Wasteful spending on health in France: an elephant in the room?
20% of health expenditure (at least) does not improve the condition of the patient, or worse, aggravates it (OECD, 2017)

What about France?

France spends 11% of its GDP on healthcare in 2017 (2nd after US)

Challenges:
- Population ageing,
- Increase in chronic diseases,
- Technological progress = Increase in costs!

But what about value?
Wasteful spending in France?

Very little evidence
No overall estimate of wasteful spending
But many reasons to worry...

Box 1.1. Country-specific estimates of potential savings from eliminating waste

- A conservative estimate suggests that waste represents more than 20% of total expenditure in the United States, with an upper bound nearing 50% (Berwick and Hackbarth, 2012).
- An investigation suggested that nearly one-third of total health expenditure in Australia could be deemed wasteful (Swan and Balendra, 2015).
- A study in the Netherlands estimated that 20% of the budget for acute care could be saved by reducing overutilisation and increasing integration of care (Visser et al., 2012).

Source: OECD 2015
Three types of waste in healthcare:

❖ **Wasteful clinical care** (unjustified acts, geographical variations in medical practice, adverse events, overconsumption of antibiotics...)

❖ **Operational waste** (low use of generics, avoidable hospitalizations, ambulatory still underdeveloped...)

❖ **Governance-related waste** (administrative cost, heavy administrative burden...)

Source: OECD, 2017
Wasteful clinical care

- **Ineffective / low value care**: unjustified acts

Survey conducted on a sample of 803 doctors
Source: FHF 2012
Overconsumption of drugs/antibiotics

- Overconsumption

- France consume 30% more antibiotics than the European average
- 3 times more than the leading European countries (Sweden, Holland, Norway)
- Between 71 and 441M€/year in additional expense compared to similar countries

- Wrongful/unwarranted use of drugs

- At least 10G€ in direct and indirect costs (Bégaud, Costaglia, 2014)
Geographical variations in medical practice:

- Again very little research and evidence....
- First Atlas on variation in medical practice (Dartmouth Atlas) in 2016
- Huge geographical variations in several routine interventions

Benign prostate tumor surgery

• +100% variation

Carpal tunnel syndrome surgery

• +500% variation!
Adverse events:

- Again very little research and evidence
- Very first Patient safety indicator (PSI) introduced in 2016

Cost for 9 types of adverse events in hospital in 2007: 700 million € (IRDES, 2011)

- Iatrogenic adverse events

- 3.60% of hospital stays are caused by iatrogenic adverse events (2007, no change from 1998, EMIR, 2007)
- 144,000 hospital stays caused by iatrogenic events in 2007, 1.8M days
- Between 10 and 30,000 death/year linked to iatrogenic adverse events
- But no study since...
❖ Operational waste

It is not care that is in question here but the organization of the care system.

▪ Low use of generics

Figure 1.3. Trends in generics market shares by volume in OECD countries between 2005 and 2015 (or nearest year)

1. Data refer only to reimbursed pharmaceutical market.
2. Most recent available data are for 2013.
Huge geographical variations in avoidable hospitalizations

- First national study on geographical variations in avoidable hospitalizations (Mercier, Georgescu, Bousquet, 2015)

- 2.8% of hospitalizations are avoidable

- National rate: 11 avoidable hosp./1000.

- Consistent with other countries

- But huge geographical variations: from 0.1/1000 to 44/1000 avoidable hospitalizations depending on location
Excessive use of hospitals (1):

- Unnecessary use of hospital for diabetes

Figure 1.4. Diabetes-related admissions per 1000 patients with diabetes, 2011 (or nearest year)

Note: The OECD average includes 31 countries.

StatLink: http://dx.doi.org/10.1787/888933445962
Excessive use of hospitals (2)

- Length of stay above OECD average

Figure 5.6. Average length of stay in hospital, 2000 and 2014 (or nearest year)

1. Date refer to average length of stay for curative (acute) care (resulting in an under-estimation).

Slow progress in development of ambulatory care

Taux global de chirurgie ambulatoire sur 18 gestes, 2009

Source : Enquête IAAS, 2009
Governance-related waste

- **A very expensive health administration:**

  6% of health spending is spent on administration
  OECD average: 3%

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**Figure 6.2. Administration as a share of current health expenditure by financing scheme, 2014 (or nearest year)**

Note: Compulsory health insurance schemes predominantly refer to social health insurance (SHI) funds but can also refer to compulsory health insurance provided by private insurers. Voluntary prepayment schemes mainly refer to voluntary health insurance schemes. The OECD average includes 30 countries.

Source: OECD Health Statistics (2016), http://dx.doi.org/10.1787/888933444250
Very heavy administrative burden on French doctors:

97% of doctors feel overwhelmed by administrative tasks (CNOM 2015)

14% of doctors reported cleaning their own practice (Jakoubovitch et al. 2012)
Conclusion

➢ Is wasteful spending a problem in France?
Probably: but we lack evidence. An elephant in the room?
Urgent need for more research and data
Meanwhile: every reason to believe that waste is widespread
Actions undertaken by the FHF:

- Creation of a working group on appropriate care
- Partnership with the Choosing Wisely® campaign
  - Research grants program
  - Political work (lobbying)
- Political platform 2017-2022: promotion of evolution culture in hospitals, increased reliance of medico-economic studies, focus on continuous training

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