POLICY OUTLOOK

TRT WORLD research centre

Under the Weather: Healthcare Systems in an Age of Pandemics

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This policy outlook comparatively explores the situation of the healthcare systems belonging to four countries deeply affected by the covid-19 pandemic, namely the United States (US), France, Italy and Spain. After a country analysis, specific metrics are examined to display the variances between these countries. Finally, a brief projection of potential future scenarios is provided.

Covid-19 has had a colossal impact on the world. Beyond the public health war waged by governments, economic contagion has likewise emerged as a significant issue. Indeed, a virus ten-thousandth of a millimetre has ravaged health systems and brought the world to a standstill. A strain of coronavirus, covid-19 is an infectious respiratory disease that has spread all over the world, sickening over 1.2 million people in 183 countries. The World Health Organisation (WHO) labelled it a 'pandemic' on 11 March; healthcare systems on the frontlines of this crisis have consequently been overloaded and are under threat of collapse.

This policy outlook comparatively explores the situation of the healthcare systems belonging to four countries deeply affected by the covid-19 pandemic, namely the United States (US), France, Italy and Spain. After a country analysis, specific metrics are examined to display the variances between these countries. Finally, a brief projection of potential future scenarios is provided.

Root Causes

The Coronavirus pandemic and its effects are ravaging countries across the globe, pushing healthcare systems to their limits. States, which were believed to have some of the best medical infrastructure in the world, have seen their capacities stretched and their vulnerabilities exposed. News media continue to reveal the shocking situation in various Western countries, whereby hospitals lack personal protection equipment, medical supplies and respirators but also funding and qualified personnel to handle a pandemic of such a scale.

In a recently published co-authored paper, global systemic causes were explored in order to better understand the present situation. Neoliberal ideas adopted by governments around the world, in particular, with their concomitant austerity measures were identified as one of the key culprits. Neoliberalism as an ideology, which was embraced and marketed around the world by wealthy elites, informed much of the logic that led to cuts in the budgets of public health institutions until the latter reached an impasse. Neoliberalism is an ideology that values economic growth and corporate profits above any criteria of fairness, equitability, compassion, or sustainability. According to Professor Mickey Eliason, neoliberalism "involves an erosion of government regulation and funding of health and human services and replaces government funding and oversight with a private market economy. This for-profit orientation shifts the system from an emphasis on human rights and quality to one of cost-savings and efficiency and makes all variety of health services into goods for sale." By turning health care into a for-profit business and patients into clients, the less favoured segments of the population were deprived of their access to health services. As Professor Sue McGregor explains, "health care policy is comprised of government decisions affecting cost, delivery, quality, accessibility and evaluation of programmes, traditionally funded through taxation, designed to enhance the physical wellbeing of all members of the population, with special focus on children, elders [...] and women. The health status of a nation can be a reflection of the health care policy in place."

During the present covid-19 pandemic, numerous reports have been related about medical staff having to take life-and-death decisions. They have been put in situations where they have to decide rapidly about who lives and who dies. They have to choose who will have access to care, under what scope of service, and under which quality of care. These quick decisions in life-threatening situations are putting many people's lives at risk. Things could have been entirely different had governments not decided to jeopardize public health under the mantra of the free market and privatisation. This situation prompted Academic Noam Chomsky to declare: "Why is there a coronavirus crisis? It's a colossal market failure. It goes right back to the essence of markets exacerbated by the savage neoliberal intensification of deep social-economic problems."

Over the past decades, several authors have tried to warn the general public about the clear and present danger that neoliberalism represents to public health. There is a vast body of literature that discusses this issue, including books such as The Deadly Ideas of Neoliberalism, Dying for Growth, Sickness and Wealth, Infections and Inequalities, Pathologies of Power, Blind Spot, The Body Economic: Why Austerity Kills, and Global Health, Human Rights and the Challenge of Neoliberal Policies. However, the problem with neoliberal policies is that they were not only based upon a hegemonic discourse emanating from the upper echelons in Washington D.C. and other key Western capitals, but they also relied on key international institutions such as the World Bank, the International Monetary Fund, and other prominent United Nations agencies to push these agendas forcefully all around the world, most notably via structural adjustment programs.

