one (more details below). The CST, the CCVUCT and the CBS expect no savings, since the digitisation of some of their procedures is not foreseen in the short term.

### Co-ordination Affiliation

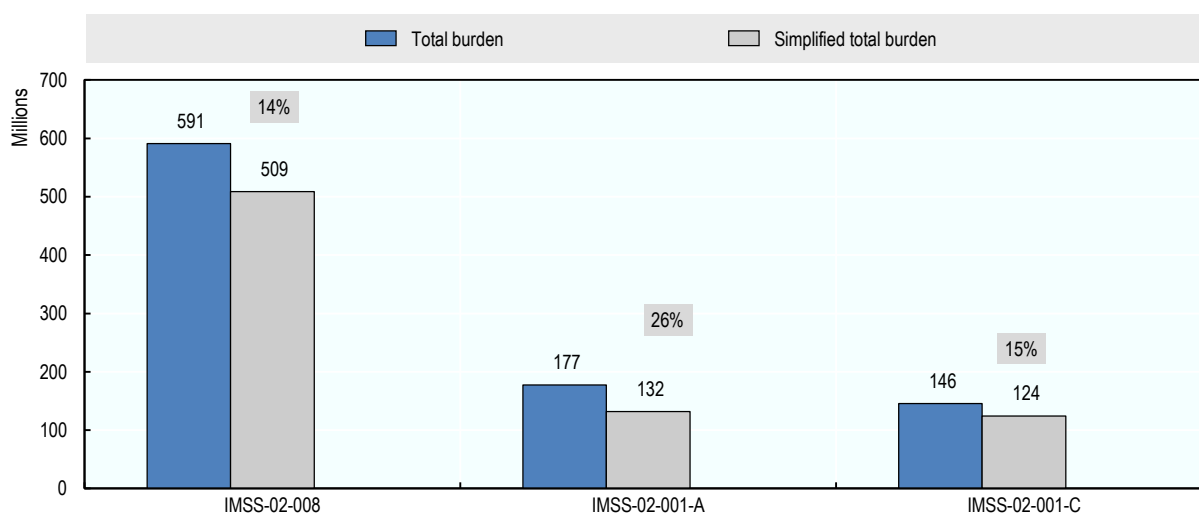
Table 4.2 and Figure 4.3 show the potential savings of the Co-ordination of Affiliation (CA). The CA has three procedures, which can be conducted in person and digitally. The Co-ordination plans to ensure an increase on the use of its three procedures digital versions, which will result in a total 16% reduction of its administrative burden.

**Table 4.2. Potential savings in the IMSS Co-ordination of Affiliation (CA) administrative procedures burden**

Code	Population by current procedure mode				Population target by procedure mode				Total Administrative Burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
IMSS-02-001-A	50%	50%	-	-	34%	66%	-	-	177 425 693.3	131 872 851.6	26%
IMSS-02-001-C	79%	21%	-	-	66%	34%	-	-	145 556 626.4	123 987 334.0	15%
IMSS-02-008	13%	84%	3%	-	11%	85%	4%	-	590 970 344.7	508 910 672.1	14%
<b>Total</b>									<b>913 952 664.4</b>	<b>764 770 857.8</b>	<b>16%</b>

Note: Procedure submission modes: P: In person, I: Online; A: Mobile application, T: Telephone.

**Figure 4.3. Potential savings in the IMSS Co-ordination of Affiliation (CA) administrative burden, MXN**



**Co-ordination of Comprehensive Health Care at the First Level (CAISPN)**

Table 4.3 and Figure 4.4 show the results of the estimation of potential savings in the CAISPN administrative burden. This co-ordination is in charge of the formality with the highest total burden: IMSS-03-011 Medical Care in Family Medicine Units (FMU), which can be carried out online and in person. The CAISPN has set as a target a 4% reduction of this procedure burden, since it foresees very modest increases in the use of digital options. Additionally, the Co-ordination does not foresee the digitisation of the IMSS-03-020 Request for issuance of a death certificate during the next two years.

**Table 4.3. Potential savings in the IMSS Co-ordination of Comprehensive Health Care at the First Level (CAISPN) administrative procedures burden**

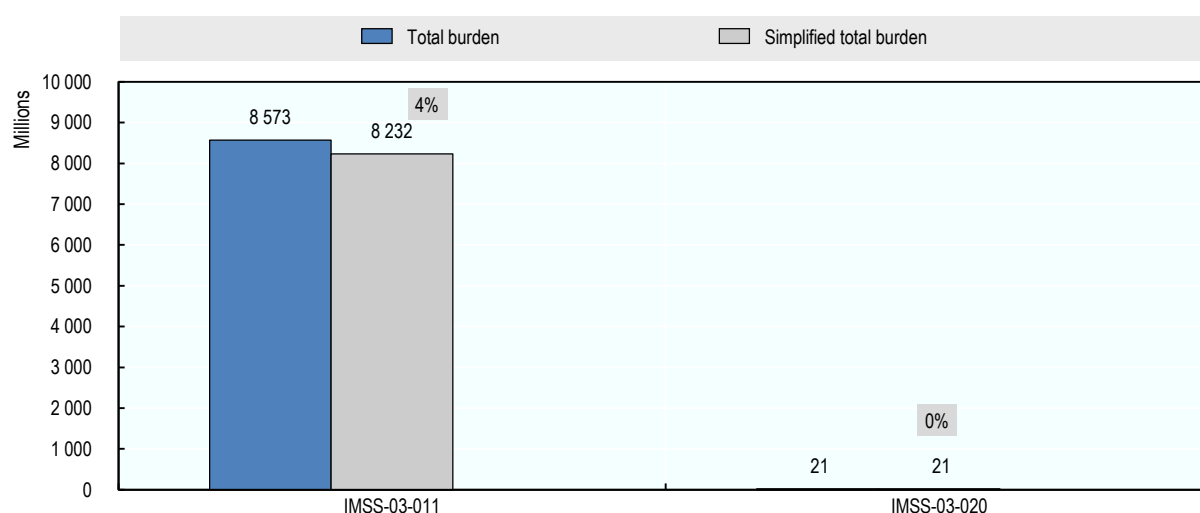
Code	Population by current procedure mode					Population target by procedure mode					Total administrative burdens (MXN)		Potential savings
	P	I	A	T	R	P	I	A	T	R	Current situation	Burden less savings	
IMSS-03-011	32%	0.30%	2%	3%	62%	30%	1%	5%	3%	61%	8 572 778 511.6	8 231 631 585.3	4%
IMSS-03-014	S/I	-	-	-	-	-	-	-	-	-	S/I	S/I	-



Code	Population by current procedure mode					Population target by procedure mode					Total administrative burdens (MXN)		Potential savings
	P	I	A	T	R	P	I	A	T	R	Current situation	Burden less savings	
IMSS-03-019	S/I	-	-	-	-	-	-	-	-	-	S/I	-	-
IMSS-03-020	100%	-	-	-	-	100%	-	-	-	-	21 390 185.2	21 390 185.2	0%
<b>Total</b>											<b>8 594 168 696.8</b>	<b>8 253 021 770.5</b>	<b>4%</b>

Notes: P: Procedures' submission mode de forma In person, I: Online, A: Mobile application, T: Telephone, R: Re-agenda In person.

**Figure 4.4. Potential savings in the IMSS Co-ordination of Comprehensive Health Care at the First Level (CAISP) administrative burden, MXN**



### *Co-ordination of Companies Classification and Validity of Rights (CCEVD)*

Table 4.4 shows the estimation of potential savings in the CCEVD procedures. This co-ordination anticipates generating savings of 16% in its administrative burden. The CCEVD aims at increasing the use of the online version of all its procedures and plans to digitise two procedures, IMSS-02-025-B and IMSS-02-025-C.

