World Health Organization Assesses the World's Health Systems

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The World Health Organization has carried out the first ever analysis of the world's health systems. Using five performance indicators to measure health systems in 191 member states, it finds that France provides the best overall health care followed among major countries by Italy, Spain, Oman, Austria and Japan.

The findings are published today, 21 June, in The World Health Report 2000 – Health systems: Improving performance*.

*Copies of the Report can be ordered from bookorders@who.ch.

The U.S. health system spends a higher portion of its gross domestic product than any other country but ranks 37 out of 191 countries according to its performance, the report finds. The United Kingdom, which spends just six percent of GDP on health services, ranks 18 th . Several small countries – San Marino, Andorra, Malta and Singapore are rated close behind second- placed Italy.

WHO Director-General Dr Gro Harlem Brundtland says: "The main message from this report is that the health and well- being of people around the world depend critically on the performance of the health systems that serve them. Yet there is wide variation in performance, even among countries with similar levels of income and health expenditure. It is essential for decision- makers to understand the underlying reasons so that system performance, and hence the health of populations, can be improved."

Dr Christopher Murray, Director of WHO's Global Programme on Evidence for Health Policy. says: "Although significant progress has been achieved in past decades, virtually all countries are under-utilizing the resources that are available to them. This leads to large numbers of preventable deaths and disabilities; unnecessary suffering, injustice, inequality and denial of an individual's basic rights to health."

The impact of failures in health systems is most severe on the poor everywhere, who are driven deeper into poverty by lack of financial protection against ill- health, the report says.

"The poor are treated with less respect, given less choice of service providers and offered lower-quality amenities," says Dr Brundtland. "In trying to buy health from their own pockets, they pay and become poorer."

The World Health Report says the main failings of many health systems are:

- **Many health ministries focus on the public sector and often disregard the frequently much larger private sector health care.**
- **In many countries, some if not most physicians work simultaneously for the public sector and in private practice. This means the public sector ends up subsidizing unofficial private practice.**
- **Many governments fail to prevent a "black market" in health, where widespread corruption, bribery, "moonlighting" and other illegal practices flourish. The black markets, which themselves are caused by malfunctioning health systems, and low income of health workers, further undermine those systems.**
- **Many health ministries fail to enforce regulations that they themselves have created or are supposed to implement in the public interest.**

Dr Julio Frenk, Executive Director for Evidence and Information for Policy at WHO, says: "By providing a comparative guide to what works and what doesn't work, we can help countries to learn from each other and thereby improve the performance of their health systems."

Dr Philip Musgrove, editor-in-chief of the report, says: "The WHO study finds that it isn't just how much you invest in total, or where you put facilities geographically, that matters. It's the balance among inputs that counts – for example, you have to have the right number of nurses per doctor."

Most of the lowest placed countries are in sub-Saharan Africa where life expectancies are low. HIV and AIDS are major causes of ill-health. Because of the AIDS epidemic, healthy life expectancy for babies born in 2000 in many of these nations has dropped to 40 years or less.

One key recommendation from the report is for countries to extend health insurance to as large a percentage of the population as possible. WHO says that it is better to make "pre-payments" on health care as much as possible, whether in the form of insurance, taxes or social security.

While private health expenses in industrial countries now average only some 25 percent because of universal health coverage (except in the United States, where it is 56%), in India, families typically pay 80 percent of their health care costs as "out-of- pocket" expenses when they receive health care.

"It is especially beneficial to make sure that as large a percentage as possible of the poorest people in each country can get insurance," says Dr Frenk. "Insurance protects people against the catastrophic effects of poor health. What we are seeing is that in many countries, the poor pay a higher percentage of their income on health care than the rich."

"In many countries without a health insurance safety net, many families have to pay more than 100 percent of their income for health care when hit with sudden emergencies. In other words, illness forces them into debt."

In designing the framework for health system performance, WHO broke new methodological ground, employing a technique not previously used for health systems. It compares each country's system to what the experts estimate to be the upper limit of what can be done with the level of resources available in that country. It also measures what each country's system has accomplished in comparison with those of other countries.

WHO's assessment system was based on five indicators: overall level of population health; health inequalities (or disparities) within the population; overall level of health system responsiveness (a combination of patient satisfaction and how well the system acts); distribution of responsiveness within the population (how well people of varying economic status find that they are served by the health system); and the distribution of the health system's financial burden within the population (who pays the costs).

"We have created a new tool to help us measure performance," says Dr Murray. "As we develop it further and strengthen the raw data used for these measures in the years to come, we believe this will be an increasingly useful tool for governments in improving their own health systems."

