

Health and Healthcare in a time of global disruption: public good or private profit?

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Acknowledgement of Country

I respectfully acknowledge the peoples of the Lutruwita nations as the traditional owners of the lands on which this I live and work. I pay my respects to their Elders past, present and future, and recognise that sovereignty was never ceded.

The Journey

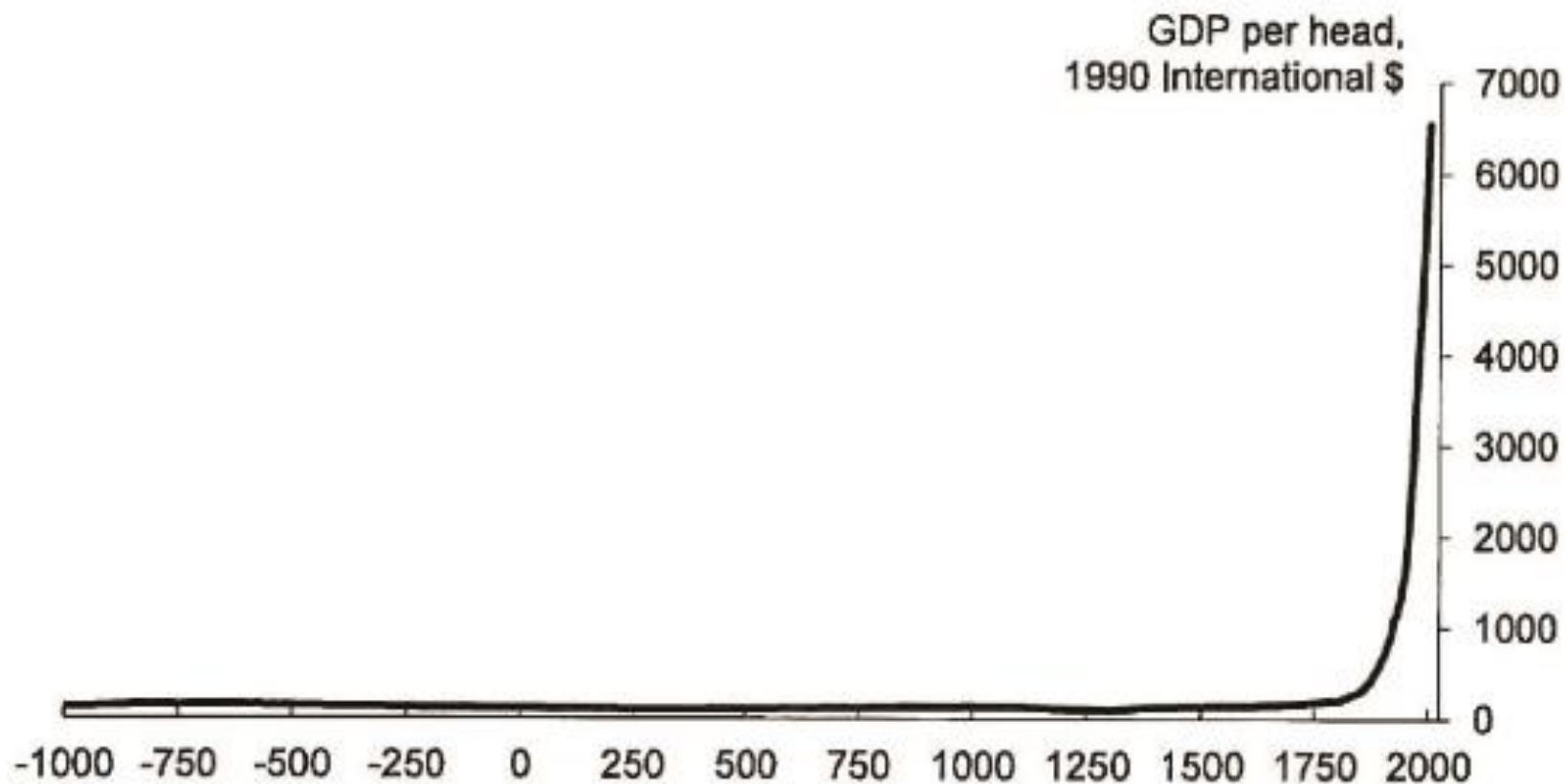


LONDON
SCHOOL of
HYGIENE
& TROPICAL
MEDICINE



