

*Assessing Health Reform Trends in
Europe:
A Health System Perspective*

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&

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To describe and analyse health systems, we need models ...

and I use three:

- the cube (which you have already seen)
- **the triangle (which I will use here)**
- the input-outcome flow chart (maybe in the next module)

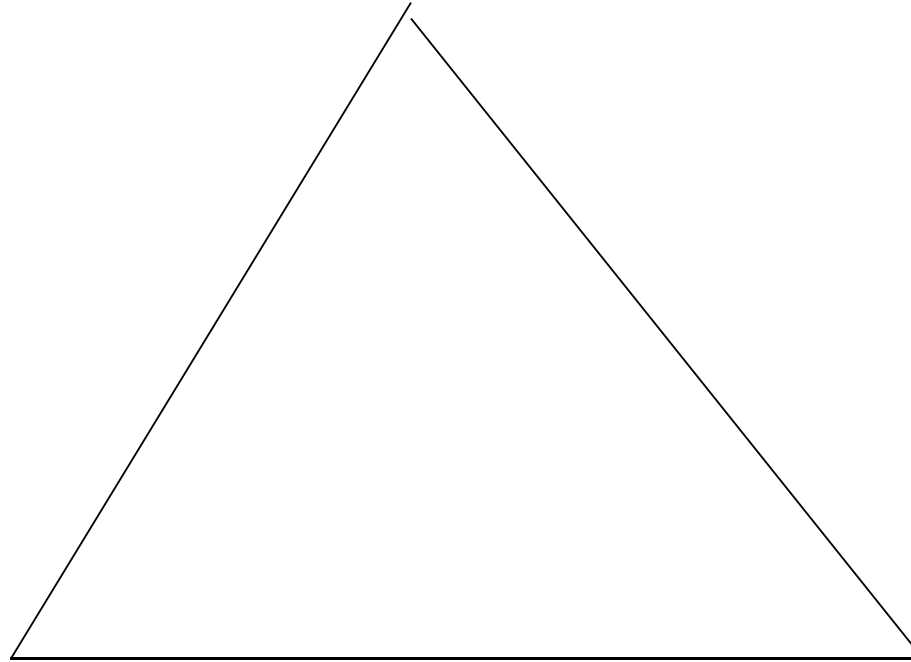
www.euro.who.int/observatory



Analysing Health Systems and Policies



Third-party Payer



Population

Providers

**Collector of
resources**

Third-party payer



**Steward/
regulator**

Population

Providers

Collector of resources

National government,
Local government,
Sickness funds,
Private health insurers, HMOs, MSA ...

Third-party payer

Ministry of Health
District Health Authority
Sickness funds
HMOs

Steward/regulator

Government/Parliament

Providers

GPs, specialists, dentists
Ambulatory/ inpatient providers
Public/ private hospitals ...

Population

Possible actors

Functions the system performs

Objectives of the system

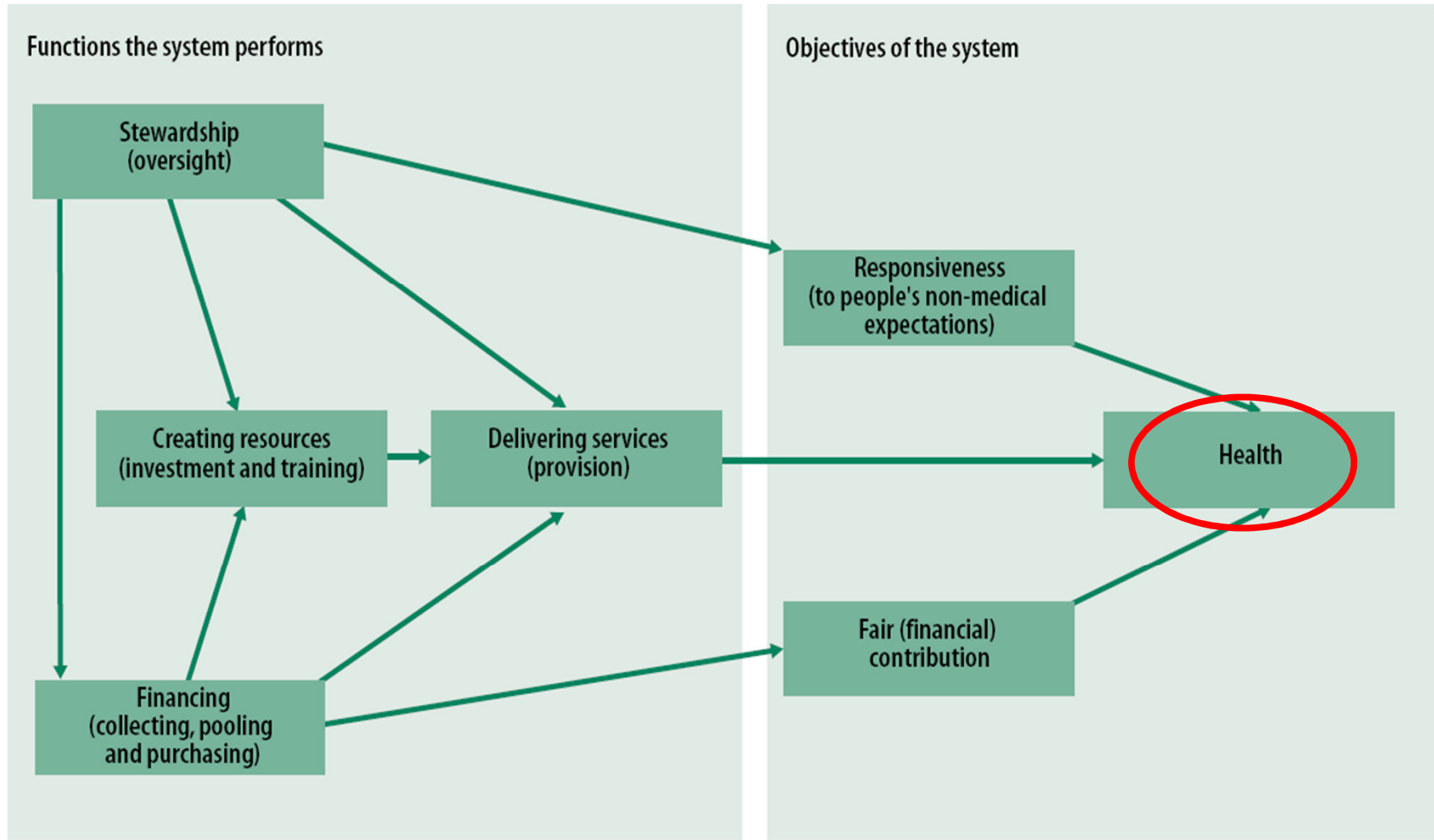
Stewardship
(oversight)

What is a health system for?

Financing
(collecting, pooling
and purchasing)

Fair (financial)
contribution

WHO World Health Report 2000



THE WHO HEALTH SYSTEM FRAMEWORK

SYSTEM BUILDING BLOCKS



ACCESS
COVERAGE



QUALITY
SAFETY

OVERALL GOALS / OUTCOMES



WHO 2008, *Everybody's Business: Strengthening Health Systems to Improve Health Outcomes: WHO's Framework for Action* WHO, Geneva