**Table 4.4. Potential savings in the IMSS Co-ordination of Companies Classification and Validity of Rights (CCEVD) administrative procedures burden**

Code	Population by current procedure mode				Population target by procedure mode				Total administrative burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
Constancia de Desempleo*	-	-	-	-	-	-	-	-	-	-	-
IMSS-02-019-A*	-	-	-	-	-	-	-	-	-	-	-
IMSS-02-019-B*	-	-	-	-	-	-	-	-	-	-	-
IMSS-02-020-B	55%	45%	-	-	37%	63%	-	-	1 389 798 483.8	950 388 222.1	32%
IMSS-02-025-A	0%	100%	-	-	0%	100%	-	-	17 209 613.7	17 209 613.7	0%
IMSS-02-025-B	100%	-	-	-	29%	71%	-	-	266 381.5	176 829.9	34%
IMSS-02-025-C	100%	-	-	-	67%	33%	-	-	13 288 154.6	11 211 856.9	16%

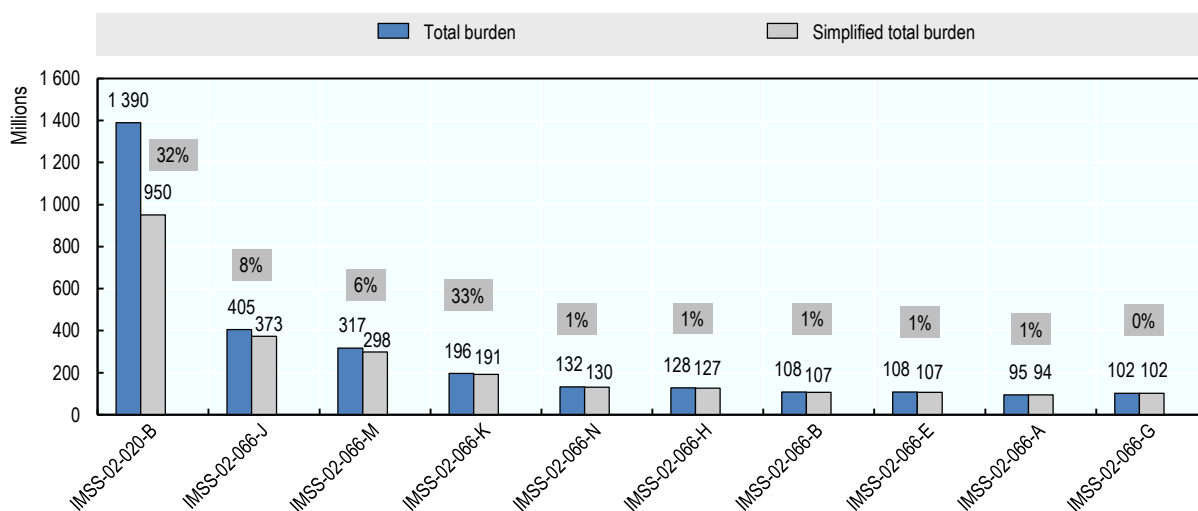
IMSS-02-066-A	99.6%	0.4%	-	-	99%	1%	-	-	94 589 081.6	94 013 672.1	1%
IMSS-02-066-B	98%	2%	-	-	97%	3%	-	-	108 224 424.0	107 132 690.1	1%
IMSS-02-066-C	99.6%	0.4%	-	-	99%	1%	-	-	8 158 864.2	8 114 255.8	1%
IMSS-02-066-D	99.6%	0.4%	-	-	99%	1%	-	-	49 582 303.1	49 289 828.3	1%
IMSS-02-066-E	98%	2%	-	-	97%	3%	-	-	108 224 424.0	107 132 690.1	1%
IMSS-02-066-F	99.6%	0.4%	-	-	99%	1%	-	-	5 598 098.3	5 566 556.7	1%
IMSS-02-066-G	99.2%	0.8%	-	-	99%	1%	-	-	102 187 722.5	101 961 833.7	0%
IMSS-02-066-H	98%	2%	-	-	97%	3%	-	-	127 842 257.8	126 553 181.4	1%
IMSS-02-066-I	99.5%	0.5%	-	-	99%	1%	-	-	4 540 422.1	4 520 438.0	0%
IMSS-02-066-J	99.4%	0.6%	-	-	91%	9%	-	-	404 622 069.7	372 591 342.6	8%
IMSS-02-066-K	98.7%	1.3%	-	-	96%	4%	-	-	196 386 085.7	191 313 130.5	3%
IMSS-02-066-L	99.9%	0.1%	-	-	99%	1%	-	-	1 397 809.4	1 386 385.8	1%
IMSS-02-066-M	79%	21%	-	-	74%	26%	-	-	316 833 389.9	298 149 843.9	6%
IMSS-02-066-N	98%	2%	-	-	97%	3%	-	-	131 726 350.6	130 404 093.8	1%
IMSS-02-066-O	99.8%	0.2%	-	-	99%	1%	-	-	866 061.6	859 235.8	1%
<b>Total</b>									<b>3 081 341 998.0</b>	<b>2 577 975 701.2</b>	<b>16%</b>

Note: Procedure submission modes: P: In person, I: Online, A: Mobile application, T: Telephone.

\* Procedure eliminated in 2016.

Figure 4.5 includes the ten CCEVD procedures with the highest administrative burden. The IMSS-02-020-B procedure stands out, with potential savings from increased use of the digital mode equivalent to 87% of the Co-ordination's total savings (MXN 439 million); this highlights the importance of developing digital channels to reduce administrative burdens.

**Figure 4.5. Potential savings in the IMSS Co-ordination of Companies Classification and Validity of Rights (CCEVD) administrative burden, MXN**



### Co-ordination of Collection

Table 4.5 shows the Co-ordination of Collection potential savings. The CC expects a 43% decrease in its procedures administrative burden. This decrease would be achieved by increasing the use of the online version of the Referenced Payment System (SIPARE).

The CC is one of the IMSS administrative areas with the most used digital procedures. Currently, two of its procedures, Opinión 32D and IMSS-02-096, are exclusively carried out online. With regards to these two procedures, the next step for the IMSS to continue reducing burdens could include a new review of the procedures requirements to identify those that could be eliminated, and evaluate the convenience of improving the use of ordinary citizen's language.

**Table 4.5. Potential savings in the IMSS Co-ordination of Collection (CC) administrative procedures burden**

Code	Population by current procedure mode				Population target by procedure mode				Total administrative burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
IMSS-02-096	0%	100%	-	-	0%	100%	-	-	652 571.5	652 571.5	0%
Opinión 32D	-	100%	-	-	-	100%	-	-	7 894 538.6	7 894 538.6	0%
SIPARE	70%	30%	-	-	30%	70%	-	-	876 005 704.0	495 463 138.7	43%
<b>Total</b>									<b>884 552 814.1</b>	<b>504 010 248.9</b>	<b>43%</b>

Note: Procedure submission modes: P: In person, I: Online; A: Mobile application, T: Telephone.

### *Co-ordination of Health Education (CES)*

The Co-ordination of Health Education is the IMSS administrative area with the highest potential to reduce its administrative burden in percentage terms: 47% (see Table 4.6). This reduction would be achieved by digitising all procedures operated by the Co-ordination, except one – 12 new digitised procedures in total – and reaching full use of these new digital procedures.

**Table 4.6. Potential savings in the IMSS Co-ordination of Health Education (CES) administrative procedures burden**

Code	Population by current procedure mode				Population target by procedure mode				Total administrative burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
IMSS-03-001*	-	-	-	-	-	-	-	-	-	-	-
IMSS-03-002-A	100%	-	-	-	0%	100%	-	-	14 185 314.2	7 468 706.5	47%
IMSS-03-002-B	100%	-	-	-	0%	100%	-	-	242 973.5	127 927.9	47%
IMSS-03-002-C	100%	-	-	-	0%	100%	-	-	2 272 946.7	1 196 728.6	47%
IMSS-03-003-A	100%	-	-	-	0%	100%	-	-	31 901.0	16 796.2	47%
IMSS-03-003-B	100%	-	-	-	0%	100%	-	-	22 442.8	11 816.3	47%
IMSS-03-004*	-	-	-	-	-	-	-	-	-	-	-
IMSS-03-005-A	100%	-	-	-	0%	100%	-	-	213 613.3	112 469.5	47%
IMSS-03-005-B	100%	-	-	-	0%	100%	-	-	14 584.5	7 678.9	47%
IMSS-03-005-C	100%	-	-	-	0%	100%	-	-	32 953.2	17 350.2	47%
IMSS-03-006	100%	-	-	-	100%	-	-	-	57 157.0	57 157.0	0%
IMSS-03-007-A	100%	-	-	-	0%	100%	-	-	337 182.1	177 529.7	47%
IMSS-03-007-B	100%	-	-	-	0%	100%	-	-	7 399.0	3 895.6	47%
IMSS-03-007-C	100%	-	-	-	0%	100%	-	-	197 632.7	104 055.5	47%
IMSS-03-007-D	100%	-	-	-	0%	100%	-	-	44 393.9	23 373.8	47%
<b>Total</b>									<b>17 660 493.9</b>	<b>9 325 485.8</b>	<b>47%</b>

Note: Procedure submission modes: P: In person, I: Online; A: Mobile application, T: Telephone.

