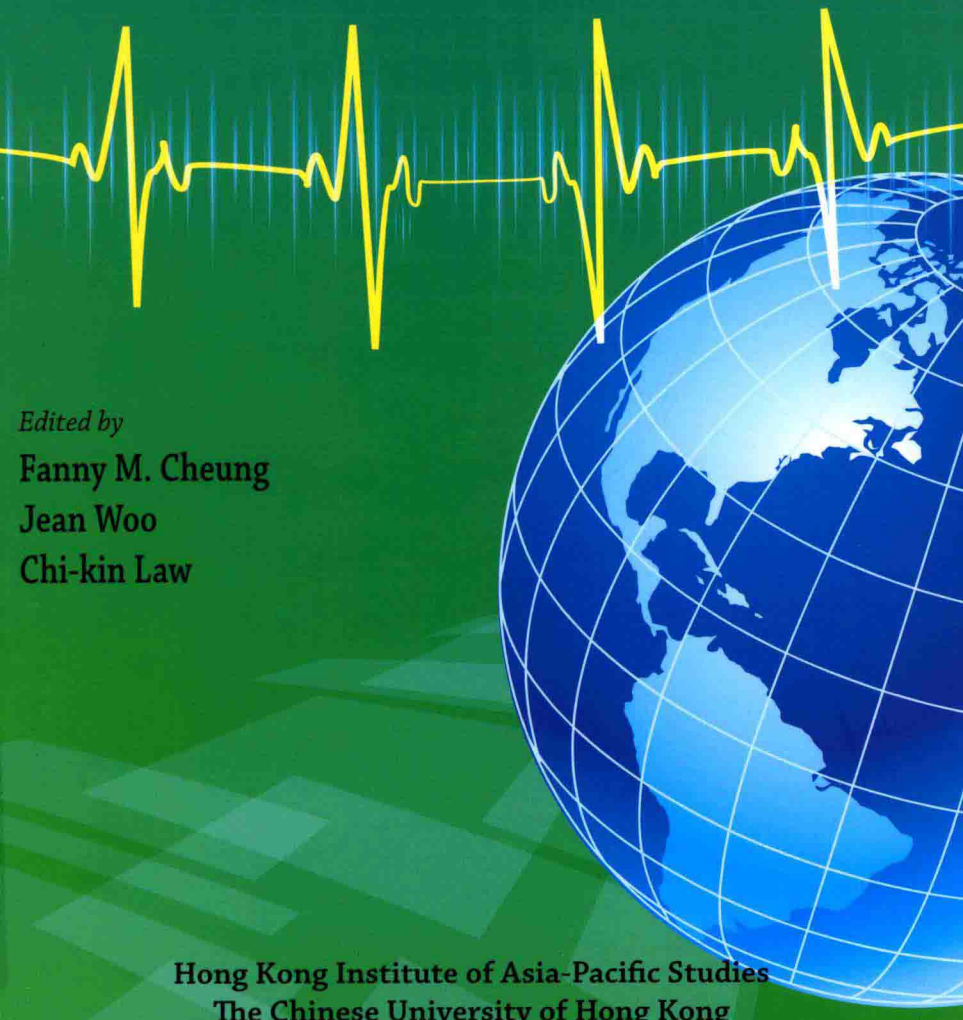
HEALTH SYSTEMS

Challenges, Visions, and Reforms from a Comparative Global Perspective



Edited by
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2013

Asia-Pacific in the 21st Century Book Series No. 2

ISBN 978-962-441-752-4

Hong Kong Institute of Asia-Pacific Studies
The Chinese University of Hong Kong
Shatin, New Territories
Hong Kong

Printed in Hong Kong by Super Sharp Production Company

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Preface

Naoki Ikegami

Health systems constitute an appropriate topic for organizing an international conference and publishing the proceedings as part of the celebrations of the 20th Anniversary of the Hong Kong Institute of Asia-Pacific Studies in The Chinese University of Hong Kong. With the rise in standards of living and the ageing of societies in the Asia-Pacific region, the relative importance of the health sector in government policy will increase. However, it is difficult to interpret research results because in no other area are beliefs, lofty ideals, and base self-interests so intertwined and submerged in the complexity of the issues. Moreover, the focus may range from the global, national, community, institutional, to the hospital unit level. One needs to see the forest and not just the trees, but unless one knows the details, the big picture cannot be understood. Yet, unless one can see the big picture, it is difficult to appreciate the value of knowing each tree. To offer some guidance, I would like to explain three key issues to enhance the reader's appreciation of the impressive papers compiled in this volume.