Resource pooling & allocation

Collector of resources → **Third-party payer**

**Mobilizing
fin. resources/
funding**

**Purchasing
(via contracts)/
financing
providers**

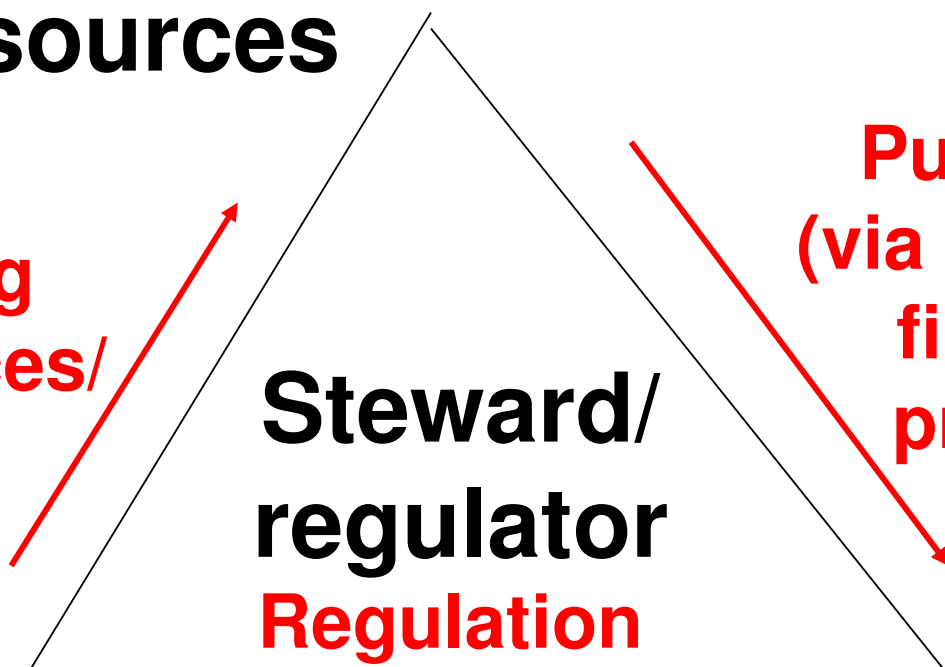
**Steward/
regulator
Regulation**

**Population
Coverage:
Who? What?
How much?**

**Access to Providers
and provision of services**

**Creating human &
technical resources**

Functions



Resource pooling & allocation

Collector of resources → **Third-party payer**

**Mobilizing
fin. resources/
funding**

**Income-dependent contributions
& sickness funds =
Social Health Insurance system**

Steward/ providers

**Taxes &
governments/ health authorities
= tax-funded system (NHS)**

Population

Access to Providers

Coverage

Who? What

How much

**Risk-related premia
& private insurers =
Voluntary Health Insurance system**

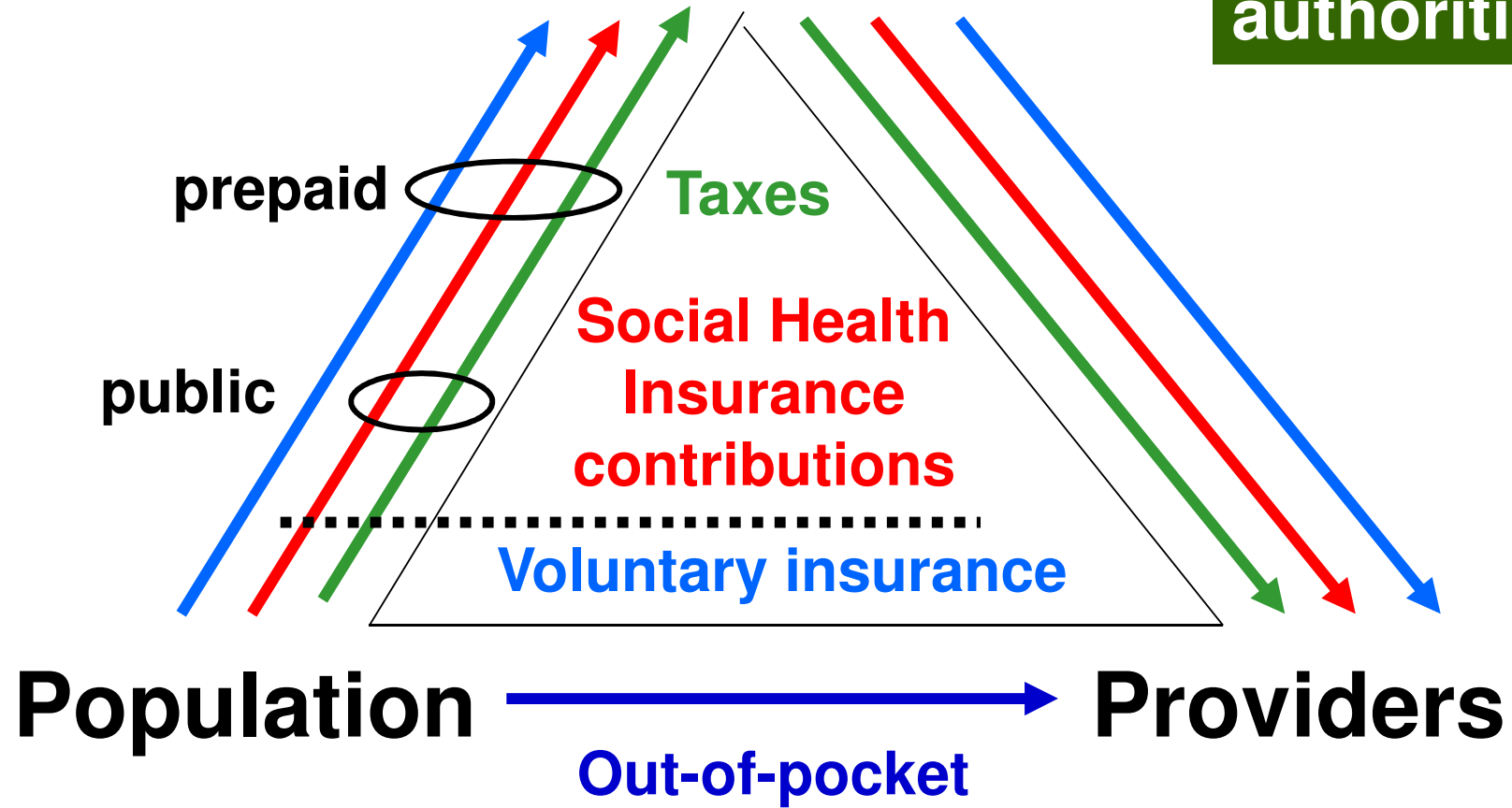
System typology

sickness funds

private insurers

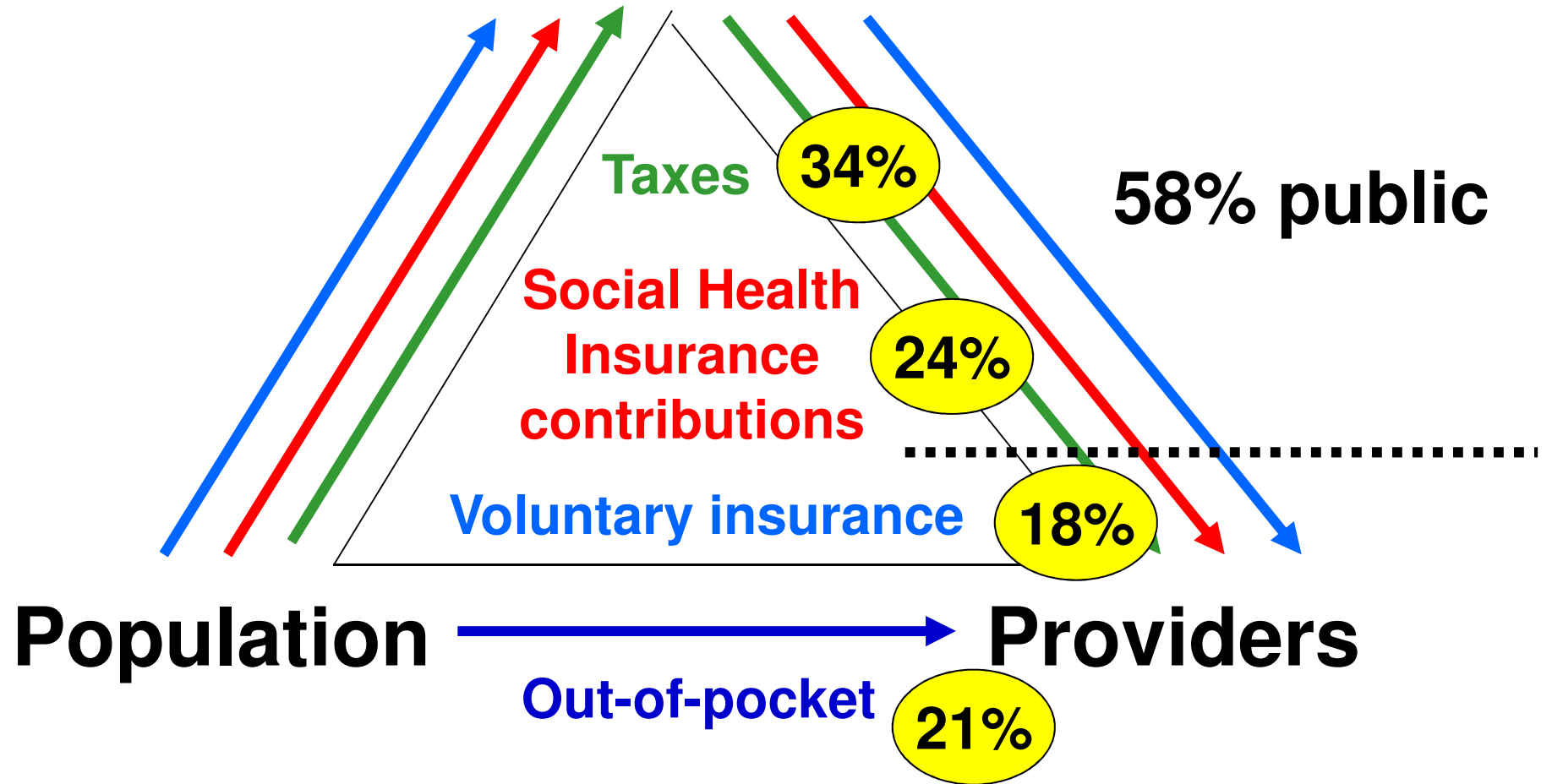
Third-party Payer

health authorities

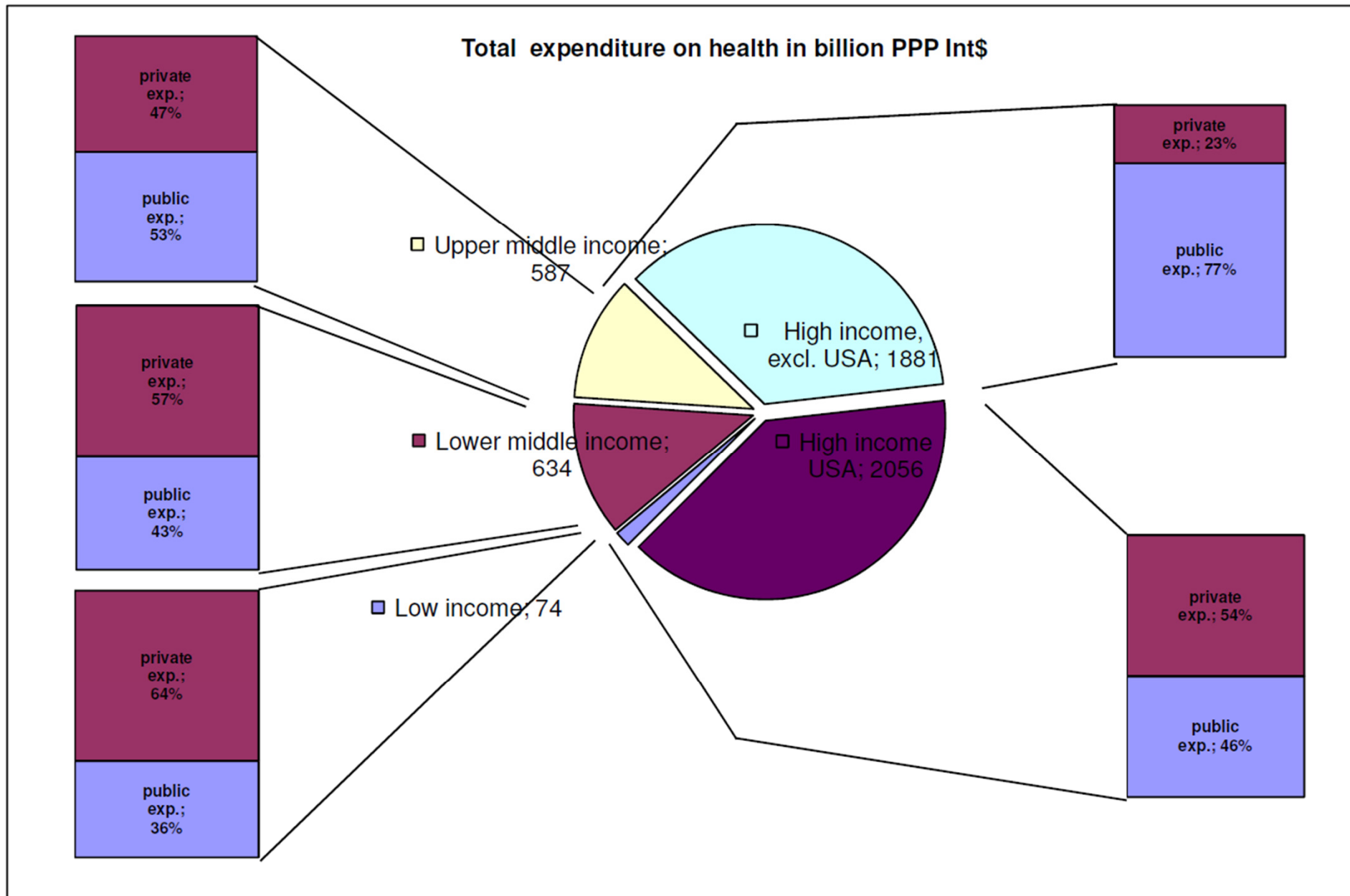


Finding the “right” funding mix ...

Third-party Payer

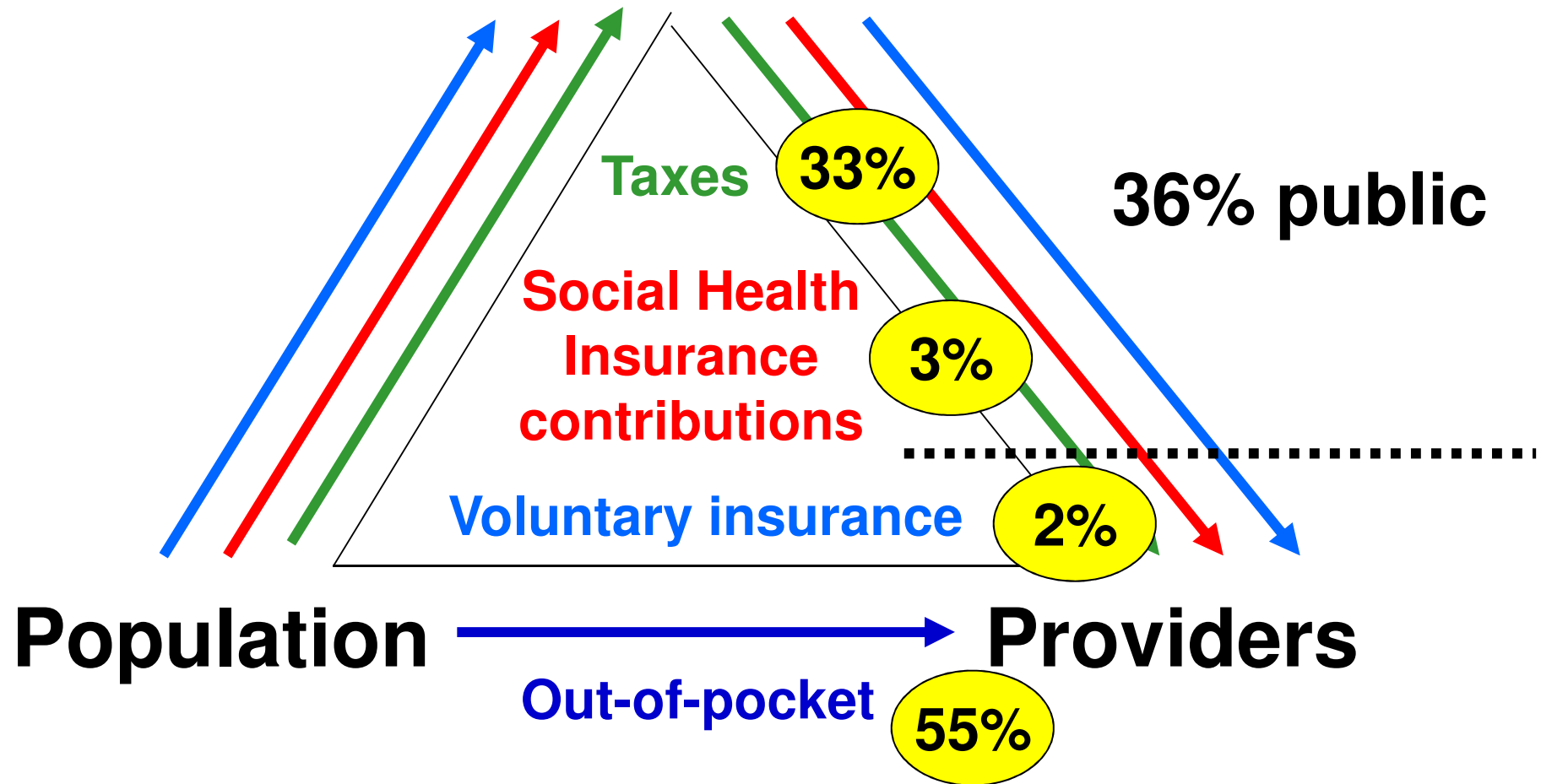


World-wide 2006 (*large US market!*)



