



**1. Definition of Health and Medicine.**

**2. Health for all.**

**3. Definition of Healthcare system:**

**4. Models of Healthcare Delivery.**





## What is the definition of Health?



רוסאליהענינים הנבי צפורה מורתי  
הירועה בשם "צפורה לה פולבירה"

**Tzipora La Polvira**  
**Jerusalem's leading**  
**19<sup>th</sup> century "ophthalmologist"**

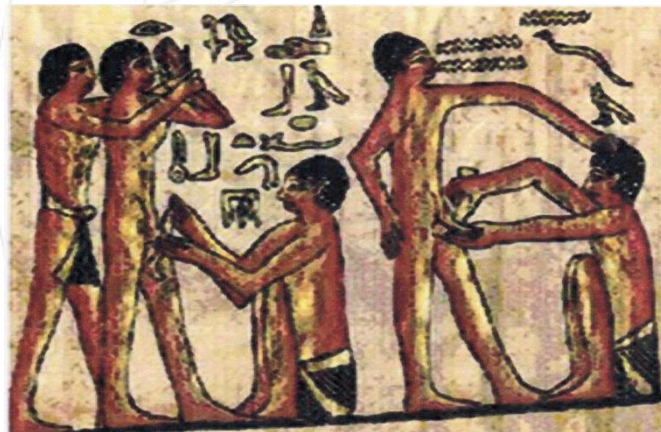


# Health Care Systems



## Definition of Health- Encyclopedia Britannica:

**1. The condition of being well or free from disease (Medicine).**



**Egyptian Doctor healing laborers on papyrus**



# Health Care Systems



## Definition of Health- Encyclopedia Britannica:

**2. The overall condition of someone's body or mind (Health).**





# Health Care Systems



## Definition of Health-WHO:

**Health is a state of complete physical, mental and social well-being, and not merely the absence of disease or infirmity.**



**Kibbutz**



# Health Care Systems



## WHO principles of Health:

- **Health is a basic human right.**
- **It's a country's duty to provide healthcare to all citizens.**
- **The primary health care strategy is to promote health, human dignity, and enhanced quality of life.**
- **Existing gross inequality in the health status of the people is politically, socially and economically unacceptable.**

**(Alma Ata Declaration of 1978)**



**Health for all Australians**



# Health Care Systems

## Questions raised:

- **What are the implications of the broad definition of health?**
- **Should or can countries provide the ultimate healthcare services to all the population?**



Greek Medicine





# Health Care Systems



## Health for all:

- **Only the developed, industrialized countries have established health care systems (40 of the world's 200).**
- **Most of the nations on the planet are too poor and too disorganized to provide any kind of medical care to their entire population.**
- **Only the rich and powerful get medical care; the poor stay sick or die.**





# Health Care Systems

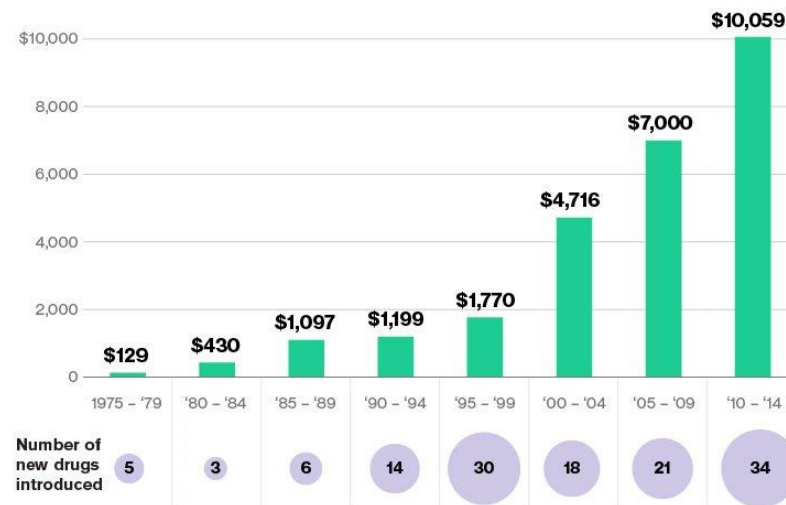


## Health for all? Can countries provide the ultimate healthcare services to the entire population?

**Ex: Increase use and cost of oncological drugs in developed countries**

### Cancer Drugs Hit Market at Ever-Higher Prices

The median monthly cost for new cancer drugs in the U.S. has soared since the 1970s despite an increasing number of available brands.