Other findings in the annual WHO report include:

- **In Europe, health systems in Mediterranean countries such as France, Italy and Spain are rated higher than others in the continent. Norway is the highest Scandinavian nation, at 11th .**
- **Colombia, Chile, Costa Rica and Cuba are rated highest among the Latin American nations – 22nd, 33rd, 36th and 39th in the world, respectively.**
- **Singapore is ranked 6th , the only Asian country apart from Japan in the top 10 countries.**
- **In the Pacific, Australia ranks 32 nd overall, while New Zealand is 41st .**
- **In the Middle East and North Africa, many countries rank highly: Oman is in 8 th place overall, Saudi Arabia is ranked 26th , United Arab Emirates 27th and Morocco, 29th.**

In 1970, Oman's health care system was not performing well. The child mortality rate was high. But major government investments have proved to be successful in improving system performance. "Oman's success shows that tremendous strides can be accomplished in a relatively short period of time," says Dr Murray.

Information in the WHO report also rates countries according to the different components of the performance index.

Responsiveness: The nations with the most responsive health systems are the United States, Switzerland, Luxembourg, Denmark, Germany, Japan, Canada, Norway, Netherlands and Sweden. The reason these are all advanced industrial nations is that a number of the elements of responsiveness depend strongly on the availability of resources. In addition, many of these countries were the first to begin addressing the responsiveness of their health systems to people's needs.

Fairness of financial contribution: When WHO measured the fairness of financial contribution to health systems, countries lined up differently. The measurement is based on the fraction of a household's capacity to spend (income minus food expenditure) that goes on health care (including tax payments, social insurance, private insurance and out of pocket payments). Colombia was the top-rated country in this category, followed by Luxembourg, Belgium, Djibouti, Denmark, Ireland, Germany, Norway, Japan and Finland.

Colombia achieved top rank because someone with a low income might pay the equivalent of one dollar per year for health care, while a high- income individual pays 7.6 dollars.

Countries judged to have the least fair financing of health systems include Sierra Leone, Myanmar, Brazil, China, Viet Nam, Nepal, Russian Federation, Peru and Cambodia.

Brazil, a middle-income nation, ranks low in this table because its people make high out-of-pocket payments for health care. This means a substantial number of households pay a large fraction of their income (after paying for food) on health care. The same explanation applies to the fairness of financing Peru's health system. The reason why the Russian Federation ranks low is most likely related to the impact of the economic crisis in the 1990s. This has severely reduced government spending on health and led to increased out-of-pocket payment.

In North America, Canada rates as the country with the fairest mechanism for health system finance – ranked at 17-19, while the United States is at 54-55. Cuba is the highest among Latin American and Caribbean nations at 23-25.

The report indicates – clearly – the attributes of a good health system in relation to the elements of the performance measure, given below.

Overall Level of Health: A good health system, above all, contributes to good health. To assess overall population health and thus to judge how well the objective of good health is being achieved, WHO has chosen to use the measure of disability- adjusted life expectancy (DALE). This has the advantage of being directly comparable to life expectancy and is readily compared across populations. The report provides estimates for all countries of disability- adjusted life expectancy. DALE is estimated to equal or exceed 70 years in 24 countries, and 60 years in over half the Member States of WHO. At the other extreme are 32 countries where disability- adjusted life expectancy is estimated to be less than 40 years. Many of these are countries characterised by major epidemics of HIV/ AIDS, among other causes.

Distribution of Health in the Populations: It is not sufficient to protect or improve the average health of the population, if - at the same time - inequality worsens or remains high because the gain accrues disproportionately to those already enjoying better health. The health system also has the responsibility to try to reduce inequalities by prioritizing actions to improve the health of the worse-off, wherever these inequalities are caused by conditions amenable to intervention. The objective of good health is really twofold: the best attainable average level – goodness – and the smallest feasible differences among individuals and groups – fairness. A gain in either one of these, with no change in the other, constitutes an improvement.

Responsiveness: Responsiveness includes two major components. These are (a) respect for persons (including dignity, confidentiality and autonomy of individuals and families to decide about their own health); and (b) client orientation (including prompt attention, access to social support networks during care, quality of basic amenities and choice of provider).

Distribution of Financing: There are good and bad ways to raise the resources for a health system, but they are more or less good primarily as they affect how fairly the financial burden is shared. Fair financing, as the name suggests, is only concerned with distribution. It is not related to the total resource bill, nor to how the funds are used. The objectives of the health system do not include any particular level of total spending, either absolutely or relative to income. This is because, at all levels of spending there are other possible uses for the resources devoted to health. The level of funding to allocate to the health system is a social choice – with no correct answer. Nonetheless, the report suggests that countries spending less than around 60 dollars per person per year on health find that their populations are unable to access health services from an adequately performing health system.

In order to reflect these attributes, health systems have to carry out certain functions. They build human resources through investment and training, they deliver services, they finance all these activities. They act as the overall stewards of the resources and powers entrusted to them. In focusing on these few universal functions of health systems, the report provides evidence to assist policy- makers as they make choices to improve health system performance.

The World Health Report 2000 consists of a message from the WHO's Director-General, an overview, six chapters and statistical annexes. The chapter headings are "Why do health systems matter?", "How well do health systems perform?", Health services: well chosen, well organized?", "What resources are needed?", "Who pays for health systems?", and "How is the public interest protected?"