Economic Growth – the Long View

GDP per capita since 1000 BC

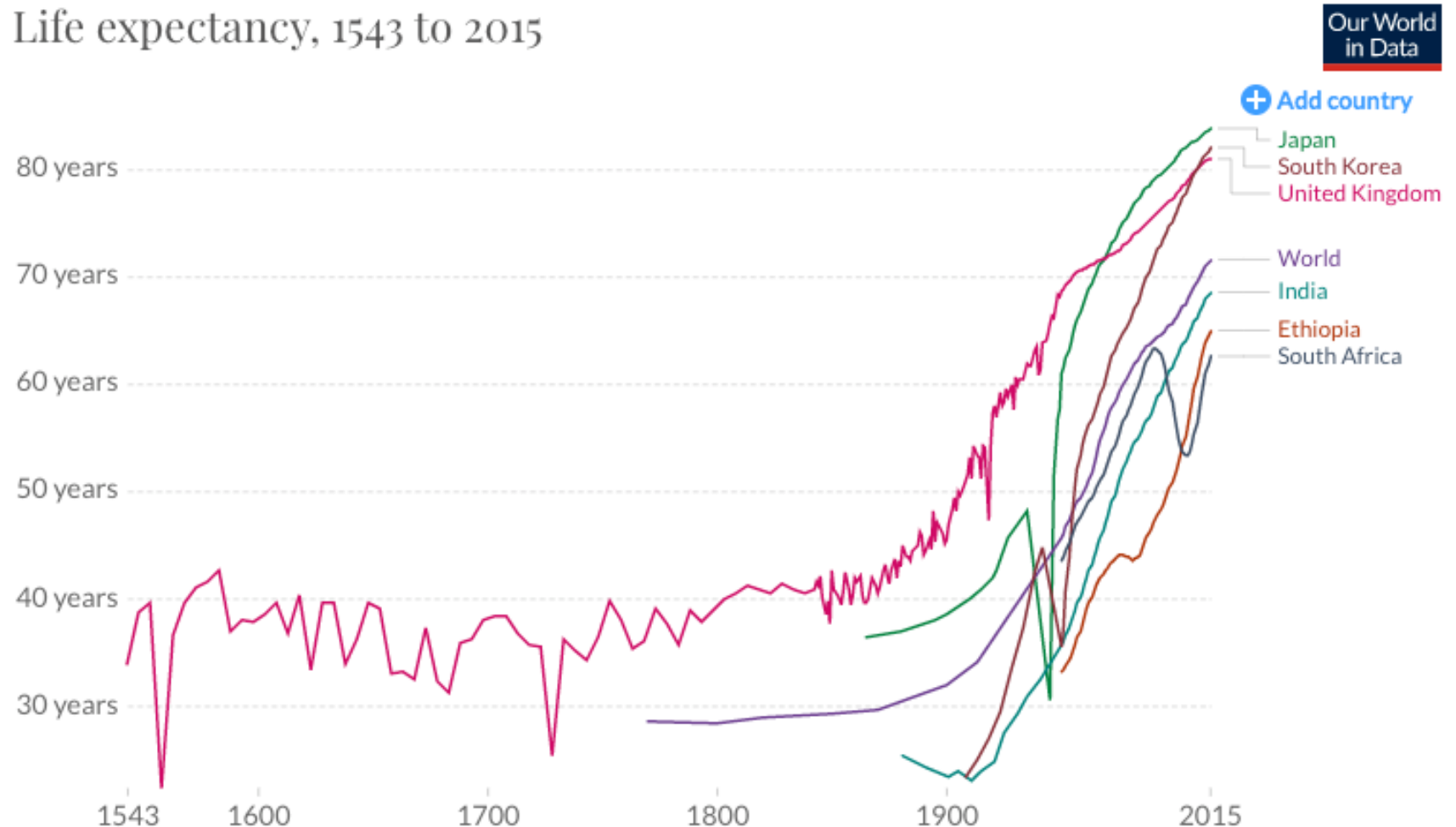


Source: Andrew Haldane, Bank of England

Source: OECD Health Indicators

Health and Economic Growth

Life expectancy, 1543 to 2015

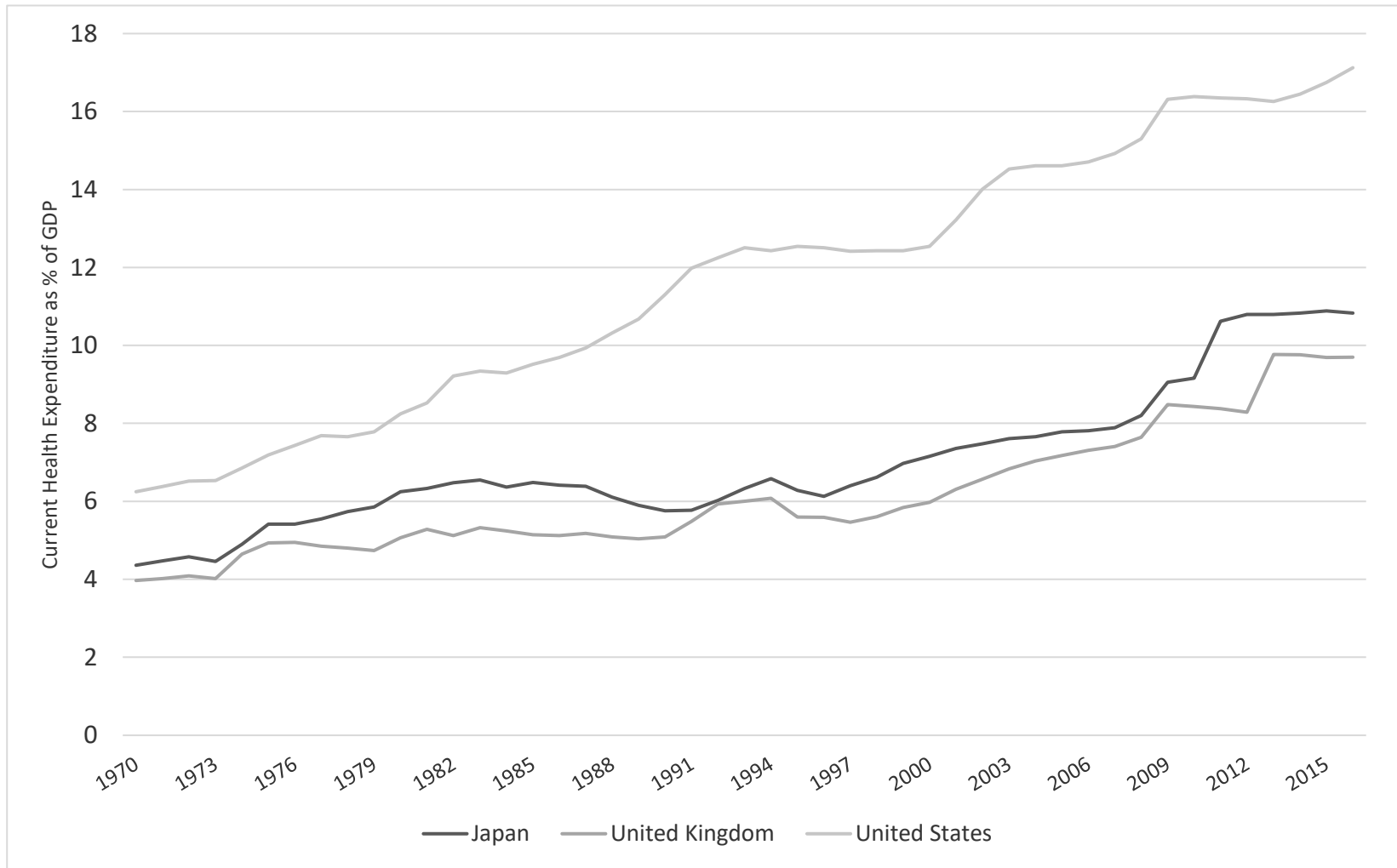


Source: Riley (2005), Clio Infra (2015), and UN Population Division (2019)

Note: Shown is period life expectancy at birth, the average number of years a newborn would live if the pattern of mortality in the given year were to stay the same throughout its life.