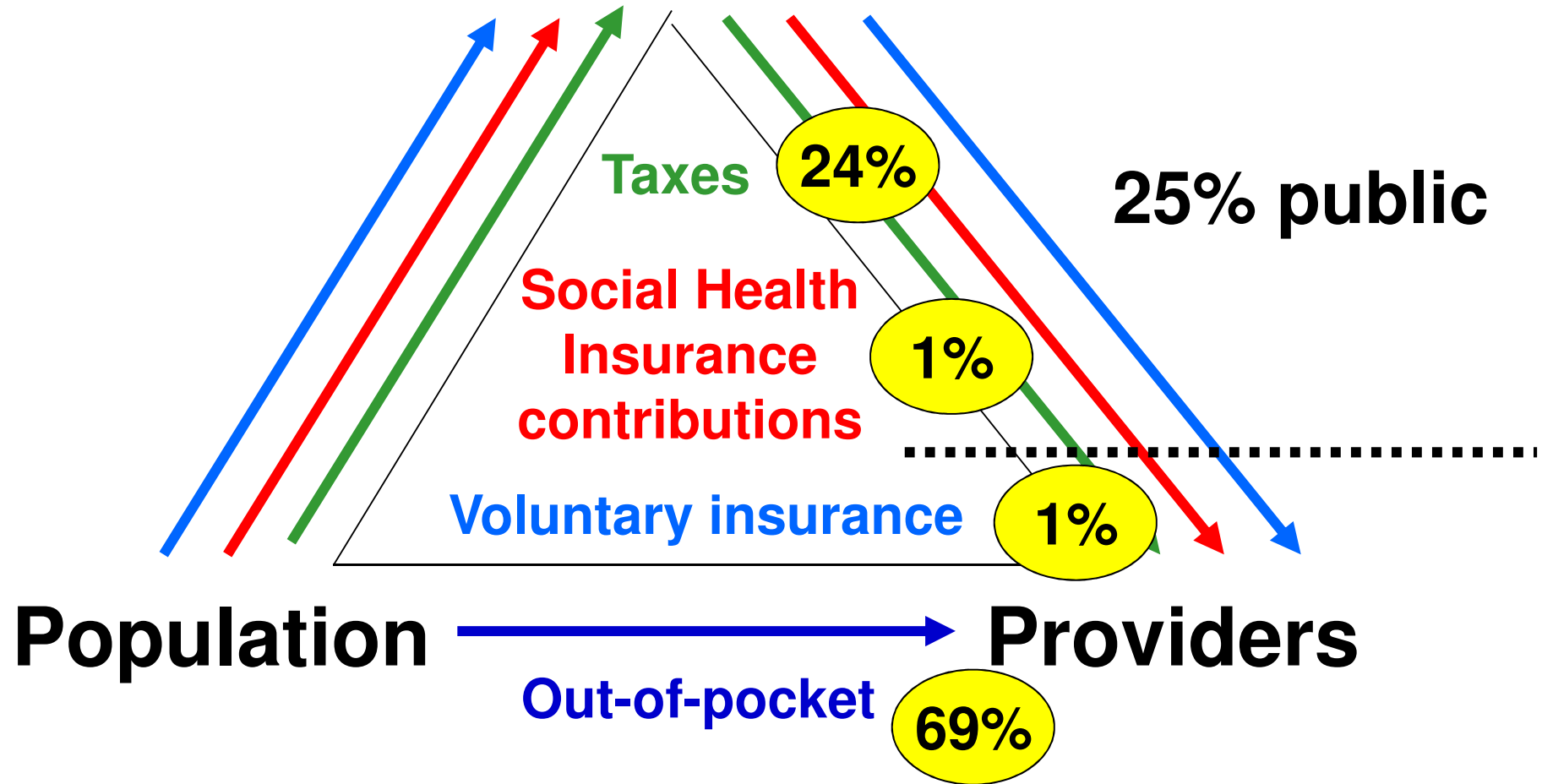
Global expenditure on health: around \$ 5 trillion (5,000,000,000,000)