The first issue is financing the health system. In order for health systems to be equitable, there must be transfers of wealth from those with high incomes to those with low incomes, and from the young and healthy to the old and chronically ill. As an ideal, most people would support such transfers. However, when it comes to making their own

contributions, those who must pay more than the amount calculated from their risk profile (that is, their risk as individuals of incurring medical expenditures), tend to oppose or try to circumnavigate their burden. They will also line up impressive arguments to justify their position: the need for individuals to be self-reliant, the risk of moral hazard, and the right to access and pay for a better level of care (which would imply that those unable or unwilling to pay will be denied such a level of care).

The second issue is allocating resources. Health care expenditures paid for by the public and patients are equal to the income and revenue of physicians and other health care workers, hospitals, and pharmaceutical and other companies. Those paying would like to minimize their payments, while those being paid would like to maximize the amounts that they receive. Once the total is decided, the curtain opens for the second act, which is a battle among the providers to increase their share of the pie. Stakeholders will try to forge coalitions, whether temporary or permanent, natural or coincidental, to maximize their leverage. However, since mainstream medicine is focused on acute, inpatient care, and the public would also like to pursue the dream of scientific progress, this sector tends to get the lion's share. Their share is likely to increase as scientific progress gains further momentum. This comes at a time of growing fiscal difficulties, as expenditures for pensions and long-term care increase, while revenues are expected to level off with the global economic downturn.

The third issue is evaluating the effectiveness and efficiency of the health system. The initial hurdle lies in conducting the gold standard of randomized control trials, because of the expense and logistical difficulties involved. Moreover, the results may not be applicable beyond the controlled conditions of the trial. For example, trials for new pharmaceuticals are seldom performed on elderly people, yet they are the main consumers. The measurements could be skewed to buttress the interests of the researchers and their sponsors. There is also a limit on the extent to which patients can be followed up, which results in researchers focusing on the short-term effects, not just of pharmaceuticals, but of any intervention.

Finally, researchers should be aware that if they wish to have an impact on policy, they must be willing to make compromises to be in line with the government's agenda and time constraints. Their preliminary results may well be taken out of context and presented as being based on solid research. They must also be aware that politicians are under pressure to act, and not just stand there. Their attitude would be readily understood by clinicians, who are faced with similar critical conditions. However, unlike treating patients, substantive changes in policy are much more difficult to realize. Hence, the easy way out is to conduct a structural reorganization of aspects of the health system, which would give the public the impression that something substantive is being done. A fine line must be drawn between ethical principles and pragmatism.

I hope that this brief description of the mine-field faced in conducting research on health systems will provide some guidance in appreciating the papers compiled in this volume. As I noted in the beginning, I would be the first to say that the points that I have made are merely based on my beliefs and experiences. Finally, I would like to reiterate my commendation to the Hong Kong Institute of Asia-Pacific Studies for selecting health systems as a topic for its 20th Anniversary.

Contents

Introduction

Fanny M. Cheung, Jean Woo, and Chi-kin Law

A health system consists of people, institutions, and resources arranged in accordance with established policies designed to improve the health of a target population, respond to that population's legitimate expectations with regard to health care, and protect them against the cost of ill-health through a variety of activities meant to improve their health (Busse, 2011, pp. 1–2). While the basic health needs of populations may be similar across ethnic groups and countries, variations in the way these needs are met exist between countries, since health systems are a product of politics, the wealth of individual countries, as well as culture.

According to the World Health Organization (2000, p. xi), the objective of good health is twofold: Goodness means that a health system is "responding well to what people expect of it" at the "best attainable average level." Fairness means that the system "responds equally well to everyone, without discrimination" and that there are "the smallest feasible differences among individuals and groups." Increasing globalization has put stress on the social systems of many countries, and also has a direct impact on their health systems. A substantial reorientation of the ways in which health systems operate in society has led to major health care reforms in different countries. Thus, an overview of the way these health systems are meeting the health needs of the population seems pertinent. It was with such an aim that, as part of the celebration of the 20th Anniversary of the Hong Kong Institute of Asia-Pacific Studies in The Chinese University of

Hong Kong, an International Conference on Health Care Reform: Asia-Pacific Experiences and Western Models, was held in March 2011. The topics that were discussed in that conference are presented in this volume.

