



An OECD perspective on trends in health systems

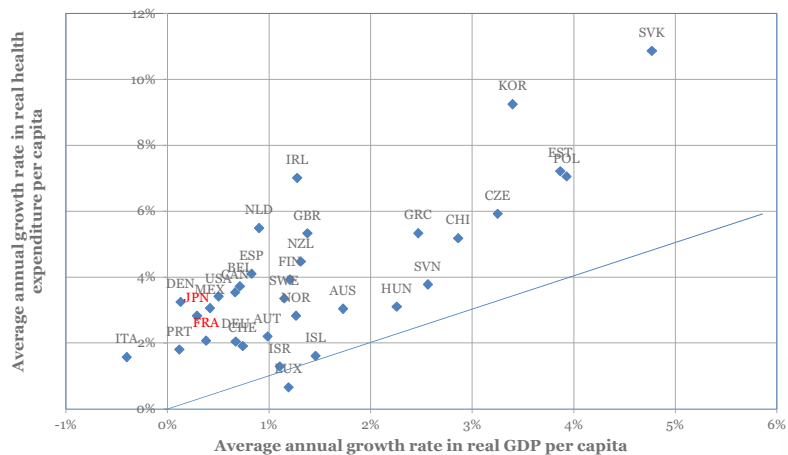
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France – Japan Science & Technology Forum
16th October, 2013



Health spending past and future: outpaced economic growth in the pre-crisis period

Annual growth rate of health spending per capita
and real GDP per capita, 2000-2009



Source: OECD Health Statistics 2013

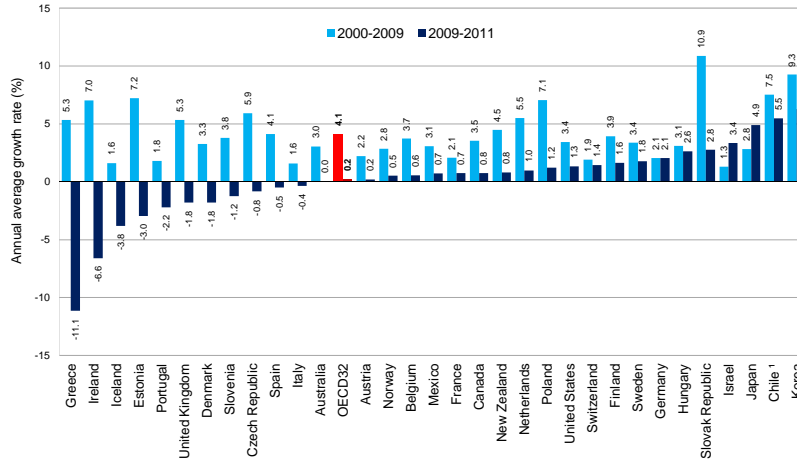
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Slower growth or cuts in most OECD countries after the crisis

Annual average growth rate in per capita health expenditure, real terms, 2000 to 2011 (or nearest year)

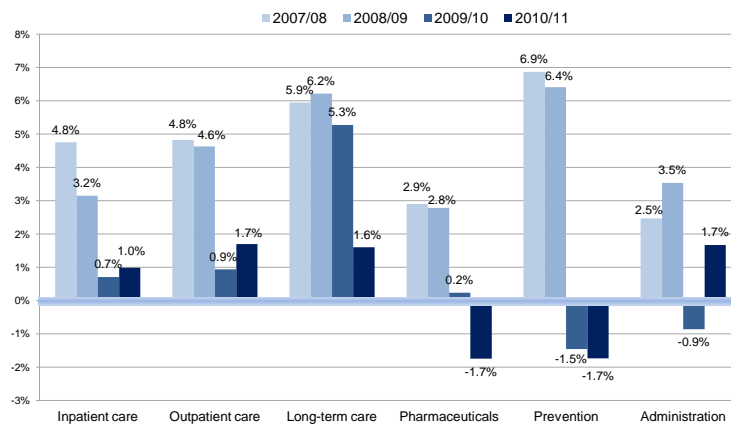


1. CPI used as deflator.
Source: OECD Health Statistics 2013



The crisis has been used to slow growth in desirable areas, but we have fallen short on prevention

