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Legal Basis, Sub-Optimal Reimbursement, Healthcare Variations and other Factors Supporting Health Policy Reform

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Abstract

Health systems around the world are in constant change trying to adopt to new evolving circumstances and in pursuit of cost-effectiveness and improved quality of care. This short review aimed to highlight some of the basic factor that support health system reform, administrative, management and strategic planning policies in the health sector. These factors include the change and adaptation of the legal framework in the health sector, increased patient's and public expectations from the healthcare system, new trends and innovative health care delivery models, low level of integration, suboptimal payment system and healthcare variation. For these changes to be successfully implemented there is need for strong political will and coordination and cooperation from all the stakeholders involved.

Keywords: Health policy, health system, healthcare, reform, transformation.

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INTRODUCTION

Health sector reform usually affects administrative, management and strategic planning innovations, adaptation and changes (1,2), that aim to improve the cost-effectiveness of the healthcare system (3,4) and improving the quality of care (5,6). According to the World Health Organization (WHO) the success of such reforms depends largely on how various processes and transformations are applied and who is responsible for these rather than how the content is formulated, additionally highlighting the important role of disseminating information and educating policy-makers, decision-makers and the public about various aspects of health sector reform in order to gain support for the upcoming transformations (1). In addition, the World Health Organizations states that "*Continuous monitoring and review of health systems development is also required*" (1).

This implies a dynamic health system in constant and continuous change (7,9). In this context, it is interesting to highlight what are the basis supporting health policy reform.

The legal framework supporting health care system reforms

The legal framework that regulates the process and interactions in the health system naturally accompanies the general tendencies and trends of the health, based on the available information and evidence provided by the interest groups or the actors involved. Since the scientific data related to the most effective models of healthcare delivery or new modalities of payment and reimbursement of health care professionals are constantly updated, then the relevant legislation is constantly changing as well. Likewise, because the main objective to be achieved is the value-based healthcare model, the legal measures include elements that make healthcare professionals accountable for their performance and provide for a system of measures and rewards based on cost indicators, quality of care and service provided (10,11).

Legislative changes that make it possible to increase the efficiency of health systems are different and vary by a large degree in different countries of the world, depending on the type of health system in operation in any specific country and local circumstances. We are highlighting some of these legislative changes to illustrate the process, naturally not intending to provide here a complete and exhaustive list of legal changes and adaptations related to the health system and healthcare sector reform. For example, in the United States of America we can single out the Affordable Care Act in 2010 that provided access for many more individuals to health care services (12) or the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) [13] which sanctioned new indicators for measuring the performance of health care professionals, lessened the modalities of employment of doctors by hospitals and health insurers, and updated modalities of payment for health care (such as merit-based payment, payment for care provided , etc.) [14].

Some new developments in health care payment and reimbursement modalities include accountable care organizations (ACOs), which mean that health care providers can receive bonuses of various kinds (financial or related to their profession) if they are able to provide effective and quality care; this means reducing expensive and unnecessary services (15,16). Other modalities, subject to reform and legislative changes, include value-based payments in an effort to improve health care outcomes in relation to the resources used to provide that care; this can be achieved through many modalities such as reducing the use of low-value interventions, improving integration between providers, making better use of patient-reported information to drive improved health care outcomes, always keeping in mind that the financial risk is distributed appropriately; in addition there is need to create appropriate organizational structures and this is the real challenge (17,18). It is clear that the shift from current payment modalities to value-based payment is a complex process with more obstacles ahead, a process that requires its own time, the maturity of the system and of all the actors involved in it (19).

Apart from legislative changes to support reimbursement and payment of healthcare providers, various essential changes of policies and institutional arrangements are needed (1).

Increased patient's and public expectations from the healthcare system

In general the patients and the public are having higher and higher expectations for their healthcare system (20). If we want to build a healthcare system with the patient in the center and a system that is cost-effective and that delivers high quality healthcare, then patients' expectations are important to be taken into consideration when designing the healthcare system and formulating health policies (21).

New trends and innovative health care delivery models

New models of health care delivery aim to improve the quality and performance of health care while reducing the costs of care at the same time (22-26). In order to build a patient-centered system, it is necessary to know in what way, how much and when patients use the health care system. (27,28).

Low level of integration, suboptimal payment system and healthcare variation

In almost all health systems in the world, an extremely large number of organizations or institutions that provide health care operate; these can be of various natures, including public, private, academic, community-based entities, non-profit organizations, governmental organizations or institutions, charitable

foundations, religious organizations, etc. (29,30). These entities are organized in the form of hospitals, outpatient centers, specialty clinics, health centers, emergency health care centers, etc., accompanying patients according to their health needs; exactly these entities are at the center of the health care system.

In order for care to be optimal and of high quality, all links, systems, sub-systems and other separate components must be coordinated and integrated with each other for optimal efficiency and quality of health care. However, this is rarely the case and almost all health systems are often not adequately coordinated and the actors operating in these systems do not communicate effectively nor use the limited resources available optimally. (31,32). Fragmentation of health care is a phenomenon encountered in the vast majority of health systems today, especially in low- and middle-income countries but also in high-income countries. (33-39).

On the other hand, payment and reimbursement mechanisms in health care that may favor certain examinations or services at the "expense" of preventive or health preservation efforts and, in general, service-based payments regardless of the quality of their provision are often encountered in different health systems in different contexts (40), whereas concerns regarding the inappropriate distribution (or mis-distribution) of the limited available resources are already considered as "something normal" in health systems (41-43). In addition to misallocation of available resources, health systems are often affected by the inappropriate use of limited resources, including both under- and over-use of limited resources. (44), phenomena that can be alleviated with the use of certain health care protocols (45,46).

Best medical and health practices, after all, mean a balance between effective health care and the appropriate use of resources while paying appropriate attention to patients' problems and circumstances. In other words, an effective health system must combine the optimal use of available resources (through standardized protocols) with training and professional practice standards that enable accurate diagnosis and humane treatment of patients based on trusting relationships between the parties. (47,48).

CONCLUSIONS

All the above changes, adaptations and transformations require strong political will and appropriate legislative changes. These changes should try to regulate and enable the successful implementation of a broader system focus, novel and appropriate measures of health system efficiency, research on process and implementation, and enhance information systems and managerial capacity (3).

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