OurWorldInData.org/life-expectancy • CC BY

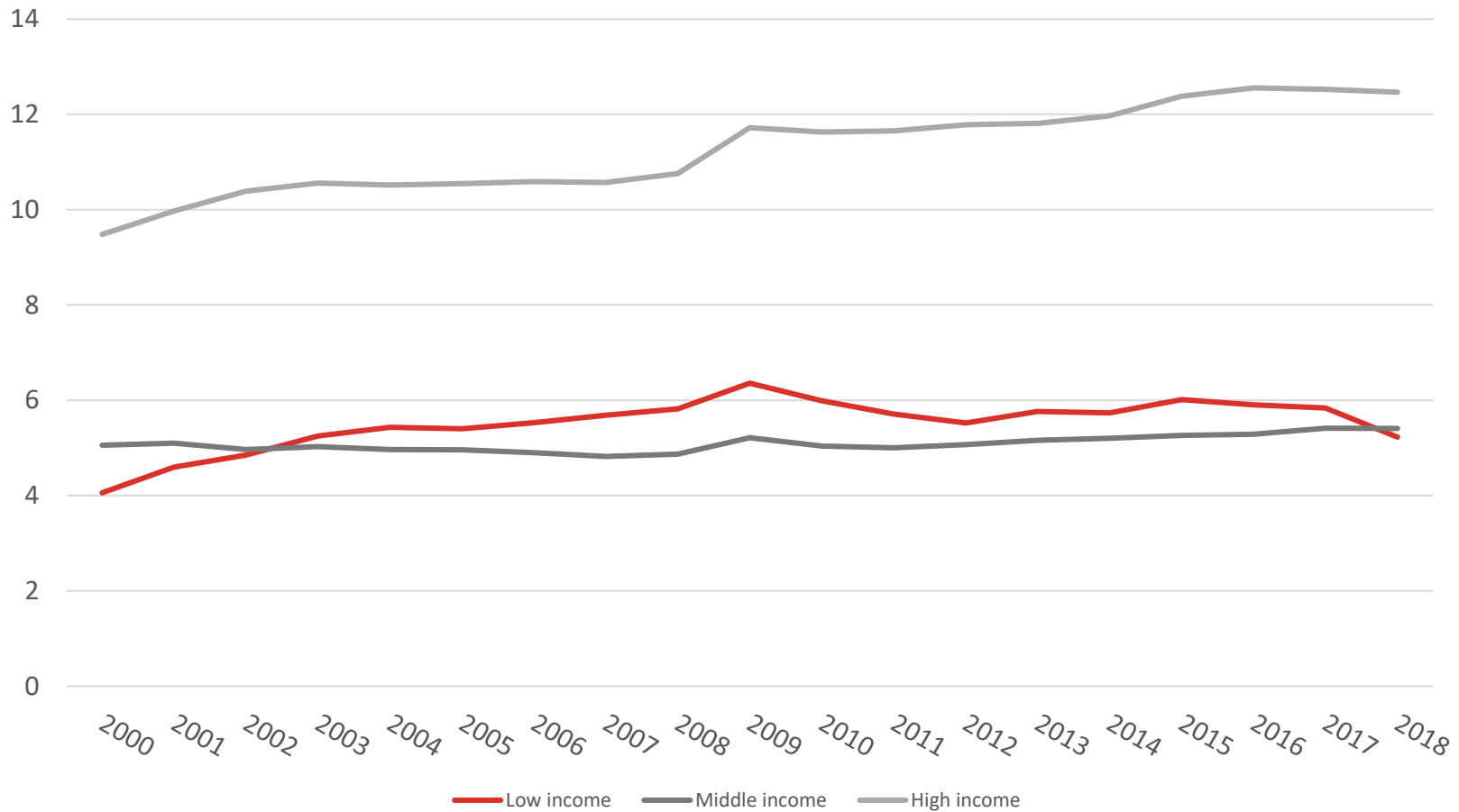
Health care consumes a growing share of GDP...



Source: OECD Health Indicators

Health care consumes a growing share of GDP...

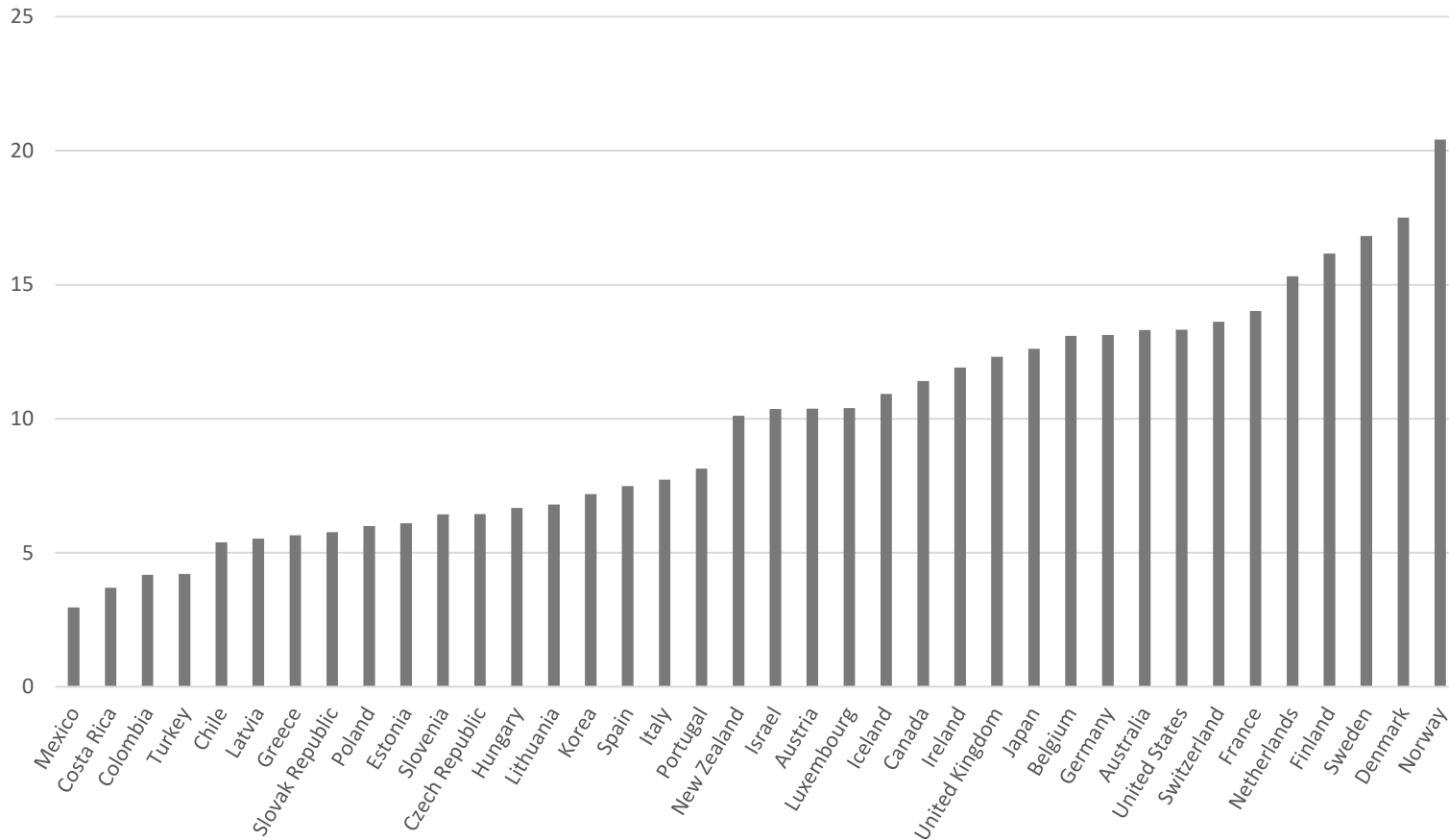
World Bank Country Income Groups:
Current Health Expenditure as % GDP



Source: World Bank Open Data, Indicator SH.XPD.CHEX.GD.ZS

...and employs huge numbers of people...

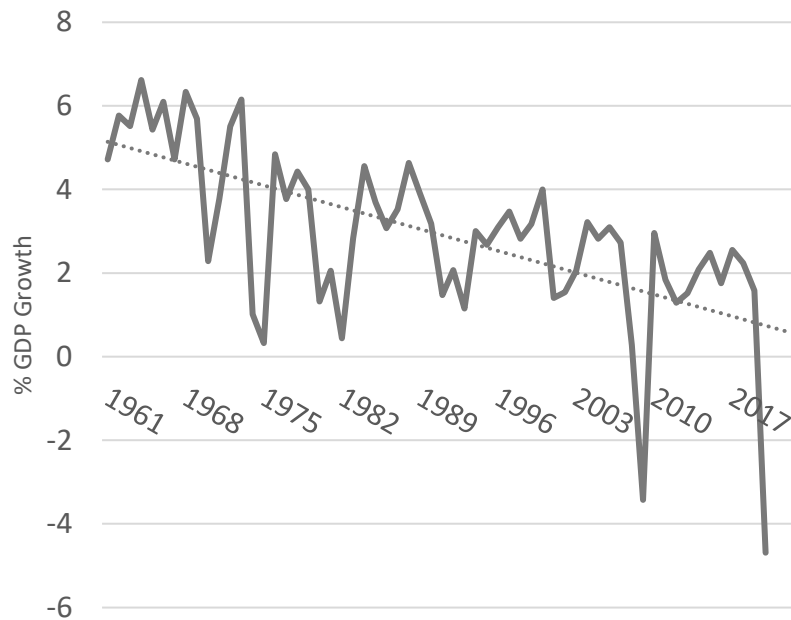
Health and Social Care Sector Employment as % of Total Civilian Employment,
OECD Countries 2017