In Western countries, the complete forfeiting of public health systems did not take place due to the strong resistance of vocal components within the civil society. However, neoliberal lobbies still endeavoured to take control of this infrastructure gradually. Such a strategy is explained at length in the book titled *Health Care Under the Knife*, whose authors describe the four axes of health system under neoliberalism, which include a step-by-step approach: 1) health system austerity, 2) a retreat from universalism, 3) a rise in cost-sharing, then 4) health system privatization.

Under this light, this present study aims to compare and contrast health coverage and quality health care among four Western nations, thus exploring where gains have occurred or progress has faltered across these countries. To avoid providing skewed analysis based on conflicting information, this document relies primarily upon OECD data.

Country Analysis

USA

The US has the most covid-19 cases in the world by far. Its healthcare system is funded through a mixture of the public and private sectors. There is no universal healthcare, therefore this system relies on for-profit private businesses significantly more than other industrialised countries. In fact, healthcare facilities are mostly owned and operated by private businesses. The government funds Medicare for senior citizens over 65 years-of-age; Medicaid for some low-income citizens; the Children's Health Insurance Program; and the Veterans Health Administration. This hybrid system entails that most people get their insurance through their employers, which can be insufficient and is one of the main reasons medical bills are the leading cause of bankruptcy in the United States. High costs or time off of work can be devastating – as seen during this pandemic with the resulting unprecedented unemployment claims – and the lack of universal healthcare is seriously consequential in this regard. In 2018, it was estimated that 30.4 million people were uninsured, and a December 2019 Gallup poll found that "25% of Americans say they or a family member have delayed medical treatment for a serious illness due to the costs of care."

France

France has the fifth most covid-19 cases in the world. France, contrary to the US, offers universal coverage to all its residents. Obligatory health insurance contributions fund this highly accessible system, while private options remain available for supplementary coverage. Unemployed people are covered, as are foreigners and ex-pats if they had lived in France for longer than three months. It is generally affordable due to government-set caps and fees, but people do pay high taxes to maintain this universal system. The Ministry of Social Affairs, Health, and Women's Rights organises this system and is responsible for administering healthcare services. The central government's responsibilities include "allocating budgeted expenditures among different sectors," and the ministry "is represented in the regions by the regional health agencies, which are responsible for population health and health care." This pandemic has shown both the benefits and shortcomings of its centralised system. The former include how centralisation facilitates a coordinated response, and the latter includes poor strategic decisions, such as reducing its national medical mask stockpile from 1.2 billion in 2012 to 140 million in 2020, and the fact that centralisation can "hinder local initiative."

Italy

Italy has been hit hard by the covid-19 pandemic; it currently has the fourth most cases in the world and the highest number of deaths. Its rate of cases initially far outpaced its neighbours, and other countries have analysed its response for lessons. Italy's healthcare system offers universal coverage to all citizens and foreign residents, and it is the central government that collects and allocates tax revenue to fund the system. Some services require a small co-payment, such as for procedures or specialist visits. Voluntary, private health insurance options are available, but they are not widely used and remain supplementary to cover aspects not covered by the state. Health services are delivered by the 19 regions and two autonomous provinces, and they have autonomy in terms of the overall structure of their systems, which limits robust national coordination. Inequity between regions is a concern and, as regions are allowed to generate extra revenue, not all state hospitals are similarly equipped. Indeed, the overwhelming demand created by covid-19 has shown shortcomings in Italy's healthcare system as "in the most affected regions, the National Healthcare Service is close to collapse—the results of years of fragmentation and decades of budget cuts, privatisation, and deprivation of human and technical resources."

