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The impact of health expenditurs on health transition policies in Turkey

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Abstract

Health care, continuity and demand that will occur when a specific attribute has to be. Technology, personnel, infrastructure and institutional capacity at the organizational level in terms of understanding a health care system that requires people to have an impact on life expectancy and quality of life. However, the quality of health services is linked to the strength of the financial system. In recent years, a significant change in the field of health care in our country is concerned. This day in history applied in our country examination of the Development Plan, and finding solutions to problems in the health field are asked to reveal. Recently, a number of problems can not be solved for many years to be resolved in this direction have been raised and the Health Transformation Program have been implemented. In this way, a new organizational structure for health care services and costs can be controlled is attempted to be made. Because expenditure on health as it is for each country is also important for our country. Spending than the height of the quality, content needs to be clearly set forth. In this study, which is being implemented in the field of health care spending on health care of the conversion work is enshrined in connection with. Working under the Health Transformation Program, implemented as from 2005 until 2012 that the process of health expenditures in Turkey focused form of statistical data to be scanned and the data of the OECD data by comparison are analyzed.

Keywords: Health services, health transformation program, health expenditures

Introduction

Health services are very extensive and have many definitions. Some of them addresses health services broadly, while others are just definitions that emphasize certain points. Akar et al. defined it as a "permanent system organized nationwide in order to realize the goals depending on the needs and desires of the society by using different types of healthcare professionals in certain health institutions, and thus to provide health care for people and society with all kinds of preventive and therapeutic activities" [1]. Recent reformist studies in health services especially stand out. Such studies have also an impact on health expenditures. Efficient and effective health expenditures within the economic structure are also an indicator of development [2,3]. In this respect, it is important for academic studies to focus on both the transition program in health and health expenditures and to guide the desired studies, in order to introduce new initiatives. Thus, more effective studies can be done on health expenditures. For this reason, a topic that could be beneficial for the future of health services was chosen. In this study, we considered the impact of reform studies carried out in health services in the last 7 years on general health expenditures [4,5]. Such evaluation is shaped on whether health expenditures increase in this process. The study aims to reveal to what extent health expenditures are affected by the transition process in health services. The reform process in health was evaluated with statistics from the Turkish Statistical Institute on health expenditures. As a result of the research, if an increase in health expenditures has been observed, its causes and solution offers are suggested, and in case of a decrease, it is discussed thanks to which positive predictions this process has been achieved.

Materials and Methods

This study was produced from a master's thesis entitled "The Impact of Transition Policies in Health on Health Expenditures in Turkey" by Mustafa Altıntaş, in Beykent University, Institute of Social Sciences, Department of Business Management, Department of Hospital and Health Institutions Management. The study consists of two parts. In the first part, a general theoretical framework on health services is drawn. In addition, based on healthcare reform data in development plans and the legislation, the new institutional structuring process in health services is

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introduced [6,7]. In the second part, health expenditure statistics for 2005-2012 are tabulated and evaluated together with the healthcare reform process.

A descriptive perspective is adopted as the study method. The reform process is evaluated through statistical data. The scope of the study is limited to 7 years (2005-2012) of the reform process in health. In this context, the impact of the implemented reform policies on health expenditures is investigated. Within the development plans, recommendations for healthcare reform are set out with general budget data and targets. Legislative changes are of great importance for the restructuring of health services and institutional structures [8]. In parallel, changes and new practices made for the Social Security Institution are evaluated across statistical data. Statistical data revealed within the scope of the study were limited to TURKSTAT data. However, TURKSTAT data is not very detailed and the reliability and consistency of the data in other sources are questionable. In order to overcome the drawbacks of this situation, the data used has been supported by OECD and European Union statistical data.

Results

It is observed that Turkey has a high level of spending burden in terms of social security and health expenditures between 2005-2012. Social protection expenditures covering social aid, social services, social security and health in Turkey amounted to 11.5% in the period of 2006-2008. This rate was over 13% in 2009 and 2010, while it was 13% in 2011. According to the latest published Eurostat data, the ratio of social protection expenditures of EU countries to GDP in 2009 is 29.5%. In 2009, Turkey's social protection expenditure to GDP ratio was 13.5% [9,10].