Average annual growth rates of spending for selected functions, OECD average, in real terms



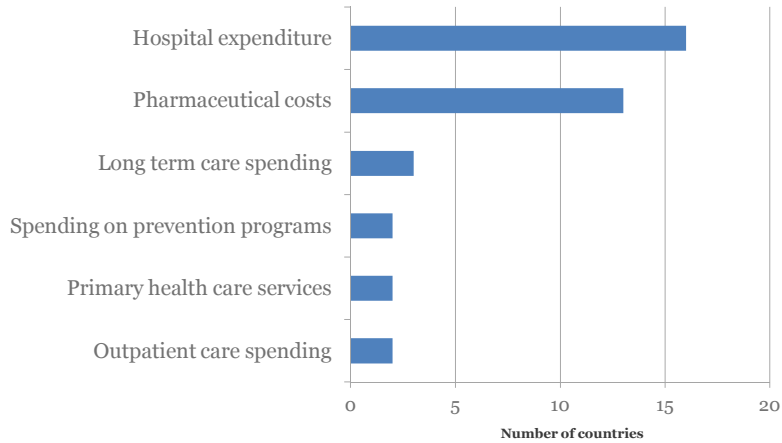
Source: OECD Health Statistics 2013

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The target areas for expenditure control are well known among Finance Ministries

Self-reported priorities for expenditure control, 22 OECD countries

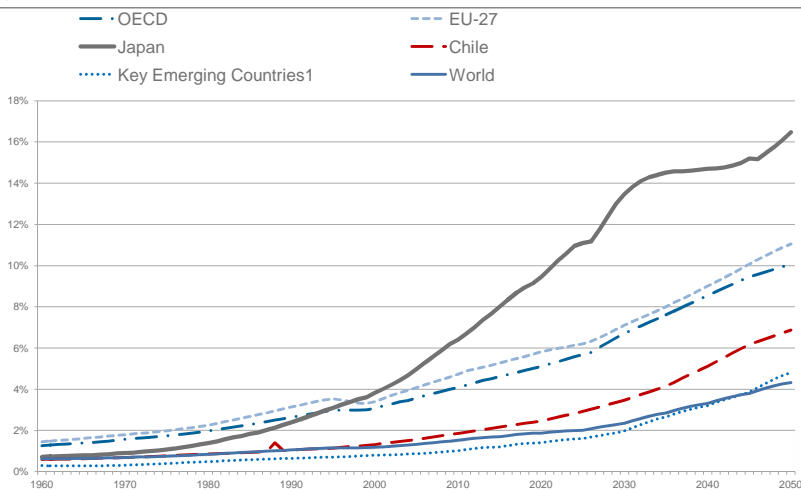


Source: OECD Survey on Budget Practices and Procedures, 2013

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The share of the over 80 years old is tripling

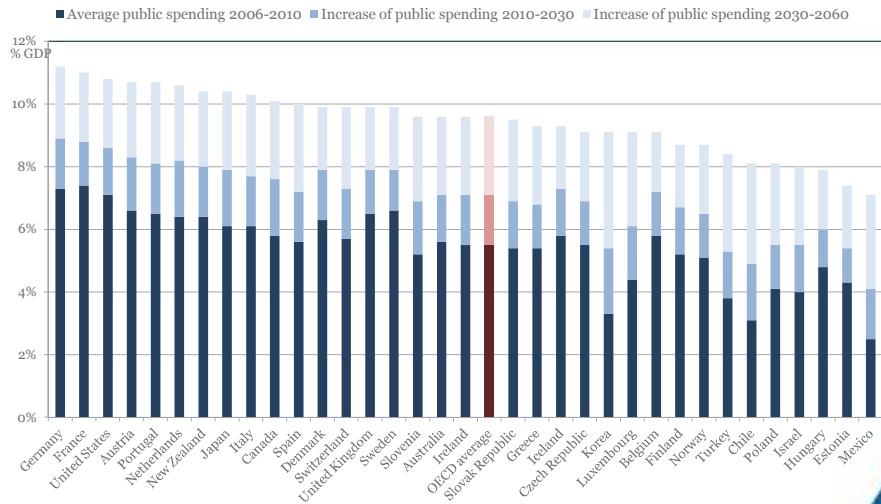


1. Emerging economies include Brazil, China, India, Indonesia and South Africa.
Source: OECD Historical Population Data and Projections Database, 2013.

