



Regulatory Reform Frameworks for Public Service Delivery: Health Sector issues

Address to Working Group Seminar

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Regulatory Reform Frameworks for Public Service Delivery: Health Sector issues

1. Role of Out of Pocket Payments and Voluntary Health Insurance in financing
2. Supply Side Expenditure Pressures: Administrative expenses and remuneration of health professionals.
3. Demand Side Expenditure Pressures: Disaggregation by function.
4. Prevention and Quality of Care



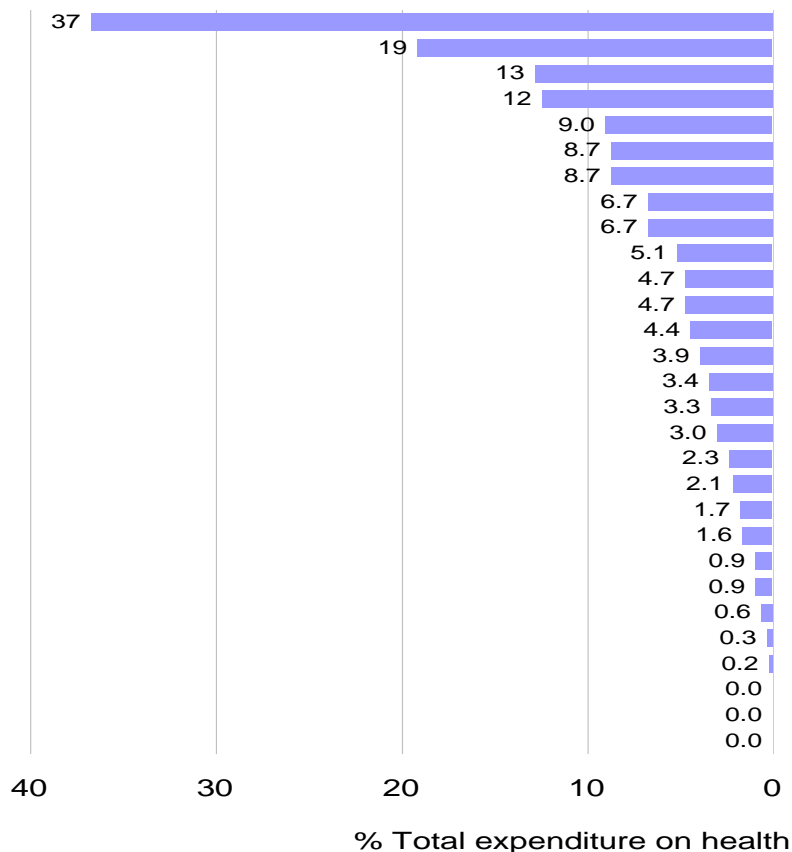
Part 1

ROLE OF OUT OF POCKET PAYMENTS AND VOLUNTARY HEALTH INSURANCE IN FINANCING

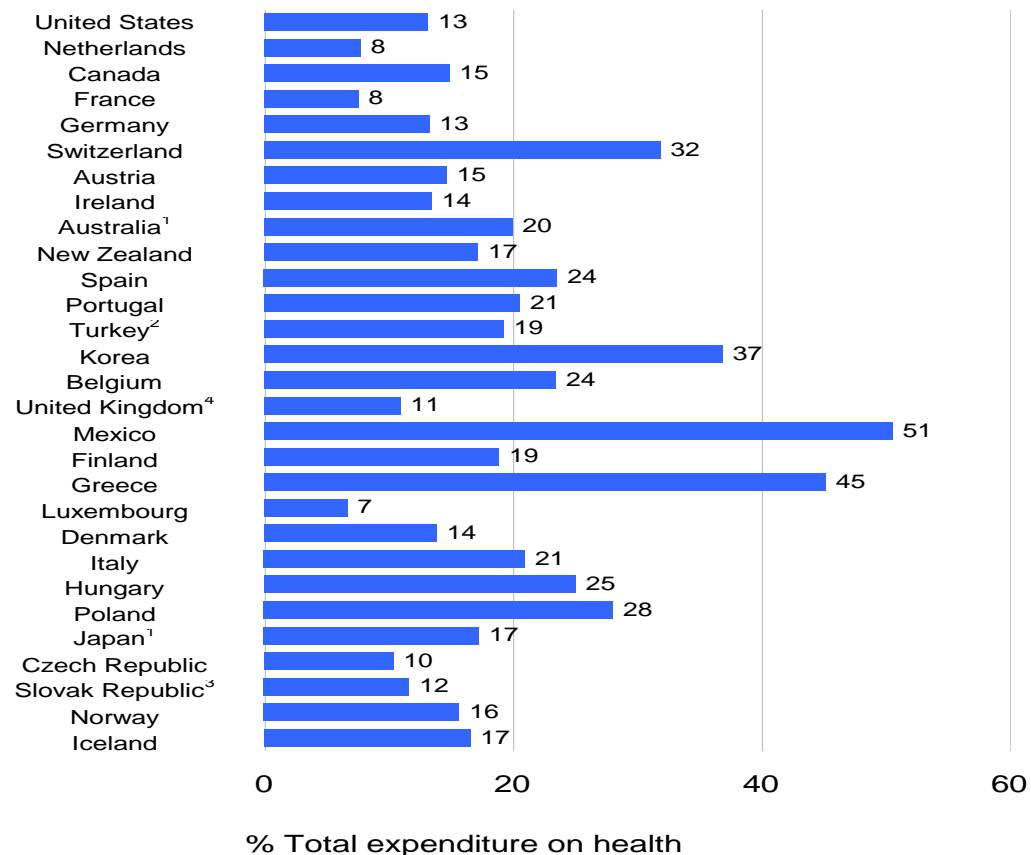
Privately financed health expenditure, 2004

Private health insurance share minimal, out-of-pocket dominant in most

Private health insurance share of total expenditure on health, 2004



Out-of-pocket payments as share of total expenditure on health, 2003



1. 2003. 2. 2000 only for private health expenditure. 3. 1998 for private health expenditure and 2003 for OOP. 4. 1996
Source: OECD HEALTH DATA 2006, October 2006

Voluntary Insurance is a significant source of financing in only a small share of OECD countries

<i>Year 2000</i>	<i>% in total health exp.</i>	<i>% Population covered</i>	<i>Main function</i>
OECD average	6.3 ▪ > 10% (5 countries) ▪ < 2% (14 countries)	30 ▪ > 30 (10 countries) ▪ Negligible in as many	
USA	35.1	72	Primary
Netherlands	15.2	28/64	Primary/Suppl.
France	12.7	92	Compl.
Germany	12.6	18	Primary/Suppl
Canada	11.4	65	Suppl.
Ireland	7.6	44	Duplic.
Australia	7.3	45	Duplic.
Austria	7.2	32	Suppl.