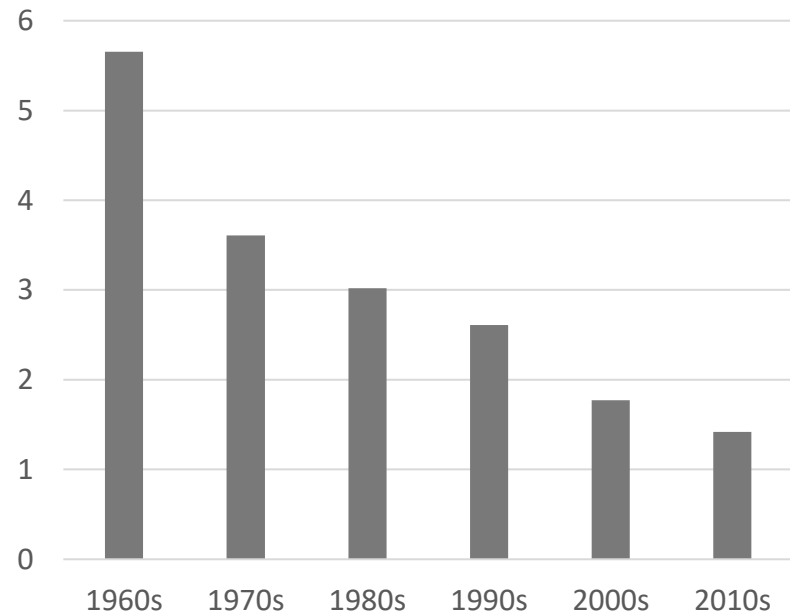
Source: OECD Health Data

...even in a world of slowing GDP growth

OECD members - % GDP Growth 1961-2020



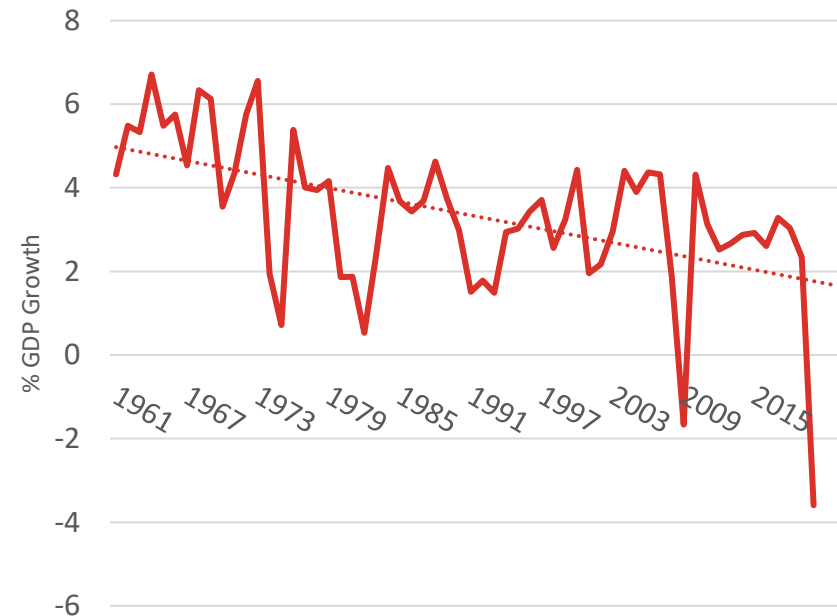
OECD Average Annual GDP Growth Rate, 1961-2020



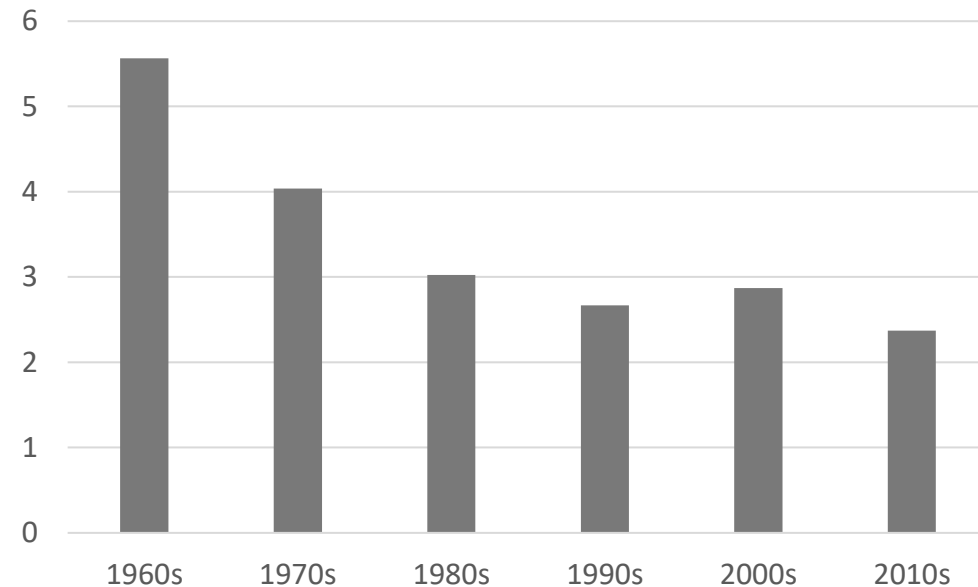
Source: World Bank Open Data, Indicator NY.GDP.MKTP.KD.ZG

...even in a world of slowing GDP growth

Global GDP Growth, 1961-2020



Global Average Annual GDP Growth Rate



Source: World Bank Open Data, Indicator NY.GDP.MKTP.KD.ZG

...and growing disruption



Text Message
Today 10:18

GOV.UK CORONAVIRUS ALERT
New rules in force now: you must
stay at home. More info &
exemptions at [gov.uk/coronavirus](https://www.gov.uk/coronavirus)
Stay at home. Protect the NHS.
Save lives.



Organising Health Care in an Era of Disruption

- History
- Health Care Systems – public and private elements
- Key Debates
- Current and Future Challenges
- Ways Forward – for a Post-Growth, deglobalizing world...

Independent Private Practitioner c.1638



“The Surgeon”
(1638) by
David Ryckaert
III (1612-1661)

Not-for-Profit Hospital, c. 1530-40



Manuscript
Gaddiano –
Biblioteca
Medicea
Laurenziana,
Firenze

Public Hospital, 2020



Surgeons at Western General Hospital, Edinburgh using a Versius surgical robot, 2020

<https://www.hospitaltimes.co.uk/nhs-surgeons-become-pioneers-in-robotic-surgery/>

Public Ambulance, 1895



First Australian ambulance service, 1895 - New South Wales Government

Public Ambulance, 2021



<https://www.healthcareguys.com/2021/04/01/smart-ambulances-the-future-of-emergency-healthcare/>

What has really changed?