Healthcare workers are seen at the IFEMA Convention and Exhibition Center which has been turned into a temporary hospital with a capacity of 5,500 beds due to the Coronavirus outbreak in Madrid, Spain. (Government of the Community of Madrid / Handout - Anadolu Agency)

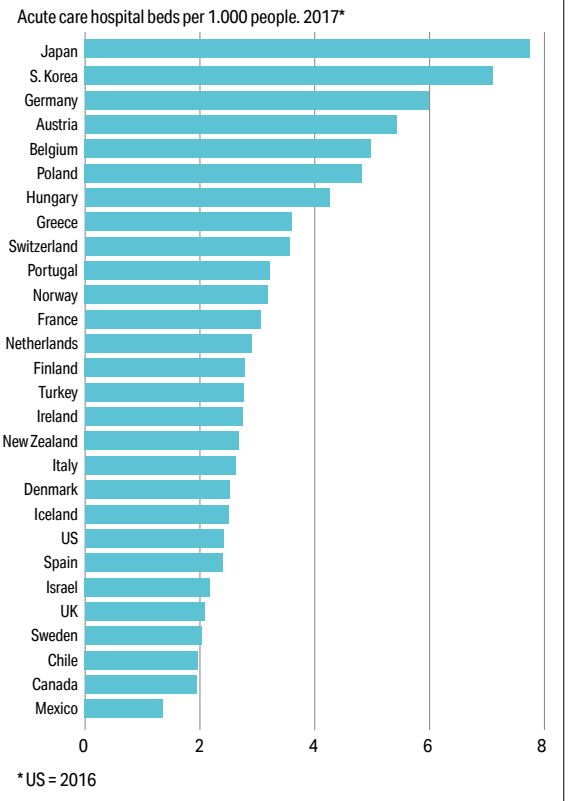
Spain

Spain has the second most covid-19 cases in the world and the pressure on its healthcare system has been significant. It has universal healthcare for all residents and the provision of services is decentralised, giving regions control. It is essentially free with small co-payments for specific services. People can use optional, supplementary private insurance to access more types of treatments – an estimated "18% of the population has a private healthcare plan". The current system has three levels: Central, which is where tax revenue is organised and includes the Ministry of Health that oversees factors like long-term strategy and national coordination; Autonomous Community, where there are 17 in Spain responsible for regional health services; and Local, where a more local perspective is used to manage the provided health services. One of the downsides of this system is that there is limited coordination between Autonomous Communities. Indeed, the pandemic has caused this dynamic to come to the forefront, as well as years of considerable national underinvestment which has impaired the resilience of health systems "by depleting their ability to respond to surges in need for health care with sufficient health professionals, intensive care unit beds, protective equipment, diagnostic test kits, and mechanical ventilators."

Comparative Analysis

The following graphs compare the healthcare systems of the aforementioned countries via various relevant metrics.

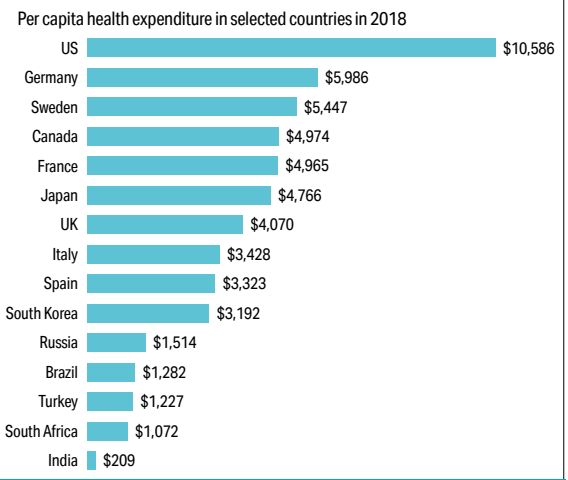
Acute Care Beds



Source: OECD

This graph shows the number of acute care hospital beds per 1,000 people in different countries. France has **3.1**, Italy has **2.6**, and the US and Spain have **2.4**. As this graph exhibits, some countries are better equipped than others concerning bed capacity and surges in demand.

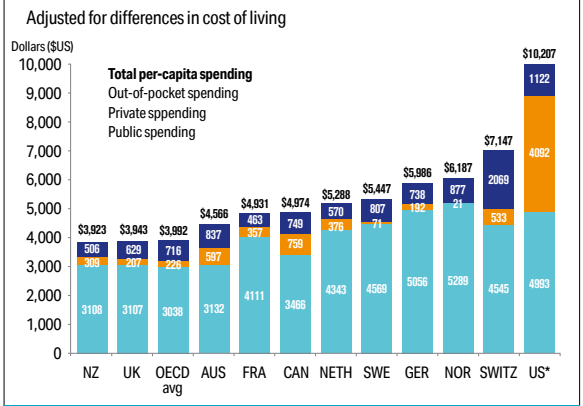
Health Expenditure per capita



Source: OECD

This graph exhibits the stark difference in efficiency between the healthcare system in the US and other developed countries. Expenditure per capital in the US is nearly double that of Germany. This is while providing no universal coverage and having millions of people uninsured. Per capita, the US spends **$10,586**, France spends **$4,965**, Italy spends **$3,428**, and Spain spends **$3,323**.