Note: Costs are monthly Medicare prices for each drug the year it was introduced, adjusted for inflation; drugs approved through early December 2014 are included.  
Source: Peter Bach and Geoffrey Schnorr at Memorial Sloan Kettering Cancer Center





# 1. Introduction

## What is the definition of a Healthcare system?

- **The organization of people, institutions, and resources that deliver health care services to meet the health needs of target populations.**
- **The total services offered by all health disciplines and the method to pay for them.**

Wikipedia

Berman, Snyder, Kozier, & Erb.



# Health Care Systems

## The essentials elements of healthcare system :

### Government as a regulator

- **MOH**
- **MOF**
- **Council of Higher Education**

### Financing

- **Government Budget**
- **Taxes**
- **Employers**
- **Employees**
- **Out of Pocket/Private**

### Management

- **Government**
- **Regional Authorities**
- **Insurance companies**
- **HMO**
- **Person**

### Providers/Services

- **Primary care**
- **Hospitals**
- **Rehabilitation**
- **Drugs**
- **Physicians.....**



# Health Care Systems



## Basic models of healthcare systems (at the time of their establishment)

1. **The Bismarck Model**
2. **The Beveridge Model**
3. **The National Health Insurance Model**
4. **The Out-of-Pocket Model (Private Insurance System)**





# Health Care Systems



## 2. The Bismarck Model:

1. Health care is provided by Insurance Organizations (HMO'S)
2. HMO'S are paid by employer & employee.
3. Common features:
  1. Short waits, quality care, relatively low costs, and simplified administration
  2. Tight regulation of insurance, often (not always), sold on a nonprofit basis
  3. Claims paid without challenge
  4. No exclusion for pre-existing conditions
  5. Prices for most procedures fixed by the State
  6. Private hospitals and physician practices, HMO employed
  7. Ex: Germany, France, Switzerland, Belgium, Netherlands, Japan, Israel.



Otto von Bismarck



# Health Care Systems

## The essentials of a healthcare system – Bismarck Model:

### Regulators

- **Primary - Government - MOH, MOF, Council of Higher Education...**
- **Secondary - Medical Associations- professional standards**

### Financing

- **Government Budget**
- **Employers/Employees**
- **Out of Pocket/Private**

### Management

- **Government/ Regional Authorities**
- **HMO/ Insurance companies**
- **Personal**

### Providers/Services

- **Primary care**
- **Hospitals**
- **Rehabilitation**
- **Drugs**
- **Physicians**





# Health Care Systems



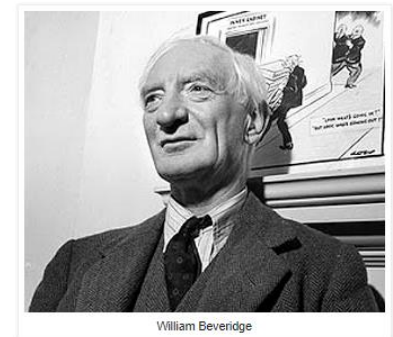
## 1. The Beveridge Model:

1. A health care system owned and operated by government.
2. Common characteristics:
  1. Single - Health care is paid by the government through taxes
  2. Government ownership and operation of health care
  3. Government responsibility for delivery of equitable & efficient health care
  4. Full access to all regardless of ability to pay
  5. Primary care physician as gatekeeper
  6. Ex: GB, Spain, Italy, Cuba, Scandinavia, New Zealand).

William Beveridge (1879 –1963)

A British economist and social reformer.