- Technology...
- **Professionalisation**
- **Complexity**
- **Scale**

Health Care Systems – WHO Six Building Blocks

- | | |
|--|---|
| <ul style="list-style-type: none">• Leadership and Governance• Service Delivery• Health System Financing• Health Workforce• Medical products, vaccines and technologies• Health Information Systems | <ul style="list-style-type: none">• Ownership• Relationship-to-Profit (Hinton, 2021)• Financing• Corporatisation / Bureaucratisation |
|--|---|

Source: WHO, 2007

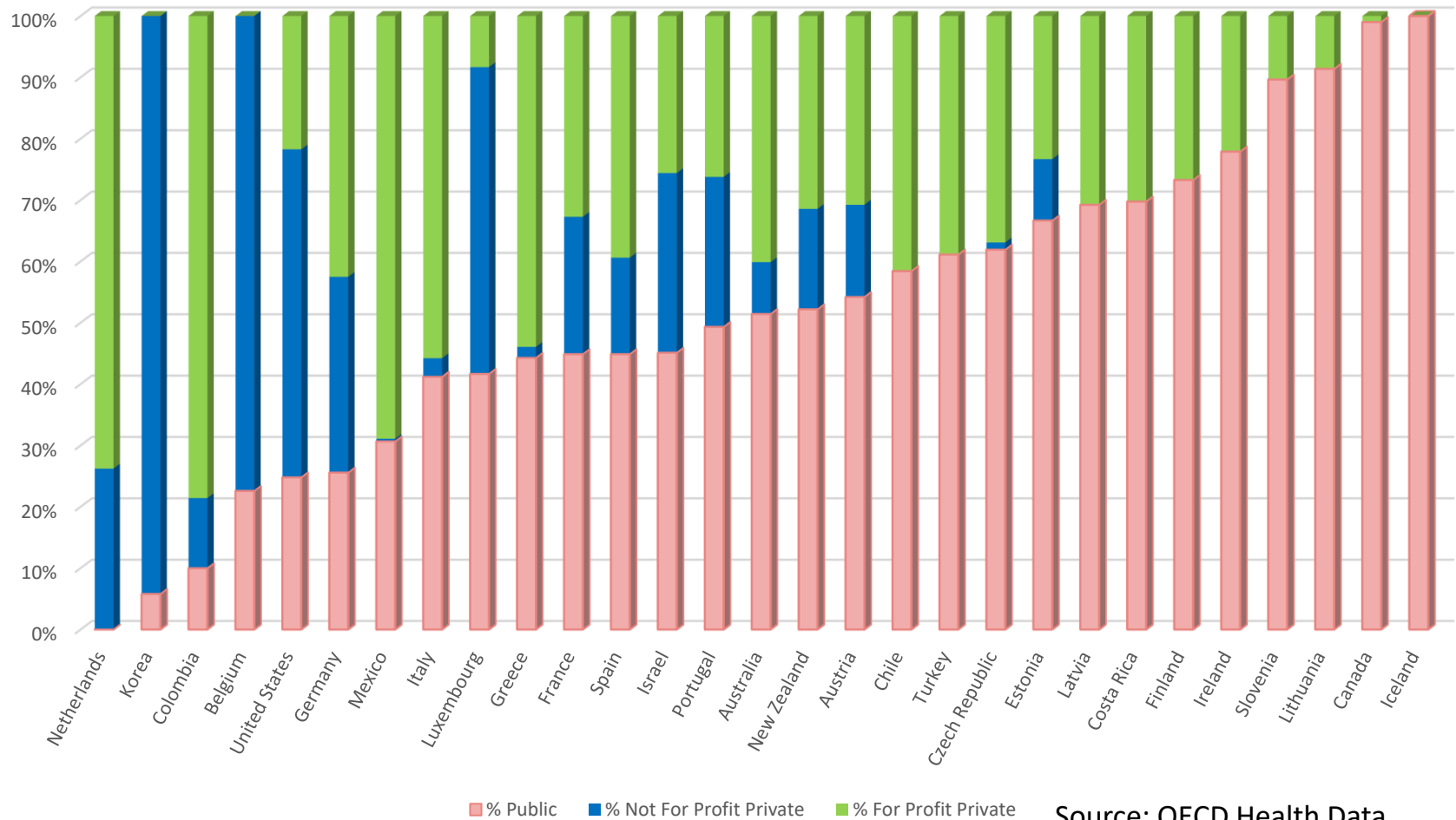
Health Care Systems & Financing

Service Delivery Organisations	Financing
Private For Profit	Private out-of-pocket Private health insurance Social health insurance Public / tax-funded
Private Not-For-Profit	
Public	
Health Workforce	
Salaried employee	
Independent / self-employed	
Partnership	

Source: WHO, 2007

Hospital Ownership

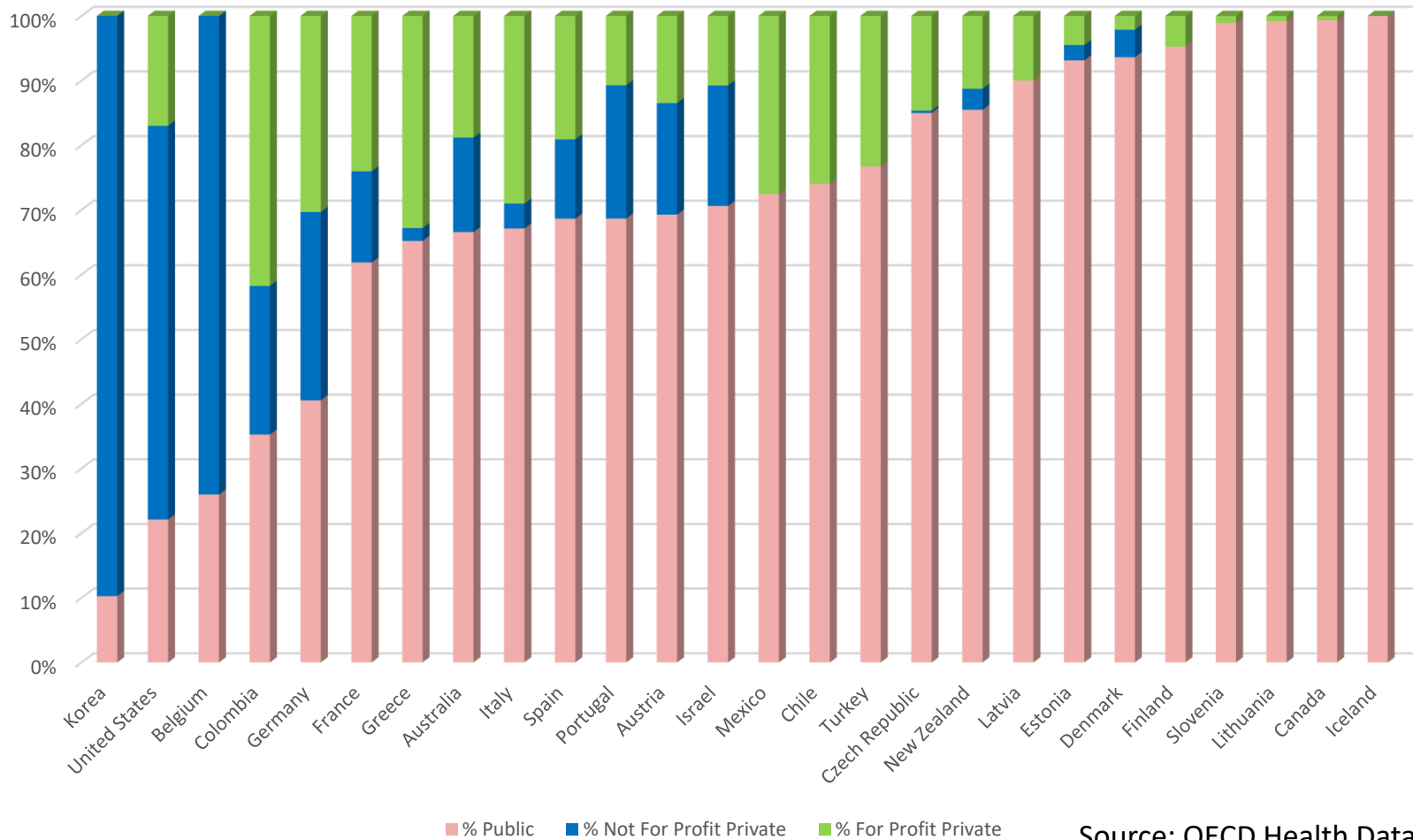
Hospital Ownership Share - OECD Countries