Third-party Payer



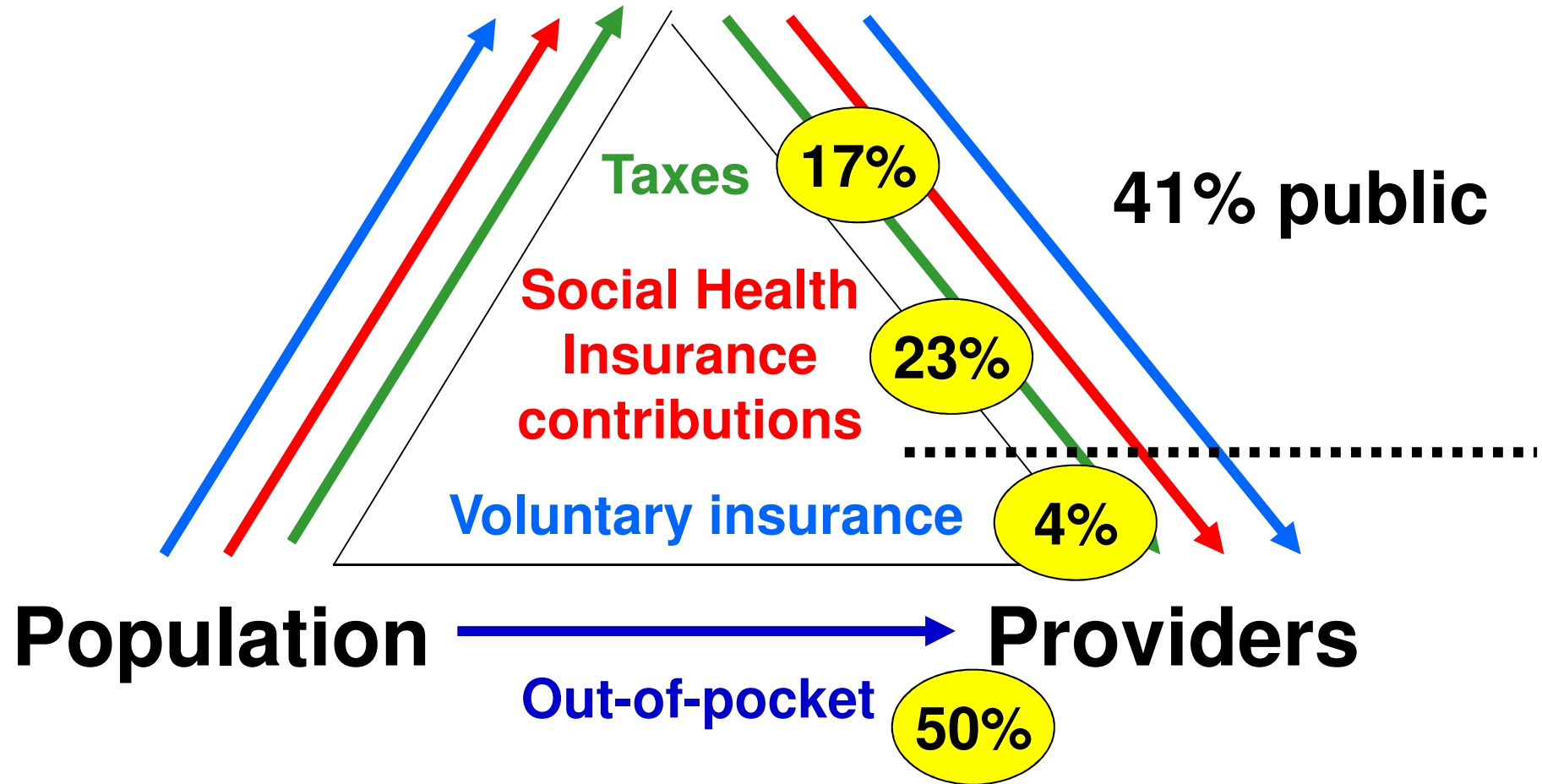
Low-income countries 2006

Third-party Payer



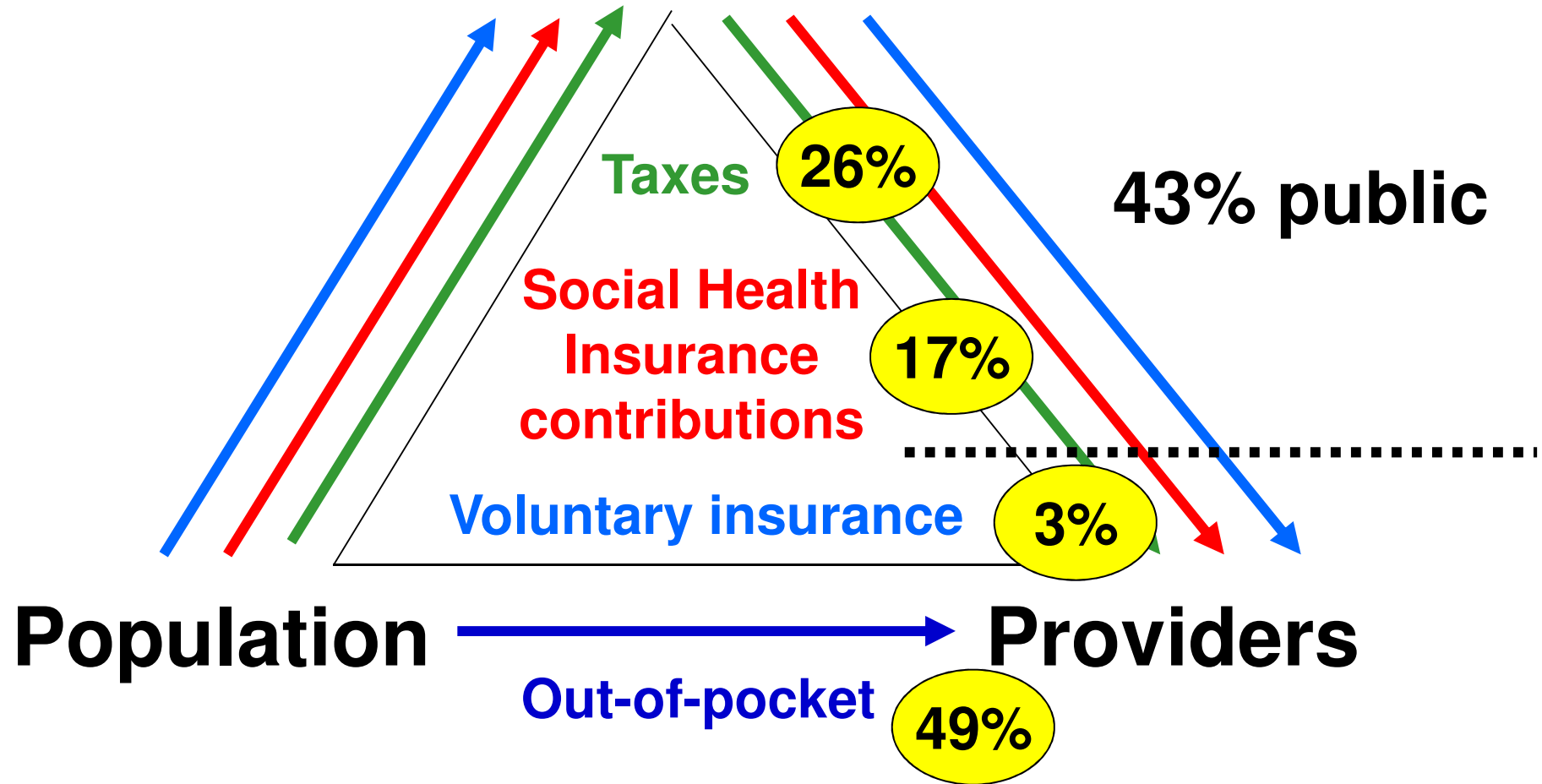
India 2006

Third-party Payer



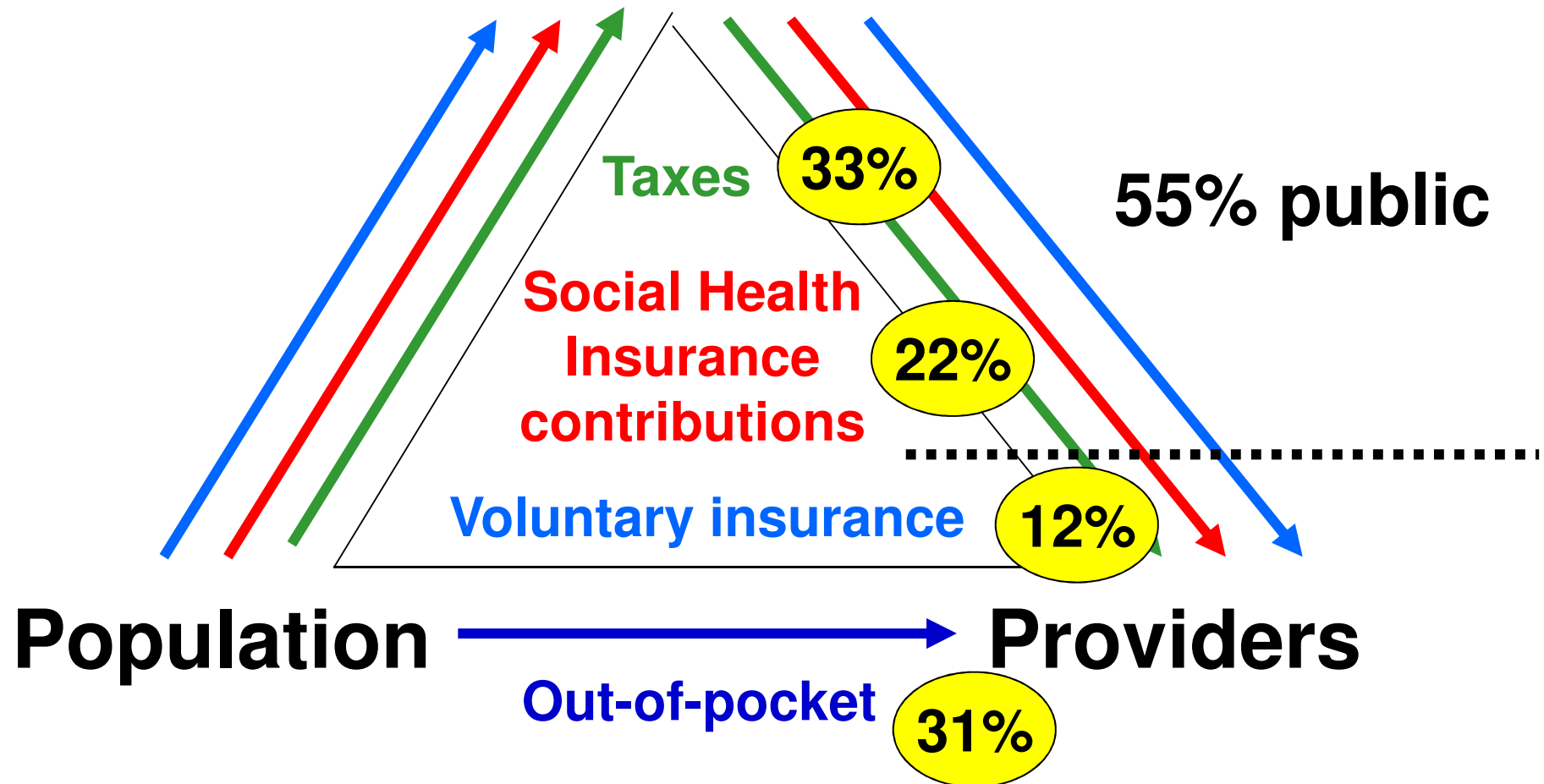
China 2006

Third-party Payer



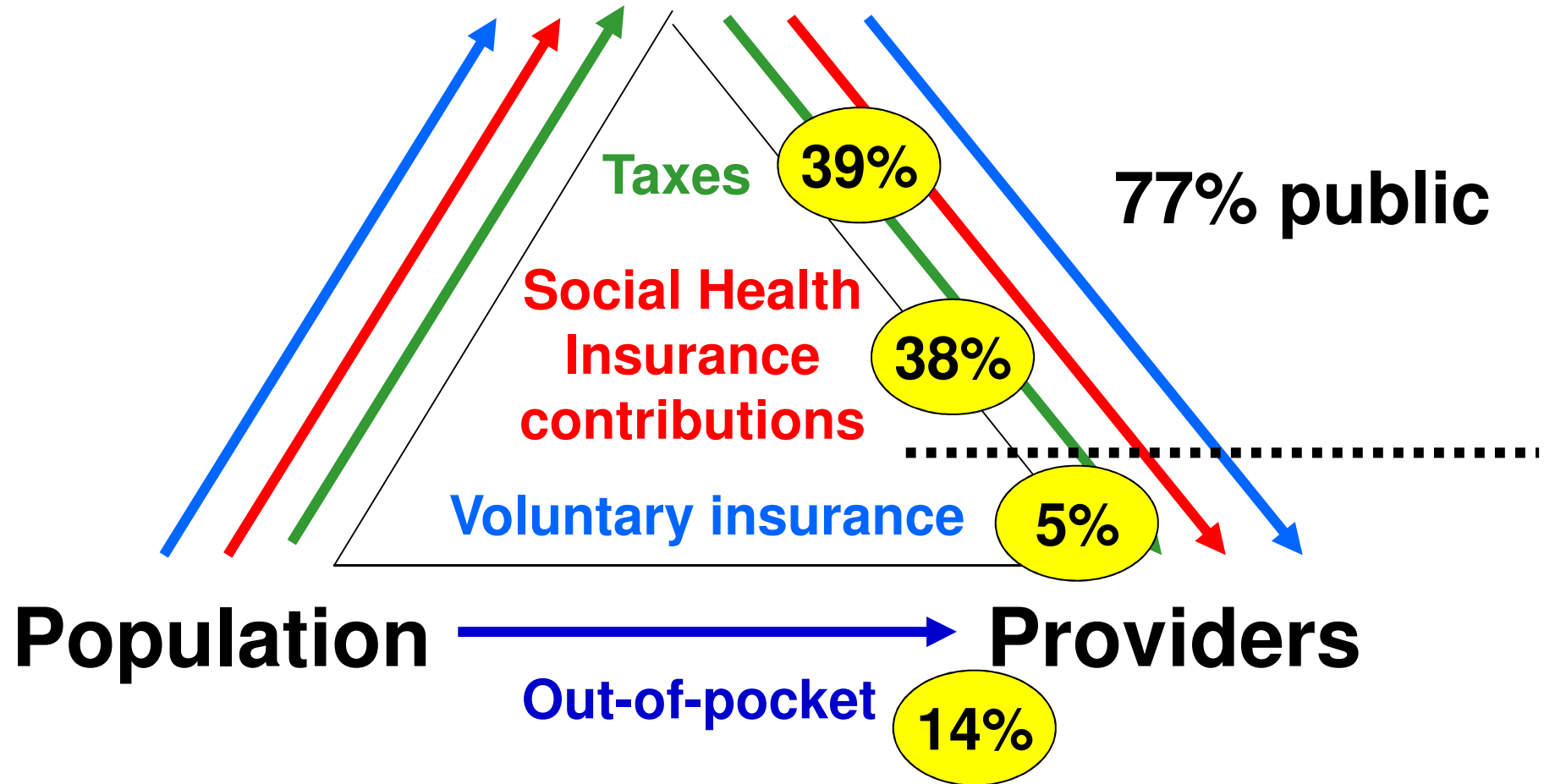
Lower middle income 2006

Third-party Payer



