



Rijksinstituut voor Volksgezondheid
en Milieu
*Ministerie van Volksgezondheid,
Welzijn en Sport*

Affordability & Solidarity

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VGE, Utrecht
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Health Expenditure per MINUTE (in 2019)

- a) 2.000 euro
- b) 20.000 euro
- c) 200.000 euro
- d) 2.000.000 euro



Health Expenditure per MINUTE (in 2019)

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- c) **200.000 euro**
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60 minutes per hour

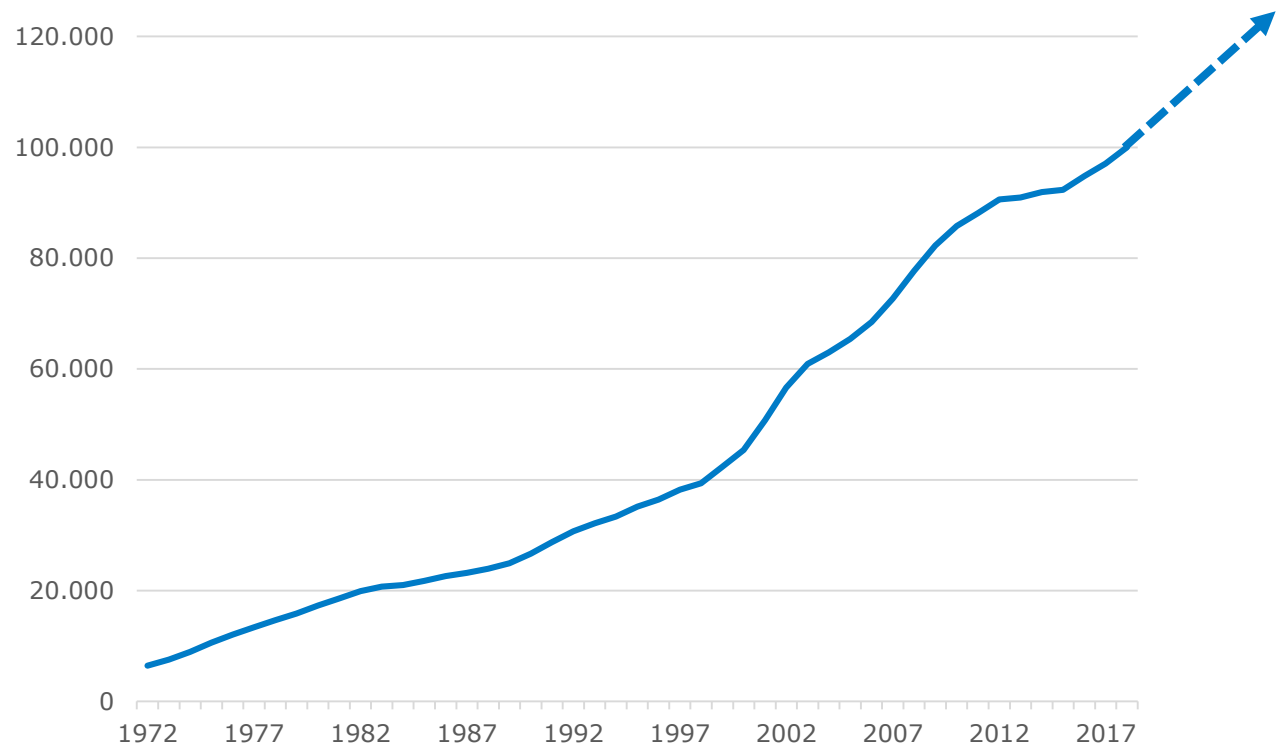
24 hours per day

365 days per year



Most policy relevant & policy resistant graph

(health expenditure in mln euro)





HEALTH ECONOMICS

Health Econ. 21: 1023–1029 (2012)

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HEALTH ECONOMICS LETTER

THE OH-SO STRAIGHT AND NARROW PATH: CAN THE HEALTH CARE EXPENDITURE CURVE BE BENT?

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SUMMARY

Although there is much talk about whether or not the current health care reform will ‘bend’ the health care expenditure ‘curve’, exactly which ‘curve’ is to be ‘bent’ is often ill-specified. This essay notes that the ‘curve’ defined by the log of US national health care expenditures per capita plotted against the log of the US gross domestic product per capita has been remarkably straight since 1929 despite Medicare and Medicaid and all of the more recent reform attempts. After establishing stationarity and considering cointegration and endogeneity, the slope of this log–log relationship suggests a per capita expenditure–income elasticity of 1.388.

The authors suggest two explanatory hypotheses consistent with the observed constant slope. First, many new technologies are endogenous because their introduction is determined by their expected market, which is in turn dependent on GDP per capita. Second, the authors emphasize the potential utility gained by spending disproportionately larger proportions of our growing income on hope, uncertainty-reducing information, and consumer amenities, all of which may be independent of any improved health outcome. Copyright © 2011 John Wiley & Sons, Ltd.



Affordability: Ability to pay

Economic growth

- a. More productivity (technology)
 - > Baumol's disease
- b. More people (employees)
 - > Health care also needs employees

Solutions?

- Prevention
- Higher retirement age (>68 years)
- Labor saving technology
- Informal care
- Migration



Solidarity: Willingness to pay

1. Health care versus private consumption
2. Expensive drugs versus long term care
3. Value of a QALY (Value of treatments with limited health effects)
4. High volume doctors
5. Bad lifestyle patients

We need

- a) Insight in societal preferences
- b) Policymakers who don't hesitate to apply health economic tools (CEAs, payment models)



Affordability & Solidarity

are issues of

Societal preferences &
political courage

and core business of
health economics