

Understanding Healthcare Financing

4. Learning from Other Countries

One of the first things people tend to do on being faced with reform is to look at how other countries have dealt with healthcare financing issues. A strong word of caution: it is seldom easy to understand another country in sufficient depth to be able to determine whether an element of their system could be successfully adopted in another country. There is not one “best” solution – the current state of any healthcare system is a product of the people, their culture and history, their value systems, changing political ideology over time, economic pressures, the supply of providers and the design and governance of the healthcare system – amongst other factors.

South Africa will need to forge its own path of reform, through consultation and debate. For those who persist in looking for solutions elsewhere, some good authoritative sources are given below. Comparative studies of reform can provide useful learnings and several are included below, focussing on material from a wider range of countries than just Europe or North America.

Healthcare reform in Europe and the Industrialised Countries

An excellent source on the detail of healthcare systems in other countries is the **European Observatory on Health Systems**. The original European Union countries are well covered as well as the emerging countries of Eastern Europe. The collection also includes material on Canada, Israel, Australia and New Zealand. There is limited material on the USA and Japan.

Choose a country from <http://www.euro.who.int/observatory/ctryinfo/ctryinfo>

The **Health Systems in Transition (HiT)** profiles from the European Observatory are particularly useful summaries of each country as they are written using a common template.

See <http://www.euro.who.int/observatory/Hits/TopPage>

Social health insurance systems in western Europe is a book summarising the European experience of mandatory health cover. “The concept of social health insurance (SHI) is deeply ingrained in the fabric of health care systems in western Europe.”

Saltman, R. B., Busse, R., & Figueras, J. (Eds.). (2004). Social Health Insurance Systems in Western Europe. Maidenhead: Open University Press

URL: http://www.euro.who.int/observatory/publications/20041122_1

Health Policy Monitor is an excellent site on details and progress of specific reforms in healthcare. The International Network Health Policy and Reform was initiated in 2002 and brings together health policy experts from 20 industrialized countries. See <http://www.hpm.org/en/index.html>

Healthcare reform in the WHO Regions

The WHO maintains a site which contains a “selection of countries' experiences with recent health financing policy reforms are included here. The examples, although by no means exhaustive, highlight specific concerns of policymakers from different countries, and related policies to address these concerns.” See http://www.who.int/health_financing/countries/en/

Low and middle-income countries

The World Bank has produced a volume entitled “Good practice in health financing: lessons from reforms in low and middle-income countries”. “This volume focuses on nine countries that have completed, or are well along in the process of carrying out, major health financing reforms. These countries have significantly expanded their people's health care coverage or maintained such coverage after prolonged political or economic shocks ... The countries chosen for the study were Chile, Colombia, Costa Rica, Estonia, the Kyrgyz Republic, Sri Lanka, Thailand, Tunisia, and Vietnam.”

Gottret, P., Schieber, G. J., & Waters, H. R. (Eds.). (2008). Good practice in health financing: lessons from reforms in low and middle-income countries. Washington: The International Bank for Reconstruction and Development / The World Bank. URL:

<http://siteresources.worldbank.org/INTHSD/Resources/376278-1202320704235/GoodPracticesHealthFinancing.pdf>

See also Gottret, P., & Schieber, G. J. (2006). Health Financing Revisited: A Practitioner's Guide. Washington: The International Bank for Reconstruction and Development / The World Bank.

URL: <http://siteresources.worldbank.org/INTHSD/Resources/topics/Health-Financing/HFRFull.pdf>

Healthcare Reform in Africa

Health financing: a strategy for the African region

http://www.who.int/health_financing/documents/cov-afrostrategy/en/index.html

The WHO, writing about Africa, says: “Countries of the Region are confronted with a number of key challenges including low investment in health; low economic growth rates; dearth of comprehensive health financing policies and strategic plans; extensive out-of-pocket payments; limited financial access to health services; limited coverage by health insurance; lack of social safety nets to protect the poor; inefficient resource use; ineffective aid; and weak mechanisms for coordinating partner support in the health sector.”

The **International Social Security Association (ISSA)** (see <http://www.issa.int/aiss>) established a Liaison Office for Southern Africa in 2008 (see <http://www.issa.int/aiss/About-ISSA/Liaison-Offices>). While the material on the ISSA site is predominantly on pension and social security systems, there is an increasing focus on health systems (see <http://www.issa.int/aiss/Topics/Health>). A report released in 2008 deals with social security developments in Africa. Chapter 3 deals with “Including the poor in social health protection”.

International Social Security Association (2008). *Dynamic Social Security for Africa: An Agenda for Development. Developments and Trends.* Geneva. URL: <http://www.issa.int/aiss/Resources/ISSA-Publications/Dynamic-Social-Security-for-Africa-An-Agenda-for-Development>

Prof Di McIntyre of UCT leads a consortium of researchers know as the **SHIELD project** (Strategies for Health Insurance for Equity in Less Developed countries) which considers health insurance mechanisms to address health system inequities in Ghana, South Africa and Tanzania. See <http://web.uct.ac.za/depts/heu/SHIELD/about/about.htm>

A paper has recently been published looking at how the three countries are moving towards universal coverage: “The aim of this paper is to explore the extent of fragmentation within the health systems of three African countries (Ghana, South Africa and the United Republic of Tanzania). Using a framework for analysing health-care financing in terms of its key functions, we describe how fragmentation has developed, how each country has attempted to address the arising equity challenges and what remains to be done to promote universal coverage. The analysis suggests that South Africa has made the least progress in addressing fragmentation, while Ghana appears to be pursuing a universal coverage policy in a more coherent way.”

McIntyre, D., Garshong, B., Mtei, G., Meheus, F., Thiede, M., Akazili, J., et al. (2008). Beyond fragmentation and towards universal coverage: insights from Ghana, South Africa and the United Republic of Tanzania. *Bull World Health Organ*, 86(11), 871-876.

URL: <http://www.who.int/bulletin/volumes/86/11/08-053413/en/index.html>

