

# HEALTH SYSTEMS AND THE INFLUENCE OF POLITICAL IDEOLOGIES

**Cristian Silviu BUȘOI, MD**  
Member of The European Parliament,  
Romania

**H**ow much influence do political ideologies have over the organization of health systems?

**H**ow much validity have the general principles of healthcare, regardless of the political ideologies?

**W**hat was the source of inspiration for existing modern health systems in different European countries?

The role of ideologies and public policies regarding the conception and implementation of public policies, in general, and health policies in particular, although not the object of many studies and analysis until now unfortunately, has always been put into the spotlight of public debate whenever Romania had elections, electoral campaigns, or a radical system reform was being proposed. Besides this, at the general level, the discussion has become even more actual also due to the US debates on healthcare reform, during the electoral campaign in 2008 and also during the legislative process in the US Congress.

The roots of current healthcare systems can be traced back to the Middle Age guilds, as back then guild members shared funds for supporting elderly and sick people, and also to the charity organizations constituted alongside churches. But the first modern health care system was created in XX-th century in Germany, by Chancellor Bismarck, with the purpose of providing healthcare services to industrial workers, through a health insurance scheme. In XX-th century England, at the initiative of David Lloyd George, a compulsory insurance system was implemented for miners. In the USA, Henry Kaiser developed the first social health insurance plan, having today a few millions insured people. After the Second World War, the National Health System (NHS) appears in the Great Britain, organized by Lord Beveridge and in the USSR appears the Semashko soviet system, a centralized, state owned system, based on socialist principles.

Do political ideologies exert an influence over the way healthcare systems are organized and function? Some authors call it the 'ideological factor', expressing the

*This article tries to underlay the connection between political ideologies and the health system organization and functioning. There is no ideal pattern and most of the European healthcare systems combine several approaches in their organization and functioning. Although clear evidences cannot be always produced, the conclusion is that the political and ideological factor has its influence over the decision to implement one policy or another. Healthcare systems organization, besides the common principle that is based on certain models, are influenced by ideologies and politics too. One good argument would be the one that in countries with similar geographic location, population or historical tradition, there are differences in healthcare systems organizing and functioning. Within the EU, although we can classify the health systems in accordance with certain factors, and find several similarities, we shall not find two identical systems. All of them have been modeled and influenced by the political parties governing these countries.*

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dominant conception over the role and importance of different actors in the social and economic structure of a state.

These approaches can be classified in three major trends: conservative, liberal and radical.

- ⇒ The *conservative* approach is based on the 'equality in front of the law' principle and implies government involvement only with the purpose of law enforcement. Planning is rejected, the market is free and acts upon demand and supply.
- ⇒ The *liberal* approach is based on the 'equality of chances' principle that cannot be let in the hands of free market. State intervention is accepted, with the purpose of accomplishing improvements in population health status. In practical terms, this principle inspires those states that either adopted a national healthcare system, either a system with state controlled health insurance agencies.
- ⇒ The *radical* approach is based on 'equality of results' principle. State intervention is allowed, no matter how massive it would be. Centralized planning and pulling up all resources by the state are among the characteristics of this approach [1].

Regarding health care system organization, two different models have been imposed at the international level, and they represent the source of inspiration for most European countries.

The first of the two systems is adopted by Great Britain and Sweden, known as the '**Beveridge system**' after its founder and it is a system accessible to everyone, being financed through fees and taxes. The total amount of allowances does not depend on prior salary and healthcare is guaranteed to all without a prior contribution.

System management is carried out by a professional administration, under the control of the Parliament. British model inspired more or less countries such as Italy, Spain, Greece and Portugal.

Second type of system that has been imposed in Germany, but also in Benelux countries, is the **'Bismarck system'**, named after the German Chancellor that created this model. Contributions, established according to work, are managed by independent Insurance Funds chosen by the contributor. The system is not managed by the state, it does not depend on the Parliament, but being ruled by the trade-unionists, who negotiate with the doctors. Healthcare is agreed on a contract basis, signed between medical professions and Health Insurance Funds, the latter representing the interest of the contributors.

