Zusammenfassung der Master-Thesis von Christoph Napierala

## **Finance Equity Comparison of Health Systems**

In numerous political and theoretical discussions the restrictions in performance and service of health care systems are a constant argument. The debate on limited health resource availability and fairness of distribution leads to economic arguments on scarcity of funds, and efficiency of financing. Both theory and the political environment oppose difficulties in dealing with the subject of limited resources.

This paper focuses on the explanation of equity of resource distribution by focussing especially on financing health systems and how it affects equity in itself. Initially a theoretical overview is provided allowing a distinction of the several underlying concepts. Thereafter the paper concentrates on an inter-country comparison emphasizing performance indicators, based on the World Health Report 2000, and connecting them to health finance relevant numbers. Progressivity figures are used to highlight cross country equity differences.

The analysis will provide evidence about the financing method mix' clusters and progressivity factor (Kakwani Index) influencing WHO DALE ranking. Regional and wealth perspectives are also looked at.

Conclusively simple correlations can be observed for example between the Kakwani Index and the DALE ranks i.e. the more progressive a health care system is financed the better it is ranked. But also regarding financing mix' basic relationships can be found like social insurances leading to a better position contrary to the privately financed system mixes.

Overall the protection of the poor is obtained by designing progressive financing systems which are predominantly public financed. But it has also become obvious that the performance of health systems do not solely depend on their way of finance even though it can partly be explained by indicators used in this paper. The cross-country finance comparison provides the basis for further investigations by solidifying results expanding the model's integration for example to educational levels. The use of a comparative scale or benchmarks like the DALE ranking is therefore indispensable.

Equity wise such a comparison is essential deriving politically required conclusions and serving as a decision base for health finance system design. It has been shown that publicly financed systems tend to be more equitable. Creating progressive schemes do also contribute to an equitable distribution of health and but also of wealth. One has not to forget to set priorities and these will factually largely differ between countries. In our understanding the political drivers cannot avoid determining guiding principles according to which the system will be designed. Therefore the present paper supports such an effort providing evidence for the future health financing systems.