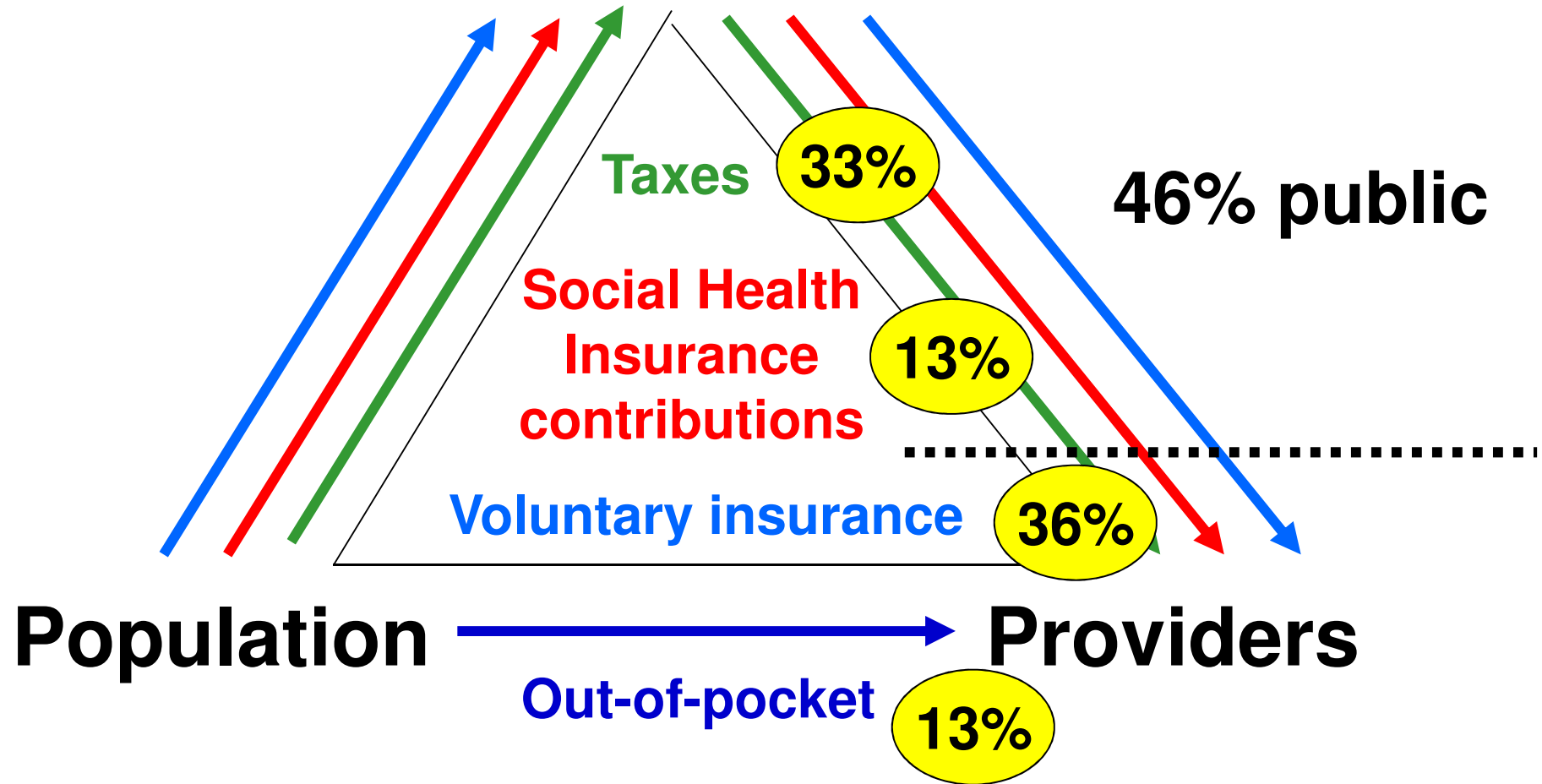
Upper middle income 2006

Third-party Payer

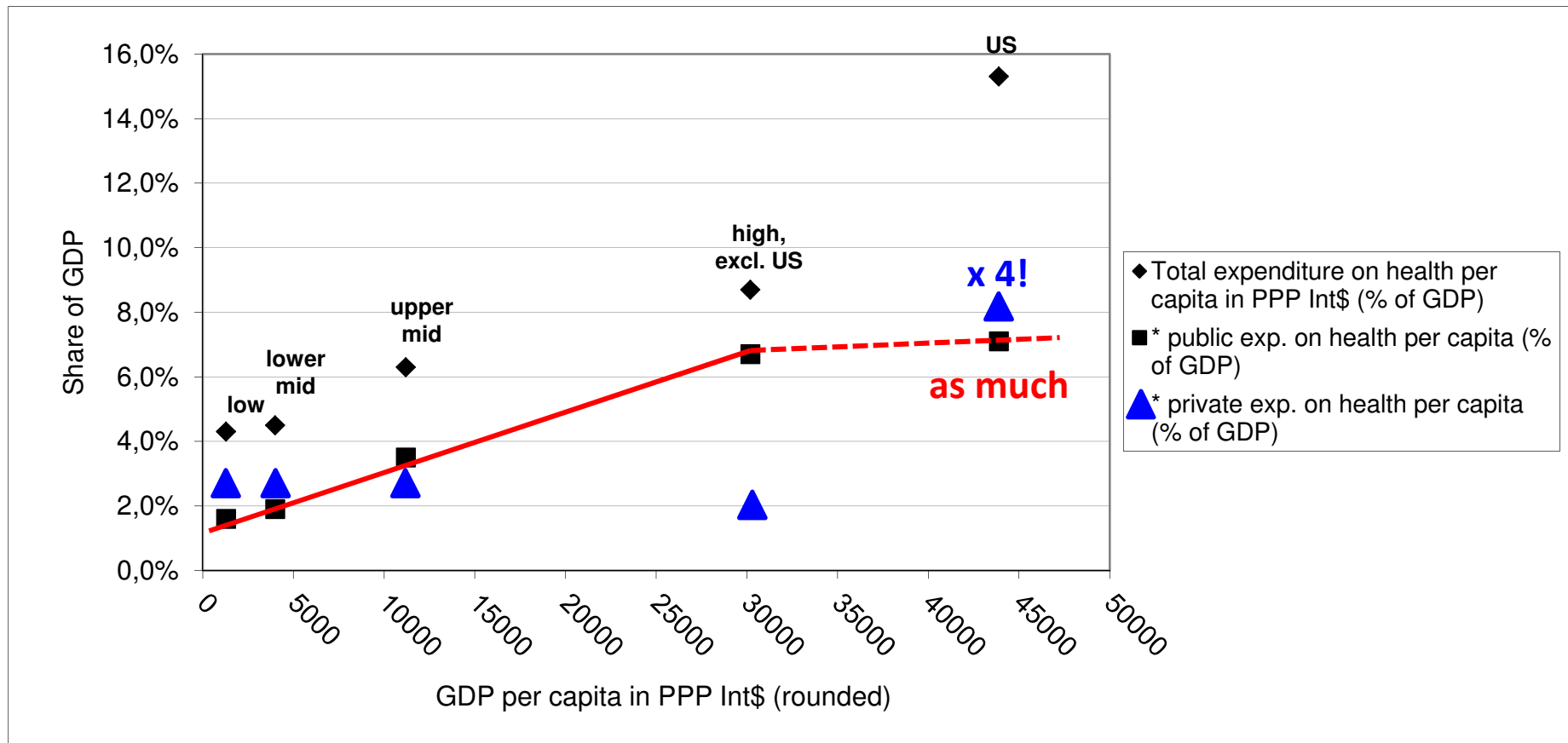


High income (excl. US) 2006

Third-party Payer

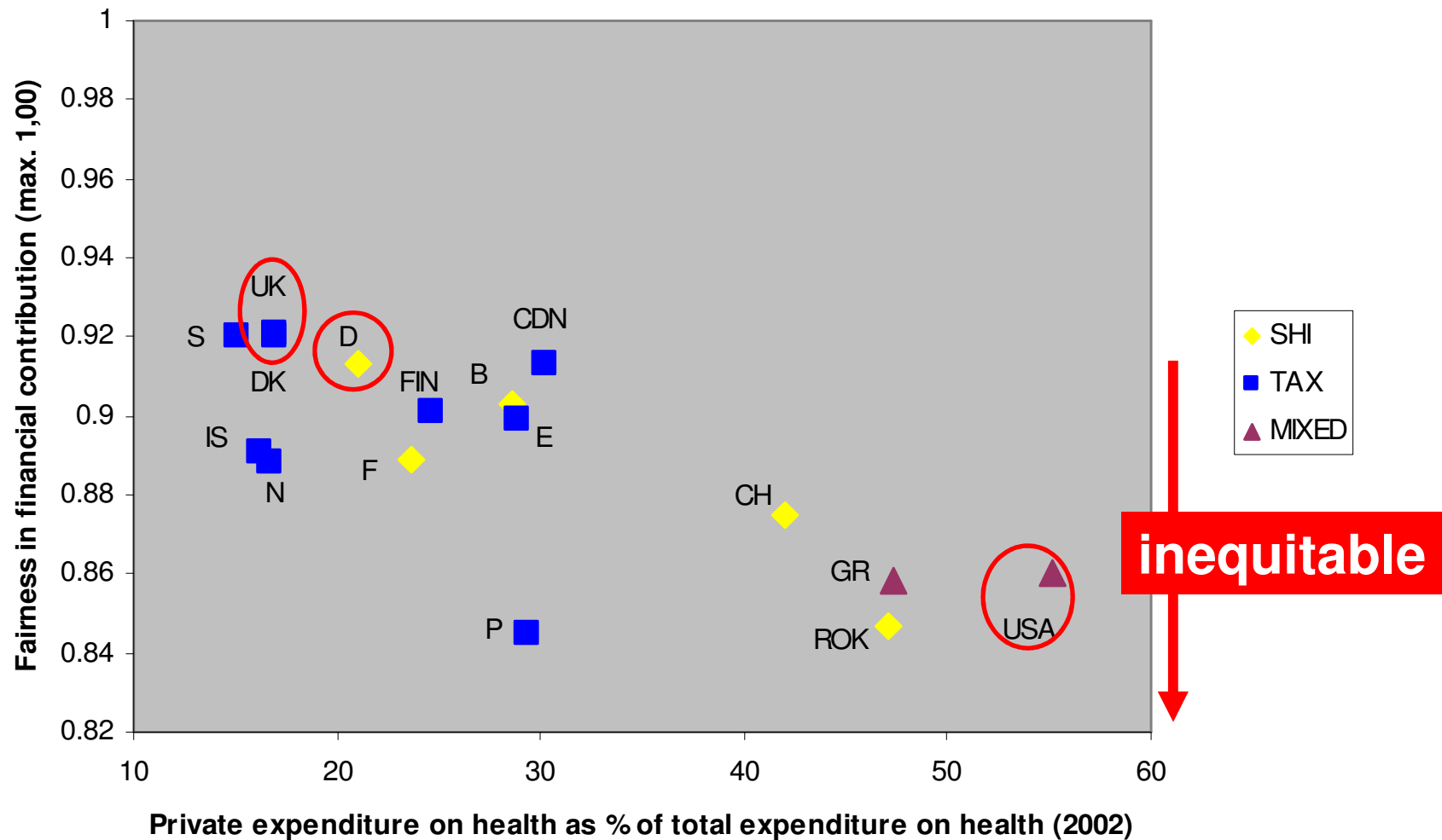


USA 2006

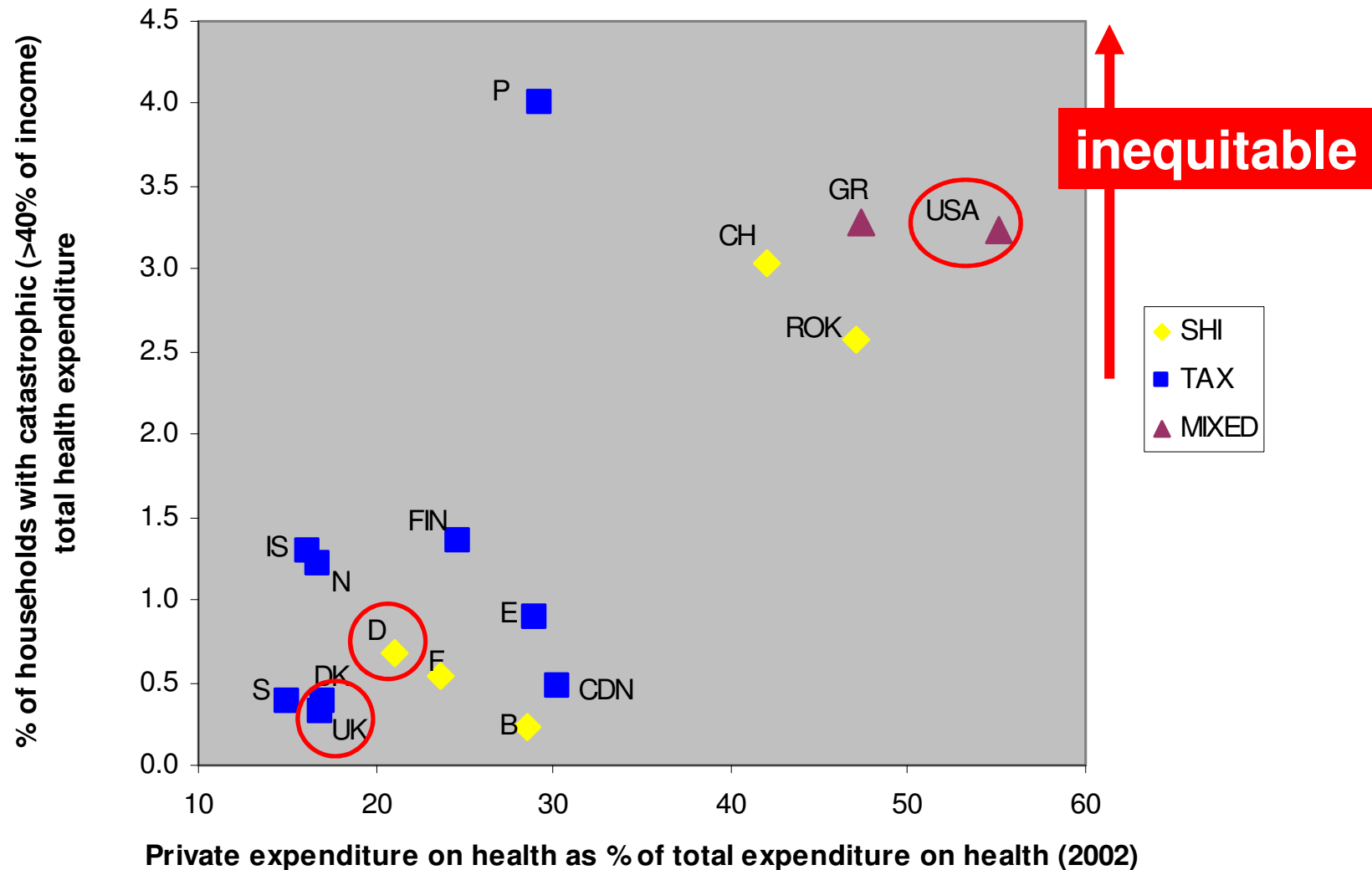


The richer countries are, more they spend publicly
 – but is more public better?