\* Procedure eliminated in 2017.

**Figure 4.6. Potential savings in the IMSS Co-ordination of Health Education (CES) administrative burden, MXN**

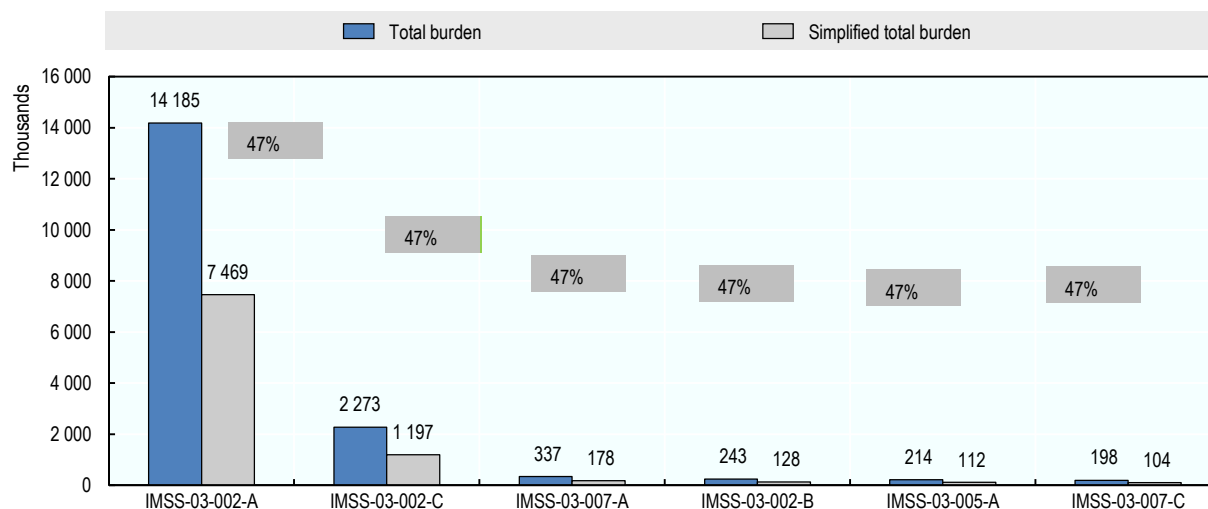


Figure 4.6 clearly shows that the procedure with the highest administrative burden in the unit is IMSS-03-002-A *Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode A) Candidates external to the IMSS for direct entry specialties*, with a current burden of MXN 14.1 million. The potential savings of this procedure accounts for 80% of the Co-ordination's total savings.

### *Co-ordination of Economic Benefits (CPE)*

The Co-ordination of Economic Benefits has a 40% potential savings of its administrative burden (see Table 4.7). These savings can be achieved implementing three actions:

- Digitising 13 procedures, shown in Table 4.7 as those that increase its online use target from zero to a positive figure.
- Ensuring that 25%-80% of its users use the procedures online version.
- Eliminating the IMSS-01-009 procedure (an action already planned by the (CPE).

**Table 4.7. Potential savings in the IMSS Co-ordination of Economic Benefits (CPE) administrative procedures burden**

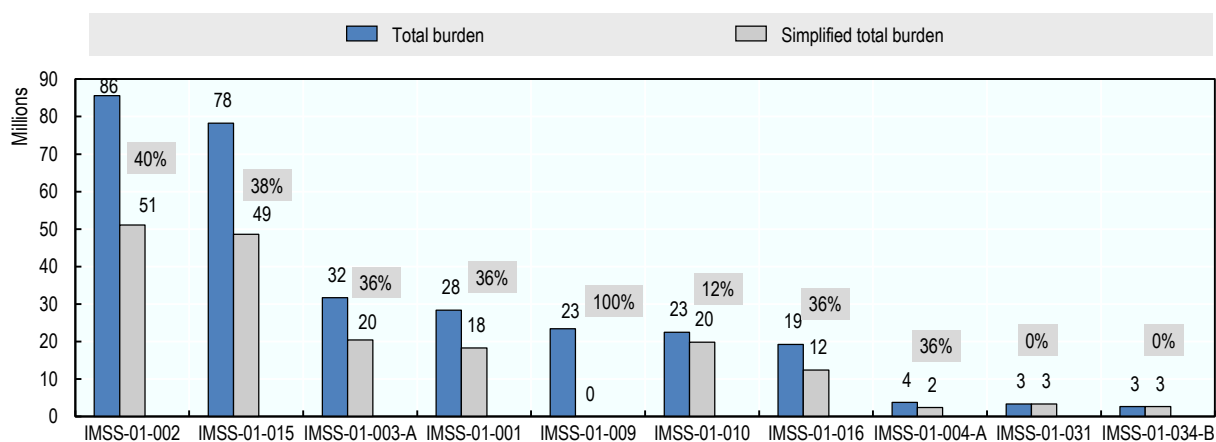
Code	Population by current procedure mode				Population target by procedure mode				Total administrative burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
IMSS-01-001	100%	-	-	-	25%	70%	-	5%	28 392 261.5	18 309 667.6	36%
IMSS-01-002	100%	-	-	-	15%	80%	-	5%	85 558 273.4	51 123 917.6	40%
IMSS-01-003-A	100%	-	-	-	25%	70%	-	5%	31 674 069.5	20 426 047.6	36%
IMSS-01-003-B	100%	-	-	-	25%	70%	-	5%	1 664 792.1	1 073 595.0	36%
IMSS-01-004-A	100%	-	-	-	25%	70%	-	5%	3 801 913.7	2 451 787.0	36%
IMSS-01-004-B	100%	-	-	-	25%	70%	-	5%	1 464 427.8	944 383.6	36%
IMSS-01-004-C	100%	-	-	-	25%	70%	-	5%	512 991.7	330 819.3	36%
IMSS-01-005	100%	-	-	-	25%	70%	-	5%	2 288 573.5	1 475 860.6	36%
IMSS-01-009	100%	-	-	-	0	0	0	0	23 407 970.9	0	100%

Code	Population by current procedure mode				Population target by procedure mode				Total administrative burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
IMSS-01-010	100%	-	-	-	75%	25%	-	-	22 521 390.8	19 855 476.1	12%
IMSS-01-015	100%	-	-	-	20%	80%	-	-	78 263 370.3	48 617 817.1	38%
IMSS-01-016	100%	-	-	-	25%	70%	-	5%	19 257 879.7	12 419 066.2	36%
IMSS-01-018	100%	-	-	-	15%	80%	-	5%	38 555.2	23 038.0	40%
IMSS-01-020	100%	-	-	-	100%	-	-	-	7 356.6	7 356.6	0%
IMSS-01-022	100%	-	-	-	15%	80%	-	5%	2 112.6	1 262.4	40%
IMSS-01-029-A	100%	-	-	-	100%	-	-	-	259 765.9	259 765.9	0%
IMSS-01-029-B	S/I	-	-	-	100%	-	-	-	S/I	S/I	-
IMSS-01-031	100%	-	-	-	100%	-	-	-	3 377 069.1	3 377 069.1	0%
IMSS-01-034-A	100%	-	-	-	100%	-	-	-	52 244.1	52 244.1	0%
IMSS-01-034-B	100%	-	-	-	100%	-	-	-	2 688 357.6	2 688 357.6	0%
<b>Total</b>									<b>305 233 376.0</b>	<b>183 437 531.3</b>	<b>40%</b>

Note: Procedure submission modes: P: In person, I: Online; A: Mobile application, T: Telephone.

