

Is Accessibility to Public Services Curtailed in Hospitals with Private Services? Lessons for the U.S of the Jerusalem Experience

Amnon Lahad

Chairman Department of Family
Medicine, Hebrew University, Jerusalem,
and Clalit Health Services, Jerusalem
district.

Chairs the Israeli National Committee for
the Health of the Community.



Tom Axelrod¹, Matan J Cohen¹, Nir Kaidar², Mayer Brezis¹
Hadassah-Hebrew University Medical Center¹ & Ministry of Health², Israel





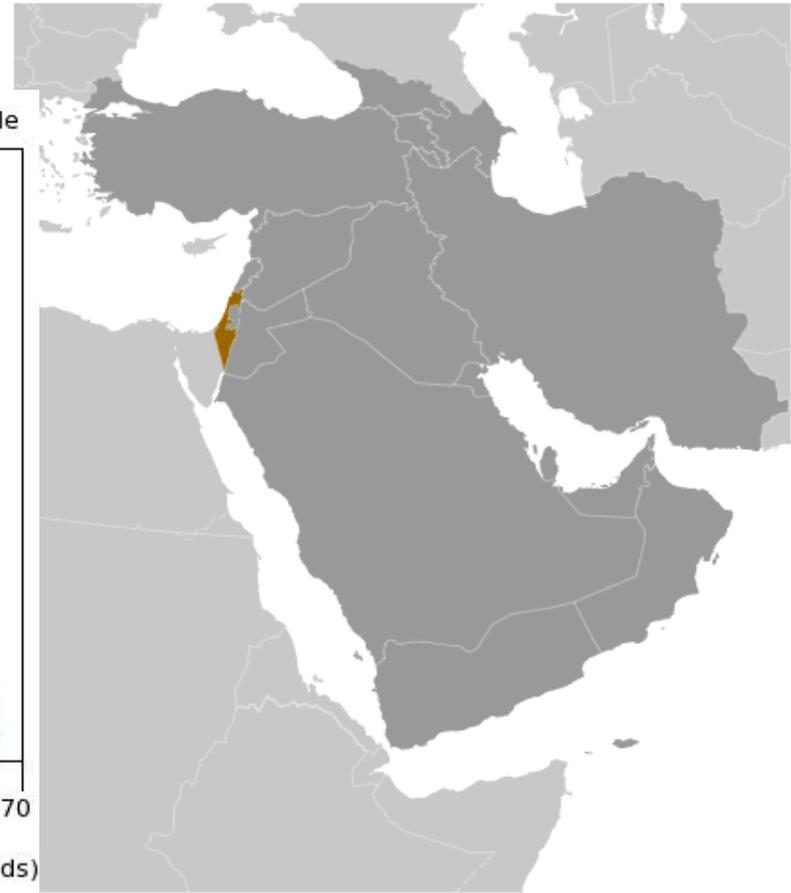
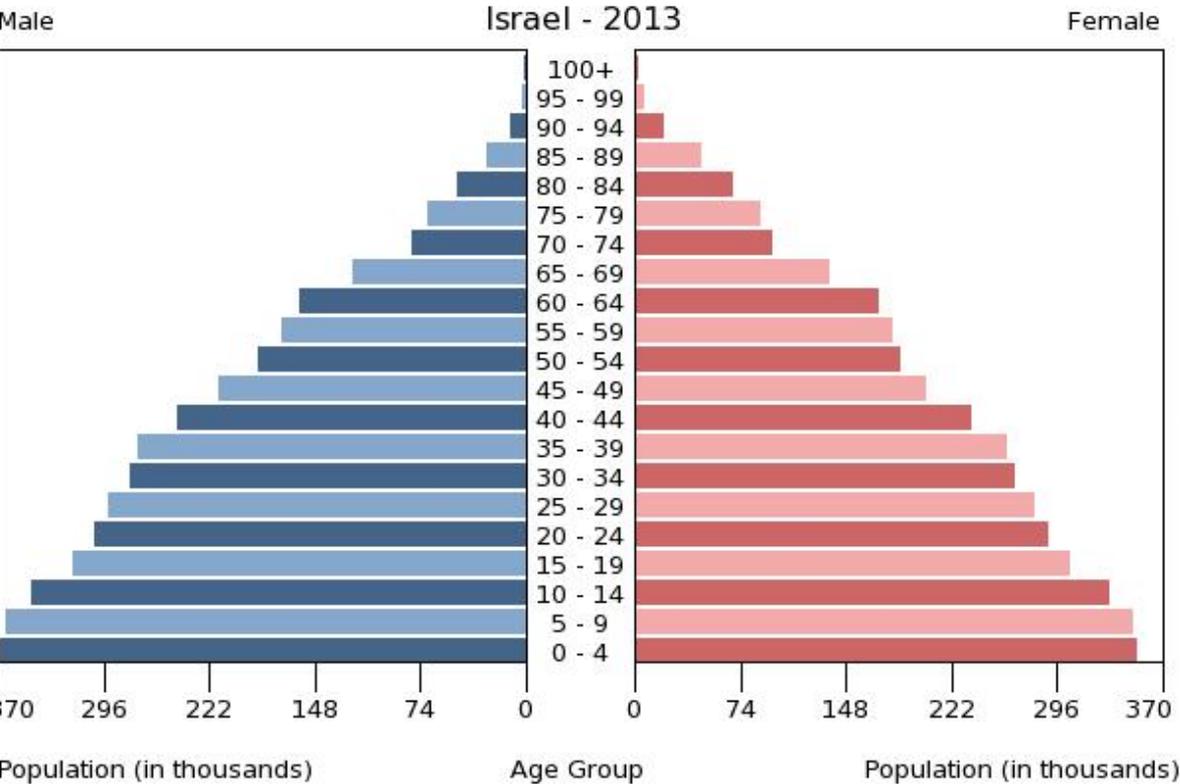


Israel

Population: 7,707,042 (July 2013 est.)

