



OECD/World Bank Review of the Turkish Health System, 2008

**Key findings from the
review**

World Bank



Launch Workshop, Ankara,
February 18th, 2009

Overview

- Objectives of the Turkish health system
- Weaknesses before the Health Transformation Programme
- Achievements of the Health Transformation Programme
- Challenges for the future
 - in the near future
 - in the longer term





Main objectives of the Turkish health system similar to those in other OECD nations

- Improving health outcomes
- Improving responsiveness to consumers
- Achieving financial protection
- Improving equity
- Improving efficiency
- Achieving financial sustainability

Tradeoffs between these objectives need to achieve the right balance



Performance of the Turkish health system showed weaknesses before the Health Transformation Program

- Health outcomes improving but they still lagged behind comparable countries
- Many citizens lacked formal health insurance coverage; many with coverage were not satisfied with the quality of public services
- Financial protection good but gaps for the poor and informal sector workers
- Problems with access, particularly in rural areas
- Little focus on efficiency



HTP has made improvements (1)

- Almost certainly improved health status – but health outcomes are still worse than those in other comparable income countries
- Improved satisfaction (from about 40% satisfied in 2003 to 55% in 2005)
- Improved financial protection with enhanced benefits in some of the formal schemes and the introduction of UHI in 2008

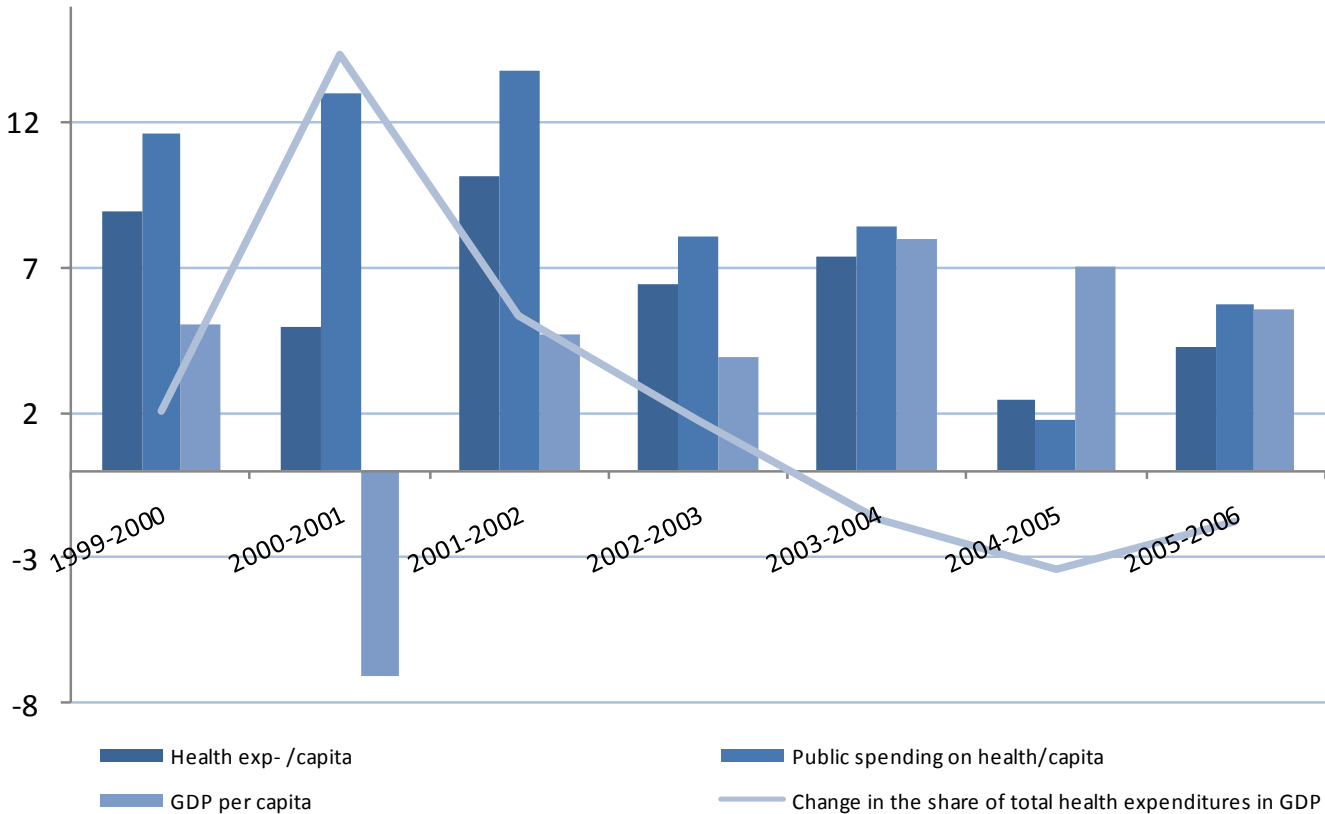


The Health Transformation Program has made improvements (2)

- Geographical equity improved
- **Physician productivity** improved, judging by consultations per doctor and savings in pharmaceutical expenditure
- Despite rapid growth in health spending, system remained affordable, thanks to rapid growth in GDP, 2003-2006.