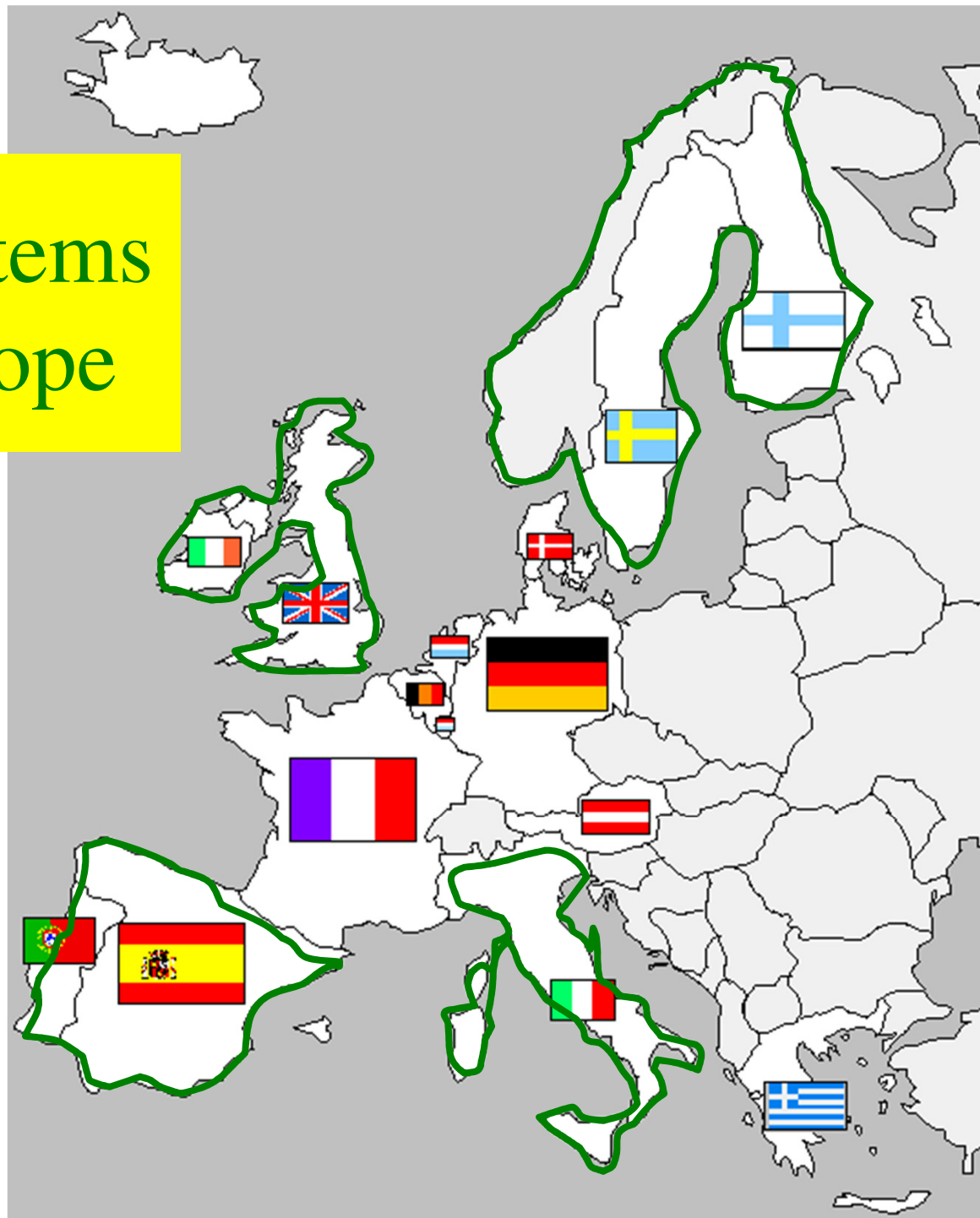
Correlation between private expenditure (as % of total health care expenditure) and the level of fairness in financing



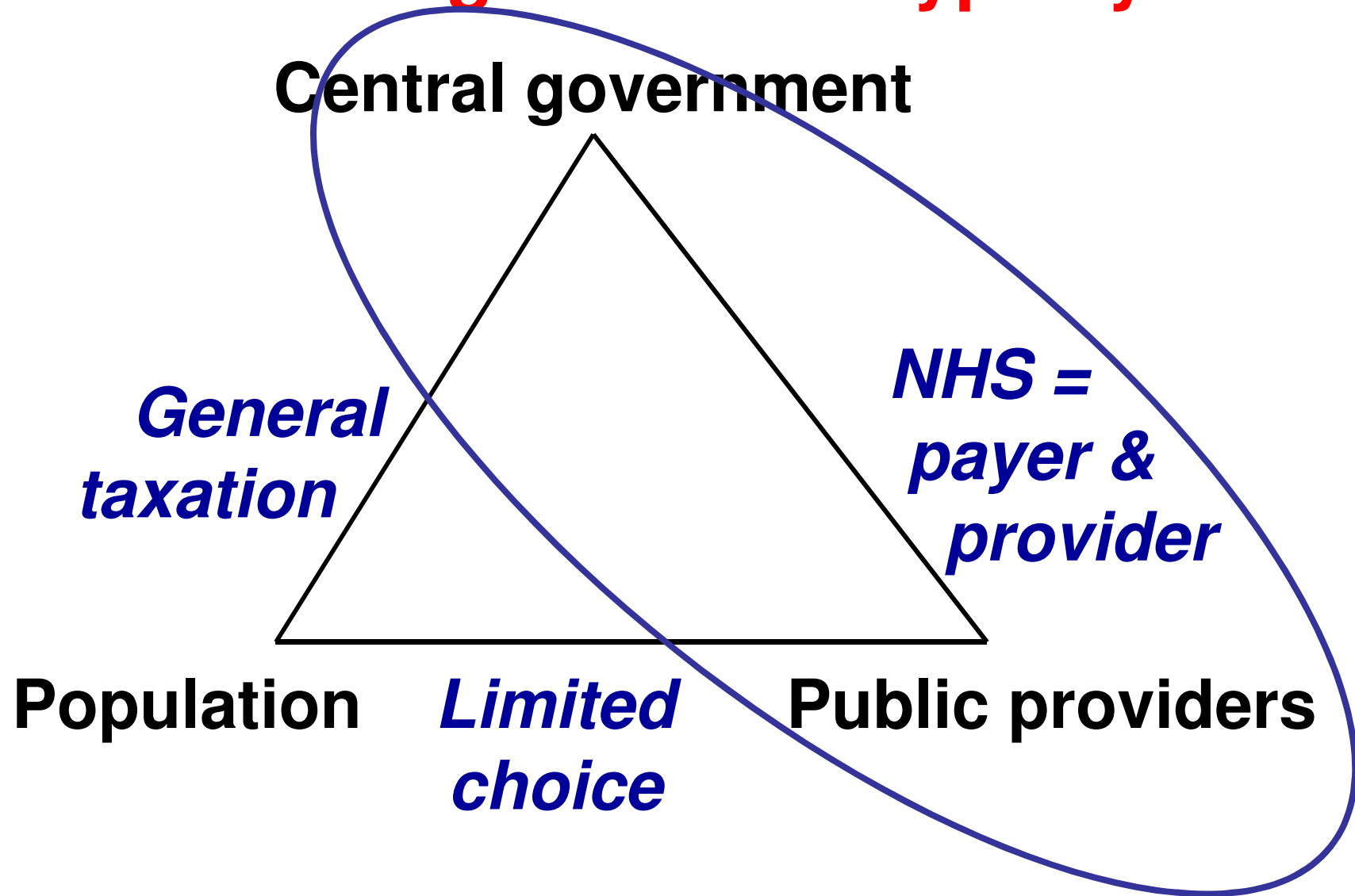
Correlation between private expenditure (as % of total health care expenditure) and the percentage of households with catastrophic health expenditure