Population growth: 1.5% (2013)

Urban population: 92% (2011)

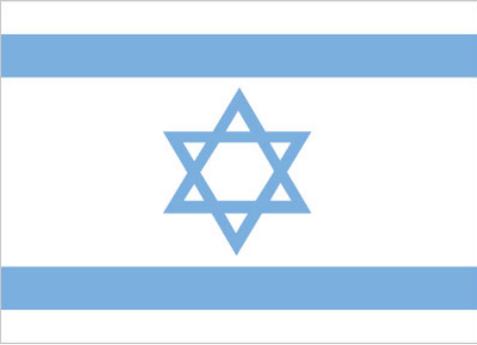




Israel

- Birth rate: 18.7/1,000 (102/224)
 - US: 13.66
- Death rate: 5.5/1,000 (50)
 - US: 8.39
- Infant mortality 4.03/1,000 (25)
 - US: 5.9
- Maternal mortality rate: 7/100,00 (15)
 - US: 21





Israel

- Life expectancy 81.17 (18)
 - US: 78.62
- Health expenditure: 7.6% of GDP (2010)
 - US: 17.9%
- 3.63 physicians/1,000 population (2007) ↓
 - US: 2.67
- 3.5 beds/1,000 population (2010) ↗
 - US 3





Israel

- GDP: \$252.8 billion (2012 est.)
- GDP per capita: \$32,800 (2012 est.) (44)
 - US: 50,500\$
- Unemployment: 6.9%
 - US: 8.1%
- Taxes and other revenues: 26.4% of GDP
 - US: 15.6%





NHI

- In 1995 Israel enacted a National Health Insurance Law (NHI) to replace a situation in which the vast majority (96%) of Israelis was insured voluntarily in four sick funds.
- Despite this virtue of nearly universal coverage the system was plagued by a number of problems including:
 - financial deficits
 - lack of clarity regarding entitlements.

NHI

The law requires:

- Mandatory, universal coverage, rather than voluntary insurance.
- Eligibility for a uniform benefits package rather than a benefits package determined by each health plan.

NHI

- Centralized collection of a health tax and its allocation to the health plans according to a capitation formula based on the number, ages, gender and morbidity of a health plan's members, rather than the independent collection by each health plan of a membership premium based on income level.

NHI

- A ban on rejection of applicants for health plan membership because of their health status, age, or other factors.
- Freedom of transfer among health plans for all citizens, regardless of their health status, age, or organizational affiliation.

NHI

- In addition, the NHI Law includes measures for financial restraint.
- These include a rigid, fixed budget for the health system with an updating mechanism controlled by the Ministry of Finance and the Ministry of Health.

“The Basket”

- It mandates a standard basket of services that the four sickness funds are required to provide to their members if prescribed by a physician.
- The emphasis on this provision was a reaction to the prior situation in which each sick fund could determine its own basket of services, and was not legally required to provide any particular service.

“The Basket”

- The Israeli basket of services is listed as an appendix to NHI.
- It includes not only the names of specific procedures and pharmaceuticals, but also detailed guidelines as to the indications for use of these services with public coverage.
- As a result of political processes it was decided in 1998 to create a Public Committee to consider the addition of new services to the basket

Supplemental insurance

- The 4 HMOs offer supplemental insurance with rates based only on age.
- Rates are relatively affordable (3.5 NIS = \$)

70 ומעלה	65-69	60-64	50-59	40-49	31-39	19-30	18	0-17**	גיל העמית
₪ 70.54	₪ 68.67	₪ 62.33	₪ 57.98	₪ 55.08	₪ 47.81	₪ 34.33	₪ 15.26	₪ 5.47	תשלום חודשי

- Mainly cover private services = choosing a provider.
- 77% of population buys SI



Public hospitals

Acute care hospitals owned by:

- 55% the Israeli government
- 30% Clalit Health Services – the biggest HMO in Israel.
- 15% private not for profit. The 2 biggest one are in Jerusalem:
 - Hadassah organization with total of 900 beds
 - Saare Zedek Medical Center 700 beds



SZMC

Hadassah



Private medicine

- In the governmental and the Clalit hospitals there is no private service.
- In Jerusalem both hospitals provide both public and private medicine in the same facility, by the same staff.
- Originally all physicians are required to allocate 80% or more of their working time for the public sector.

**“Growing privatization of medical services at the
expense of public medicine”
*State Comptroller Report 2013***



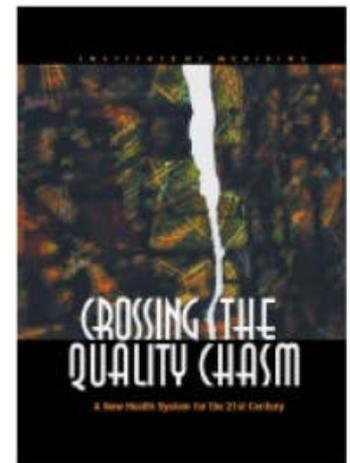
Timely: reducing waiting times and sometimes harmful delays for both patients and caregivers.

Equitable: providing care that does not vary in quality due to gender, ethnicity, geographic location and socioeconomic status.

Six Aims for Improvement in Crossing the Quality Chasm: A New Health System for the 21st Century, A consensus report, 2001



INSTITUTE OF MEDICINE
OF THE NATIONAL ACADEMIES



Private service should only allow choice of a physician

If private service will result in earlier appointment scheduling and not only in allowing choice of MD, the entire health system will collapse. **A. Rubinstein, Israel Attorney General (currently supreme court judge) 2002**

The prerequisite for allowing private services at the new hospital in Ashdod is that this service will not give priority in scheduling. **Supreme court ruling**