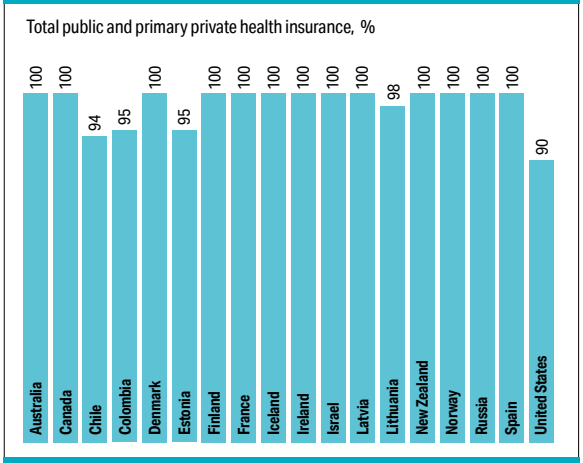
Source of Funding per capita



Source: OECD

This graph dovetails with the above, as it displays the onus placed on the input of private businesses to respective healthcare systems. The US has by far the highest figure at **$4,092**, with other OECD countries having significantly lower private expenditures due to the existence of taxpayer-funded universal coverage.

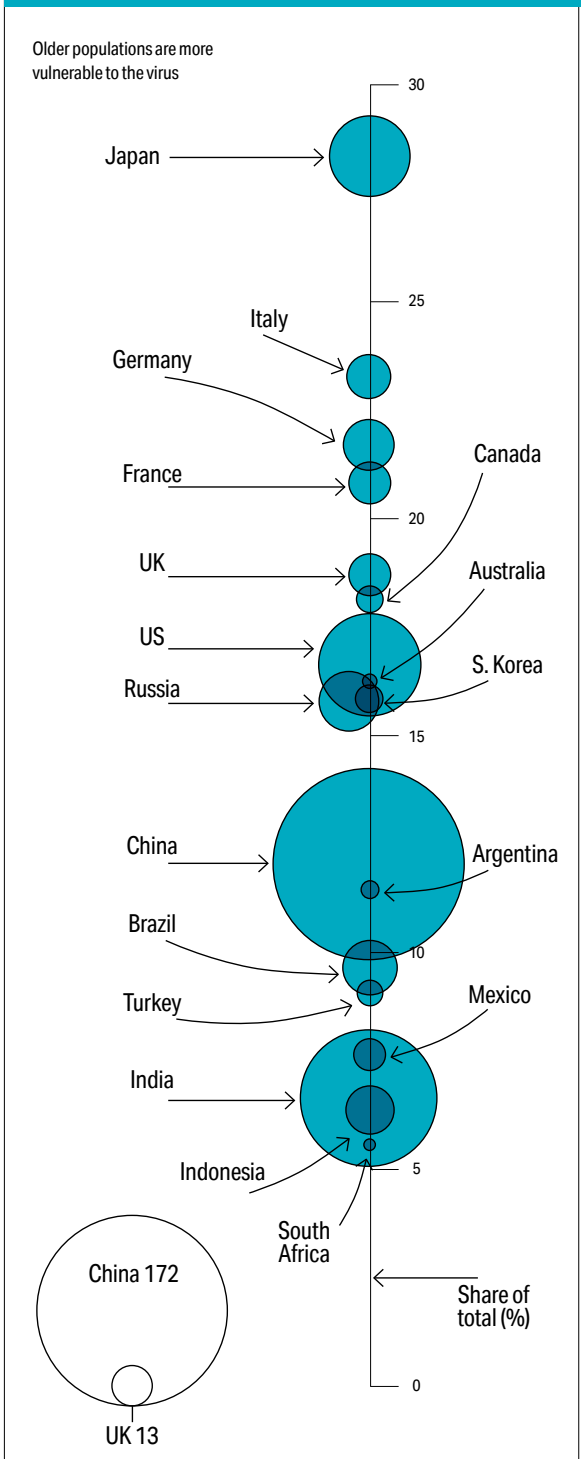
Health Insurance Coverage *(OECD, 2016)*



