The policy question: Why do costs of health services differ among EU countries at the micro level?

Our research questions: What is a "health service"? How much do prices/reimbursement rates really differ? Are differences explained by systematic factors (e.g. capital), differences in service intensity or costs per service?
Overall Objectives (1)

- To collect and describe how different countries define the services provided within the system (and what services are covered);
- To explore the possibilities of building a European taxonomy of benefits, based on that analysis combined with relevant existing classifications, to enable a common language for cost comparisons (Phase 1);
Overall Objectives (2)

- To review methodologies used to assess costs and prices of individual services across EU Member States;
- To identify ‘best practice’ in the analysis of costs at the micro-level with the scope of international comparability (Phase 2);
- To assess costs variations within and between Member States using a selection of both in-patient and out-patient services (Phase 3).

Definition of basket/criteria used

1. Overview on benefit basket in country
   1. On which level are entitlements to which service groups of health services/goods regulated? Constitution? Law? Governmental decree? Health services administration order? Bi-/tri-lateral negotiations? Contracts?
   2. For how many different sectors of health care (and/or how many regions and/or how many statutory schemes) exist different regulatory regimes? How many different catalogues exist?
   3. Which is the role of the central government in cases of delegation/devolution to local and/or self-regulating actors (e.g. whether pure supervision of process, formal approval of result, or need to transform into governmental decree or similar)?
   4. Which types of benefit categories are excluded (esp. around the edges, e.g. physiotherapy, psychotherapy, dental care, rehabilitation)?
II. Definitions of entitlements and benefits by sector

1. Who are the actors responsible for defining benefits for this sector and what is their respective role?

2. Are the benefits defined explicitly (i.e. existing in a written form), implicitly (i.e. based on tradition) or as mixture of both? Is the definition of benefits specific or rather vague? Are they defined in a positive or negative way (i.e. listing the included or excluded services)? Are the included benefits simple enumerations of procedures or goods or are they linked to patients’ conditions/indications?

3. How are benefits classified, i.e. itemised by service delivered or individual good (e.g. for pharmaceuticals), case-based per time-period (“all necessary services”, e.g. in primary care), case-based per diagnosis etc., per provider per time period?

4. Are positive or negative, implicit or explicit definitions uniform for all payers? If not, is there a certain core uniform for all payers? How and by whom is that defined? If benefit catalogues vary, what are the deciding entities (e.g. insurance scheme, sickness funds within one scheme, regional/local health authorities) and how many of them are there?
### Example: Italian NHS basic package

A first national “list” identifies of the main areas of service to be guaranteed by the NHS (LEAs Essential Levels of care)

1. Public health services
2. Community care
3. Hospital care

It is not a precise list. What is included in subject to interpretation according to several laws (summarised in an Annex).

#### 1. Public health services
- prophylaxis against infectious diseases
- Public health protection of risks associated with environmental pollution
- public veterinary services
- healthy food surveillance
- prevention services for individuals: obligatory and recommended vaccination; early diagnosis programs
- legal medical services

#### 2. Community care
- primary health care services (ambulatory and domiciliary)
- emergency care
- pharmaceutical services delivered by pharmacies: provision of medicines and Galenical preparations (fully and partially reimbursable); supply of innovative pharmaceuticals
- supplementary services: supply of dietary products to special patient categories
- specialized ambulatory services: treatment, rehabilitation, diagnostic services
- prosthesis services to disabled
- ambulatory and domiciliary community care: ADI (supplementary domiciliary care); health and social services for safeguarding of maternity, responsible reproduction and abortion; health and social services for psychiatric patients and their families; disabled; alcohol and drug addicts; terminally-ill and HIV patients
- residential and semi-residential community care: health and social services for not self-sufficient elderly; rehabilitation services for drug and alcohol addicts, psychiatric patients, disabled, terminally-ill and HIV patients
- thermal treatment for certain pathologies

#### 3. Hospital care
- emergency services
- ordinary recovery
- day hospital
- day surgery
- hospital domiciliary services (based on regional organizational arrangements)
- rehabilitation
- long term recovery
- collection, elaboration, control and distribution of blood components; transfusion services

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http://mig.tu-berlin.de
A second national list identifies services partially covered by the NHS (services are only available for specified clinical conditions)

- Dental Services
- Bone densitometry
- Physical therapy and ambulatory rehabilitation services
- Refractory laser therapy