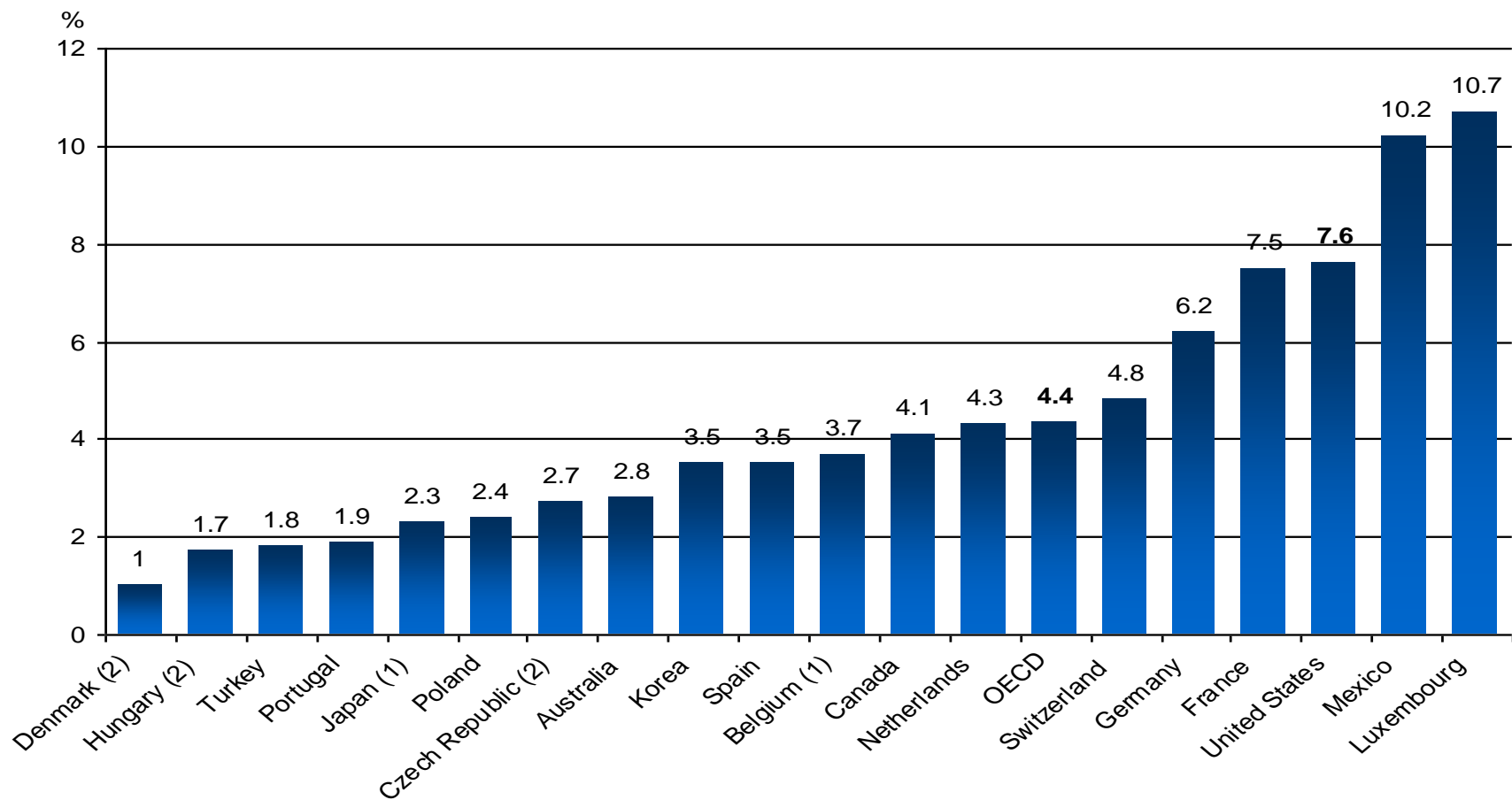
Source: OECD 2004, *Private Health Insurance in OECD Countries*.



Part 2

SUPPLY SIDE EXPENDITURE PRESSURES: ADMINISTRATIVE EXPENSES AND REMUNERATION OF HEALTH PROFESSIONALS.

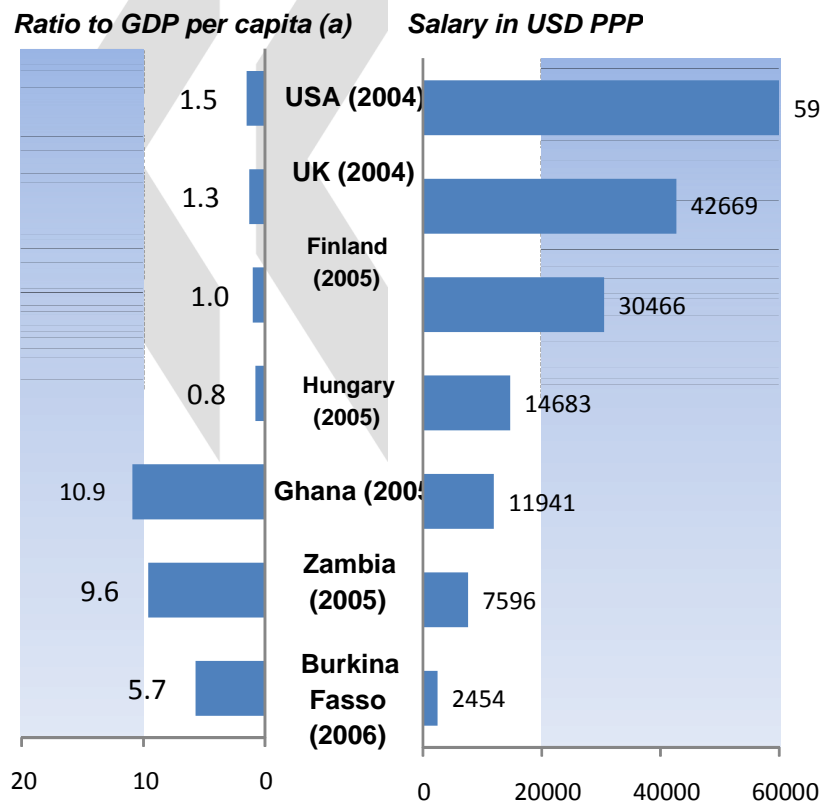
Share of total health expenditures allocated to administrative expenses, 2004