Source: OECD

This graph that shows that many people remain uninsured in the US healthcare system due to a lack of universal coverage. With **10%** of its population uninsured, many people are forced to delay important medical claims. Moreover, as coverage tends to be tied to employment, in a pandemic situation like we are seeing today, losing a job means losing healthcare too. This is not the case in most other industrialised countries.

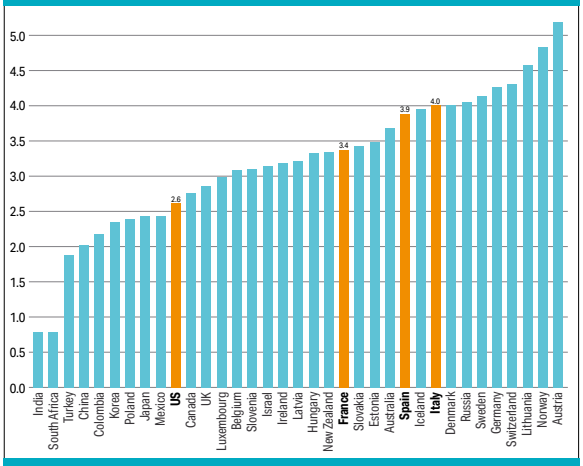
Rate of population that is 65+ years old



Source: OECD

The covid-19 pandemic has disproportionately affected senior citizens. Some countries have a larger population over 65 years old, such as Italy with **23%** of its total population. France and Spain have slightly smaller percentages of senior citizens at **20.4%** and **19.6%** respectively. The share in the US is **16.2%**, however, due to its much larger population base, there are more senior citizens overall.

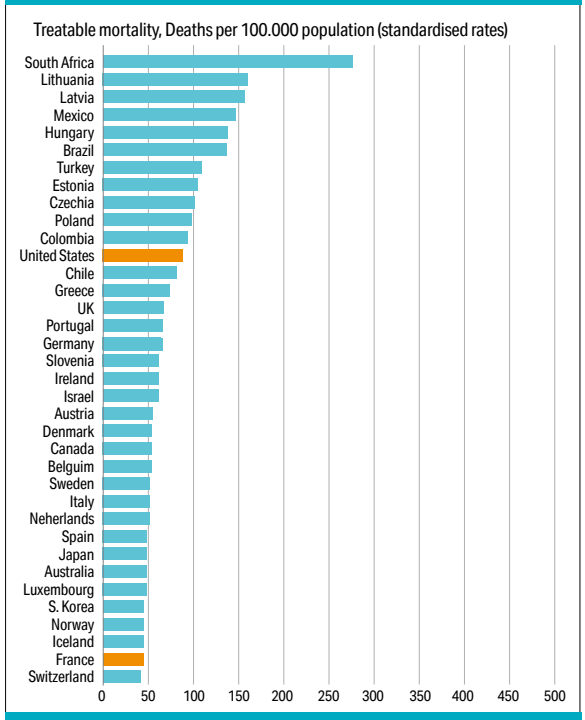
Rate of doctors per 1,000 inhabitants



Source: OECD

Some countries have more doctors per 1,000 inhabitants, which is beneficial when facing a pandemic. More staff means being better prepared, especially with doctors and nurses increasingly getting sick themselves. Italy has a higher proportion of **4** doctors per 1,000 inhabitants, while Spain has **3.9** and France has **3.4**. The US lags far behind at **2.4**, another indication of its inefficient system and allocation of resources.

Treatable Mortality *(OECD, 2015)*



Source: OECD

Treatable mortality shows the number of deaths that could be prevented "through effective and timely health care." In this graph, the US has a treatable mortality rate of **87** per 100,000 people, the highest of the four countries surveyed. Italy shows a rate of **55** per 100,000, while Spain and France show **53** and **48** respectively.