Having looked at the budget data, it seems difficult to say that the desired improvements can be fully achieved both socially and in terms of social income distribution and justice. Considering the accruements, it can be determined that the 2011 budget is far from functioning as a social budget. It is possible to state that the share allocated to education, health and social expenditures is still low, despite the decrease in interest expenditures, an important burden on the budget and an unfair structure in tax revenues also arises [11,12]. Considering the 2012 data, budget revenues decreased by 7.1% in June compared to the same month of the previous year and reached 24.8 billion TL, while budget expenditures increased by 31.7% and reached 31.1 billion TL; in June 2012, tax revenues decreased by 10.7% compared to the same month of the previous year and amounted to 20.3 billion TL, and non-interest budget expenditures increased by 32.5% to 29.2 billion TL [13].

When current, investment and total health expenditure data are analyzed by years, a current health expenditure of 33.292 million TL has been realized in Gross Domestic Product (GDP) since 2005 [14,15]. The ratio of current health spending to GDP in 2005 was 5.1%. Considering the investment expenditures made in the same year, an investment amount of 2.067 million TL can be seen. The ratio of this amount to GDP is 0.3%. In total, health expenditures were 35.359 million TL, and this amount constituted 5.4% of GDP (table 1) [16].

In 2006, current health expenditures rose to 40.949 million TL and the ratio of this amount to GDP was 5.4%. Investment expenditures increased compared to the previous year and reached 3.120 million TL. The share of this amount in GDP is 0.4%. In total, health expenditures were 44.069 Million TL. The ratio of total health expenditures to GDP in 2006 was 5.8%.

Considering year 2007, the ratio of current health expenditures of 46.495 million TL to GDP was 5.5%. Investment expenditures have been realized as 4.409 Million TL in 2007. This figure still represents a higher rate than the previous year. As a matter of fact, the ratio of investment expenditures to GDP was 0.5% in 2007. In total, while health expenditures were 50.904 million TL in 2007, the ratio of this amount to GDP is 6%. GDP of 950,534 Million TL was realized in 2008. In addition, current health expenditure was 52.320 million TL. The ratio of this amount to GDP is 5.5%. In addition, the amount of investment in healthcare was 5.420 Million TL. The ratio of this amount to GDP is 0.6%. While current health expenditures and investment expenditures totaled 57.740 million TL, the ratio of this amount to GDP was 6.1%.

In 2009, GDP amounted to 952 559 Million in Turkey. 55.294 Million TL of this amount is current health expenditure. The ratio of this amount to GDP appears as 5.8%. Historically, in the last decade, this rate can be expressed as one of the highest rates reached by current health spending relative to GDP in Turkey. While investment expenditures were 2.616 million TL, the ratio of these expenditures to GDP decreased and remained at 0.3%. In total, 57.911 million TL was spent, and when this amount was proportioned to GDP, a level of 6.1% is obtained. While in 2010, GDP was 1,098,799 Million TL in Turkey, current health expenditures amounted to 58 623 Million TL. Considering the ratio of both data to each other, a ratio of 5.3% was seen and this rate is an indication that a decrease is occurring in the rate of current expenditures compared to GDP since 2010. While investment expenditures were 3.054 Million TL, the ratio of this amount to GDP is 0.3%. Total health expenditures rose to 61,678 Million TL. The ratio of this amount to GDP is 5.6%. The amount of GDP in 2011 reached to 1,297,713 million TL. 65.372 Million TL of this amount has been realized as current health expenditure. The ratio of both data to each other is 5.0%. This rate represents a 0.3% decrease compared to the previous year. Having looked at the investment expenditures, it is seen that an amount of 3.236 million TL has been allocated to investment. Its ratio to GDP is at the level of 0.3%. It is seen that the total of current health expenditures and investment expenditures reached 68.607 million TL. When this expenditure total is proportioned to GDP, the ratio is 5.3%. Again, this shows a decrease.

Considering the 2012 data, it is seen that the total GDP is 1.415.786 Million TL. 72.820 Million TL of this is current health expenditure. The ratio of this amount to GDP is 5.1%. Investment spending, on the other hand, has a rate of 0.3% in GDP with 3.538 million TL. In total, the ratio of current and investment expenditures of 76,358 million TL to GDP was 5.4%.

Considering total health care expenditures that occurred in Turkey by years, an increase is seen in health spending every passing year. Between 2005 and 2012, a significant decrease was detected only in 2009. At the same time, the ratio of health expenditures to GDP is affected by these decreases and rises. In the historical line showing the years 2000-2010, it is seen that the tendency to increase of the ratio of health expenditures to GDP is strong (figure 1) [17].