Compulsory social health insurance system insures the individual in their quality of members of a socio-professional category.

In the literature, five financing models are described for health services: out of the pocket payment, general taxation, social health insurance, private or voluntary health insurance, donations or community insurance.

Regardless of the system and its philosophy, that a country chooses, there are a few general accepted principles. Medical assistance in case of emergency is considered a fundamental human right, no matter if the person involved is or is not insured or whether he or she can or cannot pay for this service. Healthcare professionals are monopolists on certain domains. Patients have the right to universal and equitable access and to a basic package of healthcare services. Healthcare systems have to respect the macro-economic efficiency principle, as healthcare costs should not override a reasonable percent of the GDP, and the principle of micro-economic efficiency, as the services offered have to produce good results on health at minimum cost. Another general accepted principle is that patients have the right to free choice of provider. Among other principles agreed by the majority of the healthcare systems: the autonomy of the healthcare providers; patients shall not pay medical services too expensive compared to their incomes; state intervention on the medical market and its accountability towards healthcare of its own citizens.

If we look at the EU, we will observe not only quite diverse healthcare systems, but also health systems that combine various approaches: state budget financing, public or private health insurances, co-payment or direct payment of certain services by patients. Financing through general taxation (from the state budget) is practiced by Great Britain, Ireland, Denmark, Sweden, Finland, Spain and Portugal. In Greece and Italy financing is assured by general taxes and health insurances at the same time. In Germany, Belgium, Luxembourg and Austria the health system is mainly financed through social insurance. Public health expenses in France and Netherlands are almost exclusively covered by social health insurance. The French system

affirms the universal access to healthcare, liberal medical professions, free choice of the doctor, social security management being taken over by the social partners. A double monopoly is in power: the one of insurance funds in relation with the insured and the one of the professional trade-unions, exclusively authorized to represent the insured in the insurance fund councils.

Italy is also an original case, as the country adopted in 1978 a national healthcare service organized according to the British model, but still partially financed by the contributors. The development of social protection was made, as in Germany and France, by a plurality of professional regimes.

Beyond the Treat provisions deciding that healthcare services organization is under the authority of EU Member States, the diversity of health systems makes the unitary European health policies very difficult to be accomplished. EU institutions limit themselves to the role of providing recommendations, facilitating benchmarking – exchanging good practices, proposing common strategies on certain areas and guarantee free movement of patients and health professionals within the EU.

When discussing the selection of a healthcare system, we should bear in mind the role of state through its diverse agencies. A totally nationalized system or, at the contrary, a totally privatized one, does not exist. To some authors, there are liberal healthcare systems, national systems and intermediary ones.

The liberal system is specific to the USA, and in a certain measure, to Switzerland. Characteristic for Europe are the national and intermediary systems. For the national systems Great Britain is the typical example and it is characterized by universal access to medical care, an organizational structure controlling the access to specialist, and financing mainly based on state taxes. It also exists a private system, profit oriented, both in insurances as in medical practice. Besides Great Britain, Sweden has a similar system, though in Sweden private is mostly non-profit.

The intermediary system combines certain characteristics from both the other two systems: universal access, pluralist organization of medical system, liberal medical practice, pluralist financing, but mostly based on contributions. Regarding the hospital care, there is a great diversity of public or private sector weight. Thereby, public sector weight varies from a maximum to a minimum (in Europe, Holland - minimum). Private for profit oriented sector may reach the maximum threshold of 26% in France. 63% of hospital beds in French system, belong to the public sector, the rest of 37% belonging to private sector. French ambulatory services are provided by doctors working in private consulting rooms.

Taxes directly paid by citizens in intermediary systems are inferior to those in liberal systems and superior to those in nationalized systems. Contributions vary between 60% in Germany and 74% in France.