Author of 1942 report Social Insurance and allied Services (Beveridge Report)



William Beveridge



## The essentials of a healthcare system – Beveridge Model

### Regulators

- **Primary - Government - MOH, MOF, Council of Higher Education...**
- **Secondary - Medical Associations- professional standards**

### Financing

- **Government Budget**
- **Employers/Employees**
- **Out of Pocket/Private**

### Management

- **Government/  
Regional Authorities**
- **HMO/  
Insurance companies**
- **Personal**

### Providers/Services

- **Primary care**
- **Hospitals**
- **Rehabilitation**
- **Drugs**
- **Physicians**



## 3. The National Health Insurance Model:

1. **National Health Insurance model combines Bismarck & Beveridge models**
2. **Like Bismarck Model, it is insurance-based; like Beveridge, it is single payer.**
3. **The NHI model - universal coverage with cost controls**
4. **In NHI, the government:**
  1. **Strongly influences provider compensation, prices of medical services & drugs**
  2. **Limits the services covered by the national insurance**
  3. **Limits the volume of selected services and procedures, thus creating the lengthy waits for non-acute secondary care.**
  4. **Ex: Canada, Australia, South Korea, and Taiwan**
  5. **Ex: Medicare - Employer-employee contributions are used by the government as an insurance fund.**  
**The government in turn pays private providers.**



# Health Care Systems

## The essentials of a healthcare system - National Health Insurance:

### Regulators

- **Primary - Government - MOH, MOF, Council of Higher Education...**
- **Secondary - Medical Associations- professional standards**

### Financing

- **Government Budget**
- **Employers/Employees**
- **Out of Pocket/Private**

### Management

- **Government/  
Regional Authorities**
- **HMO/  
Insurance companies**
- **Personal**

### Providers/Services

- **Primary care**
- **Hospitals**
- **Rehabilitation**
- **Drugs**
- **Physicians**



## **4. The Out-of-Pocket Model:**

- 1. In this system, individuals are either covered by their employers, covered by a private policy or they go without any coverage at all.**
- 2. In the poor world, patients can sometimes have money to pay a doctor's bill; If they have nothing, they don't receive medical care.**
- 3. Ex: Rural regions of Africa, India, China and South America.**



# Health Care Systems

## The essentials of healthcare system - Private :

### Regulators

- **Primary - Government - MOH, MOF, Council of Higher Education...**
- **Secondary - Medical Associations- professional standards**

### Financing

- **Government Budget**
- **Employers/Employees**
- **Out of Pocket/Private**

### Management

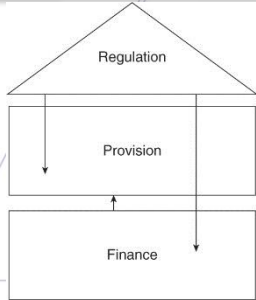
- **Government/  
Regional Authorities**
- **HMO/  
Insurance companies**
- **Personal**

### Providers/Services

- **Primary care**
- **Hospitals**
- **Rehabilitation**
- **Drugs**
- **Physicians**



# Health Care Systems



## Comparison of Healthcare Models Summary

|                     | <b>Beveridge model</b>                     | <b>Bismarck model</b>                        | <b>National health insurance model</b>                 | <b>Out-of-pocket model</b> |
|---------------------|--|--|--|----------------------------|
| <b>Financier</b>    | Government (health tax)                    | Sickness fund (employer & employee)          | Government-run insurance into which every citizen pays | Individual                 |
| <b>Provider</b>     | Government (majority)                      | Government<br>Private SF                     | Private  | Private                    |
| <b>Cost control</b> | Strictly enforced government control       | Negotiated monopsony                         | Negotiated monopsony                                   | None                       |
| <b>Coverage</b>     | All  | All  | All  | Those who pay              |
| <b>Profit</b>       | Not for profit                             | Not for profit                               | Not for profit   | For profit                 |
| <b>Countries</b>    | India, UK, Scandinavia, Spain, New Zealand | Germany, France, Belgium, Japan, Switzerland | Canada, Taiwan, Korea                                  | India, Africa, China       |



# Health Care Systems



## Is there a best healthcare system model?

Every country has its own characteristics and needs and adapts its Healthcare System to:

1. Geography (size, weather, infrastructure)
2. People (population size, location, age distribution)
3. Social (culture, history, values, system)
4. Political system
5. Financial Abilities

**2018 Johns Hopkins Healthcare Design Competition**

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# Health Care Systems– The End



**“The reason history repeats itself is that most people weren't listening the first time”**

Unknown



**Michelangelo: The creation of Adam. Sistine chapel Rome 1505**



***Thank You!!***

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