(1) 2003 (2) 2002
OECD Health Data October 2006

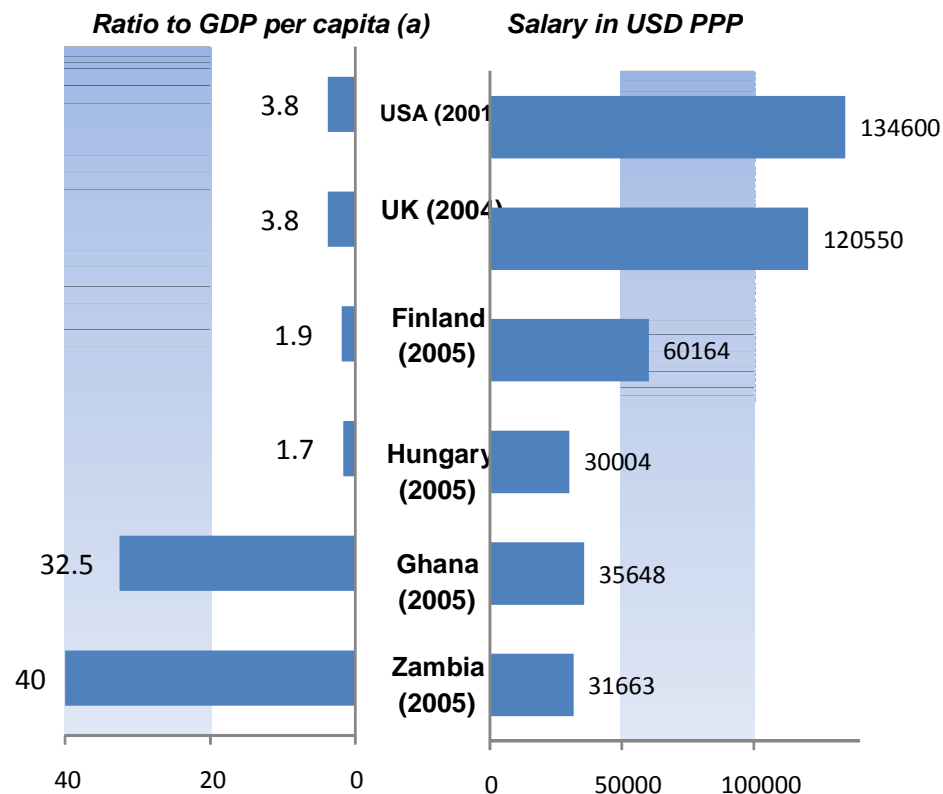
Doctors' and nurses' salaries: OECD and African countries

Nurses



Note. (a) GDP for OECD countries, GNI for African countries

Doctors



Note. (a) GDP for OECD countries, GNI for African countries

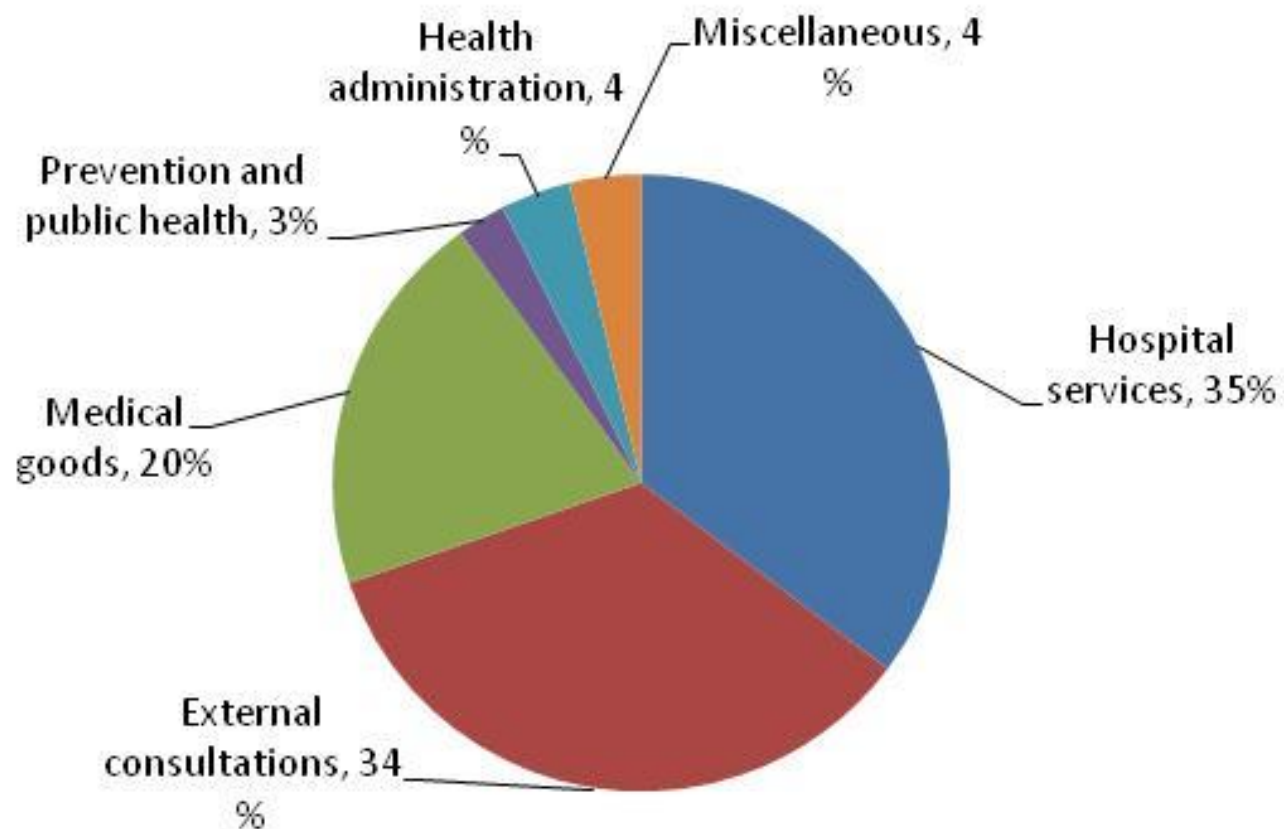
Source: OECD Health data 2007; D. McCoy and al " Salaries and incomes of health workers in sub Saharan Africa *The Lancet* vol 371, pp 675-681, (Feb 23.02008)