Public spending on health grew very rapidly between 1999 and 2002 but then more slowly.
 Overall health expenditure remained affordable in the early years of the HTP because of rapid economic growth



Remaining challenges

- Health outcomes in Turkey still lag behind comparable countries
- Although UHI is almost complete, other elements of the HTP, especially on the supply-side are unfinished
- Vulnerable to cost explosions
- *How can Turkey carry on improving access and health outcomes without a cost explosion?*
- *Especially if there are now downturns in the global and Turkish economic growth rates?*



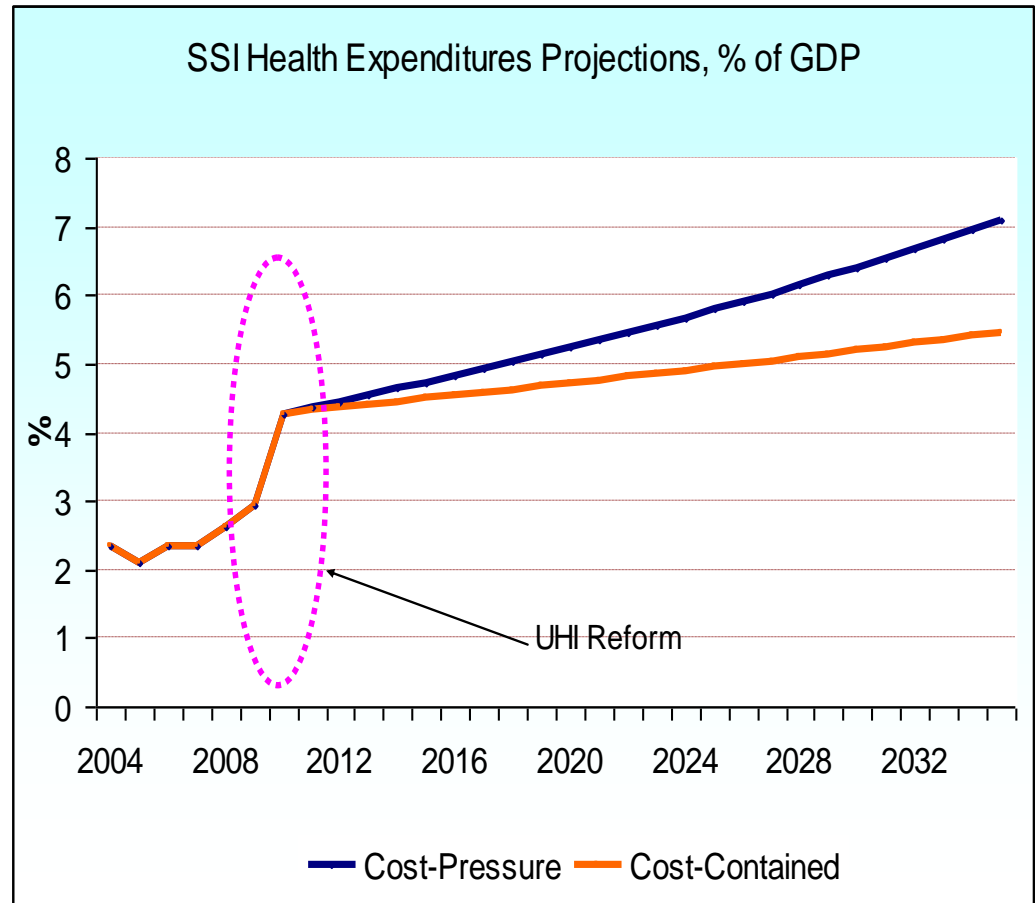
History suggests that new health systems like that in Turkey are potentially vulnerable to cost explosions

- UHI means that financial barriers to patients' demand have been removed
- Technological change means new services will be demanded
- Providers have incentives to increase volume and quality
- *Experience in other countries suggests that public spending on health will grow at an unaffordable rate unless there is cost containment*



Cost-Containment (CC) could make a big difference to the spending burden by 2032

- Public spending on SSI
Without CC , 7% of GDP
With CC , 5% of GDP
- Additional SSI spending
10% of overall government spending
- The health to GDP ratio
without CC, 11%
with CC, 8%.
- The general revenue contribution
now 25% notional share
without CC, 60%
with CC, 39%



How can Turkey achieve cost containment and continue improving access and outcomes?

- Maintain hard caps on total public spending on health by the SSI
- Use co-payments and capacity constraints to support these spending caps
- Restrain the growth of capacity – especially doctor numbers – once an adequate number have been trained
- *To continue improving access and outcomes, efficiency must improve and unit costs should fall.*



How to improve efficiency by completing key elements of the HTP (short term)

- Continue to roll out family practitioners services
- Implement co-payments for visits to hospital OP departments without a referral
- Withdraw GP services in hospitals as FP services become established
- Revise the Performance Management system to reward efficiency and unit cost savings as well as volume and quality
- Complete DRG and Outpatient bundled payment reforms
- Make further savings in pharmaceutical area
- Train more nurses to support FPs



Suggested further measures to meet objectives longer term (1)

- Strengthen public health measures
 - MOH to lead inter-sectoral actions for health (address educational and social determinants of health, safe roads, environmental health)
 - Implementation of a comprehensive program to tackle global risks for non-communicable diseases (tobacco use, obesity, lack of physical activity)



Suggested further measures to meet objectives longer term (2)

- Continue to improve geographical equity
 - set spending targets by region
 - act on capacity to move towards spending targets
- Resume movement towards hospital autonomy
- Build stewardship capacity at the Ministry of Health and provider payment capacity at SSI
- Continue to improve information system