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Increased health spending will be a major pressure on public budgets across all OECD countries



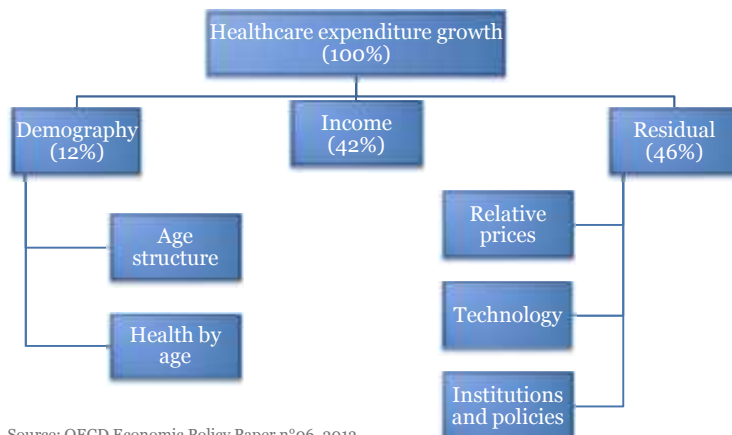
Source: OECD Economic Policy Paper n°06, 2013

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Yet ageing is not the key driver of health spending growth

Drivers of healthcare expenditure growth between 1995 and 2009 in OECD countries



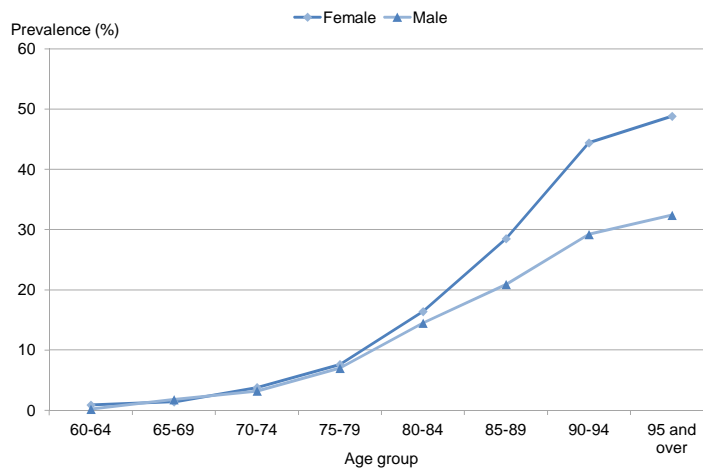
Source: OECD Economic Policy Paper n°06, 2013

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Emerging threats: Dementia



Source: Alzheimer Europe (2009), "Prevalence of Dementia in Europe".



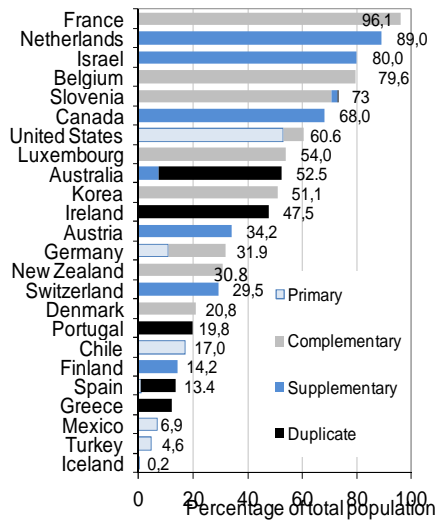
Emerging threats: Multiple chronic conditions