Figure 4.7 includes the CPE 10 procedures with the highest burden. It highlights that the five CPE procedures with the highest administrative burden generate 89% of potential savings, which suggests that the Co-ordination improvement efforts must focus on these procedures.

**Figure 4.7. Potential savings in the IMSS Co-ordination of Economic Benefits (CPE) administrative burden, MXN**



### ***Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII)***

All the Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII) procedures are available in the IMSS digital platform. Table 4.8 shows that the CSGDII expects to generate a 28% savings in administrative burdens for its procedures users. The target requires that 80% of the requests are performed using digital options.

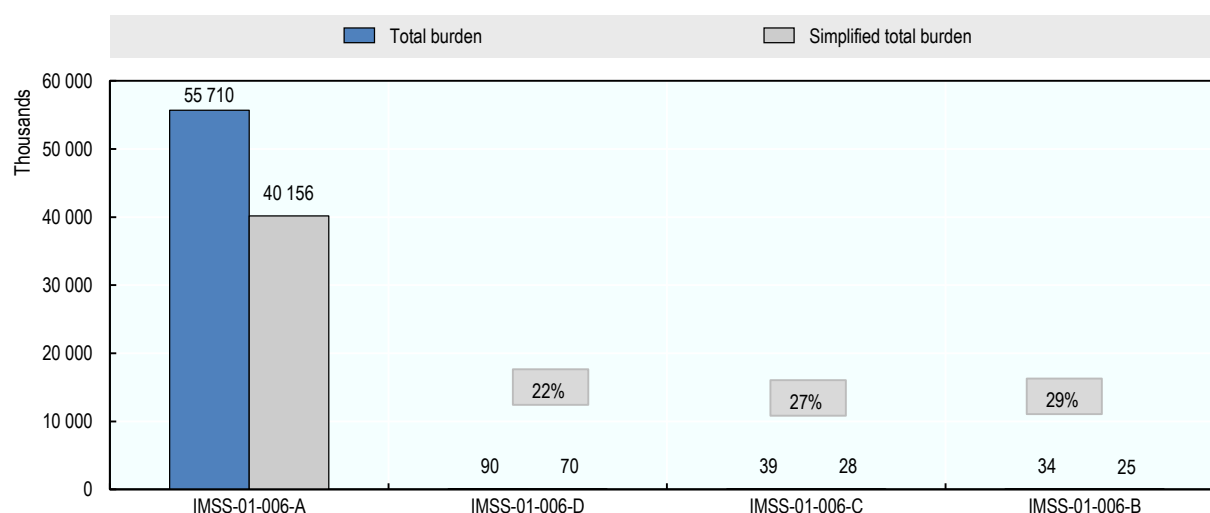
**Table 4.8. Potential savings in the IMSS Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII) administrative procedures burden**

Code	Population by current procedure mode				Population target by procedure mode				Total administrative burdens (MXN)		Potential savings
	P	I	A	T	P	I	A	T	Current situation	Burden less savings	
IMSS-01-006-A	50%	50%	-	-	20%	80%	-	-	55 710 143.5	40 156 191.8	28%
IMSS-01-006-B	53%	47%	-	-	20%	80%	-	-	34 497.3	24 646.2	29%
IMSS-01-006-C	47%	53%	-	-	20%	80%	-	-	39 145.0	28 424.1	27%
IMSS-01-006-D	27%	73%	-	-	20%	80%	-	-	90 111.3	69 980.8	22%
Total									55 873 897.1	40 279 242.9	28%

Note: Procedure submission modes: P: In person, I: Online; A: Mobile application, T: Telephone.

Figure 4.8 shows that the CSGDII procedure with the highest administrative burden is IMSS-01-006-A, *Request for registration in an IMSS day-care centre Mode A) of the worker registered at the IMSS under the mandatory regime*. Fulfilling the target increase in the use of this procedure online mode is equivalent to 99.7% of the potential savings of the Co-ordination.

During the information gathering process, the procedures users offered remarks and suggestions to improve them. The rights-holders emphasised that they must repeatedly visit the day-care centres. In order to improve the IMSS service by reducing the number of visits and the time day-care users spend waiting, the digital platform should allow the infants' tutors or parents to upload their documents online, instead of having to physically deliver them at the day-care centre. In addition, it is worth mentioning that once a physician evaluates the children the results of the examination must be delivered at the centre. This step could be simplified by establishing a communication channel between the FMUs physicians and the day-care centres, and would reduce the number of times parents have to personally visit the Institute's facilities.

**Figure 4.8. Potential savings in the IMSS Co-ordination of Day-care Services for Comprehensive Children Development (CSGDII) administrative burden, MXN**

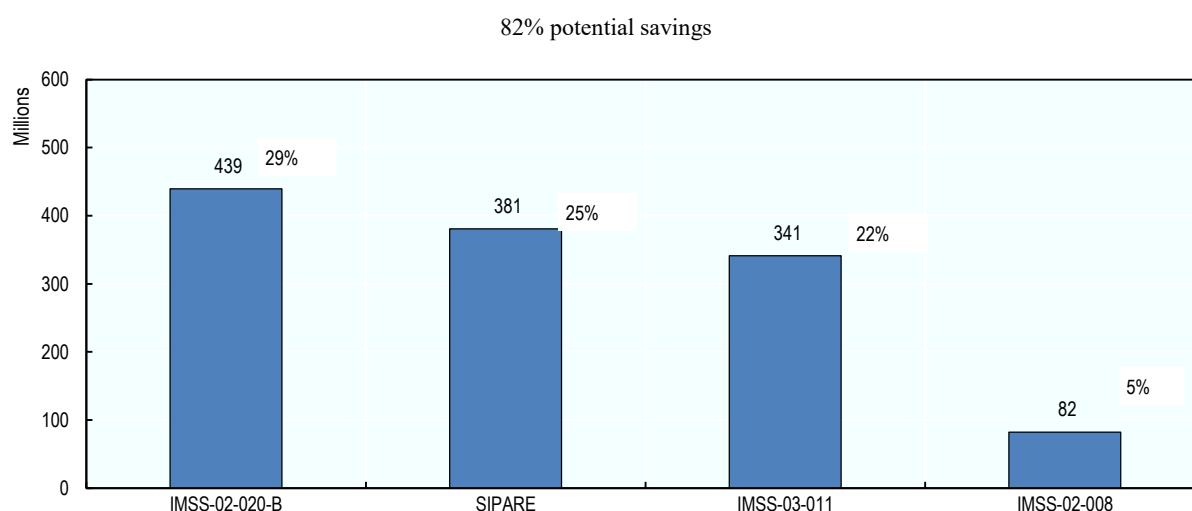
### *Co-ordinations with no procedures digitisation foreseen in the short term*

Three IMSS co-ordinations have no plans to digitise their procedures in the forthcoming years. These areas are the Co-ordination of Occupational Health (CST), the Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores (CCVVUCT) and the Co-ordination of Social Welfare (CBS). Currently, all these Co-ordinations procedures are carried out in person and together account for 2% of the total IMSS administrative burden. In some cases, the move towards digitisation will require to resolve the need for the rights-holder's presence at the IMSS offices for the disability pension procedure.

### Procedures with the highest potential savings

Figure 4.9 shows the four procedures with the highest savings in absolute terms and that together contribute 82% of the IMSS potential savings. The CCEVD IMSS-02-020-B procedure accounts for the highest savings, 29% of potential savings. Regarding this procedure, the CCEVD aims to increase the use of its digital mode from 45% of the current population to 63%. The second procedure with more potential savings is the SIPARE, with 25% of potential savings. The CC anticipates increasing the use of the procedure's digital version from the current 30% of the population to 70%. It also highlights the IMSS-03-011 procedure that would achieve savings amounting to 22% of total savings. The CAISPN aims at increasing the use of the online and mobile application modes, currently of 0.3% and 2%, to 1% and 5%, respectively. Finally, the IMSS-02-008 procedure would contribute to 5% of total savings. To achieve these savings, the CA expects to increase the use of the online and mobile application modes, currently of 84% and 3% of the user population, to 85% and 4%, respectively. The prioritisation of the IMSS's efforts to achieve potential savings should include increasing these procedures digital use.

