Five ways health systems have changed over the last three decades

The Covid-19 pandemic has shone a light on the differences between health systems across the world. But how have health systems changed over recent decades? Drawing on a new book, **Federico Toth** *highlights five key reform trends that have shaped the delivery of health care during the last thirty years.*

In the field of health policies, truly radical and pathbreaking reforms are rare events. Each national healthcare system has its own imprinting, which tends to be preserved over time. However, it is evident that over the last thirty years the health systems of OECD countries have changed considerably. By comparing individual national trajectories, it is possible to identify five major 'reform trends'.

1. Greater competition

A first reformist strand is represented by the attempts of many national governments to introduce market-style mechanisms and greater competition in their healthcare systems. This reform theme was fuelled by neoliberal ideas and the precepts of New Public Management, which were very popular in the late 1980s and early 1990s. The goal of introducing greater elements of competition has been implemented in two different versions.

In NHS countries, competition between providers has been encouraged especially through the creation of 'internal markets'. Leading the way in this direction was the United Kingdom in 1990. The reforms of Margaret Thatcher and the logic of the internal market found admirers in many countries, including New Zealand, Italy, Spain, Sweden, and Portugal. In social health insurance countries, where competition between providers already existed, competition between sickness funds was stimulated. The forerunner in this direction was the Netherlands, starting in 1992.

2. Integration

These reforms in favour of competition were intended to make systems more 'separated'. This was accomplished by splitting purchaser and provider functions, separating hospital facilities from territorial services, granting greater freedom of choice and sometimes opening up competition between public and private suppliers.

However, shortly after implementation began, enthusiasm for market-oriented experiments began to fade in many countries, and criticisms towards competitive and contract-like mechanisms grew. Since the mid-1990s, many national governments have preferred to set aside explicit reference to competition, instead insisting on public planning and coordination between the various components of the health system.

Depending on the country, this has meant: greater regulatory and planning tasks by public agencies; integration of primary and secondary care; the introduction of gatekeeping mechanisms; and incentives for family doctors to work in a group practice. Reforms that included measures such as those listed above evidently intended to make delivery systems more integrated. A relevant case of pro-integration reform is the measures adopted in France in the second half of the 1990s. The French example was – to some extent – followed by Belgium and Germany. Reforms aimed at making provision systems more integrated have also been adopted in Australia and Canada.

3. Decentralisation

A reform issue that has received great attention over the last few decades is that of decentralisation. The Spanish and Italian cases are good examples of health reforms aimed at transferring relevant competences from a central to a regional level. In Spain, the devolution process was gradual, spread over more than two decades. In Italy, the regionalisation process was initiated with a reform in 1992-93.

In the early 2000s, the push towards greater decentralisation in health care seemed to lose, at least in part, its vigour, and some national governments have since adopted reforms that go in the opposite direction, namely, that of greater centralisation. Leading the way on the road to centralisation was Norway, following a reform in 2002.

4. Strengthening patients' rights

Date originally posted: 2021-11-23

Permalink: https://blogs.lse.ac.uk/politicsandpolicy/five-ways-health-systems-have-changed-over-the-last-three-decades/

Blog homepage: https://blogs.lse.ac.uk/politicsandpolicy/

An important reformist 'strand' has given itself the objective of strengthening patients' rights. When dealing with the fundamental rights of the patient, reference is usually made to guarantees that include: the right to be treated with dignity; the right to privacy; the patients' right to receive all information relating to the treatments they must undergo; the right to express their consent to the process; the right to access their medical records; and the right to complain and compensation.

Additional guarantees may be granted to the patient, including the freedom to choose providers, the right to a second opinion, the guarantee of a maximum waiting time, participation in decisions regarding the healthcare system, and the institution of a patient ombudsman. In the early 1990s, many governments decided to give their citizens greater freedom of choice regarding providers. One of the countries that first took this path was Sweden. During the 1990s, other countries, including Spain, Denmark and Norway, moved to expand patients' freedom of choice.

5. Extending health coverage

A further line of reform concerns the strategies adopted by national governments to more broadly extend health insurance coverage (consequently reducing the number of the uninsured) and to make it more uniform. The main reform initiatives that were aimed at extending compulsory insurance coverage were those adopted in Israel and Switzerland in 1994, in France in 1999, in the Netherlands in 2006, in Germany in 2007, and in the United States in 2010.

Note: This article was first published on LSE EUROPP – European Politics and Policy and draws on the author's new book, Comparative Health Systems: A New Framework (Cambridge University Press, 2021). Featured image credit: Enric Moreu on Unsplash.

About the Author

Federico Toth is Professor of Political Science at the University of Bologna.

Date originally posted: 2021-11-23

Permalink: https://blogs.lse.ac.uk/politicsandpolicy/five-ways-health-systems-have-changed-over-the-last-three-decades/

Blog homepage: https://blogs.lse.ac.uk/politicsandpolicy/