Tax-funded systems in western Europe



Classical integrated NHS-type system



Development 1

Central government

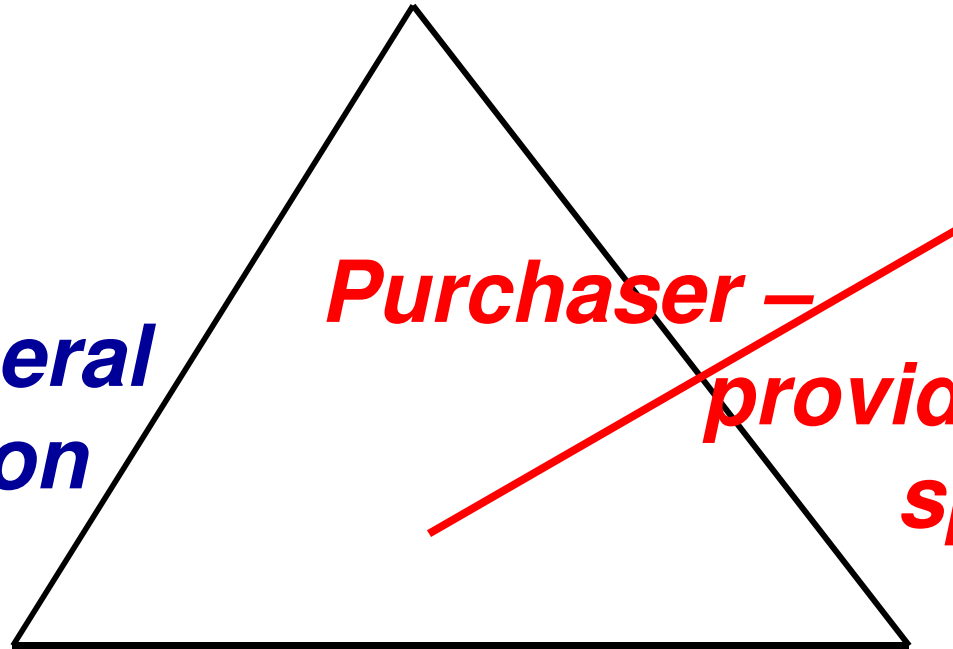
*General
taxation*

*Purchaser –
provider
split*

Population

*Limited
choice*

Public providers



Development 2

Central government

*General
taxation*

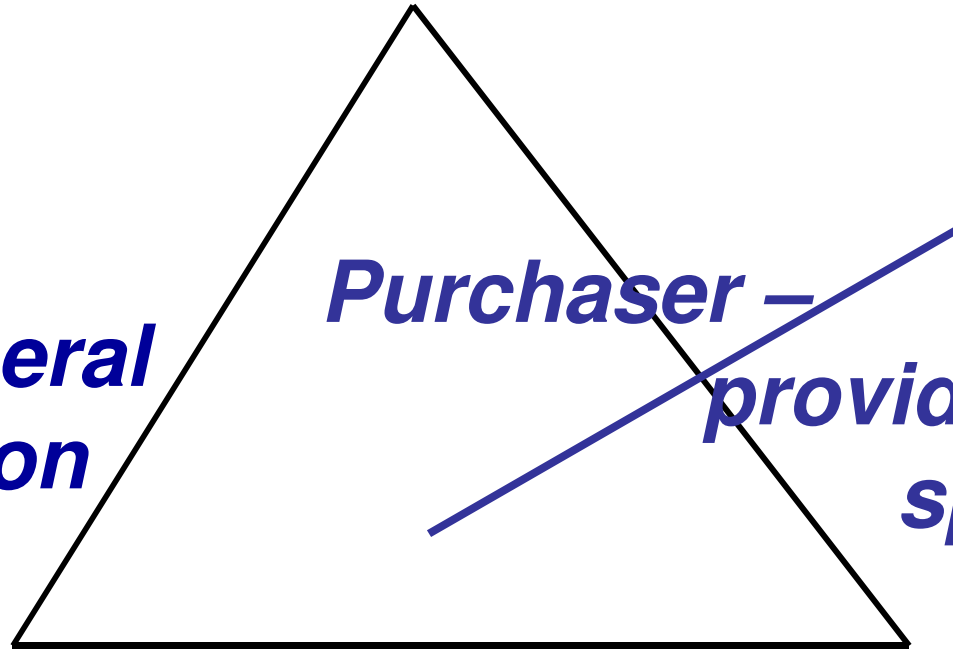
*Purchaser –
provider
split*

Population

*Limited
choice*

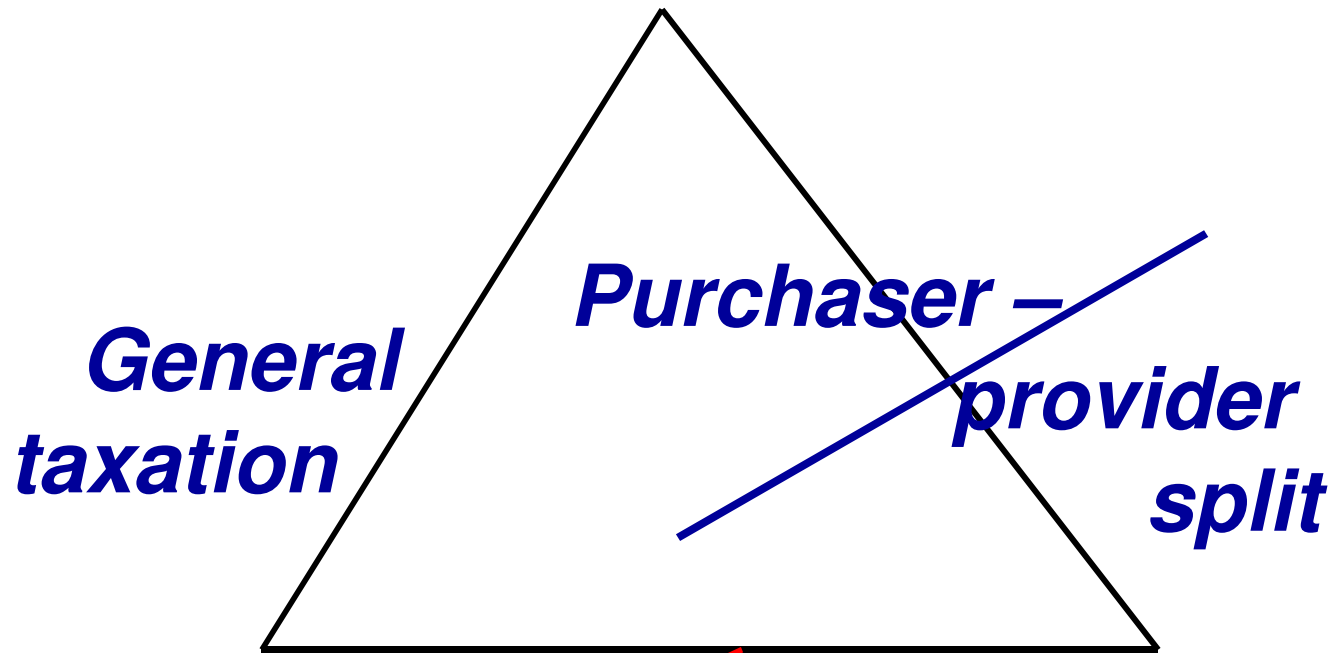
Public

“autonomous”
(self-governing)
providers



Development 3

Central government



Population

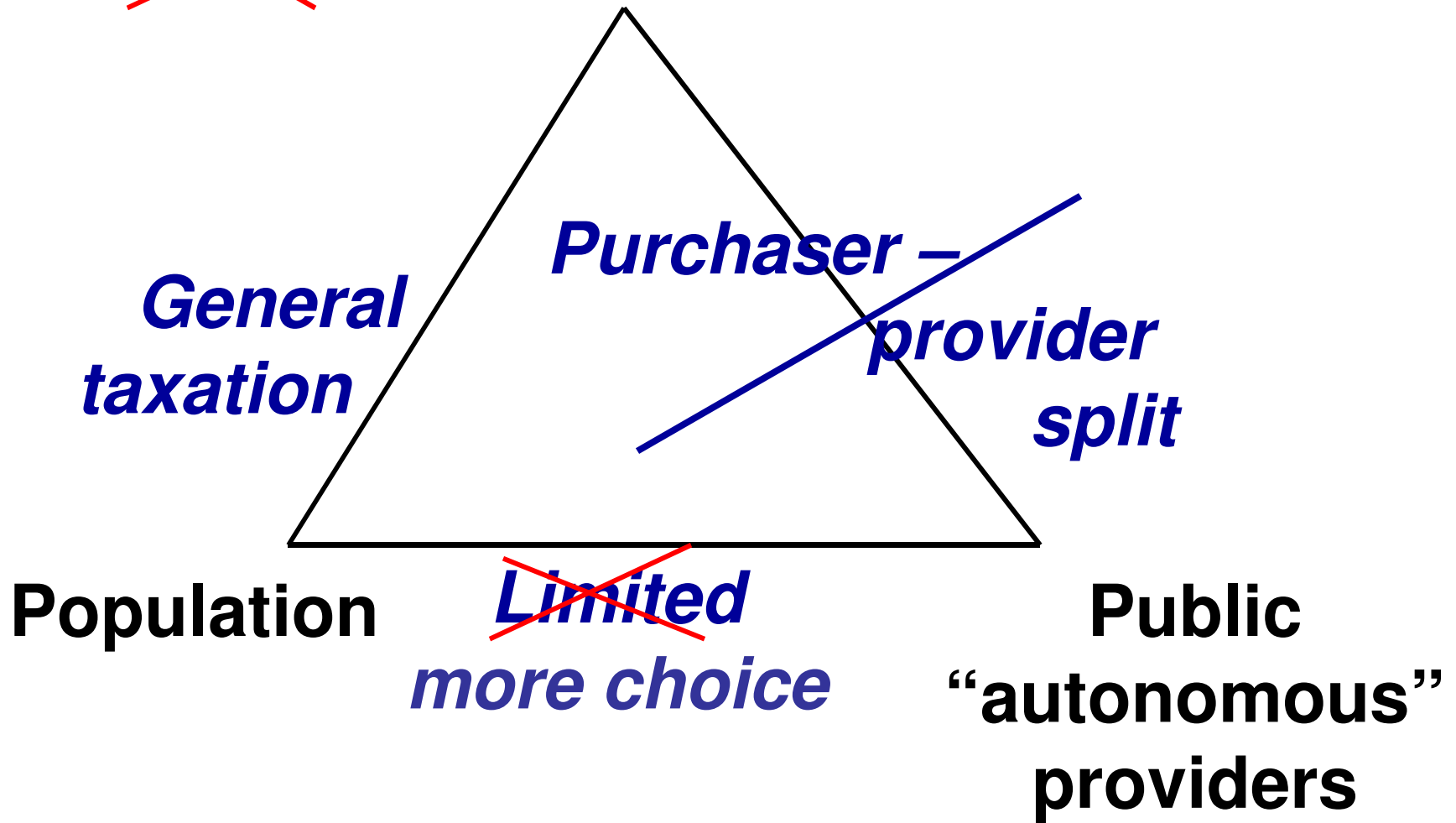
~~Limited~~

Public

more choice
(money follows patient) “autonomous” providers

Development 4

~~Central~~ **Regional** governments



Development 4

~~Central~~ **Regional** governments

Questions arising:

- Funding from national or regional taxation?
- Benefit catalogue uniform?
- Supply density and quality regulated uniformly?
- Access to services across regional borders?

