

The dilemmas of Health care

Dr Bruno Palier
CNRS researcher at Sciences po
Invited Professor at Stockholm university

Three types of Health care systems

With their specific problems

under constant reforms

Three types of healthcare systems

1. The national health systems

(Sweden, Norway, Denmark, Finland, Great Britain, Italy, Spain, and in part Portugal, Greece, Canada, Australia and New Zealand)

2. The health insurance systems

(Germany, France, Austria, Belgium, Luxembourg, and to a lesser extent Japan, the Netherlands and certain countries in Central and Eastern Europe).

3. The liberal/residual healthcare systems

(mainly that of the United States, but also those resulting from reforms undertaken in certain Central and Eastern European countries or even in some countries in Latin America).

Different modes of functioning, different problems

Four dimensions:

1. Access
2. The services
3. The financing
4. The organisation and regulation

Different modes of functioning, different problems

1. Access to the healthcare system

- *Access to the system :*
for all or for the insured: Problems of exclusion in Health insurance systems.
- *Access to healthcare providers:*
free circulation or control: Problems of choice and waiting time in the NHS.

Different modes of functioning, different problems

2. The services

- *Public or private providers?*

Private supply in ambulatory sectors of Health insurance systems, GP and specialists

- *Too Many or Too few doctors?*

- *What costs are paid for by the system?*

Practicing Physicains, density per 1000 inhabitants (2003/4)

UK	2,3	Belgium	4,0
Sweden	3,3	Greece	4,9
Norway	3,5	Italy	4,2
Finland	2,4	Spain	3,4
Denmark	3,0	Portugal	3,4
Japan	2,0	Canada	2,1
France	3,4	NL	3,6
Germany	3,4	USA	2,4

**Share of public expenditure
in total health care expenditure, in 2006.**

UK	87,3%	Belgium*	71,1%
Sweden	81.7%	Italy	77.2%
Norway	83.6%	Spain	71,2%
Denmark	84.1%	Portugal	70,6%
Finland*	76,1%	Greece	61,6%
Japan	81,3%	Canada	70,4%
France	79,7%	NL*	62.3%
Germany	76,9%	USA	45,8%

Source, OECD 2008.

Different modes of functioning, different problems

3. The financing

- *The financing of the systems.*

Tax, general income (redistribution) or local taxes (inequalities?)
Social contribution and the problems of labour cost

The co-payment

- *The financing of the providers*

Remuneration of doctors.

The “non incentive” wages or flat rate remunerations,
The “inflationary” fee for service

The funding of hospitals:

from fixed budgets to activity based financing. More competition.

Different modes of functioning, different problems

4. The organisation and regulation of the system

- *Three models of regulation:*
 - Regulation by the government (authoritative, limitative).
 - The negotiated regulation (inflationary)
 - Regulation by the market (inequalities, may be tough)

Differentiated Results

- Equality
- Health of the population
- Cost
- People's satisfaction

Differentiated results

- Social goals : inequalities

Same access for all versus choice

Social inequalities of Health : the role of co-payment.

Population health

	Life expectancy (2004)	Infant mortality* (2003/4)	Cancer deaths ** (2000)
Canada	80*	5.3	179
Denmark	77,6	4,4	212
Finland	78,8	4,4	
France	80,3	3,9	178
Germany	78.6	4.1	175
Greece	79.0	4.1	154
Italy	80.0*	4.1	171
Japan	82.1	2.8	155
Norway	79.9	3.2	168
NL	79,2	4.1	194
Portugal	77.2*	4.0	160
Spain	80,5	3.5	164
Sweden	80,6	3.1	151
UK	78.4*	5.1	185
USA	77.5*	6.9	175

Source: OECD, 2006 *Number of children below 1 year deceased for 1000 births.

** for 100,000 inhabitants.

Health Expenditure 2003/4.

UK	8,3%	Belgium	10,1
Sweden	9.1%	Greece	10,0%
Norway	9.7%	Italy	8.4%
Denmark	8.9%	Spain	8,1%
Finland	7,5%	Portugal	10,0%
Japan	8,0%	Canada	9,9%
France	10,5%	NL	9.2%
Germany	10,9%	USA	15.3%

Source, OECD 2006.