Possible scenarios

The comparative approach adopted offers robust metrics to compare and contrast key components of the health care performance especially in light of the current covid-19 pandemic.

Even with a global gross domestic product of almost US$100 trillion, the most advanced health systems, which are supposed to sustain the hardest shocks, do not seem adequately prepared. As there is recurrent speculation that the reach of the virus and the damage done so far is only the beginning, and that covid-19 may return in force in the fall of 2020, uncertainty remains the only certainty. Depleted public health structures combined with the current economic crisis will only worsen the situation and undermine further any existing societal safety nets.

The situation in the US remains the most alarming. An erratic leadership with possible links to multinational pharmaceutical companies trying to market an untested antimalarial drug (hydroxychloroquine) to the public, combined with a weakened state of preparedness (among the sample studied) in terms of acute care beds, doctor availability and health insurance coverage, are paving the way for a health catastrophe of epic proportions. With roughly a quarter of the population uninsured or underinsured, the health of millions of Americans is clearly being jeopardized. Already, media reports have indicated that unexpected medical billings for uninsured patients treated for covid-19 could cost up to US$75,000.

It is indeed staggering that while providing access to quality healthcare is a key component of universal health coverage, a clear measure of progress, and a target for countries across the world, the US is lagging behind. Nevertheless, access to quality healthcare is only half the battle, providing care without financial hardship being the other half of the equation. With roughly 10 million people falling into unemployment since the end of March 2020, the loss of medical insurance immediately becomes an issue for these millions of unemployed people.

In fact, with limited means of living, most of the people recently affected by the recession will likely move to poorer and more crowded neighbourhoods with their lot of precarious housing, poor sanitation, and lack of access to clean water. Thus, the disease will expand the continuum of vulnerability in many countries, including in economically-advanced countries. The covid-19 pandemic could well create a catch-22 situation. For instance, in the US, which lacks robust safety nets, the virus is already causing significant unemployment leading to the loss of health insurance. The economic victims of the disease could then become health victims of the disease due to the lack of access to preventive means as well as to the health care in the event of illness.

Another likely scenario is that healthcare systems in most countries may soon become overburdened due to an ever-increasing demand for emergency services, an overstretched ICU capacity, burned-out personnel and reduced staff availability. Parallels are already being drawn between the present situation in hospitals in Chicago and Syria during the civil war, and the French government has solicited the help of Germany after failing to provide care for hundreds of patients. In the meantime, Spain and Italy are receiving medical assistance from different nations (e.g. Turkey, Cuba, Russia, China, Qatar), while the US government is resorting to unethical and dubious tactics to obtain stocks of medical supplies and respirators to make up for its sheer unpreparedness.

Conclusion

In conclusion, the four countries analysed exhibit unique characteristics of their respective healthcare systems. The US offers no universal coverage and relies significantly on the private sector, while France, Italy, and Spain all offer accessible, universal healthcare with varying degrees of centralisation and regional autonomy. These systems have nuances, which are highlighted when examining various metrics. In the sample studies, France has the most acute care beds but has had difficulty in effectively managing the pandemic; health expenditure per capita by the US is nearly double the nearest country; the US relies the most on private spending; the US has the lowest total health insurance coverage. This state of affairs only exposes the inequalities of the system, as a substantial segment of the population has no access to healthcare at all. Italy has the largest share of people over 65; per capita, Italy supports the most doctors; however, the lack of central coordination has been laid bare.

While the consequences of serial underinvestment and inefficiency has made healthcare systems ill-equipped for a pandemic, some countries are in better shape than others. In these times, universal coverage has shown its value, with all persons receiving healthcare coverage irrespective of employment or social status. As the adage goes, "a chain is only as strong as its weakest link." In any case, lessons must be learned from this health crisis as transformative change, while not a panacea, is essential. Superior preparation for a cross-border threat - only amplified in an era of globalisation and supply chain diversification – needs to be an urgent area of focus for policymakers. Neoliberalism's ideological aversion to social safety nets and appropriate investment in healthcare has come to the fore with covid-19. One possible outcome of covid-19, if lessons learned are effectively implemented, could be can be improved prioritisation in the development of public services.