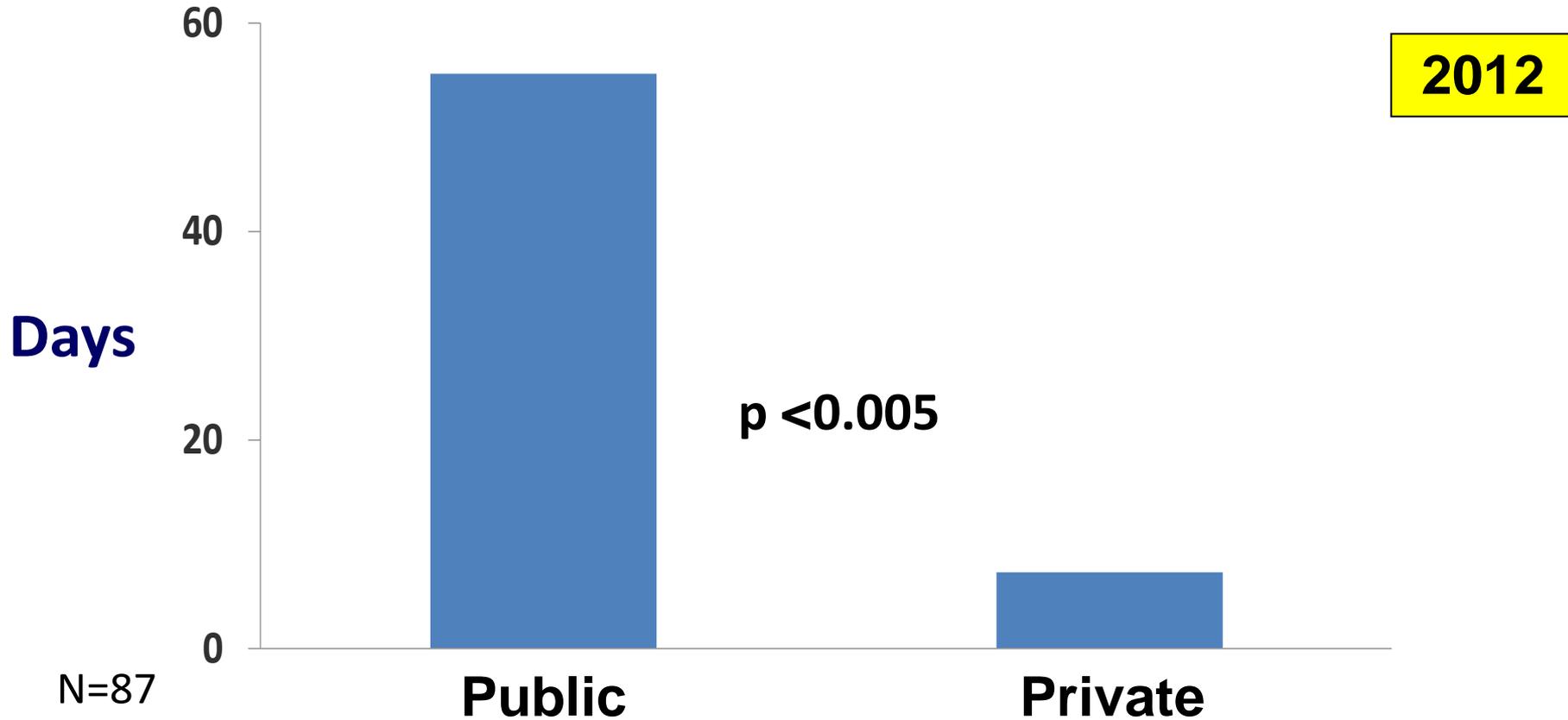
First study – Accessibility of Specialty clinics

Aim to test if there is a priority in scheduling for private medicine in Jerusalem?

- 3rd year medical students were instructed to schedule a clinic visit for themselves or an older relative.
- Presented a set, simple scenario
- Requested the first available appointment
- The process was performed once as a public patient and once as a private patient.

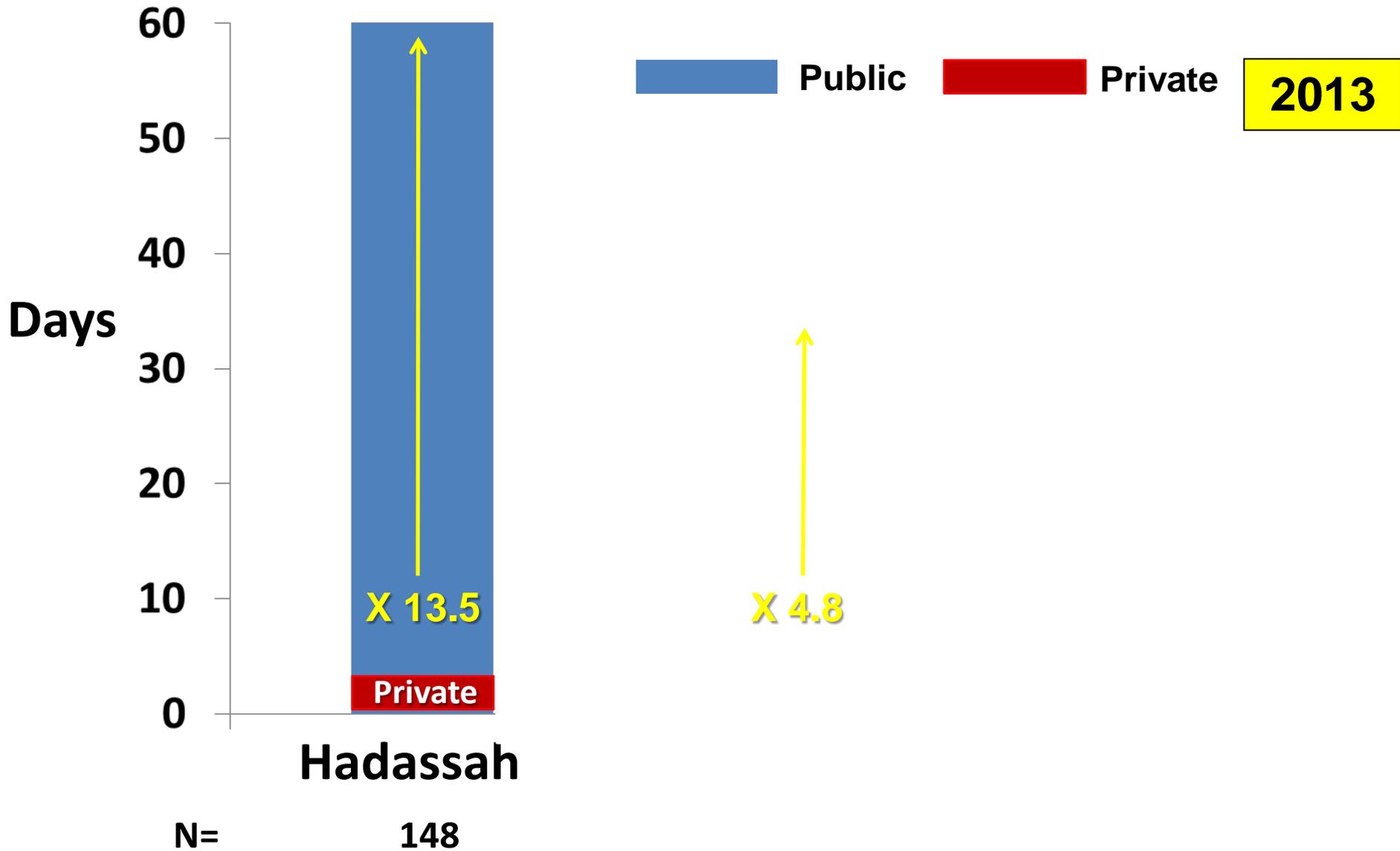
Scenario	Clinic	Student last dig ID
Back or Knee pain	Orthopedic	0
Hypothyroidism or uncontrolled DM	Endocrinology	1
Abdominal pain or constipation	Gastroenterology	2
Joint pain	Rheumatology	3
Vision problem or painful eye	Ophthalmology	4
Hand tremor	Neurology	5
New diag. of colon or breast Ca	Oncology	6
Headache and nausea a week after head trauma	Neurosurgery	7
Nose bleeding	ENT	8
Hematuria	Urology	9

Large Difference in Average Appointment Waiting Times at Hadassah Clinics



Determined by secret shoppers (3rd year medical students) calling appointment center to get earliest possible slot to a public or private clinic for same medical scenarios

Average Appointment Waiting Times:



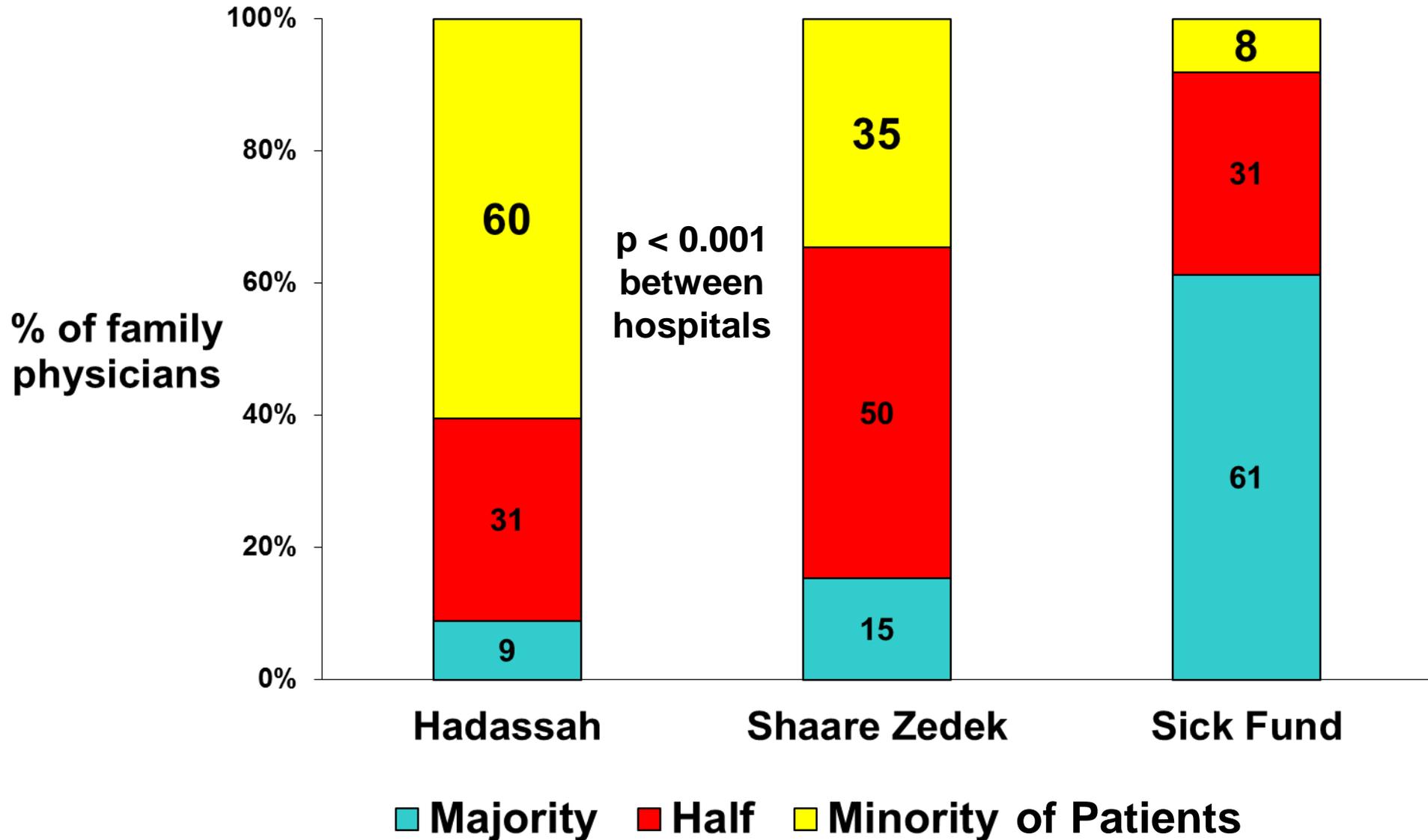
Public and private waiting time (d)

Clinic	TLV	SZMC		Hadassah	
	Public	Private	Public	Private	Public
Urology	27	3	14	2	85
ENT	26	6	24	2	15
Oncology	14	6	13	7	11
Orthopedics	50	12	7	2	51
Endocrinology	50	3	35	4	113
Gastroenterology	46	5	25	5	65
Neurology	50	12	7	2	51
Nephrology	63	9	132	10	29
Rheumatology	65	12	54	5	64
Ophthalmology	43	5	43	6	158

What are the perceptions of family physicians on accessibility to public services in Jerusalem hospitals?

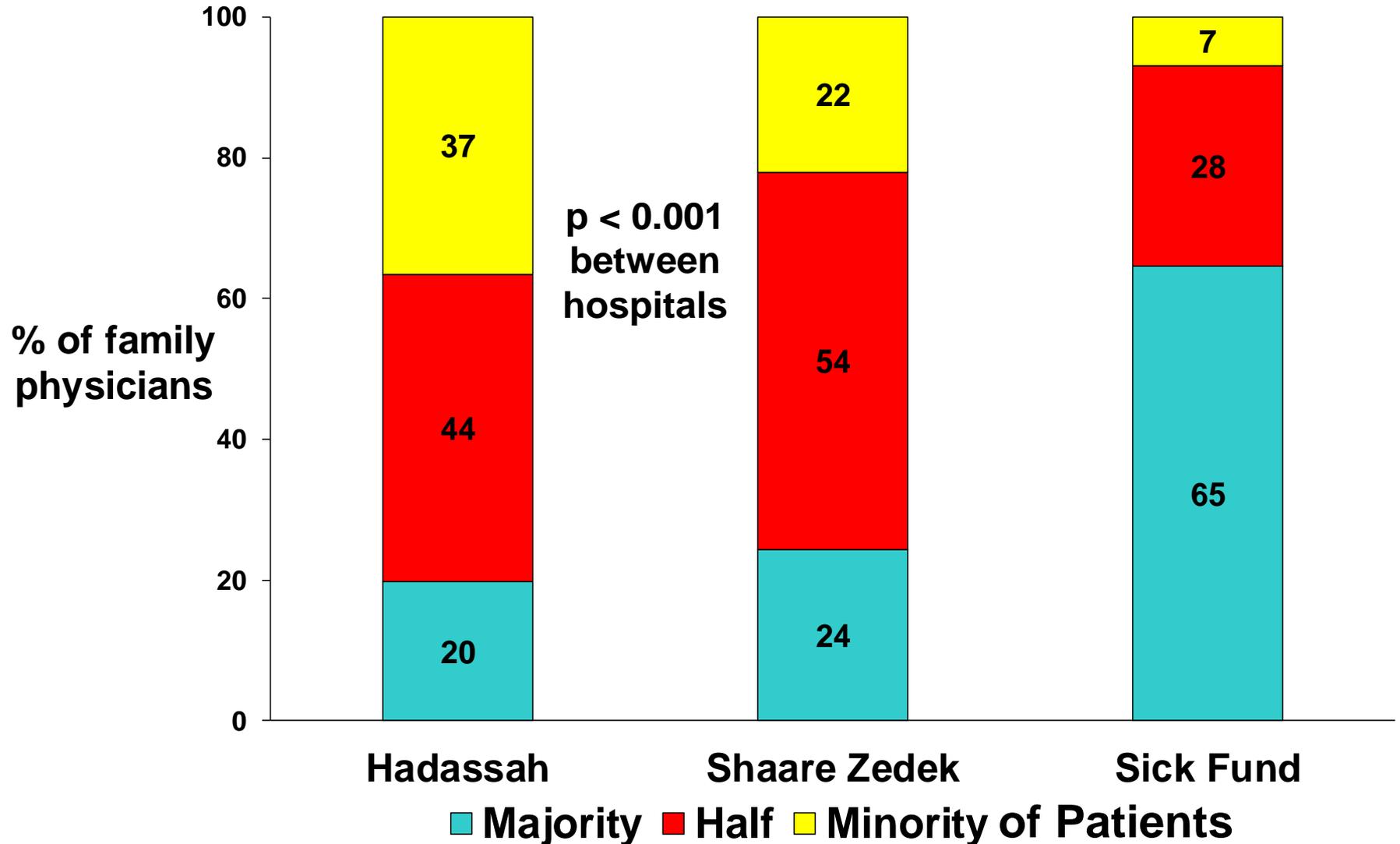
- **Web-based survey of family physicians:**
 - **Accessibility**
 - **Self-referral in private track, appointment cancellation of public clinics**
 - **Dealing with long waiting times**
 - **Ethics**
- **N=150 (nearly half of the family physicians in Jerusalem)**
- **Collaboration with the four Sick Funds.**

What proportion of your patients was able to make an appointment with a specialist in a public clinic within a reasonable time in relation to the urgency of the problem?



What proportion of your patients was able to make an appointment for a **procedure*** through the public track within a **reasonable time** in relation to the urgency of the problem?

*diagnostic/therapeutic procedure (e.g. biopsy, injection, imaging or endoscopy)



To what extent have you **succeeded in conducting a phone consult** with a hospital physician regarding a patient in the public track?

	Hadassah	Shaare Zedek
Rarely/Never-stopped trying	48%	33%

p = 0.01 between hospitals

During consult, have you ever received a **suggestion to refer your patient to the private track** to shorten waiting time?

	Hadassah	Shaare Zedek
Yes	59%	44%

p = 0.02 between hospitals

Have you encountered **self-referral** to the private track:
referral for followup, procedures or surgery after
a private care visit?