Development of health expenditure

	Total health expenditure as a percentage of GDP				Public health expenditure as a percentage of GDP		
	1980	1990	2001	2006	1980	1990	2001
Germany	8.7	9.9*	10.7	10,6	6.8	7.7 (1992)	8.0
Canada	7.1	9.0	9.7	10	5.4	6.7	6.9
Denmark	9.1	8.5	8.6	9,5	8.0	7.0	7.1
Spain	5.4	6.7	7.5	8,4	4.3	5.3	5.4
USA	8.7	11.9	13.9	15,3	3.6	4.7	6.2
France	7.6	8.6	9.5	11,0	..	6.6	7.2
Greece	6.6	7.4	9.4	9,1	3.7	4.0	5.2
Italy	..	8.0	8.4	9,0	..	6.4	6.3
Japan	6.4	5.9	7.6 (2000)	8,1	4.6	4.6	6.0 (2000)
Norway	6.9	7.7	8.3	8,7	5.9	6.4	7.1
NL	7.5	8.0	8.9	9,5*	5.2	5.4	5.7
Portugal	5.6	6.2	9.2	10,2	3.6	4.1	6.3
UK	5.6	6.0	7.6	8,4	5.0	5.0	6.2
Sweden	8.8	8.2	8.7	9,2	8.2	7.4	7.4

Source, OECD 2008

Citizens' Satisfaction with their Health care system

Countries	Percentage satisfied with the system (a)
Austria	83
France	78
Belgium	77
Denmark	76
Finland	74
Netherlands	73
Luxembourg	72
Sweden	59
UK	56
Germany	50
Ireland	48
Spain	48
Canada	46
USA	40
Italy	26
Portugal	24
Greece	19

Source: Robert J. Blendon, Minah Kim, and John M. Benson, "The Public versus the World Health Organization on health system performance" *Health Affairs*, vol.20, N°3, May-June 2001. Eurobarometer 52.1 (1999);

Public's satisfaction with health care system, EU countries, 2002

	B	DK	D TOTAL	GR	E	F	IRL	I	L	NL	A	P	FIN	S	UK (Tot.)	EU 15
TOTAL weight.	1049	1001	2043	1002	1000	1007	991	1002	600	1014	1018	1000	1005	1000	1350	16129
1. Runs well	23.8	16.5	15.6	2.9	13.2	22.0	3.7	6.5	21.7	6.5	31.8	1.8	24.0	11.4	8.3	13.2
2. Minor changes needed	41.3	35.1	31.5	15.9	32.4	41.9	16.7	24.4	46.0	39.1	35.4	12.5	48.6	36.3	22.9	30.7
3. Fundamental changes needed	22.7	39.4	34.8	50.5	38.6	25.5	39.3	45.6	20.4	46.8	23.0	39.0	21.0	37.8	49.7	38.2
4. Completely rebuild system	5.2	6.1	11.1	27.6	12.1	7.0	32.9	19.9	8.2	6.8	4.3	41.4	3.2	10.6	15.8	13.5
5. Uncertain/Don't know	7	2.8	6.9	3.1	3.7	3.6	7.5	3.5	3.8	0.8	5.5	5.4	3.1	3.8	3.3	4.4

Notes: These results are based on the following questions from a 2002 Eurobarometer survey.

"Now, I will read you four statements about the way health care system runs in (COUNTRY). Which one comes closest to your own point of view? (ONE ANSWER ONLY).

1. On the whole, the health care system in (OUR COUNTRY) runs quite well.
2. There are some good things in the way health care in (OUR COUNTRY) runs, and only minor changes would make it work better.
3. There are some good things in the way health care in (OUR COUNTRY) runs, but only fundamental changes would make it work better.
4. Health care system in (OUR COUNTRY) runs so badly that we need to rebuild it completely."

Source: **Eurobarometer, 2003.**

Common trends

- **More co-payment in ambulatory care:**
Inequalities?
- **More competition:**
Between providers (NHS)
Between insurers (NL, Germany)
More costly, more inequalities, more efficient?
- **No limit to total health expenditure :**
Good for post-industrial economies.
Public or private?
Inequalities? Public health policies?

The quadrilemma:

