



The Voice of OECD Business

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## Using the New Health Policy Indicators to Characterize Health Care Systems

*Comments by the BIAC Task Force on Health Care Policy*

### Introduction

BIAC appreciates the opportunity to submit comments to the meeting of WP1.

BIAC is very interested in OECD's work seeking to discover measures of health care efficiency and the improvements in health outcomes that increased efficiency can achieve.

Improving health care efficiency is important for patients, populations, providers, industry and governments. A key objective of WP1's paper is to ultimately identify institutional features conducive to a well-performing health sector.

WP1 faces significant challenges in seeking to achieve valid and reliable measures of efficiency according to the paper and to the comments of government experts and invited consultants at a September 14-15 expert meeting.

BIAC's comments fall into three areas: the measures of the characteristics of health care systems, the measures of efficiency, and the interpretation of linkages between these measures.

### Measures of the characteristics of health care systems

The measures of institutional features used by WP1 are derived from responses to a complex OECD questionnaire that focuses mainly on financing. These characteristics alone are insufficient to adequately describe health care systems. OECD needs to consider other institutional characteristics, as noted at the expert meeting, including stewardship/governance, and the creation of resources, such as manpower, and service delivery. To these, we would strongly recommend the consideration of innovation in health care because it can achieve diverse types of improvements in efficiency.

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BIAC shares the concerns expressed at the expert meeting about (1) the accuracy and completeness of responses to the questionnaire and (2) the doubtful added value of the composite indicators. We strongly agree with the experts that micro level data would provide much more realistic information about the real world of patient care and outcomes.

## **Measures of efficiency**

While the paper states that efficiency will be actually discussed at the March 2010 WP1 meeting, BIAC would like to make several comments for consideration in the development of this work.

We would like to stress that directly measuring health outcomes is critical to the true measurement of health care efficiency, which must of necessity be a measure of the value to patients that results from health care spending. In this sense, direct measures of health outcomes such as disease recovery rates are more meaningful than proxies such as percentage of population covered by health insurance, which reveals little about the care that is actually received by patients. In another example, avoidable mortality provides a more precise and useful statement about health care than life expectancy, as discussed at the expert meeting.

WP1 should also consider that patient satisfaction is in itself an important value provided by health systems that may not be captured by other more traditional measures of health outcomes.

## **Interpreting linkages between institutional characteristics and measures of efficiency**

A brief section at the end of the paper describes an initial effort to link several institutional characteristics and a measure of efficiency previously used by OECD. The paper notes that the results should be taken with caution because of the lack of confidence in the measures used.

BIAC echoes this need for caution noted in the paper and urges that great care be taken in describing any observed linkages, as correlations or clusters should not be inappropriately interpreted to infer causal relationships.

Likewise, observed health care linkages can defy static interpretations as health care systems are highly complex and very dynamic. For example, improvements in efficiency resulting from a single or multiple interactive changes in health care characteristics might take years before they can be observed and then difficult to fully understand.

Finally, we would like to stress the strong words of concern expressed at the expert meeting about the way the results of this early work are publically portrayed in order to avoid the pejorative ranking or comparison of health care in different countries.