**Figure 4.9. IMSS procedures with the highest potential savings**



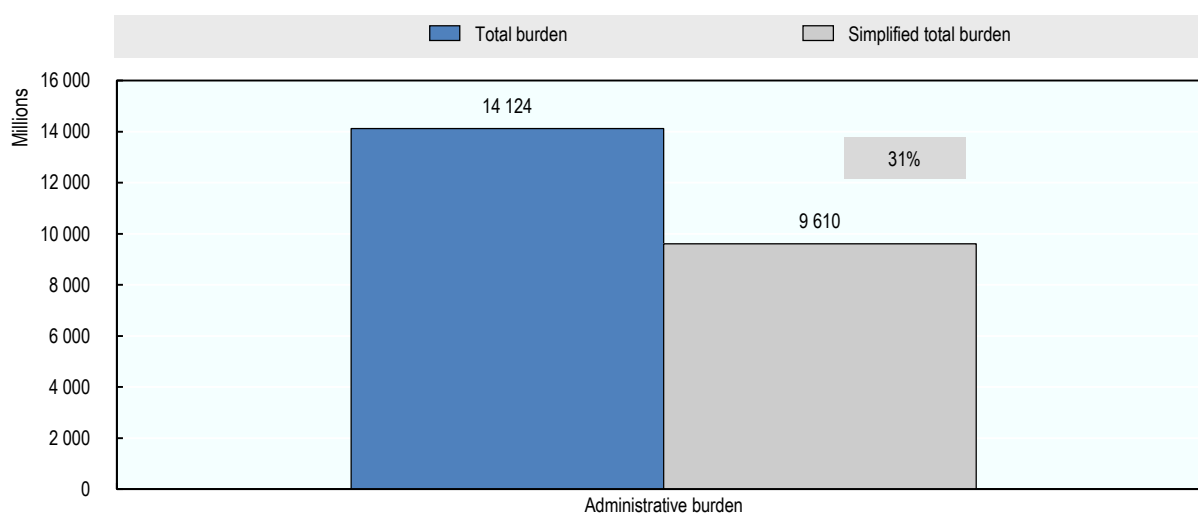
### Wide-ranging simulation

This subsection includes a simulation exercise to estimate the savings in administrative burdens that could be achieved by implementing a broader procedures digitisation strategy and promoting their use. The assumptions under which this wide-ranging simulation is carried out are the following:

- **The 84 procedures included in this report are available in digital versions.** This requires that in addition to the 31 procedures already available in digital mode, and the 27 procedures that the IMSS plans to digitise within the next two years, the remaining 26 will be digitised.
- **At least 66% of users use the procedures digital options.**<sup>2</sup> This action would entail actions to promote the use of digital modes to ensure that:
  - Regarding the 31 current digital procedures whose user population is lower than 66%, their use increases to reach this level.
  - Regarding the 31 current digital procedures whose user population is higher than 66%, this level is maintained.
  - Regarding the 27 procedures that the IMSS plans to digitise, at least 66% of the users use them, or the target population of users of digital procedures is reached, provided that the target is equal to or higher than this level.
  - Regarding the 26 remaining procedures that need to be digitised, at least 66% of users use them.
  - Regarding the IMSS-03-011 procedure, it is established that the target of 66% use of the digital mode only applies for obtaining new medical appointments, and that the re-schedule calendar will continue to be handled in person.

Figure 4.10 shows the results of the wide-ranging simulation. Under this scenario, the estimated total simplified burden would be MXN 9,610 million, which means a 32% savings for the benefit of IMSS procedures users.

**Figure 4.10. Wide-ranging simulation of IMSS procedures improvement, MXN**



This simulation is considered as wide-ranging because its achievement requires intense efforts that would demand using significant financial, material and human resources, as well as a longer period of time that would certainly exceed five years. Special attention should be given to the IMSS-03-011 procedure *Medical Care in Family Medicine Units*, which in 2017 had 125 million requests; only 0.3% of which were submitted online, 2% through the mobile application and 3% by telephone. Although each procedure would provide savings in the wide-ranging simulation, the savings generated by this procedure would account for 49% of total savings. Therefore, the challenge is huge.

Notwithstanding, there are some signs that suggest that the target is affordable:



- As shown in Chapter 3, the IMSS has already generated savings of 25-40% of burdens to its procedures users, so an additional 31% target would be consistent with the culture of improvement already established in the Institute.
- The percentage of use of digital versions targets set out by the CPE and the CES for the next two or three years are 70%-100%, which exceeds the 66% threshold. These ambitious goals can inspire other co-ordinations to achieve the 66% threshold.

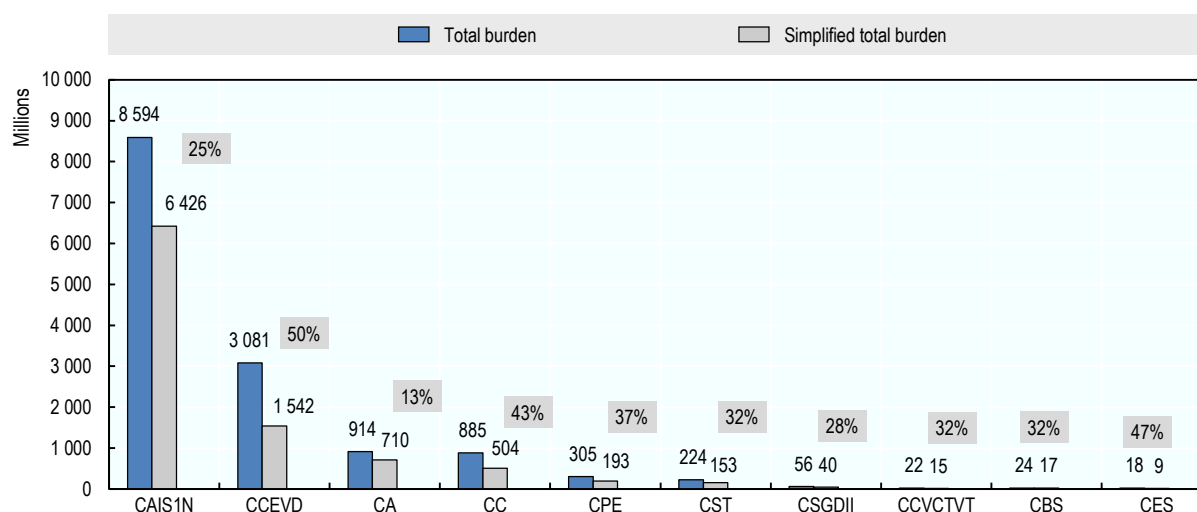
Table 4.9 and Figure 4.11 show the savings by co-ordination derived from carrying out the wide-ranging simulation.

**Table 4.9. Savings by co-ordination in the wide-ranging simulation, MXN**

Co-ordination	Current administrative burden	Simplified administrative burden	Ahorro Nominal savings	Percentage savings
Co-ordination of Comprehensive Health Care at the First Level (CAISPN)	8 594 168 697	6 425 887 095	2 168 281 602	25%
Co-ordination of Companies Classification and Validity of Rights (CCEVD)	3 081 341 998	1 542 486 915	1 538 855 083	50%
Coordinación de Afiliación	913 952 664	710 281 692	203 670 972	22%
Co-ordination of Collection	884 552 814	504 010 249	380 542 565	43%
Co-ordination of Economic Benefits	305 233 376	192 956 537	112 276 839	37%
Co-ordination of Occupational Health	224 112 120	153 191 560	70 920 560	32%
Co-ordination of Day-care Services for Comprehensive Child Development	55 873 897	40 279 243	15 594 654	28%
Co-ordination of Vacation Facilities, Funeral Homes, Conventions Unit and Stores	22 317 561	15 255 141	7 062 420	32%
Co-ordination of Social Welfare	24 370 563	16 658 468	7 712 095	32%
Co-ordination of Health Education	17 660 494	9 307 398	8 353 095	47%
<b>Total</b>	<b>14 123 584 185</b>	<b>9 610 314 299</b>	<b>4 513 269 886</b>	<b>32%</b>