Table 1. Current investment and total health expenditure by years (TURKSTAT)

Year	Unit of Currency (Million)	Gross Domestic Product (GPD)	Current Health Spending (CHS)	Ratio of CHS to GPD (%)	Investment Spending (IS)	Ratio of IS to GPD (%)	Total Health Spending (THS)	Ratio of THS to GPD
	₺	104.596	4.786		199.0		4.985	
1999	US $	261.489	11.965	4.6	497.5	0.2	12.463	4.8
	SGP US $	522.980	23.930		995.0		24.925	
	₺	166.658	7.888		360.0		8.248	
2000	US $	277.763	13.147	4.7	600.0	0.2	13.747	4.9
	SGP US $	555.527	26.293		1.200.0		27.493	
	₺	240.224	12.086		310.0		12.396	
2001	US $	200.187	10.072	5.0	258.0	0.1	10.330	5.2
	SGP US $	600.560	30.215		775.0		30.990	
	₺	350.476	18.331		443.0		18.774	
2002	US $	233.651	12.221	5.2	295.0	0.1	12.516	5.4
	SGP US $	584.127	30.552		738.0		31.290	
	₺	454.781	23.676		603.0		24.279	
2003	US $	303.187	15.784	5.2	402.0	0.1	16.186	5.3
	SGP US $	568.476	29.595		754.0		30.349	
	₺	559.033	28.616		1.405.0		30.021	
2004	US $	399.309	20.440	5.1	1.004.0	0.3	21.444	5.4
	SGP US $	698.791	35.770		1.756.0		37.526	
	₺	648.932	33.292		2.067.0		35.359	
2005	US $	499.178	25.609	5.1	1.590.0	0.3	27.199	5.4
	SGP US $	811.165	41.615		2.584.0		44.199	
	₺	758.391	40.949		3.120.0		44.069	
2006	US $	541.708	29.249	5.4	2.229.0	0.4	31.478	5.8
	SGP US $	947.988	51.186		3.900.0		55.086	
	₺	843.178	46.495		4.409.0		50.904	
2007	US $	648.599	35.765	5.5	3.392.0	0.5	39.157	6.0
	SGP US $	936.865	51.661		4.899.0		56.560	
	₺	950.534	52.320		5.420.0		57.740	
2008	US $	731.180	40.246	5.5	4.169.0	0.6	44.415	6.1
	SGP US $	1.056.149	58.133		6.022.0		64.156	
	₺	952.559	55.294		2.616.0		57.911	
2009	US $	635.039	36.863	5.8	1.744.0	0.3	38.607	6.1
	SGP US $	1.035.390	60.102		2.843.0		62.947	
	₺	1.098.799	58.623		3.054.0		61.678	
2010	US $	732.533	39.082	5.3	2.036.0	0.3	41.119	5.6
	SGP US $	1.156.631	61.708		3.215.0		64.924	
	₺	1.297.713	65.372		3.236.0		68.607	
2011	US $	763.361	38.454	5.0	1.904.0	0.3	40.357	5.3
	SGP US $	1.259.916	63.468		3.142.0		66.609	
	₺	1.415.786	72.820		3.538.0		76.358	
2012	US $	786.548	40.456	5.1	1.966.0	0.3	42.421	5.4
	SGP US $	1.361.333	70.019		3.402.0		73.421	

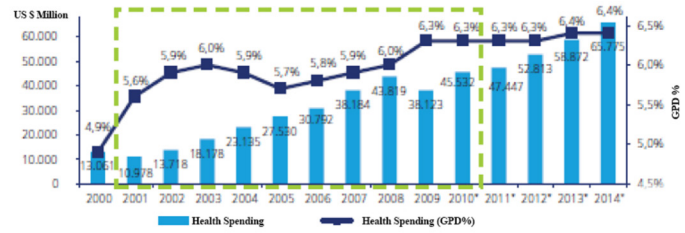

Figure 1. Total Health expenditure in Turkey by years

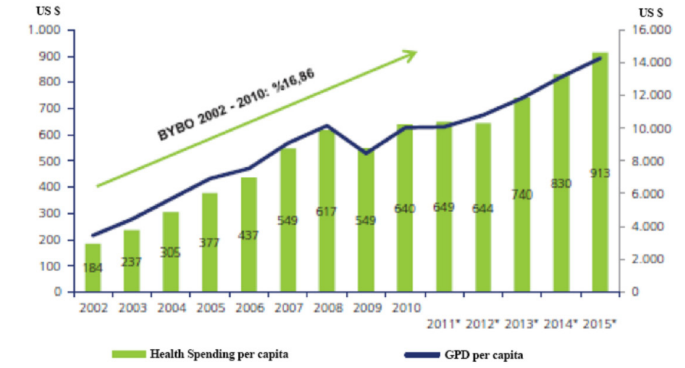

Figure 2. GDP and health expenditures per capita in Turkey

Health expenditures, which were 27 million dollars in 2005, increased to 45 million dollars in 2010. Considering the current data, total health expenditures, which were 58 million dollars in 2013, are expected to be 65 million dollars in 2014 estimations.