	Hadassah	Shaare Zedek
Yes	63%	52%

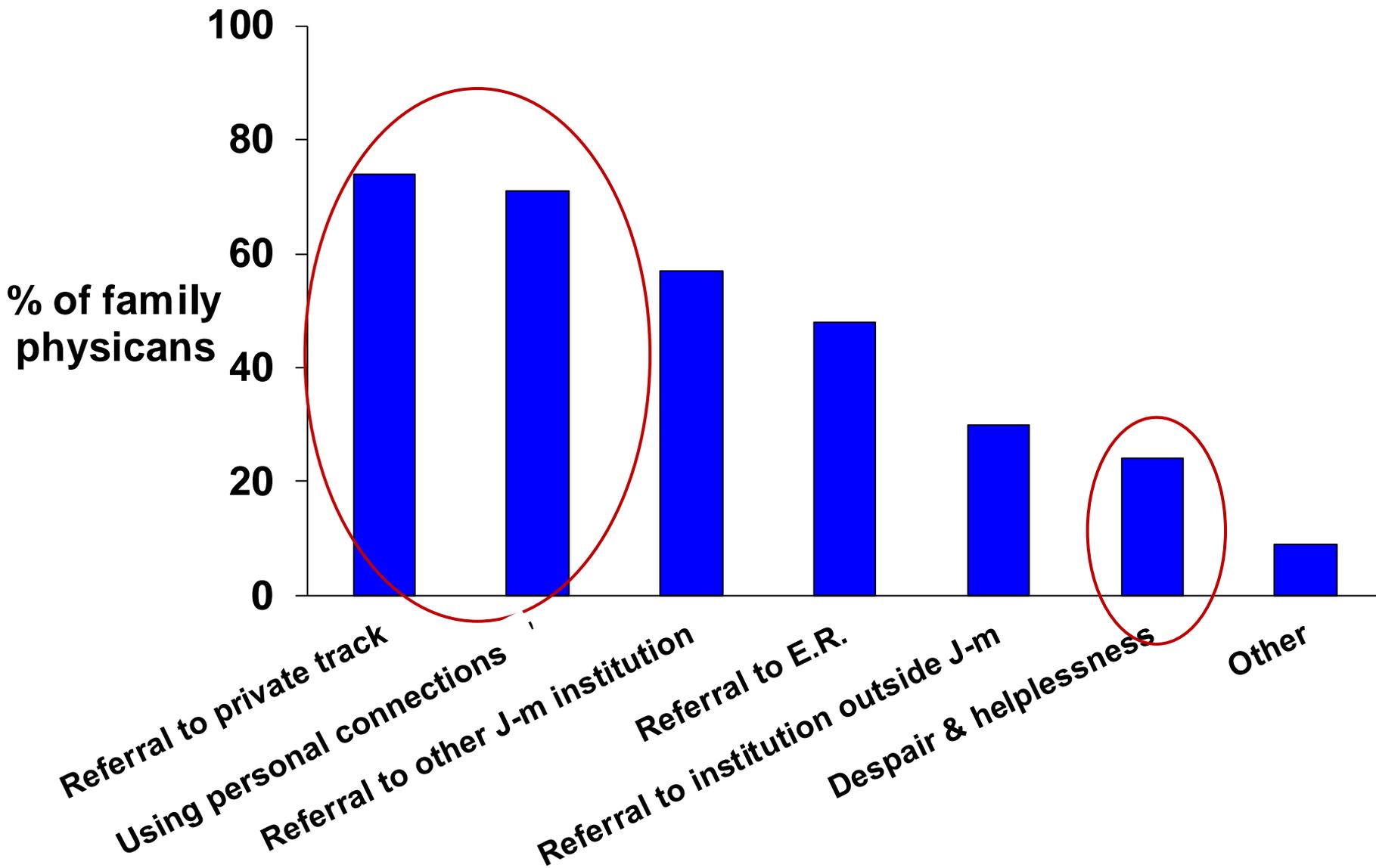
p = 0.08 between hospitals

Have you encountered **appointment cancellation**
more in one track than in the other?

	Hadassah	Shaare Zedek
In the private track	4%	2%
In the public track	40%	32%

p = 0.15 between hospitals

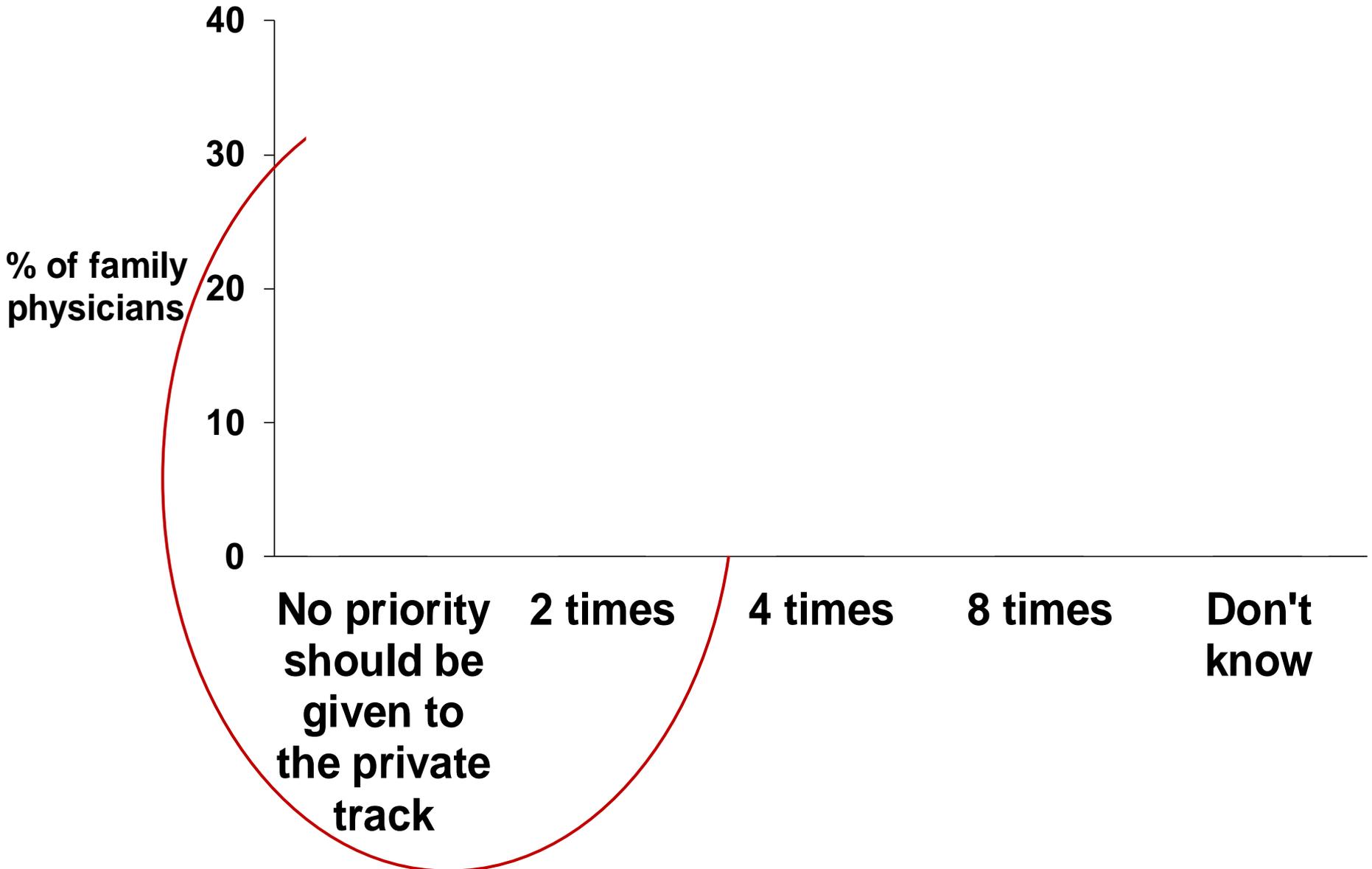
Your attempts to shorten waiting times for patients in the hospital public track include: (can mark more than one answer)



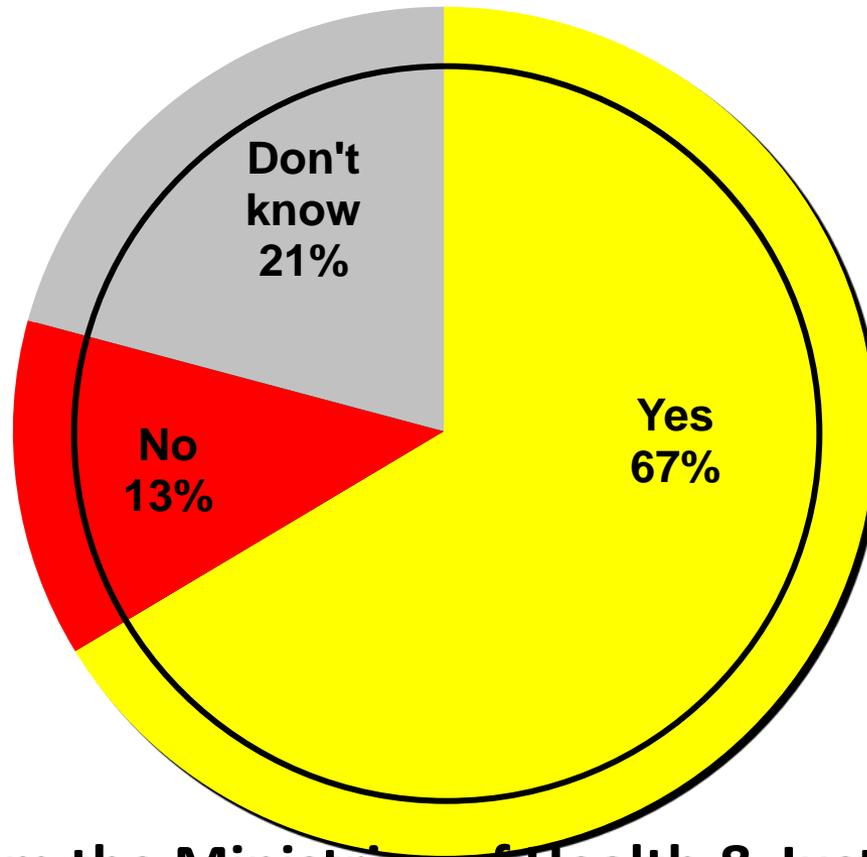
Remarks (direct quotes) by family physicians = FRUSTRATION

- **Two years for cataract surgery!**
- **Rheumatology: 6 months wait!**
- **We don't get good service without supplemental insurance in Jerusalem.**
- **I call a specialist for a consult which seems urgent. His advice: refer the case to my private clinic. Shame.**
- **All is private. Money. Needs urgent correction.**
- **I don't object to private medicine but not at the expense of public medicine.**
- **Private medicine is to select a physician, not to cut waits.**
- **Hospitals need a hotline for physicians: direct communication between docs would improve care and hospital image.**

How much of a gap in waiting times between the private and public track at the same institution seems ethical to you?



Is an 8-fold longer wait for a public vs. private clinic appointment at the same institution discriminatory by law*?



- **No jurist (from the Ministries of Health & Justice) would agree to answer this question.**
- **2/3 of family physicians felt this was discrimination.**

Discussion

- **At hospitals with private services in Jerusalem, public appointments show large waits (up to 8 months or 10-fold the time for a private clinic).**
- **Accessibility to public services at those hospitals is perceived by family physicians to have deteriorated over the last decade.**

Discussion

- **Family physicians report reasonable public service waiting times for only a minority of patients, difficulty reaching a hospital physician for consult, pressure to refer patients to private services and frustration - as 40% of the Jerusalem population lacks supplemental health insurance.**
- **Most family physicians feel large public vs. private wait gaps should be averted and constitute discrimination.**

Discussion & Limitations

- **Two-tier hospitals, combining private & public services, need better transparency and regulation.**
- **The significant differences between the two hospitals in Jerusalem suggest modification by local policy.**



THE ISRAEL NATIONAL INSTITUTE FOR HEALTH POLICY RESEARCH

The 5th International Jerusalem Conference on Health Policy

Jerusalem, June 3-5, 2013 | ICC Jerusalem Convention Center

6. Tom Axelrod (IL)

IS ACCESSIBILITY TO PUBLIC SERVICES DAMAGED IN HOSPITALS WITH PRIVATE SERVICES? THE JERUSALEM EXPERIENCE

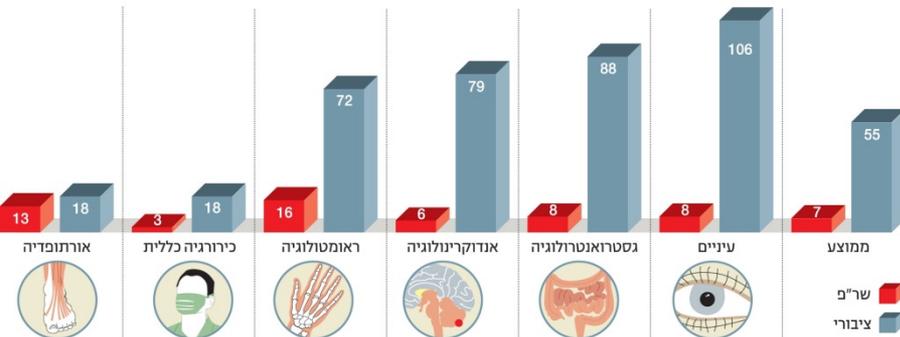
7. Shivanji Kar (India)