Source: OECD Health Data

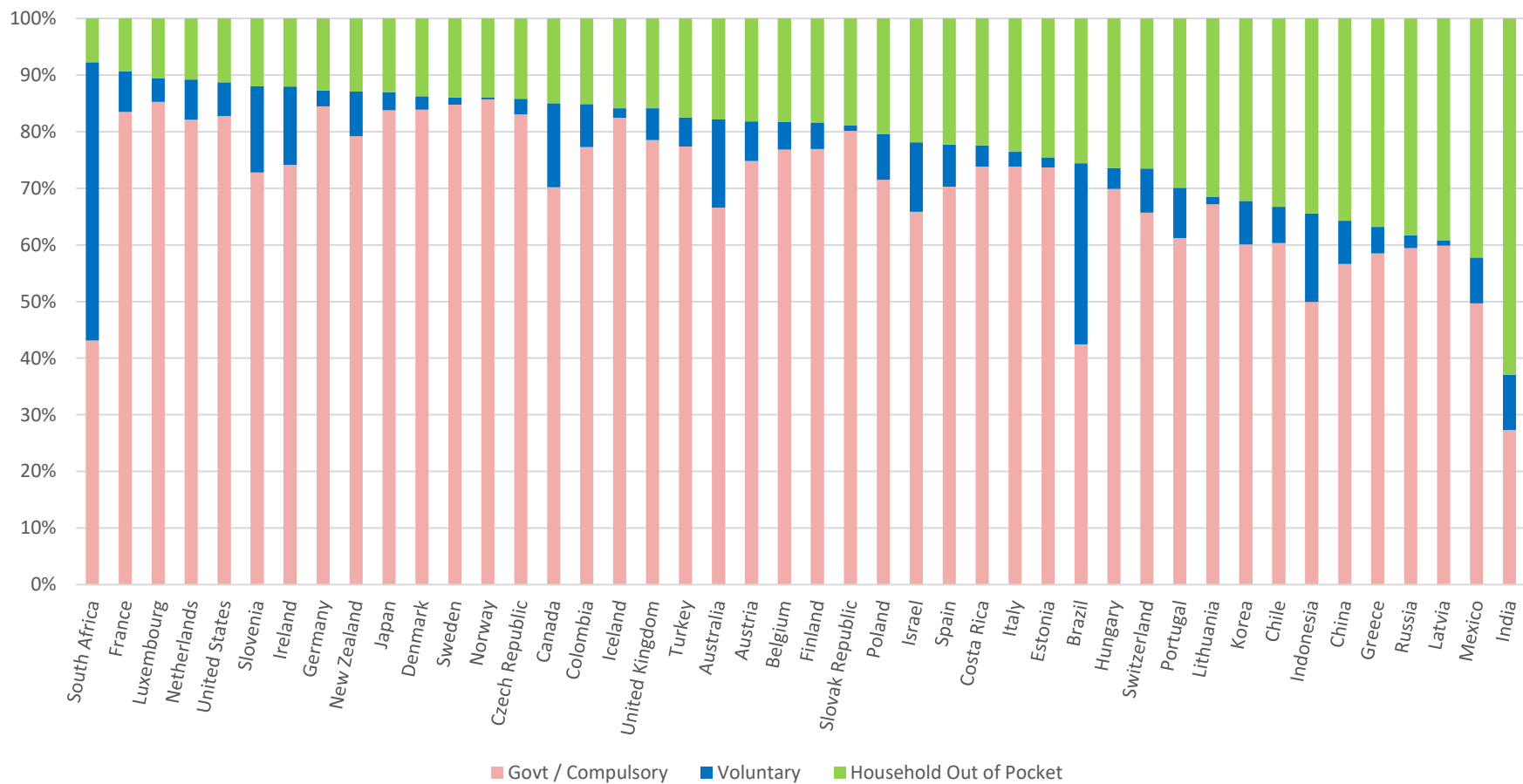
Hospital Beds by Ownership

Hospital Beds by Ownership Type, 2016



Source: OECD Health Data

Health Expenditure by Financing Scheme / Source



Source: OECD Health Data

Public Health:

- Public goods, negative and positive externalities
- Public Health = a public good

Health Care Services:

- Private (individual) benefits
- Although many positive externalities...
- Market for medical care fails to meet the criteria for a perfectly competitive market, therefore many grounds for intervention and regulation
- Risks make some form of insurance essential
- Cultural, national, ethical values

Profits were accepted in most non-communist systems – but strong cultural constraints on “health care as big business”

Profits and Markets in Health and Health Care: The Neoliberal and New Public Management Revolution

Public Health Care Services:

- Quasi-markets and internal competition
- Outsourcing and “contracting out”
- Public private partnerships
- Encouragement of private financing
- “Risk-based regulation”
- Full-blown privatisation