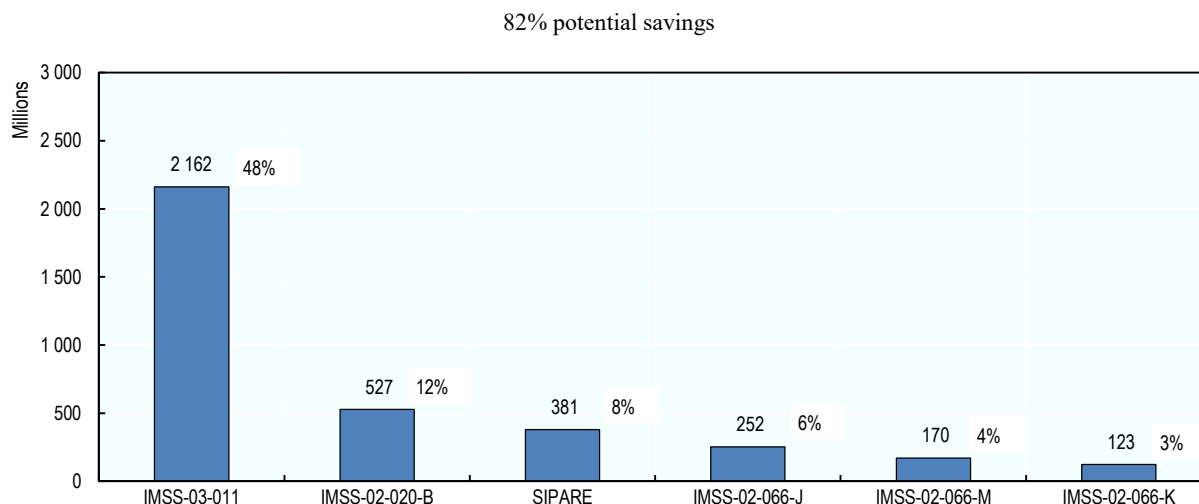
Note: Numbers may vary due to rounding.

**Figure 4.11. Savings by co-ordination in the wide-ranging simulation, MXN**



Finally, Figure 4.12 shows the six procedures with the highest savings in nominal terms in the wide-ranging simulation, which together contribute 82% of total savings.

**Figure 4.12. Procedures with the highest savings potential in the wide-ranging simulation**



### Summary of the key messages in this chapter

- Administrative burdens have decreased at least 25% due to the improvement in IMSS procedures. However, the benefits can be extended even more intensifying the use of the procedures digital modes and digitising those that are not yet available by this means.
- The administrative burdens faced by citizens and entrepreneurs who use IMSS procedures could be reduced 11% with a digitisation and dissemination strategy that would involve the digitisation of 27 additional procedures —with which there would be a total of 58 procedures available in digital format— and with an increase in the use of these means by users from 19% to 25.8%.
- The targets of implementing 27 additional digital procedures and of achieving the digital procedures use targets were defined by the IMSS, in consultation with the OECD. The definition of these targets was based on balancing the foreseen availability of resources to carry out these actions, on the profiles of IMSS procedures users and their potential to use their digital versions, and on realistic goals to be achieved within the next 2 to 4 years.
- The CCEVD is the administrative area with the highest potential savings in nominal terms, decreasing from MXN 3 081.3 million to MXN 2 577.9 million. The coordination with the highest potential relative savings is the CES, which aims at a 47% reduction in its burdens derived from ambitious expectations regarding the use of its digital procedures: 100% in all of them, but one.
- The four procedures with the highest savings in absolute terms and that together contribute 82% of the IMSS potential savings are the IMSS-02-020-B, the IMSS-03-011 and the IMSS-02-008. These procedures also have the highest administrative burdens, and this reinforces the recommendation to include in the

prioritisation of the IMSS's efforts to achieve potential savings increasing these procedures digital use.

- A wide-ranging simulation shows that the IMSS could reduce administrative burdens by up to 32%. To achieve these savings it would be required that the 84 procedures included in this report are available in digital versions, and that at least 66% of users use the procedure digital options.
- This simulation is considered as wide-ranging because its achievement requires intense efforts that would demand using significant resources, as well as a period of time that would certainly exceed five years.

## Notes

<sup>1</sup> Potential savings were obtained as follows: i) Estimating the unitary load of the procedures new digital modes, that is the result of reducing the unitary burden of the corresponding in person procedure by a factor equivalent to the difference between the average unitary burden of the in person procedure and the unitary burden of the digital procedure in the Co-ordination; if the Co-ordination does not have digital procedures for comparison purposes, general IMSS averages were used; and ii) Multiplying this unitary burden modified by the target population in the use of digital procedures (see details on these targets in the next section). Potential savings only include 79 of the 84 procedures analysed, since five procedures were eliminated in 2016.

<sup>2</sup> The 66% proportion was determined through an analysis of the scope and use of electronic devices and digital channels in Mexico. According to the ENIGH 2016, 92% of the households with at least one person registered in the IMSS have a cell phone and 42% of them own a computer with internet access.

## Reference

SCM Network (n.d.), “International Standard Cost Model Manual, Measuring and reducing the administrative burdens for businesses”, Standard Cost Model Network, <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.



## **Chapter 5. Recommendations to drive the administrative simplification strategy in the Mexican Institute of Social Security**

*This chapter includes a summary of the key findings. Additionally, it compares the reduction of administrative burdens that the IMSS achieved to similar experiences in OECD countries. The final section presents a list of recommendations to boost the Institute's administrative simplification strategy.*

## Key findings

Since 2012 the IMSS has implemented procedures simplification actions, which have benefited users, including citizens and companies. In 2013, the IMSS introduced the IMSS Digital strategy responding to the need to simplify and facilitate procedures and services to rights-holders, pensioners, retirees, employers and citizens in general. This made it possible to carry out procedures remotely, through the IMSS website and/or the mobile application, freely available to any person in possession of a smartphone, offering digital solutions through modern attention channels.

This report measures the administrative burdens of 87 IMSS procedures, in order to calculate their simplification and digitisation impact. IMSS rights-holders or companies can currently carry out these procedures or request IMSS service through four modes: in person at one of the offices or medical facilities (86 procedures), through an Internet portal (27 procedures), through the mobile application downloadable free of charge on any smartphone (3 procedures) or through a call centre (27 procedures).

The term administrative burdens refers to the monetary value of time that citizens and entrepreneurs devote to comply with government procedures, which includes filling formats, collecting required documents and other requirements, visiting government institutions offices to inquire about the procedure, and the time needed to make the corresponding payments. The calculation of administrative burdens is based on monetising the time devoted by citizens or companies to gather, prepare and deliver the information requested by regulatory authorities. Burdens are estimated building upon the time invested by users in activities required to carry out a procedure – the time to handle the procedure – multiplied by the cost related to the time invested by users based on their profile. The time cost is measured as the salary received by the company's employee or the salary the citizen does not receive due to the procedure's fulfilment.

Five hundred and four surveys were applied to users of 28 of the 87 procedures, to measure administrative burdens and the handling time invested in carrying out the procedure. Administrative burdens were calculated using the information gathered as well as qualitative and quantitative techniques.

The total administrative burden of the procedures analysed was MXN 14 123 million, 98% of which derived from procedures carried out in the in person format y 2% by digital procedures.

This report also measures the impact of simplification and digitisation processes implemented by the IMSS. Burden reductions due to simplification and digitisation of a procedure are reflected in the decrease of person-hours that citizens, companies or company owners invest, requirements, format improvement or possibility to send information is available from home or the office using a computer or a mobile phone, demands less hours.

This report concludes that the use of IMSS digital procedures is beneficial for users, since administrative burdens they face to perform procedures through this means is much lower. The report shows that, on average, an IMSS in-person mode procedure generates MXN 94.4 administrative burdens; on the other hand, average administrative burdens of online processes is MXN 9.5 and MXN 8.7 on mobile devices. Therefore, on average, an in-person procedure generates 10 times more administrative burdens to the user than the online mode and 10.8 times more than mobile application.

In addition, the IMSS procedure simplification and digitisation impact is estimated as a 25%-40% decrease of total administrative burdens, according to the analysed scenario.

It was necessary to estimate a range because, although the procedures digitisation proved to result in the decrease of significant administrative burdens for their users, it was reasonable to foresee that the decrease was higher than that arising from the use of information technologies, since the collected evidence suggests that the IMSS undertook simplification actions. The benefits of the simplification have led to reduce the number of requirements demanded to the rights-holders or company during the procedures processing, simplify formats, and use ordinary citizen language, among others. Therefore, 25% should be considered as a “floor” and it is likely that actual savings are above this lower limit.