הכסף מקצר תורים // כמה זמן תחכו לרופא? 55 יום, אם תשלמו - רק שבוע

מחקר בבית החולים הדסה מגלה פערים גדולים בין השירות הציבורי לפרטי ■ זמן ההמתנה המקסימלי לתור במרפאה ציבורית הוא 244 יום לעומת 38 ימים בלבד במסלול השר"פ ■ הדסה: מרפאות השר"פ מציעות ע"י ביטוחים משלימים ופועלות רק אחה"צ

איך נספ? התאזרו בסבלנות מספר ימי ההמתנה הממוצע לתור במרפאות ציבוריות ובשירותי רפואה פרטיים



07-12 | 21.11.2012 | מעריב | 67

- Many newspaper articles
- 3 TV interviews
- 3 radio programs
- 1 testimony before the German Committee – the committee headed by Ms. Yael German, the Minister of Health, on public-private medical services.

CBS data

- Representative sample of the Israeli population [excluding the army and chronic care facilities]
- 8,000 households
- 28,969 individuals
- Weighted
- Data on medical use, waits for several procedures and in-depth socio-economic data

Public / Private clinic visits primary care (2 weeks – weighted)

	Total No of visits	% private
Family Medicine	741,193	3.4
Pediatrics	206,425	3.1
Internal Medicine	14,336	15.7

Public / Private clinic visits non surgery (2 weeks – weighted)

	Total No of visits	% private
Dermatology	42,039	7.7
Cardiology	26,834	6.1
Neurology	20,644	17.4

Public / Private clinic visits surgery (2 weeks – weighted)

	Total No of visits	% private
Orthopedic	91,997	10.7
GYN/OBS	69,107	12.9
ENT	36,360	10.4
Surgery	30,520	12.7
Ophthalmology	46,371	13.8

Waiting time for operation by payer - private insurance

Crosstab

Waiting time for operation	<i>Privately paid</i>	<i>Publicly paid</i>	Total
Wait ≤ 1 month	1348	18921	20269
	65.8%	42.6%	43.6%
	2.9%	40.7%	43.6%
Wait ≥ 2 months	700	25530	26230
	34.2%	57.4%	56.4%
	1.5%	54.9%	56.4%
Total	2048	44451	46499
	100.0%	100.0%	100.0%
	4.4%	95.6%	100.0%

Chi² p<0.001

Waiting time for operation by payer - out of pocket

Crosstab

Privately paid

Publicly paid

Waiting time for operation	1	2	Total
Wait ≤ 1 month	1389 59.5% 3.0%	18880 42.7% 40.6%	20269 43.6% 43.6%
Wait ≥ 2 months	944 40.5% 2.0%	25286 57.3% 54.4%	26230 56.4% 56.4%
Total	2333 100.0% 5.0%	44166 100.0% 95.0%	46499 100.0% 100.0%

Chi² p<0.001

Waiting time for operation by payer – all private

Crosstab

Waiting time for operation	<i>Publicly paid</i>	<i>Privately paid</i>	Total
Wait ≤ 1 month	16438	3831	20269
	41.6%	54.7%	43.6%
	35.4%	8.2%	43.6%
Wait ≥ 2 months	23056	3174	26230
	58.4%	45.3%	56.4%
	49.6%	6.8%	56.4%
Total	39494	7005	46499
	100.0%	100.0%	100.0%
	84.9%	15.1%	100.0%

Chi² p<0.001

Schedule time for operation
– all private and supplementary insurance

Crosstab

Schedule time for operation	<i>Publicly paid</i>	<i>Privately paid</i>	Total
Wait ≤ 1 month	16306	8744	25050
	49.6%	62.2%	53.4%
Wait ≥ 2 months	34.8%	18.6%	53.4%
	16536	5314	21850
	50.4%	37.8%	46.6%
	35.3%	11.3%	46.6%
Total	32842	14058	46900
	100.0%	100.0%	100.0%
	70.0%	30.0%	100.0%

Chi² p<0.001

Waiting time for elective operation Jerusalem

Controlling for age and gender, Jerusalem residents had:

- 66% less chance of waiting for more than 1 month compared to the rest of Israel
- Were 42% less likely to be scheduled for operation more than 1 month later.
- Even after controlling for payer.

The Jerusalem experience

- The 2009 data of the CBS do support a difference in timing of care according to payer but
- The over all waiting time for operations in Jerusalem is significantly shorter than in other places in Israel.

HealthAffairs

No Evidence That Primary Care Physicians Offer Less Care To Medicaid, Community Health Center, Or Uninsured Patients

Brian K. Bruen^{1,*}, Leighton Ku², Xiaoxiao Lu³ and Peter Shin⁴

- 31,000 visits to primary care MD, 2006–10.
- Length or content of a visit for patients:
 - insured by Medicaid, Uninsured, seen in a community health center.
- Medicaid patients received more diagnostic and treatment services, and uninsured patients received fewer services, compared to privately insured patients, but the differences were small.

Conclusion

- **Accessibility to public services may be curtailed when private services take over because of financial incentives.**
- **Access equity requires better transparency and regulation of two-tier health care systems.**
- **Timely and equitable service should be promoted as standard quality in health care.**

Applicability to US

- For primary care – Universal Coverage may be the solution.
- For secondary and tertiary care - Universal Coverage by itself is not sufficient.
- Needs for a regulatory system that prevent priority for private patients.

We are grateful to the 160 medical students (who acted as secret shoppers for clinic appointments at 5 hospitals), to the 4 Sick Funds and to the 150 family physicians who participated in our survey for their collaboration.

*Thank
you*