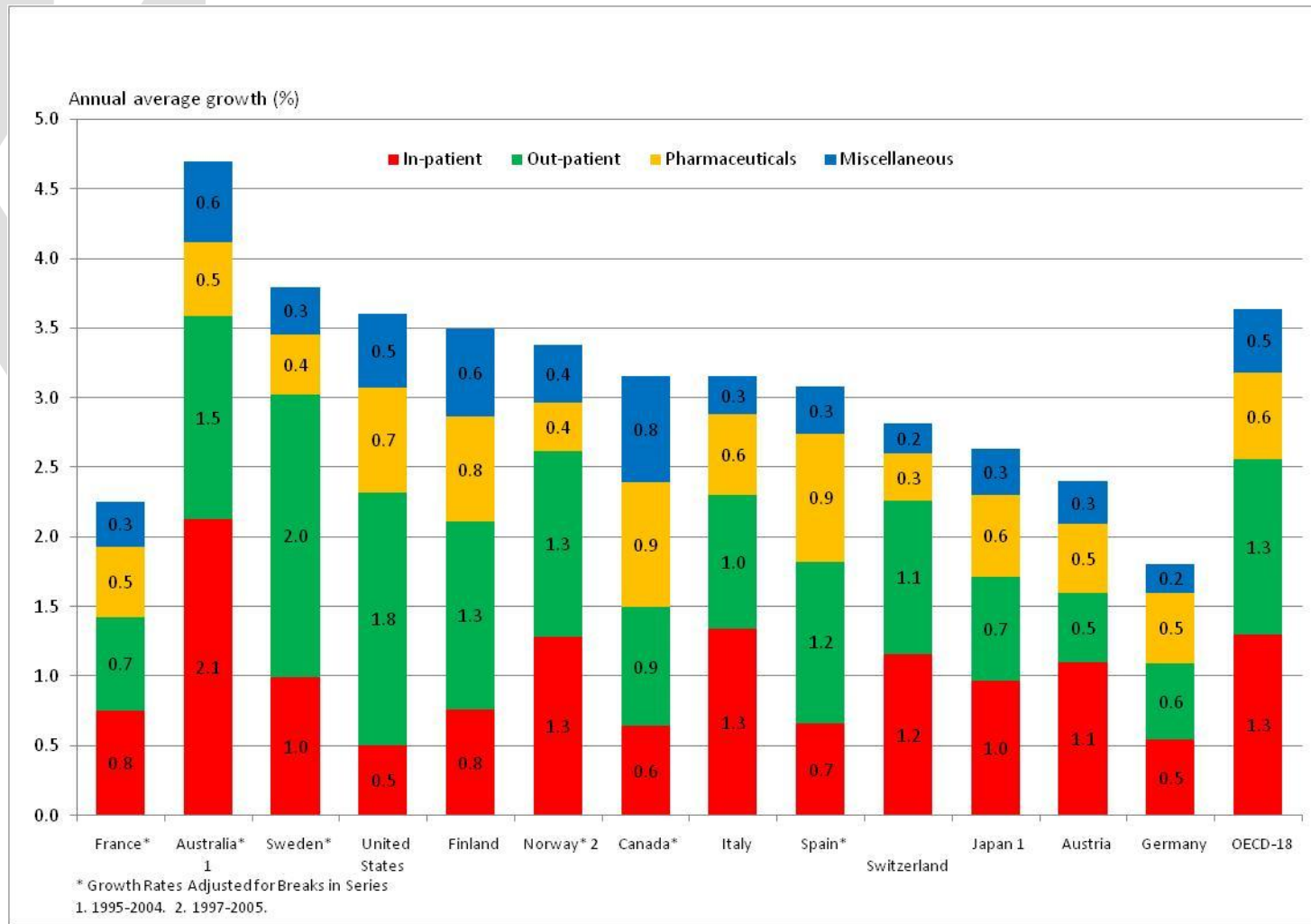
Part 3

DEMAND SIDE EXPENDITURE PRESSURES: DISAGGREGATION BY FUNCTION.

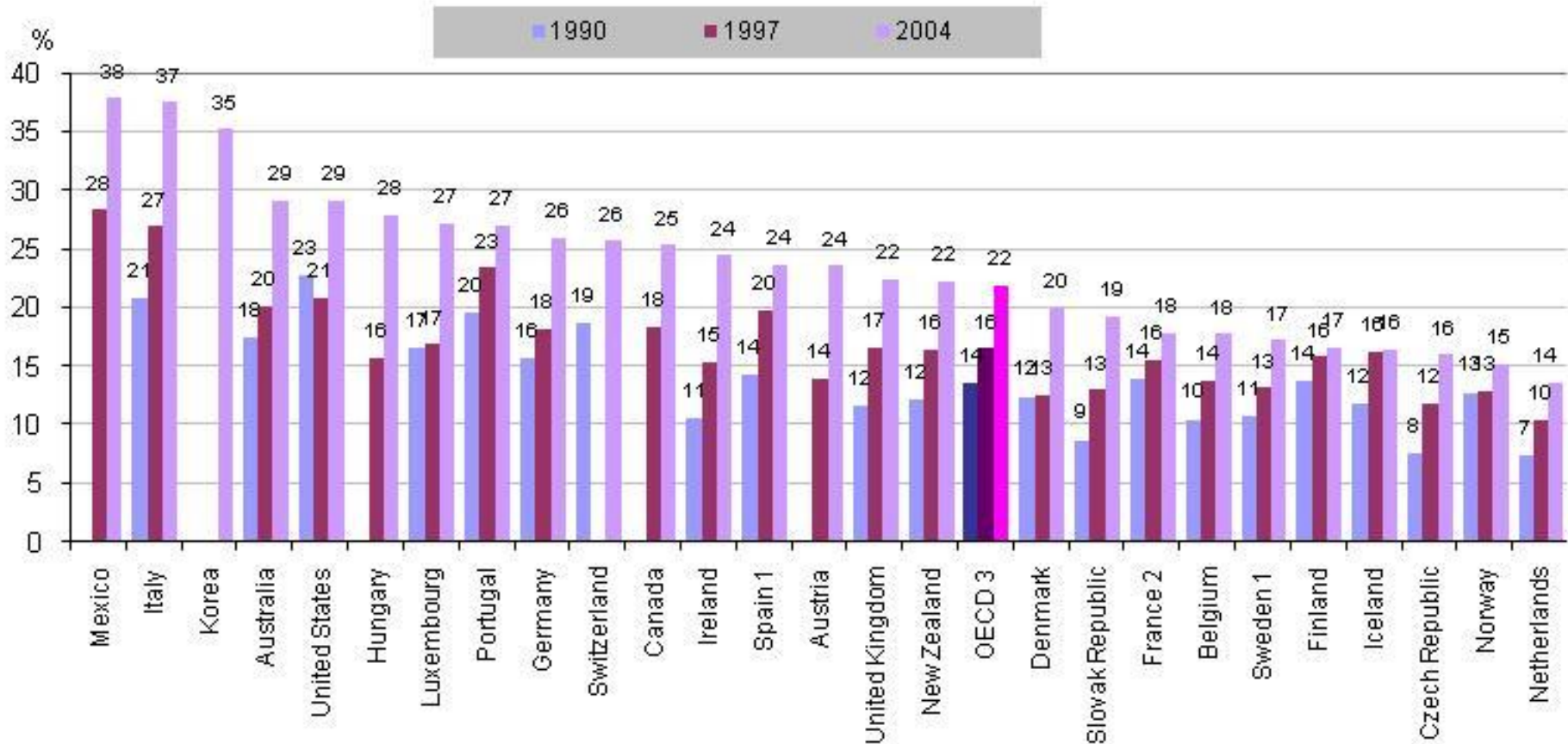
Health expenditure by function in OECD in 2005



Contribution to the annual average growth rate in real per capita expenditure on health, 1995-2005



Rise in caesarean sections per 100 live births, 1990 to 2004



Source: Health at a Glance 2007

Discrepancy between heart disease incidence and treatment rates

Figure 16. Ischaemic heart disease, total population, age standardised mortality rate, 2002