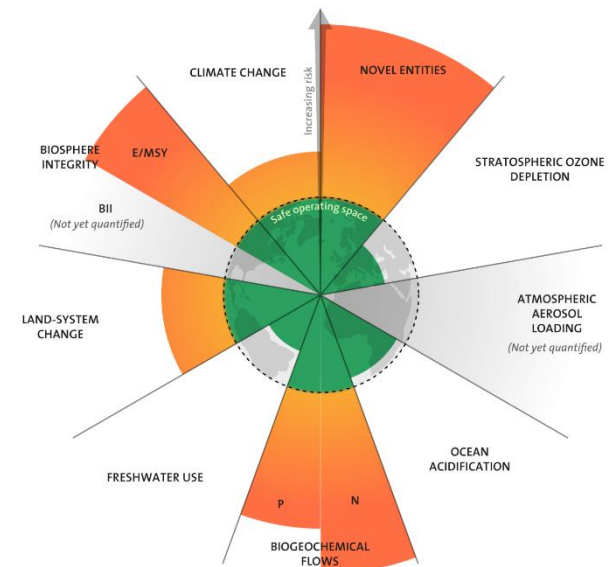
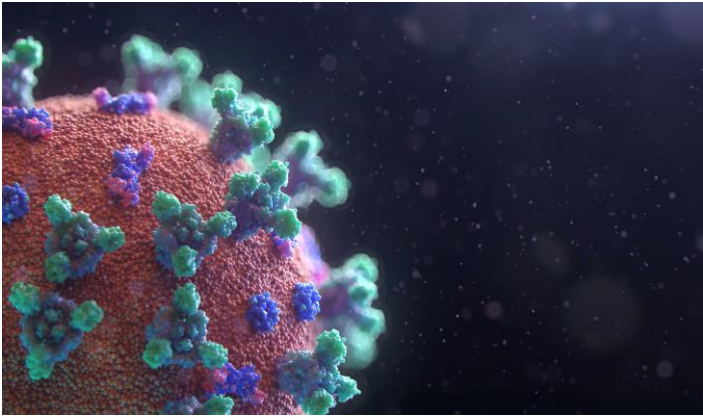
Private Health Care Services:

- Mergers and consolidation
 - Vertical integration
 - Corporatisation of traditional and not-for-profit ownership models
 - Private Equity buyouts
 - Quest for digital “value”
-
- Plus highly globalised supply chains...

Consequences

- Loss of state capacity
- Supply chain vulnerability
- Cross-ownership via private equity
- Growing burnout and dissatisfaction amongst health professionals
- Move from “for profit” health care to health care as just another profit centre for finance / rentier capitalism
- De facto privatisation of key commons / public goods (e.g. health data)

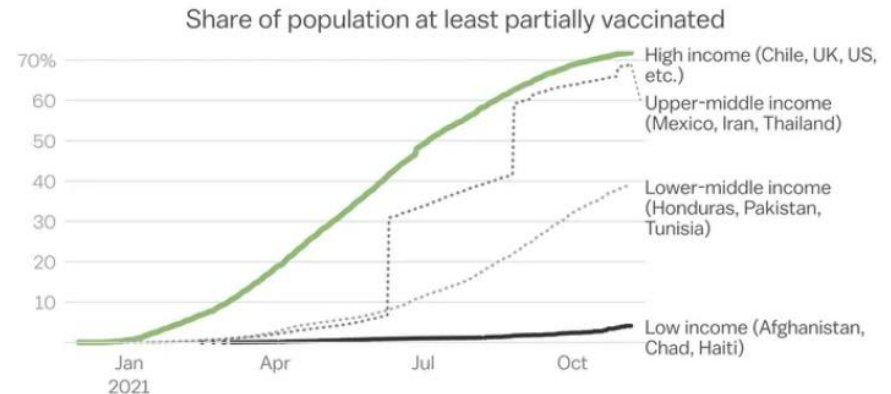
Health Care and the New Age of Disruption?



COVID-19 and Vaccine Inequity

- Publicly-funded innovation
 - Privatised gains via IP
 - Failed international response
 - Monopoly power of manufacturers
 - Rents from repeated boosters
 - Still looking for effective vaccines to prevent transmission...
-
- Publicly-owned IP?
 - Publicly-owned manufacturers (utilities)?
 - Rewards for innovation beyond patent protections?

After 7 billion global doses, low-income countries are still waiting for Covid-19 vaccines



China reports vaccinations infrequently, causing spikes in the upper-middle income category.

Source: Our World in Data; World Bank

Vox

COVID-19, State Capacity and Corruption

Fifth of UK Covid contracts 'raised red flags for possible corruption'

Report finds 'apparent systemic bias' in award of lucrative PPE deals favouring firms connected to Tories

LOST TRACK NHS Test and Trace was £37 billion flop that failed to stop Covid spreading, MPs admit

Watchdog criticises government over awarding of £17bn Covid contracts

National Audit Office raises concerns over lack of transparency and potential conflicts of interest

COVID-19 Aftermath

Australian healthcare workers facing burnout, less willing to work since COVID outbreak

New research from Edith Cowan University (ECU) has shed light on the emotional strain Australian doctors, nurses and paramedics have faced throughout the COVID-19 pandemic.



High rates of COVID-19 burnout could lead to shortage of health-care workers

Published: August 29, 2021 8:55pm AEST



Burnout Among Healthcare Workers in the COVID 19 Era: A Review of the Existing Literature



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Maria Rosaria Tumolo^{2*}



Antonella Bodini³



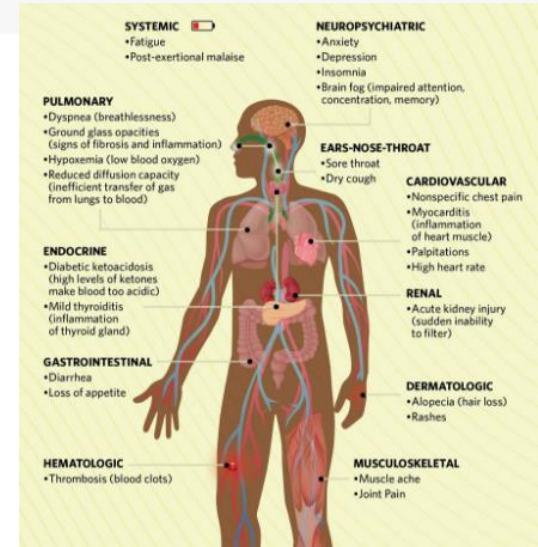
Giuseppe Ponzini²



Eugenio Sabato^{2,4} and



Pierpaolo Mincarone²



The Lasting Impacts Of COVID-19 On The Health Care System

A Texas A&M professor says hospital closures, workforce burnout and displaced health professionals are issues the U.S. health care system may face in the virus' aftermath.

Post-COVID, Post-Growth Health Care Systems: The Health Challenges

- Air pollution and climate change
- Noncommunicable disease
- Global influenza pandemic
- Ebola and other high-threat pathogens
- Fragile and vulnerable settings
- Antimicrobial resistance
- Weak primary health care
- Vaccine hesitancy
- Dengue fever
- HIV/AIDS

