

## Volume 12, Issue 4 /2010 - Roadmap to Top Quality

### Quality Of Healthcare: Health Economics Versus Health Politics

---

Dr. Cerniauskas' presentation focused on how both economics and politics are important in regards to quality of healthcare. Although healthcare professionals, politicians and economists may not see eye-to-eye they are all implicated in the quality of care.

While quality of healthcare and quality related issues have, for a long time, been almost exclusively in the domain of medical professionals, politicians and economists also have important roles to play. Starting from the fall of the nineteenth century politicians stepped in for reasons of social stability (Bismarck), grip on power (Semasho), equity and solidarity (Beveridge). In parallel to the health sector becoming the major sector of the economy, economist followed politicians bringing their concepts of marginal costs and utility as well as the principles such as Pareto optimality.

For economists, although health care is one of the largest sectors in the EU, the healthcare market is not perfect. Consumers are not rational (risky lifestyles etc), there is an induced demand, some goods and services are public and there are many monopolies such as global patented drugs, regional natural monopolies in healthcare services etc. In turn, public politics have to correct these market failures. Risky lifestyles are combated by legal prohibition of certain behaviour and induced demand can be corrected through limited marketing, making GPs gatekeepers and the health education of the general public.

For Dr. Cerniauskas quality of care has multiple dimensions including access, safety, equity, appropriateness and health improvement. Optimal quality in healthcare is different for all three groups. For economists optimal quality is about achieving highest possible utility, but politics is a show. Politicians have tools to cope with long term problems by using recourses pooled by tax offices to support fundamental science, medical universities, help the poor and the elderly. But they also have to face the political cycle; to withstand pressures put forth by the medical profession, the industry, and patients on the topic of temptation to use public recourses above the sustainable levels and to resolve "emergencies" created by mass media.

Medical professionals are against this show (at least because of the principal "you should not harm the patient"). Economists are also against such short-term policies (they prefer "boring" equilibrium and incremental changes to "bright" new ideas about radical reforms or "miracles" created by the welfare state) and both groups of professionals are critical about politicians and this sceptical approach creates a rational framework for political show.

Doctors and economists, while usually suspicious of each other, sometimes (e.g. medical technology assessment or evidence based medicine) need mutual exchange of professional expertise.

To illustrate the interaction of these three professional groups Dr. Cerniauskas used a Lithuanian public health example concerning road deaths. The country had a very high rate of road deaths and casualties so the government invested in highways and speed controls. This however resulted in no change. The trigger for decisive action came when a drunk police officer killed three children. The public demanded action and this incident ensured that it happened. Now future drivers receive more training and following passing their test they have two years probation. There are also intensive public awareness campaigns. Now we can see a huge decline in road deaths dropping from 899 deaths in 2006 to 452 in 2009. A similar decrease can be seen with injuries. The outcome: positive health results, positive political results (more public trust of government) and positive economic results (one life year saved 5000 euro).

Published on : Mon, 15 Nov 2010