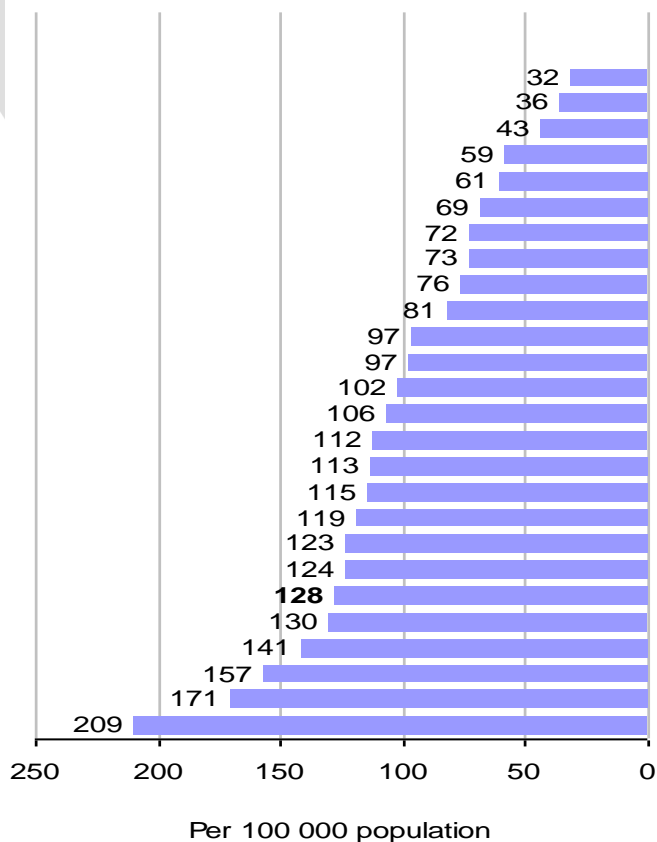
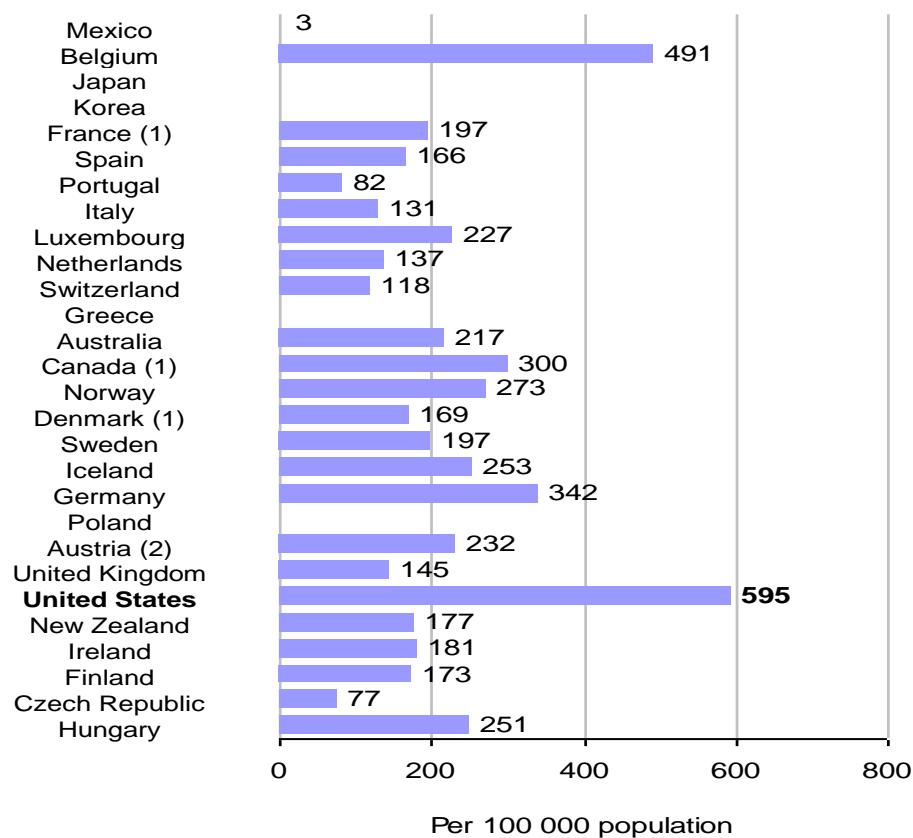


