Chapter 17

The Analysis of Health Care Expenses of Turkey between 1990–2012

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ABSTRACT

Health is described not only as the absence of disease and disability but also as physically, psychologically, and socially general well-being of people. Best practices of individuals and the society from the health services depend on taking the correct decisions on health policies. In addition, the thought that a country spending much on health services must have a perfect status of health should not be perceived as right. Effectiveness of the spending result in the efficient practices of these services. Although there have been many institutions carrying out the health services, it has been observed that the share separated for the health from the gross domestic product in Turkey increased until 2009 but decreased as of the mentioned year and it has been stated as low compared with the other countries. In this chapter the effectiveness of Turkey’s health spending between 1999 and 2012 has been analysed from this view.

INTRODUCTION

Undoubtedly, health care services is the one of the most important requirement for individuals. Providing the health care to community is considering the of the essential government’s function. To fulfill society’s requirement, government make a high rate of expenditure to provide health care services. But the high level on health spending does not mean always better health condition for society. Improving the health status and health care services is related the effectiveness of spending rather than quantity. Effectivity of health spending means more people can reach the more qualified health care service to the minimum cost. To achieve this goal the decision makers should define cost effective health policies, and both public and private sector health institutions should managed by this policies. On the other hand the individuals behavior patterns is the one of the other important factor.
In this study first determined the research resources of health spending in Turkey. The data of the study was taken the OECD, the World Bank and World Health Organization’s statistics. And Turkey’s health expenses analysed by the spending indications, the ratio of GDP, public and private sectors spending, out of pocket spendings, per capita for different income groups and position among the other countries.

BACKGROUND

When examined the studies about the impact of increasing in health expenses on health status; it has been noticed that the direct increase or deduction of health expenses does not affect health status or average life expectancy in generally. It is observed that in the European Commission report’s (2013) a deduction of health expenses due to disruption of public health reducing the preventive health service and it is increasing the health expenses in the long run. According to IMF Fiscal Monitor Report (April 2014) and Joumard, Andre, vand Nicq (2010) and Grigoli an Kapsoli’s (2013) estimates shows that 50% increases in the health expenses could lead the one year increase in the average life expectancy. And in this context inefficiencies on health system reduce approximately 2 years of life expectancy based on health. It is suggested that the positive life expectancy outcomes of policies for decrease the inefficiencies on health system by 10% could be equivalent to increase health expenses potentially by 0.7% to GDP. On the other hand as the noted Gaynor (et all, 2012) it has been found an improvement of health outcomes without increasing cost in the England practice which incentive the competition in the hospital sector. But this effectivity only can be for private health expenses. In Turkey most of health expenses provided by public. It can be possible that creating a competitive environment lead to negative results because the low access to preventive and curative health services in developing countries such as Turkey. Therefore it can be mentioned that the interventions for health such as increasing and deduction of health expenses or creation a competitive health sector has negative effect on health status. It has been estimated that public health expenses increase by 3.5% to 4% in OECD countries according to OECD health systems report (2010). Beside the limit for increasing in the health expenses, the effectivity of health expenses become more important because of rapidly aging population and increases in medical technology device prices.

AN ANALYSIS OF TURKEY’S HEALTH SPENDING

In Turkey, the statistics of health spending and other statistics on health are published by the Turkish Statistical Institute, State Planning Organization, annuals of the Directorate of Refik Saydam Hıfzıssıhha Centre and Social Security Institution. At an international level, the OECD, the World Bank, EUROSTAT and World Health Organization have extensive statistics on health. As a result of publication of different statistics of health from different institutions in Turkey, a decision was taken to set a coordination for the purpose of standardization and also it was decided that the Turkish Statistics Institution would report the statistics of health spending and these reports would be sent to the international institutions. With the decision taken, other institutions would also support the Turkish Statistics Institution on this issue. In this study, because other units also have current data and for the purpose of reliability of the study, the data of the OECD, the World Bank and the World Health Organization were used in addition to the data of the Turkish Statistics Institution.

As is seen in Table 1, the total health spending was 4 billion 985 million TL in 1999 and increased up to 74 billion 189 million TL in 2012. Similarly, the health spending per capita was 79 TL in 1999 while it was 987 TL in 2012. The data above will be examined in detail below.