A third national list identifies services which are excluded by NHS coverage

- Plastic surgery not following accidents, diseases or genetic malformations
- Ritual male circumcision
- Non conventional medicine (acupuncture, phyto-therapy, ayurvedic medicine, homeopathy, chiropractic care, osteopathy and all other non conventional care not specified above)
- Non obligatory vaccination for traveling purposes
- Medical certificates (except for scholars)
- Some rehabilitation/ physical therapy services

A fourth list of “DRGs” deemed at risk of inappropriateness for which regions were recommended to act (reducing rates of admission, potentiating day hospital and ambulatory care)

In addition:

1. Detailed positive list for pharmaceuticals
2. The fee-schedule for specialist outpatient services (dated 1996 with about 2000 items);
3. The DRG system (with specific DRG values for ordinary admissions, one day admissions, day hospital and days above threshold)
Benefit baskets: findings

- Country approaches to benefit definition vary greatly
- No country has one uniform catalogue; it’s rather a mixture of differently defined lists (entitlements, payment, guidelines …)
- Only small variation of provided benefits by categories between countries – most countries exclude similar benefits: cosmetic surgery, vaccination for travelling purposes) and certain non-conventional treatments (e.g. acupuncture) – but regional variation within countries

- France and Poland have defined explicit inpatient benefit catalogues, listing detailed procedures; in other countries DRGs - and other grouping-systems (e.g. HRGs in UK) - serve as implicit tool for defining maximum resource consumption
- Regional variations of explicitness in Italy and Spain; e.g. Italian region of Lombardy added three new DRGs to its system in order to specifically consider the use of drug eluting stents (DES) and to encourage its utilisation
- Decision criteria for the inclusion of benefits are in most cases officially announced, but seldom applied; in reality inclusion decisions are rather guided by lobbyism of actors
Taxonomy

theoretical study of classification, including its basic principles, procedures, and rules – “the science of classification”

Diseases: ICD;
Functional impairments: ICF;
Health care providers: System of Health Accounts; Health services and goods: ???

Functional Classification

HC.1 Services of curative care
   HC.1.1 In-patient curative care
   HC.1.2 Day cases of curative care
   HC.1.3 Out-patient care
   HC.1.3.1 Basic medical and diagnostic services
   HC.1.3.2 Out-patient dental care
   HC.1.3.3 All other specialised health care
   HC.1.3.9 All other out-patient curative care
   HC.1.4 Services of curative home care

HC.2 Services of rehabilitative care
   HC.2.1 In-patient rehabilitative care
   HC.2.2 Day cases of rehabilitative care
   HC.2.3 Out-patient rehabilitative care
   HC.2.4 Services of rehabilitative home care

HC.3 Services of long-term nursing care
   HC.3.1 In-patient long-term nursing care
   HC.3.2 Day cases of long-term nursing care
   HC.3.3 Long-term nursing care: home care

HC.4 Ancillary services to health care
   HC.4.1 Clinical laboratory
   HC.4.2 Diagnostic imaging
   HC.4.3 Patient transport and emergency rescue
   HC.4.9 All other miscellaneous services

HC.5 Medical goods dispensed to out-patients
   HC.5.1 Pharmaceuticals and other medical non-durables
   HC.5.1.1 Prescribed medicines
   HC.5.1.2 Over-the-counter medicines
   HC.5.2 Therapeutic appliances and other medical durables
   HC.5.2.1 Glasses and vision products
   HC.5.2.2 Orthopaedic appliances and other prosthetics
   HC.5.2.3 Hearing aids
   HC.5.2.4 Medico-technical devices, incl. wheelchairs
   HC.5.2.9 All other miscellaneous medical durables

HC.6 Prevention and public health services
   HC.6.1 Maternal and child health; family planning …
   HC.6.2 School health services
   HC.6.3 Prevention of communicable diseases
   HC.6.4 Prevention of non-communicable diseases
   HC.6.5 Occupational health care
   HC.6.9 All other miscellaneous public health services
Figure 1: Taxonomy of the Royal Decree. 63/1995

Royal Decree 63/1995

1. Primary health care
2. Specialised attention
3. Pharmaceutical services
4. Complementary Services
5. Health information and documentation services

Source: Own elaboration.

Figure 2: Taxonomy of LAW 16/2003

Law 16/2003

1. Public health care
2. Primary health care
3. Specialised health care
4. Long term care

Source: Own elaboration.
Taxonomy: findings

- Taxonomy differs largely from country to country – even if most tend to sort ambulatory care by physician specialty and inpatient care by diagnosis and procedure (DRGs/HRGs/DBCs …)

- Conclusion: a uniform taxonomy („European Classification of Health Services“) is urgently needed for both practical and scientific purposes.

More information:

[www.healthbasket.org](http://www.healthbasket.org)

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