Figure 17. Coronary re-vascularisation procedures*, per 100 000 population, 2002

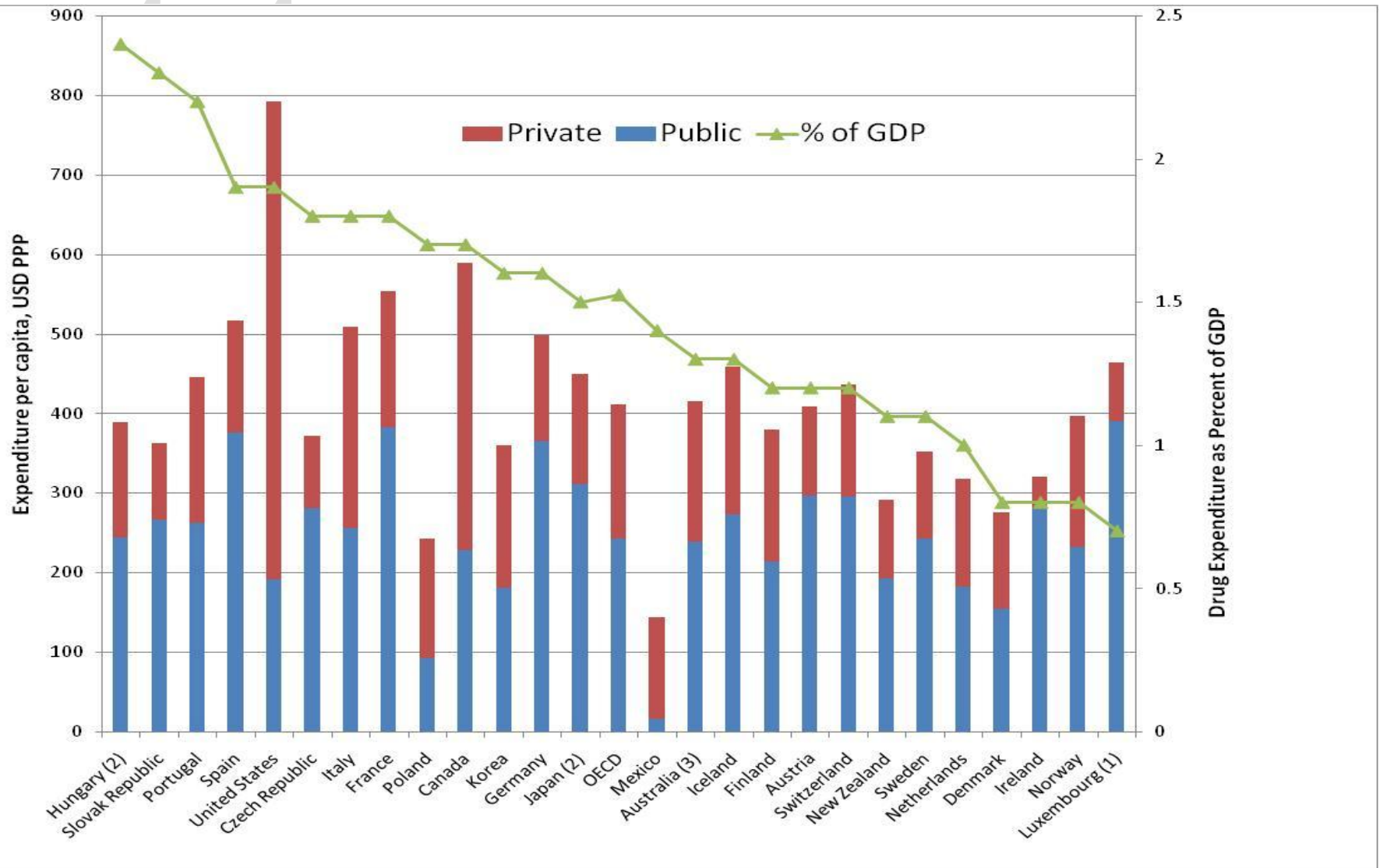


* Coronary artery bypass grafts (CABG) and Percutaneous coronary interventions (PTCA).

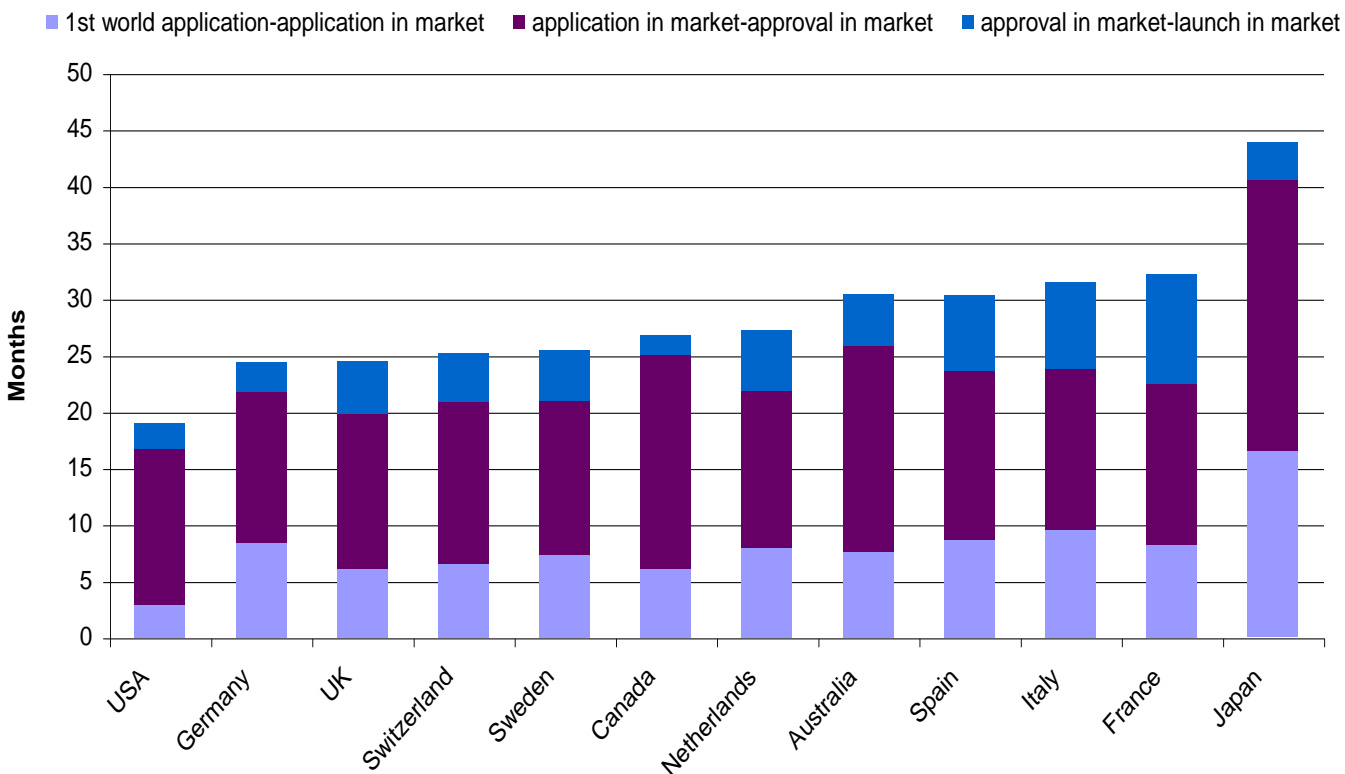
(1) 2001; (2) 2000

OECD Health Data October 2006.

Private and Public Expenditure per capita on pharmaceuticals, and pharmaceuticals expenditure as share of GDP



Time between first launch in the world and first launch in the country for drugs launched between 1999 and 2002: access is quickest in the USA



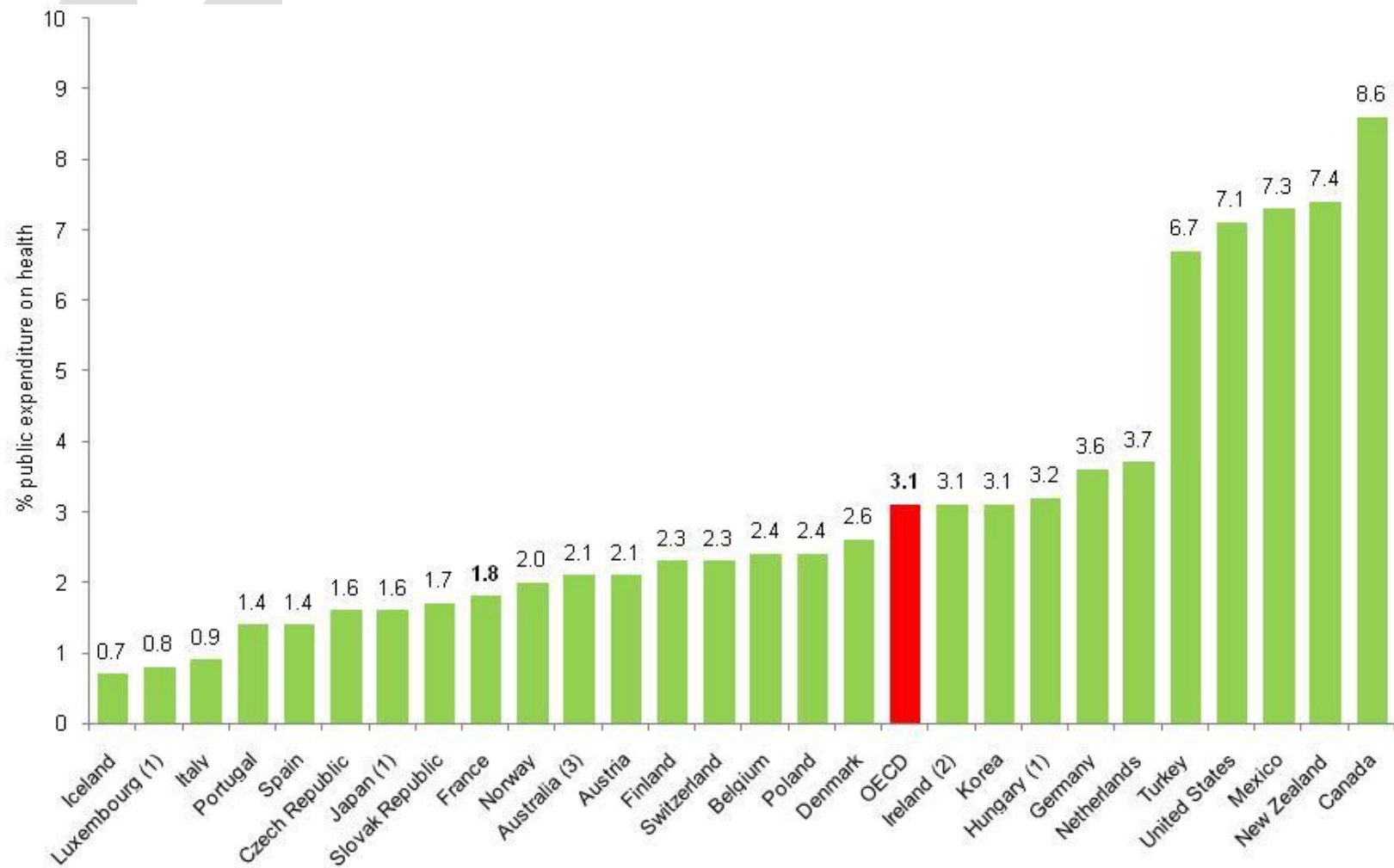
Source: Pharmaceutical Industry Competitiveness Task Force PICTF, 2005, from Association of the British Pharmaceutical Industry ABPI calculations