In 2006, a group of American researchers led by prof. V. Navaro, have published an analysis through which they searched for the connection between politics and policies, and then, their connection to healthcare systems in Europe and North America, between 1950-2000. The conclusion was that countries governed by political parties of egalitarian views have the tendency to implement redistributive policies [2].

The four political traditions were defined as: social democratic, Christian-democratic (conservative), liberal, conservative-authoritarian (dictatorships). Thereby, countries governed by social-democratic parties during most of the studied period, such as Sweden (45 years), Norway (39 years), Denmark (35 years), Finland (32 years) and Austria (31 years) implemented policies favorable to redistribution, universal health coverage and social benefits for all the citizens, family oriented services such as homecare or child care, with a social expenditure of almost 30% of GDP and a public funds health budget of 7,2% of GDP. Likewise, there were introduced supporting policies for women health and welfare, such as unemployment compensation benefits for single mothers.

Countries governed by Christian-democratic parties, such as Italy and Holland (41 years each), West Germany (37 years), Belgium (35 years), France (29 years), were supporting less redistributive policies. Although these countries also promoted health policies with universal coverage, they did not implement family support policies such as homecare or children care. Public expenditure were noticeably lower, with an average social expenditure of 28% of GDP and 6,4% of GDP for public health expenditures.

Countries mostly governed by liberal or conservative liberal parties – Great Britain (36 years), Ireland (35 years), Canada (31 years), USA (28 years), did not promote universal social services, except for universal healthcare, which was promoted in all the above countries except for US, with a public expenditure of 24% of GDP for social services and of 5,8% of GDP for health.

Countries led by dictatorships, such as Spain (25 years), Portugal (24 years), or by authoritative regimes – Greece (9 years), had an underdeveloped welfare state, with weak public transfers and poor public services. Average public expenditures were 14% of GDP, with 4,8% of GDP for health.

Regarding the direct connection between policies and health indicators, 'it has been observed that redistributive policies seem to account for infantile mortality rate reduction and, in a lesser degree, for life expectancy increase' [2]. We should note that a connection between politics, policies and healthcare systems can only be taken into consideration if the analysis refers to a long, cumulative period of political parties' governance. Another conclusion was that the connection between ideologies and public policies implementation is a complex one, much more so as, it has been observed during last 30 years, that many of those countries governed by social-democratic parties inclined

to implement neo-liberal policies.

Another study, cited by S. Prinja, tried to elucidate the role of ideas and ideologies in modeling healthcare evidences [3]. Holland was the country where one third of the deliveries were taking place at home, and where the insurance system encouraged pregnant women to give birth at home. At the same time, two major thinking currents were debating about which system was more efficient - home birth system or institutionalized delivery system. While the scientific community that supported home birth claimed that perinatal mortality in the hospital and at home, decreased between 1953 and 1970, to half in the first case and to one third in the second case, pleading for home birth as a safe method, supporters of hospital delivery concluded in a study produced in about the same period, that the regions with the highest hospital births rates registered the lowest incidence of perinatal deaths. Using these retrospective studies, supporters of home delivery concluded that in their case, perinatal survival is better than in institutionalized case of delivery. These studies were used by the Dutch government to support and promote home deliveries. The coalition against home delivery considered these data as irrelevant and chose another indicator, the heart blood ph, showing that the acidosis leads to neurological complications in children. Although they produced some evidences against home deliveries, they couldn't change governmental policies. The above study showed the role of ideas in research formulating, conducting and interpreting. The article author's conclusion was that ideas determine the framework in which someone perceives a certain problem, and that the solutions that fit that framework have bigger chances to be accepted.

However not always clear evidences can be produced, the conclusion would be that the political and ideological factor has its influence over the decision to implement one public policy or another. Healthcare systems organizing, besides the common principles that we find in all system models, are, them too, influenced by ideologies and politics. A good argument would be the one that in similar countries as geographic location, population or historical tradition, there are differences in healthcare systems organization and functioning. Within the EU, although we can classify the health systems in accordance with certain factors and we can find several analogies, we shall not find two identical systems. All of them have been modeled and influenced by the political parties that governed these countries.

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