- People with chronic conditions represent 80% of burden of diseases in OECD countries;
- Those with multiple chronic conditions represent over 50% of burden of diseases across countries
- Almost 3 out of 4 of the people over 65 have multiple chronic conditions (e.g., US)

Source: Gerard Anderson presentation to OECD or 50 years OECD conference on meeting the challenge of people with multiple chronic conditions



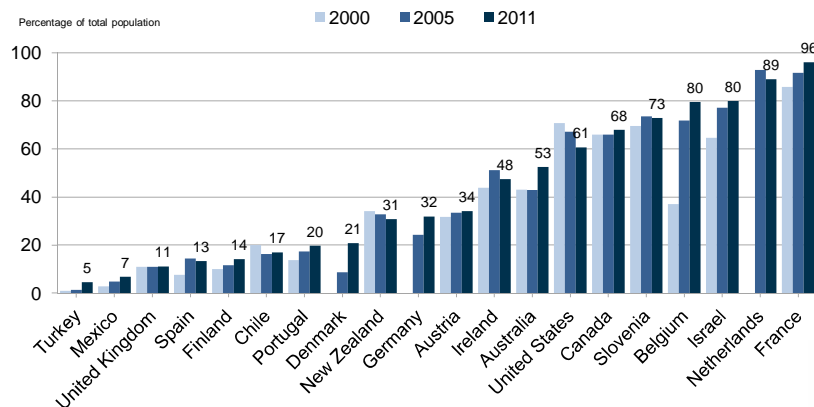
PHI plays an important role in a few countries



Note: Private health insurance can be both complementary and supplementary in Denmark, Korea and New Zealand; and duplicate, complementary and supplementary in Israel.



Coverage by PHI has increased only in a few countries

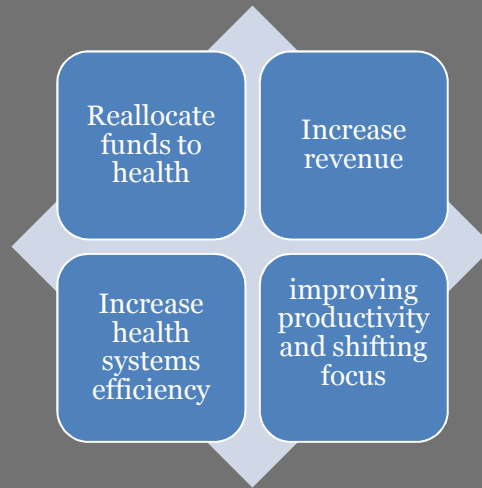


Source: Health at a Glance 2013

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GETTING BETTER VALUE FOR MONEY IN HEALTH:

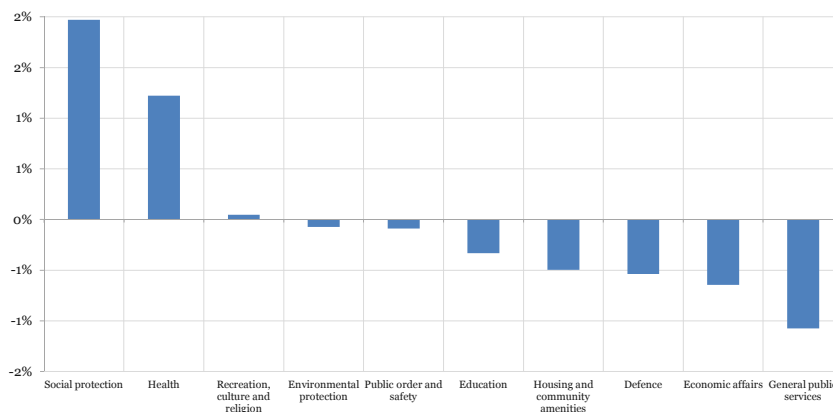


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Governments have already been generous in letting health become a bigger part of budgets

Change in the structure of general government expenditures on average in OECD countries by function (2001 to 2011)



Source: OECD National Accounts Statistics (database). Data for Australia are based on Government Finance Statistics provided by the Australian Bureau of Statistics.