Additionally, this report calculates the additional savings that could be obtained with a more intense use of the procedures digital modes, and with the digitisation of those that are not still available through this means. The administrative burdens faced by citizens and entrepreneurs users of IMSS procedures could be reduced 11% with a strategy that would imply digitising 27 additional procedures – for a total of 58 procedures available in digital mode – and an increase in the use of these means by users from 19% to 25.8%.

The targets of implementing 27 additional digital procedures and of achieving the digital procedures use targets were defined by the IMSS, in consultation with the OECD. The definition of these targets was based on balancing the foreseen availability of resources to carry out these actions, on the profiles of IMSS procedures users and their potential to use their digital versions, and on realistic goals to be achieved within the next 2 to 4 years.

Finally, this report estimates a wide-ranging simulation where the IMSS could reduce administrative burdens by up to 32%. To achieve these savings it would be required that the 84 procedures included in this report are available in digital versions, and that at least 66% of users use the procedure digital options.

This simulation is considered as wide-ranging because its achievement requires intense efforts that would demand using significant resources, as well as a period of time that would certainly exceed five years.

### Decrease of IMSS burdens from an OECD countries perspective

The decrease in administrative burdens generated by the IMSS as a result of its procedures improvement, of at least 25%, favourably compares with the international experiences reported by OECD countries, which set out as a target decreasing procedures burdens in 20%- 25% (see Box 5.1).

#### **Box 5.1. International experience in the use of the Standard Cost Model (SCM) to measure administrative burdens**

Denmark has used the SCM to measure administrative burdens and made the commitment to reduce them 25% between 2001 and 2010. Denmark recently developed two new projects: one aimed at facing the most onerous regulations, and the other to further adapt its burden reduction policy to the companies’ actual needs.

Germany chose the SCM to measure administrative costs arising from the information obligations included in its federal laws. It set out the target to reduce such costs 25% between 2006 and the end of 2011, which was one of the pillars of its bureaucracy reduction and legislation improvement programme.

Sweden announced as a national target for 2010 the net decrease of 25% of administrative burdens for companies, arising from the fulfilment of information obligations established in the law. Sweden measured the burden using the SCM methodology.

Portugal aimed at reducing 25% of the administrative burdens for companies in 2012. The target considered all laws and regulations that had an impact on the companies' life cycle. The exercise was based on a SCM adapted version and focused on key legislation that would be subject to administrative simplification. The SCM adaptation included the total costs of complying with the regulation as well as the burdens for citizens. It focused on information obligations and integrated the delays and the time spent waiting for an official response.

In 2009, Finland adopted, among other measures, one of the most recent programmes addressed to reduce 25% administrative burdens for companies by 2012. This strategy came up after a pilot measurement of the VAT legislation using the SCM. The action plan focused on eight priorities: taxes, statistics, procedures for agricultural subsidies, food safety and quality, employers procedures, financial reports obligation, public procurement and environmental authorisation procedures. The development of e-government services for companies is a horizontal priority of the action plan.

Source: OECD (2010), *Why Is Administrative Simplification So Complicated?: Looking beyond 2010*, Cutting Red Tape, <http://dx.doi.org/10.1787/9789264089754-en>.

## Recommendations to drive the administrative simplification strategy

To reach the additional 11% reduction of administrative burdens, the IMSS will need to digitise 27 procedures and increase the share of procedures users that choose the digital mode from 19% to 25.8%.

The procedures that must be digitised are shown in Table 5.1.

**Table 5.1. Procedures to be digitised by the IMSS to reach the potential 11% savings**

Code	Name of the procedure	Co-ordination in charge
IMSS-02-025-B	Request for certificate of acknowledged weeks Mode B) Certificate of acknowledged periods IMSS-ISSSTE	Coordinación de Clasificación de Empresas y Vigencia de Derecho
IMSS-02-025-C	Request for certificate of acknowledged weeks Mode C) Certificate of listed weeks at the IMSS	Coordinación de Clasificación de Empresas y Vigencia de Derecho
IMSS-03-002-A	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode A) Candidates external to the IMSS for direct entry specialties	Coordinación de Educación en Salud
IMSS-03-002-B	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode B) Candidates IMSS workers for direct entry specialties	Coordinación de Educación en Salud
IMSS-03-002-C	Request for Mexican physicians to join the Mexican Social Security Institute as interns Mode C) Candidates children of IMSS workers for direct entry specialties	Coordinación de Educación en Salud
IMSS-03-003-A	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode A) Candidates for direct entry specialties	Coordinación de Educación en Salud
IMSS-03-003-B	Request for foreign physicians to join the Mexican Social Security Institute as interns Mode B) Candidates for branch specialties	Coordinación de Educación en Salud
IMSS-03-005-A	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode A) External candidates to the Mexican Social Security Institute	Coordinación de Educación en Salud



Code	Name of the procedure	Co-ordination in charge
IMSS-03-005-B	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode B) Candidates workers of the Mexican Social Security Institute	Coordinación de Educación en Salud
IMSS-03-005-C	Request for enrolment in the BA in nursing in the Mexican Social Security Institute schools Mode C) Candidates children of workers of the Mexican Social Security Institute	Coordinación de Educación en Salud
IMSS-03-007-A	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode A) Mexican candidates, external to the Mexican Social Security Institute	Coordinación de Educación en Salud
IMSS-03-007-B	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode B) Foreign candidates, external to the Mexican Social Security Institute	Coordinación de Educación en Salud
IMSS-03-007-C	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode C) Candidates workers of the Mexican Social Security Institute	Coordinación de Educación en Salud
IMSS-03-007-D	Request for dental surgeons to join the Mexican Social Security Institute as maxillofacial surgery interns Mode D) Candidates children of workers of the Mexican Social Security Institute	Coordinación de Educación en Salud
IMSS-01-001	Request for a disability pension	Co-ordination of Economic Benefits
IMSS-01-002	Request for an unemployment at and advanced age and old-age pension	Co-ordination of Economic Benefits
IMSS-01-003-A	Request for a widow or widower's pension Mode A) Widow-Wife or Common-law wife	Co-ordination of Economic Benefits
IMSS-01-003-B	Request for a widow or widower's pension Mode B) Widower-husband or Common-law husband	Co-ordination of Economic Benefits
IMSS-01-004-A	Request for an orphan's pension Mode A) Son or daughter under 16 years of age	Co-ordination of Economic Benefits
IMSS-01-004-B	Request for an orphan's pension Mode B) Son or daughter over 16-25 years old, student	Co-ordination of Economic Benefits
IMSS-01-004-C	Request for an orphan's pension Mode C) Son or daughter over 16 years old, disabled	Co-ordination of Economic Benefits
IMSS-01-005	Request for an ascendant's pension	Co-ordination of Economic Benefits
IMSS-01-010	Request for help for funeral expenses	Co-ordination of Economic Benefits
IMSS-01-015	Request for a loan against a pension under the 1973 Social Security Law regime	Co-ordination of Economic Benefits
IMSS-01-016	Request for a permanent disability pension	Co-ordination of Economic Benefits
IMSS-01-018	Request for a retirement pension	Co-ordination of Economic Benefits
IMSS-01-022	Request for a retirement, unemployment at an advanced age or at old age pension through the transfer of IMSS-ISSSTE rights	Co-ordination of Economic Benefits

The target to meet by procedure as to the share of users that use the digital mode is shown in Table 5.2.