Considering the GDP and health spending per capita in Turkey, it is observed that both GDP per capita and health expenditures tend to increase. Total health spending in Turkey increased by an average of 2.5 times in the last decade. Buna rağmen OECD ülkeleri ortalamasının gerisindedir. However, it is behind the average of OECD countries. The share of health expenditure in GDP as well as the public health spending per capita in Turkey is increasing. With this development, the satisfaction rate of the public in health services also increased (figure 2) [17].

Discussion

Health services in Turkey incorporate a different and complex organization from other sectors, manpower, economic structure and strategic planning. From past to present, healthcare services in Turkey occupies a different position among other developing countries in terms of its problems and potentials [18].

The regulations made in the health sector in Turkey, has gained a great speed in the last decade. There is a big change in terms of physical facilities, human resources, technology, materials and healthcare services. Two major sections are guiding this process. One of them is the healthcare services, while the other is the social security. Especially the social security has been separated from healthcare services and a structure that regulates the healthcare services has been introduced. The most important factor in this change is the Transition Program in Healthcare that was implemented with the 2000s [19,20]. The effects of the transition program in healthcare do not actually go back only to the 2000s. It is possible to see the progress of this process in development plans. Objectives and solution offers similar to the points that the transition program in healthcare aims to achieve coincide with development plans [21]. In this respect, the 2000s are actually very important for understanding the appearance of health expenditures. Foregihts on saving measures to be taken, aspects to be improved, problems that need to be resolved and the work to be done to reduce the health expenditures can be obtained from development plans.

Data from development plans can cause evaluations to be subjective. Therefore, it is necessary to consider health expenditures in the light of statistical information. Based on this data, health expenditures in Turkey tends to increase over the past year. However, this process is tried to be kept under control with the help of financial discipline and technological opportunities. In addition, price increases and drug expenditures associated with drug consumption constitute a large proportion in health expenditures. Especially the public health expenditures, medication costs and indirect healthcare expenditures during times of crisis corresponds to an important health spending rate in Turkey [22,23]. Crisis periods are an important factor causing the indirect increase of health expenditures and the public burden. While health spending continues to increase in recent years, the spending status in terms of GDP seems to have stabilized. In other words, despite the increase in health spending, the ratio of health spending seems to be constant since GDP is increasing.

Turkey is a country with high ability to represent OECD standards among OECD countries. In this regard, as an OECD country, not only Turkey's statistical data but also the OECD statistical data have been taken into account. Thus, we had the opportunity to see Turkey’s healthcare expenditures comparatively. OECD indicators need to be taken into account on how to implement good practice in the development and implementation of reforms for the transition in healthcare. It is observed that Turkey performs well financially. Thus, Turkey closes the performance gap with OECD countries. A good performance has also been displayed in general costs. OECD data reveals that Turkey is not among the developed countries in terms of health expenditures, it is even below the OECD average in terms of per capita health expenditures. It is close to the OECD average in terms of out-of-pocket and public spending. However, the data reveal that Turkey is in a relatively good condition for developing countries [16].

Turkey has a strong government commitment and leadership in the field of health. Strong economic growth continues. In addition, important financing reforms are accompanied by carefully planned service delivery reforms. Financial and service delivery regulations are carried out together. With the Transition Program in Healthcare, significant progress has been made in the health status of individuals and society, patient satisfaction, and financial discipline of health institutions.

Besides all these, establishing an effective social security system and general health insurance application are extremely important for Turkey. In terms of both recording and disciplining health spending and knowing the amount of expenditures precisely, the effective functioning of the general health insurance and health coverage system is of great importance.

Conflict of interest
There is no financial or personal relationship with other people or organizations that could inappropriately influence (bias) the authors' actions.

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Ethical approval
The study protocol has approved from local ethic committee

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