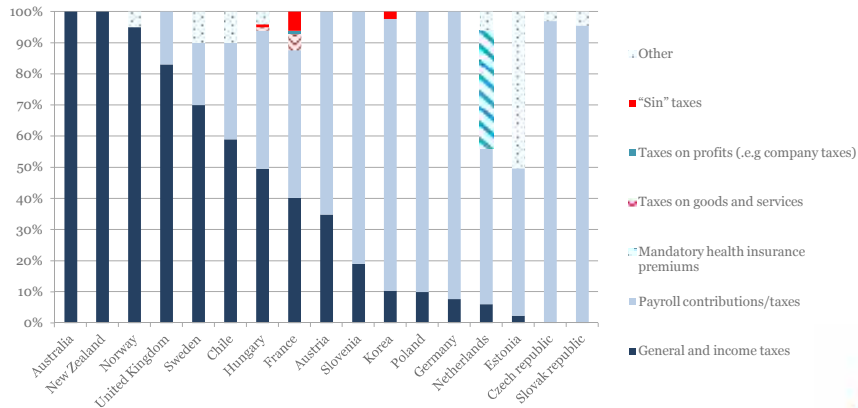
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Ageing may not drive health spending, but it may lead to shortfalls in payroll taxes used to finance health

Average share of different sources of revenues for funding health care expenditure, selected OECD countries

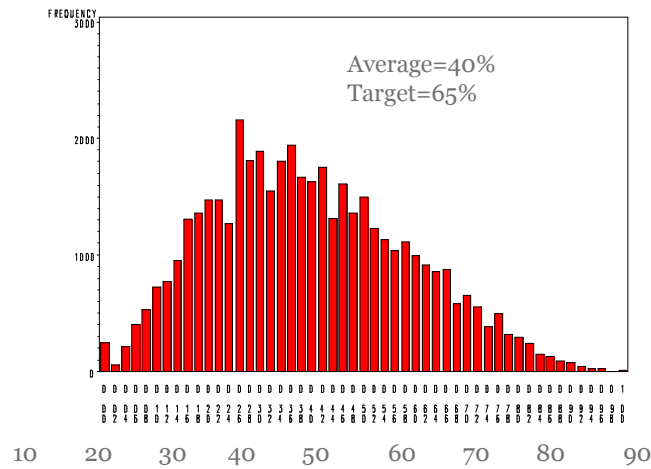


Source: OECD Health Statistics



Worthwhile processes are not being undertaken with consistency

Distribution of French GPs: % of diabetic patients having 3 or more HBA1C tests during the year in the last 12 months (2009)

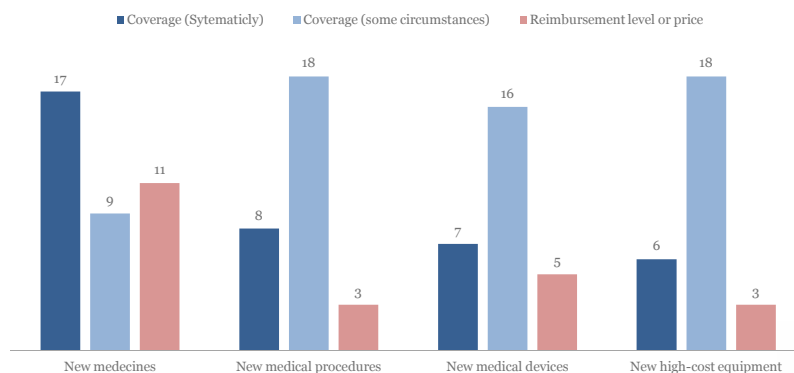


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Increased role for HTA, but this misses most spending

Number of OECD countries using HTA in 2012 to make decisions on:



Source: OECD Health Systems Characteristics survey, 2012



Conclusion

- Health has an important countercyclical role and is an important contributor to economy
- But as health spending continues to grow, it will put pressure on public budgets
- This must be addressed. Options are:
 - More efficiency in health spending
 - Put more money into health
 - Broaden the tax base for funding health care
 - Find a better way to share cost and to define the basket

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Thank you for listening

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