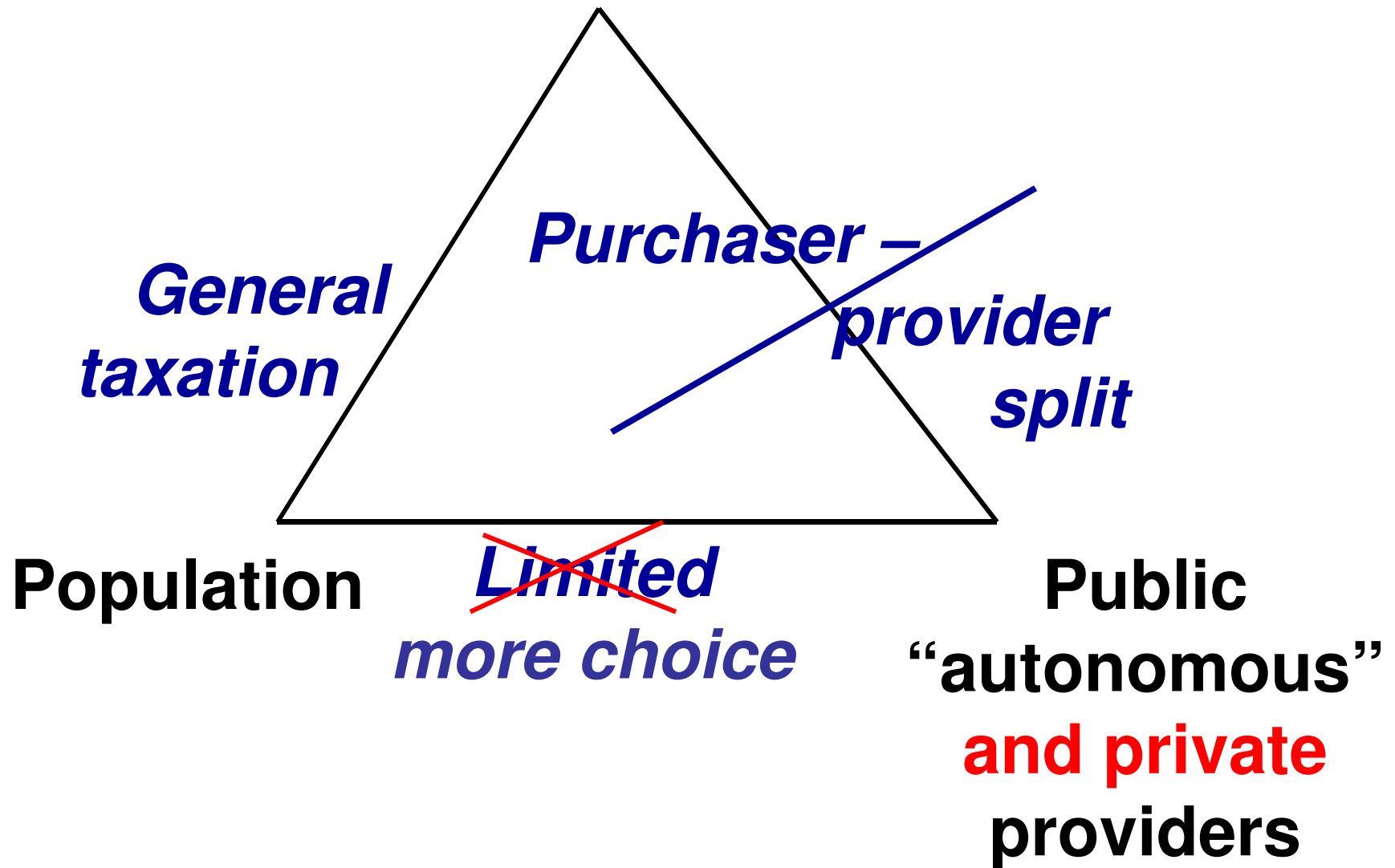
Population

~~Limited~~
more choice

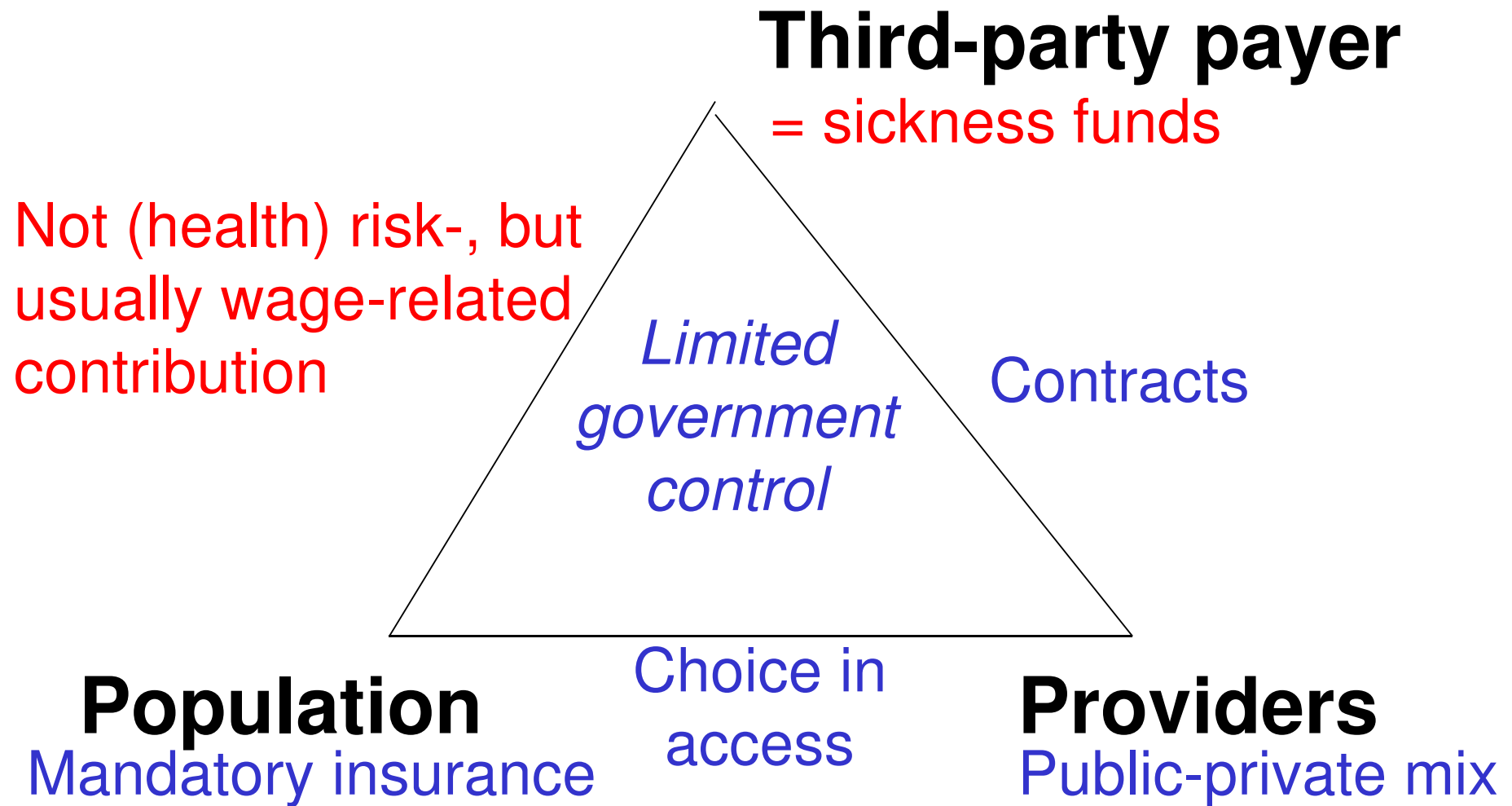
Public
“autonomous”
providers

Development 5

Regional governments

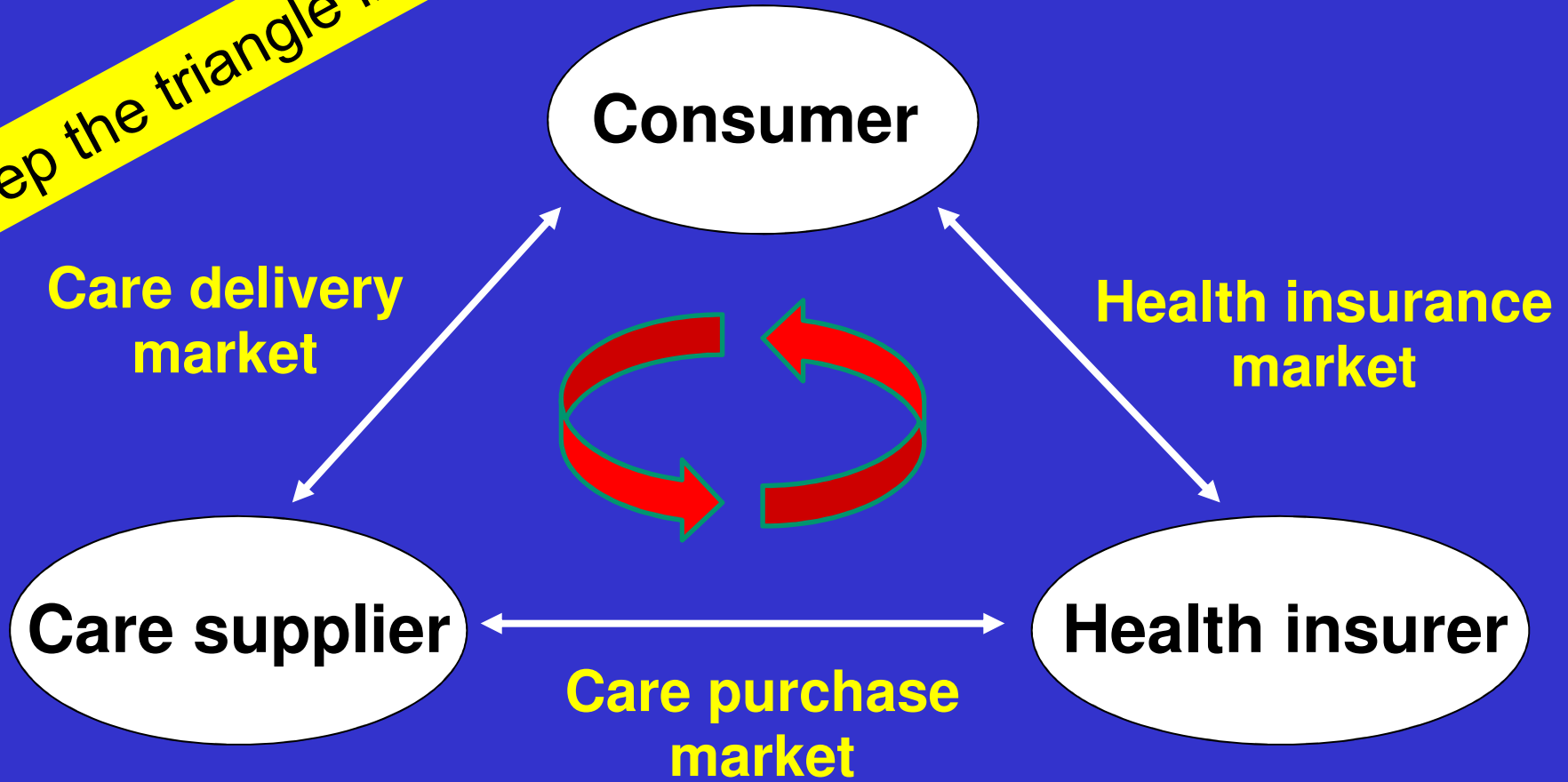


NHS in effect very similar to SHI system!



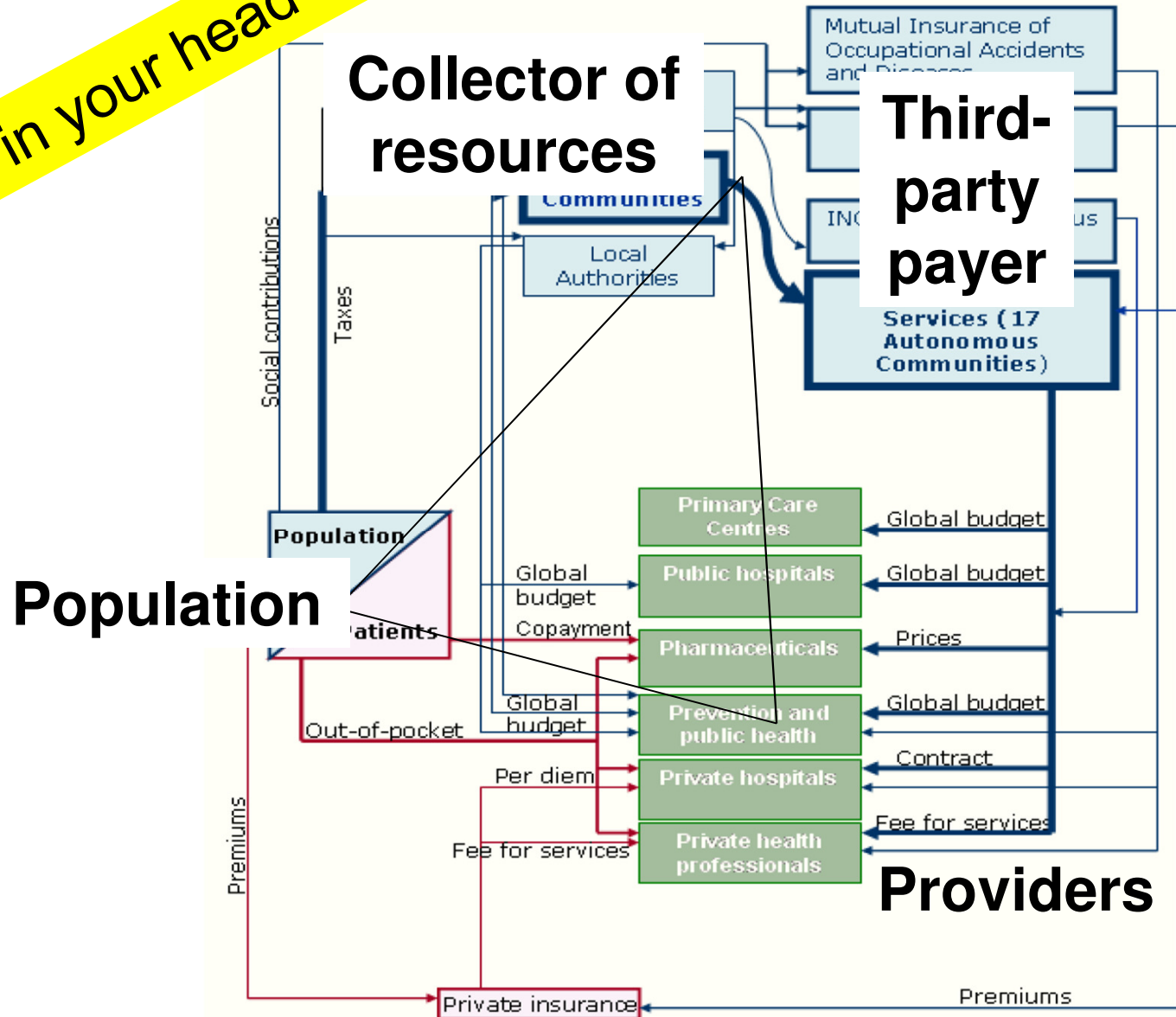
Market competition

Keep the triangle in your head ...



Source: Lapré et al., 2001

Keep the triangle in your head ...



Source: Ministry of Health and Consumer Affairs, D.G. of NHS Cohesion and Senior Inspectorate. Elaborated by S.G. of Economic Analysis and Cohesion Fund (2006).