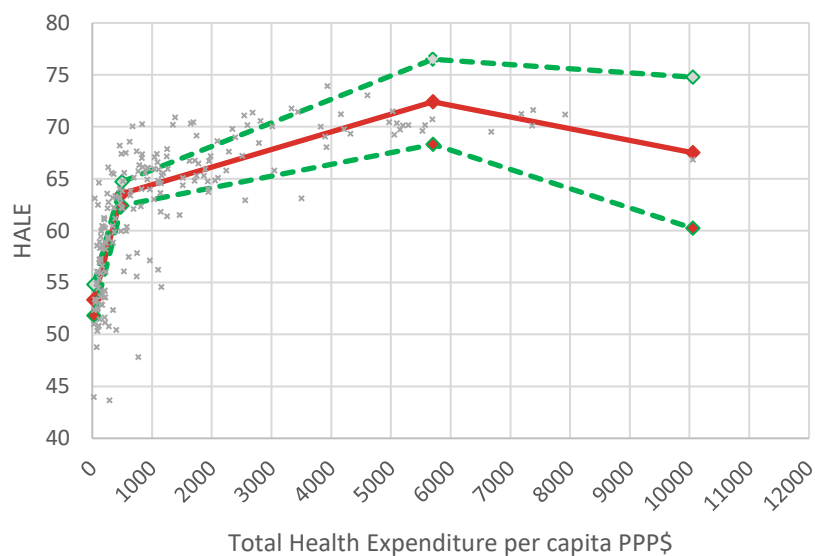
WHO Ten Threats to Global Health, 2019

Post-COVID, Post-Growth Health Care Systems: The Health Care Challenges

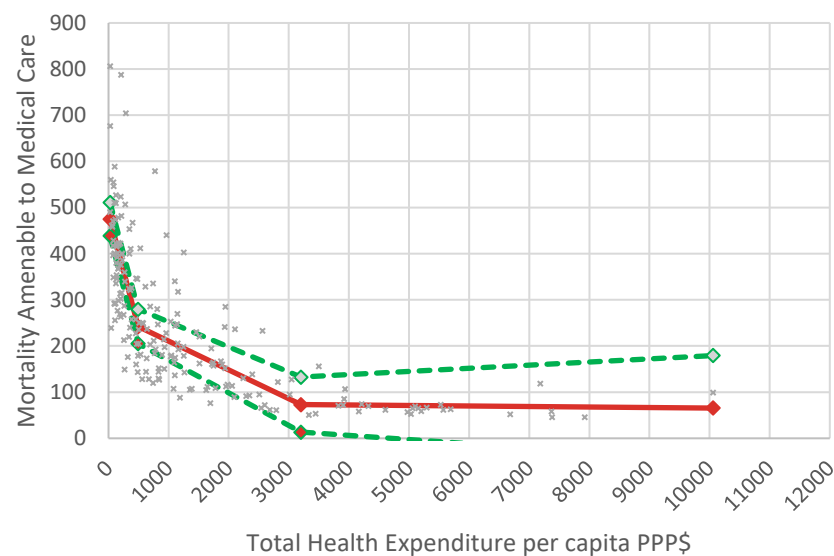
- Overdiagnosis, overtreatment and low value care
- Fragmented, non-integrated, episodic care
- Promoting wellness, not just reacting to illness
- Moving from individual to population health...
- ...while still meeting individuals' differing needs for personalised care
- Shifting care from hospitals to home and community settings
- Reducing clinician burnout and allowing time for relationships of care
- Persistent inequities in access to care
- Realising the elusive benefits of digital health technologies
- Recovery and rebuilding of health systems following COVID-19
- Responding to the eventual disease burden of post-acute COVID sequelae and disability

Sufficiency – How much is Enough Healthcare?

1. HALE and Total Health Expenditure (PPP\$), 3 Segment Model



1. Amenable Mortality and Total Health Expenditure (PPP\$), 3 Segment Model



Sufficiency – How much is Enough Healthcare?

Much of the world's population remain far from having access to a basic minimum standard of health care

But many of the richest may spend too much health care – achieving little or no benefit

This analysis points to the possibility of estimating minimum essential access and upper limits to access to healthcare – bringing healthcare into the “doughnut” framing of Raworth (2017)

Can we create ecological (and fiscal) space for growth in healthcare consumption in low-income countries without harming health in high-income nations?

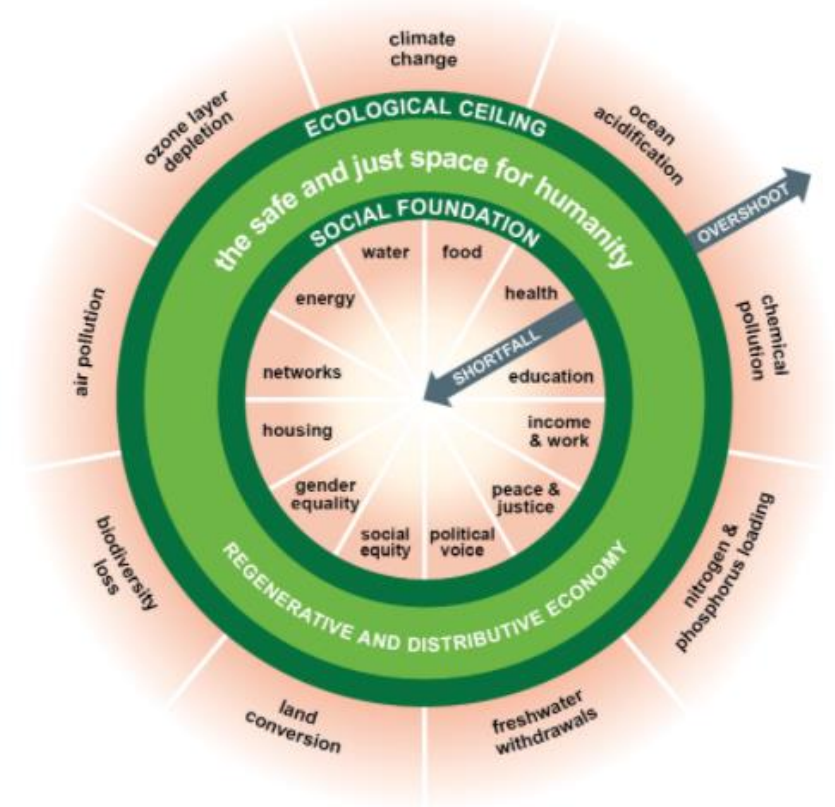


Image: Raworth, 2017

Organising Health Care for a Post-Growth World – Trade-offs

- Complexity, resilience, scale...
- Local and smaller scale care and caring *versus*
- Complex, technical, larger scale, non-local supply chains?
- Profits and rates of return in post-growth conditions *versus*
- Public spending and welfare systems in post-growth conditions
- De-medicalisation and caring *versus*
- Precision medicine, AI and technologies

Making a Start...

- Rebuilding state capacity e.g. planning, governance, stewardship, direct provision (Mitchell & Fazi, 2017)
- Insist that public goods are the preserve of public authorities, not opportunities for profit and rent extraction
- Address global inequities in access to basic care
- Let go of neoliberal habits, de-corporatise for-profit and not-for-profit health care organisations
- Build a new social compact on societally acceptable levels of profit where the private sector is involved in health care
- Consider new organisational models that can connect local, more democratic decision-making with higher levels of complex systems
- Seize the opportunity in reconstructing health care systems after COVID to address the long-term problems they faced even before the pandemic

Suggested Readings

Brand-Correa L, Brook A, Buchs M, Meier P, Naik Y, O'Neill D. Economics for people and planet: moving being the neoclassical paradigm. *Lancet Planetary Health*. 2022;6(4):e371-e379.

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Hensher M, Tisdell J, Canny B, Zimitat C. Health care and the future of economic growth: exploring alternative perspectives. *Health Economics, Policy & Law*. 2020; 15(4):419-439.

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Hinton J. Relationship-to-Profit: a theory of business, markets and profit for social ecological economics. Stockholm University / Universite Clermont Auvergne. 2021.

Mitchell W, Fazi T. Reclaiming the state: a progressive vision of sovereignty for a post-neoliberal world. Pluto Press. 2017.



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Thank You

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05 August 2022



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