**Table 5.2. Target to meet regarding digital procedures to reach the potential 11% savings**

Code	Population by current procedure mode		Population target by procedure mode		Necessary change	
	Online	Mobile application	Online	Mobile application	Online	Mobile application
<b>Co-ordination of Affiliation</b>						
IMSS-02-001-A	50%	-	66%	-	16%	
IMSS-02-001-C	21%	-	34%	-	13%	
IMSS-02-008	84%	3%	85%	4%	1%	1%
<b>Co-ordination of Comprehensive Health Care at the First Level (CAISPN)</b>						
IMSS-03-011	0.30%	2%	1%	5%	0.7%	3%
<b>Co-ordination of Companies Classification and Validity of Rights (CCEVD)</b>						

Code	Population by current procedure mode		Population target by procedure mode		Necessary change	
	Online	Mobile application	Online	Mobile application	Online	Mobile application
IMSS-02-020-B	45%	-	63%	-	18%	-
IMSS-02-025-B	0%	-	71%	-	71%	-
IMSS-02-025-C	0%	-	33%	-	33%	-
IMSS-02-066-A	0.4%	-	1%	-	0.6%	-
IMSS-02-066-B	2%	-	3%	-	1%	-
IMSS-02-066-C	0.4%	-	1%	-	0.6%	-
IMSS-02-066-D	0.4%	-	1%	-	0.6%	-
IMSS-02-066-E	2%	-	3%	-	1%	-
IMSS-02-066-F	0.4%	-	1%	-	0.6%	-
IMSS-02-066-G	0.8%	-	1%	-	0.2%	-
IMSS-02-066-H	2%	-	3%	-	1%	-
IMSS-02-066-I	0.5%	-	1%	-	0.5%	-
IMSS-02-066-J	0.6%	-	9%	-	8.4%	-
IMSS-02-066-K	1.3%	-	4%	-	2.7%	-
IMSS-02-066-L	0.1%	-	1%	-	0.9%	-
IMSS-02-066-M	21%	-	26%	-	5%	-
IMSS-02-066-N	2%	-	3%	-	1%	-
IMSS-02-066-O	0.2%	-	1%	-	0.8%	-
<b>Co-ordination of Collection</b>						
SIPARE	30%	-	70%	-	40%	-
<b>Co-ordination of Health Education</b>						
IMSS-03-002-A	0%	-	100%	-	100%	-
IMSS-03-002-B	0%	-	100%	-	100%	-
IMSS-03-002-C	0%	-	100%	-	100%	-
IMSS-03-003-A	0%	-	100%	-	100%	-
IMSS-03-003-B	0%	-	100%	-	100%	-
IMSS-03-005-A	0%	-	100%	-	100%	-
IMSS-03-005-B	0%	-	100%	-	100%	-
IMSS-03-005-C	0%	-	100%	-	100%	-
IMSS-03-007-A	0%	-	100%	-	100%	-
IMSS-03-007-B	0%	-	100%	-	100%	-
IMSS-03-007-C	0%	-	100%	-	100%	-
IMSS-03-007-D	0%	-	100%	-	100%	-
<b>Co-ordination of Economic Benefits</b>						
IMSS-01-001	0%	-	70%	-	70%	-
IMSS-01-002	0%	-	80%	-	80%	-
IMSS-01-003-A	0%	-	70%	-	70%	-
IMSS-01-003-B	0%	-	70%	-	70%	-
IMSS-01-004-A	0%	-	70%	-	70%	-
IMSS-01-004-B	0%	-	70%	-	70%	-
IMSS-01-004-C	0%	-	70%	-	70%	-
IMSS-01-005	0%	-	70%	-	70%	-
IMSS-01-010	0%	-	25%	-	25%	-
IMSS-01-015	0%	-	80%	-	80%	-
IMSS-01-016	0%	-	75%*	-	75%*	-
IMSS-01-018	0%	-	85%*	-	85%*	-
IMSS-01-022	0%	-	85%*	-	85%*	-
<b>Co-ordination of Day-care Services for Comprehensive Child Development</b>						
IMSS-01-006-A	50%	-	80%	-	30%	-
IMSS-01-006-B	47%	-	80%	-	33%	-

Code	Population by current procedure mode		Population target by procedure mode		Necessary change	
	Online	Mobile application	Online	Mobile application	Online	Mobile application
IMSS-01-006-C	53%	-	80%	-	27%	-
IMSS-01-006-D	73%	-	80%	-	7%	-

\* Including 5% of use of the procedure by telephone.

IMSS must prioritise the following procedures improvement efforts, since they concentrate 82% of potential savings:

- IMSS-02-020-B, pertaining to the Co-ordination of Companies Classification and Validity of Rights
- SIPARE, pertaining to the Co-ordination of Collection
- IMSS-03-011, pertaining to the Co-ordination of Comprehensive Health Care at the First Level
- IMSS-02-008, pertaining to the Co-ordination of Affiliation

IMSS should consider establishing a strategic plan to identify the challenges to address and the resources required to reach the 32% savings target in administrative burdens, which will demand undertaking the following actions

- Having the digital version of the 84 procedures included in this report available
- At least 66% of the users use the digital option of the procedure

In future procedures improvement actions, the IMSS should ensure that it systematically gathers the reports of implemented actions and keep them in order to provide evidence that facilitates an accurate evaluation of the improvements impact.

Technical reports may include the formats of the procedures to improve, minutes of meetings, work documents and submissions, and, ideally, white papers, among others.

## Reference

OECD (2010), *Why Is Administrative Simplification So Complicated?: Looking beyond 2010*, Cutting Red Tape, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264089754-en>.



## *Glossary and definitions*

**Digitisation:** Adoption or increase in the use of digital or computer technologies by an organisation, industry, country, etc.

**Frequency:** Number of times a year that a representative user must submit a procedure before the relevant authority to comply with the regulation.

**Independent procedures:** Procedures that do not have a similar procedure (as to requirements, type of information requested, service requested) in the universe of procedures analysed in this report.

**New documentation:** Any document requested by the IMSS for the admission of a procedure and that must be provided by the rights-holder or company exclusively for said request; for example: a work certificate with a specific date of entry is a document that the interested party requires exclusively to carry out a specific procedure at the IMSS.

**New information:** Information required for a procedure and that the applicant uses exclusively for that particular process. Therefore, the applicant must handle this request for information. For example: the serial number of the machinery to be used in a company.

**Normally efficient company:** Criterion used to choose a company or citizens that perform a procedure within average time parameters. It excludes companies that dedicate more time, or very little time, to the process.

**Person-hours:** The time measured in hours that a person spends handling a procedure.

**Population:** Number of companies or citizens that must comply with a given procedure. It also refers to the number of requests handled in a specific procedure.

**Potential savings:** These are the reductions that could be derived from the administrative burden of a procedure should the simplification and/or digitisation recommendations are followed.

**Pre-existing documentation:** Any document requested by the IMSS for the admission of a procedure, which may be in possession of the rights-holder or the company due to its usefulness to them. For example: a copy of an identification or proof of address document.

**Pre-existing information:** Information required for a particular procedure that the rights-holder or the company have even before being interested in carrying out said formality. In other words, information that the applicant uses or can use in several situations. For example, the passport number or voter's code are considered pre-existing information because the procedure can require an identification number, but the applicant does not have the passport to use it for this process, but for a different or broader purpose.

**Procedures:** Any request or delivery of information that natural or legal persons of the private sector submit before a relevant authority at the federal, municipal or local level, either to comply with an obligation or, in general, to ask for a resolution to be issued (Art. 3-XXI of the LGMR).

**Procedures through surveys:** Procedures for which direct surveys were administered to the users of IMSS services in order to measure their administrative burden.

**SCM Manual:** International Standard Cost Model, published by the Standard Cost Model Network. Available at: <http://www.oecd.org/gov/regulatory-policy/34227698.pdf>.

**Similar procedures:** These are the procedures that share characteristics (as to requirements, type of information requested, service requested) with some procedure of the universe analysed in this report.

**Simplification:** Reduction or elimination of requirements, processes or procedures, which are redundant or unnecessary to carry out an economic or social activity, comply with regulations or request public services. Simplification can include process reengineering, as well submission formats and information requests improvement.

**Users:** Citizens or companies that carry out procedures at the IMSS.

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# Administrative Simplification in the Mexican Social Security Institute

This report assesses the impact on citizens and businesses of the administrative simplification measures carried out by the Mexican Social Security Institute. Administrative burdens are measured in the time it takes citizens and businesses to complete forms and wait in line to request or deliver information to the government. Using an adaptation of the Standard Cost Model, this report finds that such burdens for users have decreased by at least 25% thanks to the simplification and digitalisation of administrative formalities. It also suggests how the Institute could reduce burdens even further. By promoting the use of online formalities, IMSS could reduce administrative burdens by an additional 11%.

Consult this publication on line at <https://doi.org/10.1787/9789264306561-en>.

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