Part 4

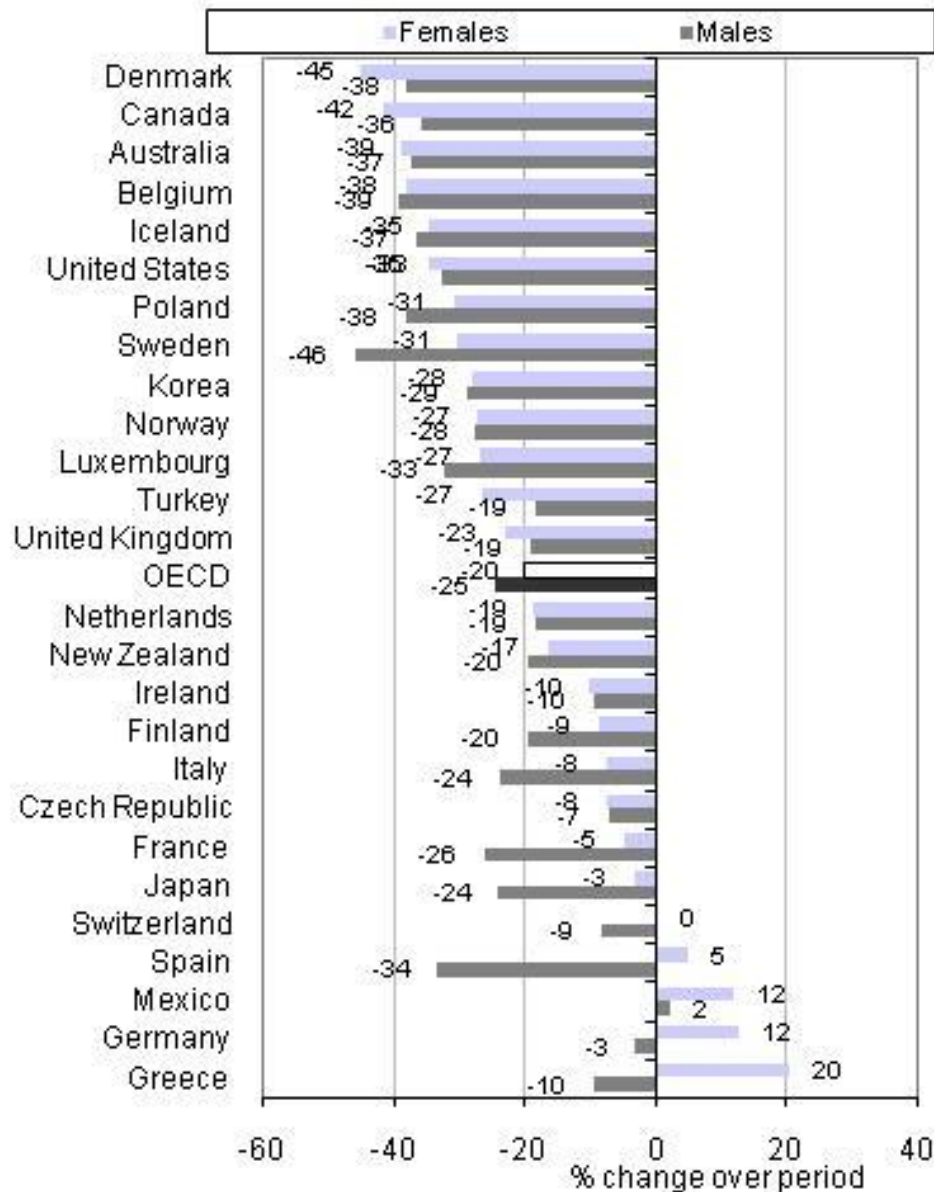
PREVENTION AND QUALITY OF CARE

Share of public expenditure allocated to public health and prevention, 2005



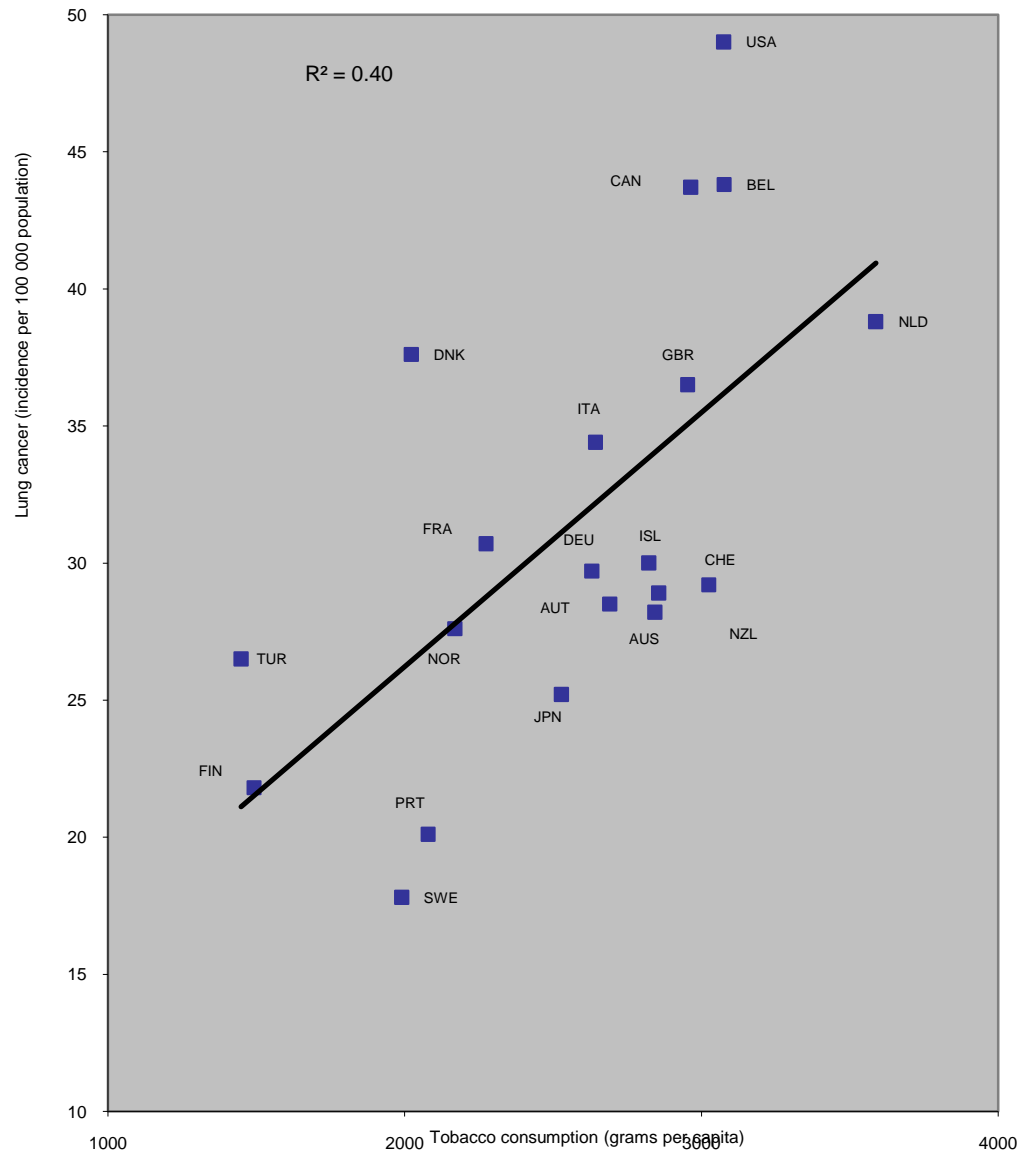
1. 2004. 2. 2003. 3. 2004-2005.

Change in smoking rates by gender, 1990 to 2005 (or nearest year available)



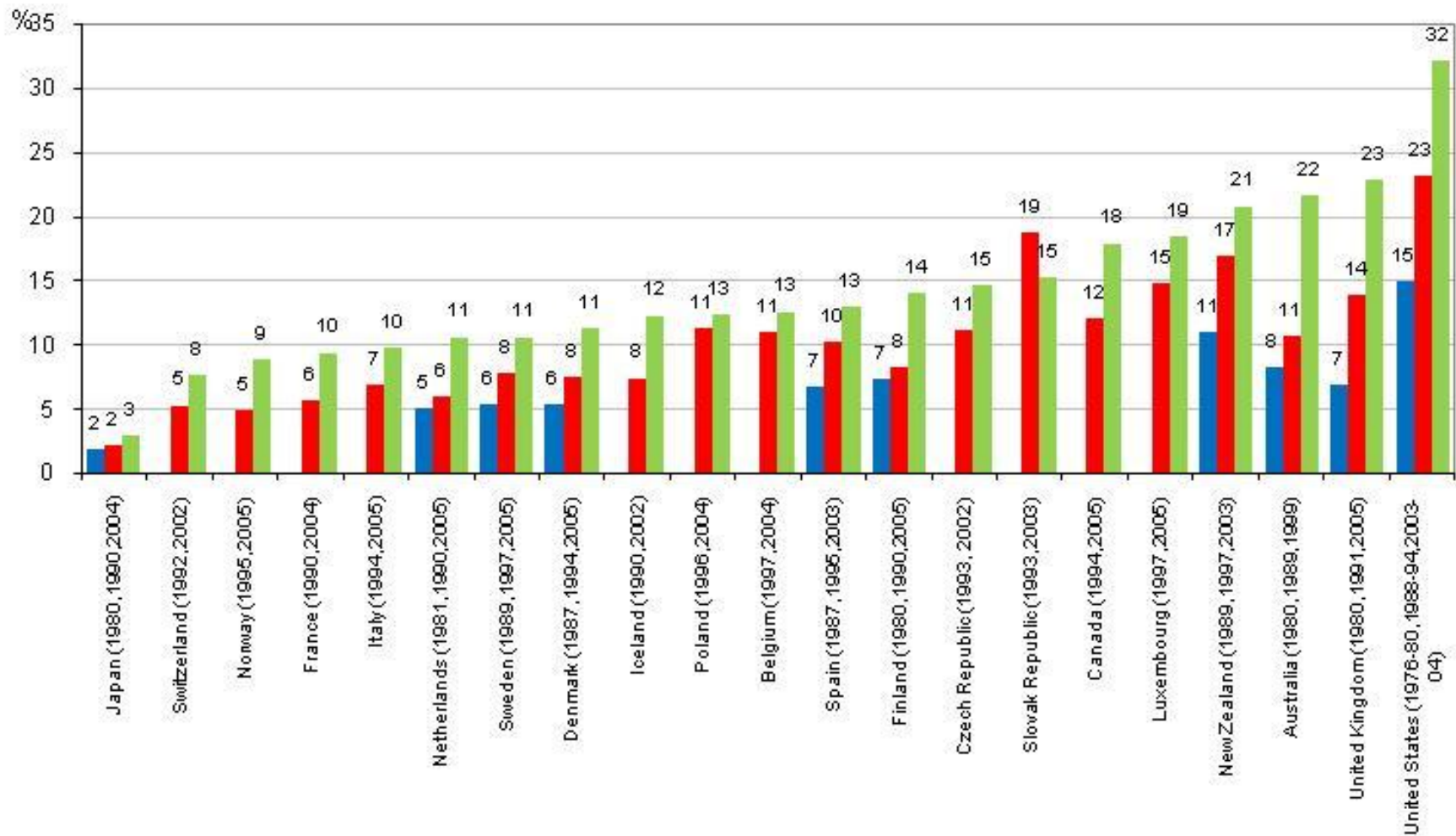
Source:
Health at a
Glance 2007

Tobacco consumption, 1980 and incidence of lung cancer, 2002



Source:
Health at a
Glance 2007

Increasing obesity rates among the adult population in OECD countries



1. For Australia, the Czech Republic (2005), Luxembourg, New Zealand, the United Kingdom and the United States, figures are based on health examination surveys, rather than health interview surveys.

Source: Health at a Glance 2007

For more information

www.oecd.org/health