The multidisciplinary presentations at the conference covered the macro and micro aspects of health care reforms, from disciplines that included public health, health management, geriatrics, economics, psychology, public administration, political science, and philosophy. Health care reform is an ongoing process that should be based on evidence and expert knowledge; at the same time, policy considerations need to take into account economics, public opinion, politics, and the broader ecological landscape. The selected papers in this volume are organized around the three subthemes of the conference: macro level challenges in health care reforms, reforms in health care delivery models, and health financing.

At the macro level, challenges to health systems exist at the global and local levels. In both developed and developing countries, the considerable health disparities among ethnic groups and between urban and rural areas pose a prominent challenge to health care reform. The issue of equitable access to health care has become more complicated with globalization, the advent of advanced technologies, and the increasing power of multinational pharmaceutical companies. As societies around the world age, health systems need to cope with a widening gap between needs and provisions. Health systems need to adapt if they are to meet societal needs and uphold social values. Although many of the chapters in this volume focus on conditions in Hong Kong, international perspectives are incorporated in these chapters and in chapters written by international scholars, who shared their global and local experiences on health care issues.

Major Challenges to Health Systems

In Part I, the first three chapters discuss the major challenges to reforming a health system, many of which are common to ageing societies around the world. Along with changes in demographic and epidemiological profiles, disparities between what people need and

what their health service provides have been widening due to ageism in the prioritizing of services and societal misconceptions of age-related issues (see Chapter 1 by Jean Woo). To reduce the gap by enabling innovative changes to be made to the delivery of services, it is necessary to raise health literacy through public education. A responsive system of primary care that integrates health care and social care for elderly people in the community should be developed to alleviate the burden on hospitals and other institutions.

This proposal is echoed in Chapter 2 by Chi-kin Law, who demonstrates that an ageing population will not only undermine the long-term sustainability of the current system of providing health care, but also threaten the long-term care of older persons. Given the insufficiency of community care services for frail elderly people in Hong Kong, there has been a heavy reliance on residential care institutions to provide long-term care. The existing provision of these services depends mainly on government subventions, which limits the extent to which the needs of the community can be met. Due to rigid funding mechanisms and the continuum of care model, the quality of care offered by the private sector has generally been poorer than that provided by the government-subvented sector. The result will be to increase the government's burden with respect to long-term care services.

In such a situation, Koichi Kawabuchi suggests that in reforming the Japanese health system the long-term care system should be integrated with the older-elderly health care system. This would lead to the establishment of the ideal form of seamless care in a region (see Chapter 3). Yet, as the two social insurance schemes are currently managed by separate parties with their own practises, difficulties would arise. New legislation would be required and the existing structure of the government-run system would need to be rearranged. Moreover, the whole issue of reforming the health system has gradually become more complex, as it has become a political tool used to garner votes in elections. The author believes that the reforms should begin with a review of the fee schedules of both social insurance schemes, something that should be easier to implement than other measures.

To meet the global and local challenges posed by health care

reform in the context of an ageing population, there is a need to devise evaluation criteria to integrate scientific evidence into decision making on the management of health care. Reiner Leidl (see Chapter 4) proposes two strategic approaches to health care reform: (1) the technology management approach and (2) the disease management approach. Notwithstanding their differences in terms of scope, management style, implementation process, and institutional requirements, both approaches require comprehensive and sustained effort on the part of management and the establishment of regulatory institutions to develop the best model of health care for patients—one that is cost effective and delivers acceptable care.

Health Care Delivery

Part II compares models of delivering health care. Fragmentation in the delivery of health services is a recurrent theme. To enhance person-centred care for holistic health, it is necessary to revamp primary care services and strengthen the connectivity among different health and social systems. According to the World Health Organization's (2008, p. 41) report, good primary care should bring "promotion and prevention, cure and care together in a safe, effective and socially productive way at the interface between the population and the health system." This requires a systematic programme for stepped care and the training of primary care personnel to provide evidence-based interventions that integrate physical and behavioural health. The appropriate allocation and coordination of resources among different stakeholders would be an important factor in the cost-effective delivery of care, which should have a definite purpose. In addition to providing health care for diseases, a more important mission of health care reform in the future will be to empower individuals to maintain and improve their own health. To implement effective preventive care, evidence-based health promotion and education programmes are needed. The issue of providing access to mental health services at the primary care level illustrates one of these major challenges. Such access is severely limited, partly due to the lack of professional personnel on the one hand, and social stigma and discrimination on the other.