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The Revision of the Health Benefits Package in current literature: A Concept Clarification

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ABSTRACT

The revision of health benefits package is considered a potential policy for making reforms in the healthcare system. However, limited studies have been carried out on the concept of revising health benefits packages and finding applicable levers to effective revision and also determining the characteristics of a desirable model. This paper investigates the concept and the levers in revising the health benefits package and also suggests the characteristics of desirable model.

Keywords: Revision, Health Benefits package, Concept Clarification, Universal Health Coverage (UHC)

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Introduction

World Health Organization has introduced the Universal Health Coverage, UHC, as a basic strategy in providing a framework for achieving the millennium development goals in the health sector (1,2). The UHC has illustrated three strategies for achieving these goals: First, the inclusion of all members of society under health care provision system, prevention of financial hardship in the time of receiving healthcare services, and provision of a variety of healthcare services for the society (3,4). There is no considerable difference between policymakers of different countries in implementing the first and the second strategies because denying patients from access to healthcare services and setting actual or higher tariffs for health care services will contradict the fundamental principles of the UHC, which ultimately leads to ethical challenges in the implementation of policies (4). So, the most diversities between countries can be observed in which health care services should be covered (5). Introducing Health Benefits Package (HBP) is one of the main strategies followed in the area of healthcare provision (6). The HBP includes some healthcare services which are financially supported by the government or health insurance organizations to provide them for all members of society regardless their financial affordability (7).

The change in pattern of diseases, burden of diseases and the adoption of emerging medical technologies make it inevitable to change principles or processes of making decision on healthcare services. The revision of the HBP is a way of building capacity for implementing new policies such as cost containment plan or healthcare quality improvement plan and preserving dynamism of the healthcare system against its inevitable challenges (8).

However, the concept of revising the HBP has been somewhat ignored in the literature and other terms are used to define the revision of the HBP interchangeably. Clarifying concept of the revision obviously improves the understanding of the subject matter. The present paper consists of three sections: the first, we briefly explain the concept of revision and its difference with other similar terms by investigating current literature. The Second, applicable options in the revision of the HBP are also introduced. Finally we indicate general characteristics of desirable model for revising the HBP.

Section 1. Concept of the revision

The Oxford dictionary defines revision as “Examining and making corrections or alterations to” In another definition, the revision is stated as “Reconsideration and amendment (something), especially in the light of further evidence or to reflect a changed situation” (9). The Cambridge dictionary also defines revision as “to look at or consider again an idea, piece of writing, etc. in order to correct or improve it” (10). In fact, in general literature, revision is a pre-formulated option, taken over time in order to enhance the status quo in consideration of new evidence (implicitly, the new way of thinking).

In the current literature of health economics, there is no clear definition for the revision. However, some terms are used to indicate this concept, such as resource allocation, prioritization, rationing, and healthcare coverage, which currently used interchangeably. However, deeper analysis shows that these terms have their own specific meanings. The term of “rationing” refers to an approach that excludes the patients from health services which clinically are useful to them (11). Rationing stemmed in the way of using limited resources in the unstable situation such as wartime. It has negative connotations which would be undesirable to patients and inevitable and painful to the policymakers. Rationing generally is conceptualized at individual level e.g. using a limited number of beds to the patients needing organ transplantation (12). In fact, rationing is a compulsory action that indicates some patients are deprived from health services due to financial or facility limitations.

Unlike rationing, resource allocation usually indicates macro-level decision-making in terms of the distribution of resources among the various groups of people or organizations. Resource allocation has less negative meaning for the patients

and policymakers than rationing. In fact, resource allocation embraces health services that it is able to provide, rather than the health services that it is forced not to provide (11).

The priority-setting focuses generally on the process of making decision which is used in different levels. Compared to "rationing", it conveys less negative meanings and undesirable situations. It suggests the methods of achieving better results (13). The priority-setting emphasizes the transparent situations which starts with the identification of potential options and leads to determine best possible options for the society (14).

The Coverage refers to the method of providing new medical technologies to eligible patients through a supportive mechanism such as insurance (15). In addition to their clinical benefits, new medical technologies incur a high financial burden to the health system. There is no room for using a dichotomy of inclusion/exclusion for these technologies because making the decision on these technologies involves high risks of wrong decision (16). Various levers are proposed in coverage policies to accelerate access to health services with concern on financial limitations. In fact, coverage policies create a higher flexibility in decision making compared to rationing, resource allocation, and prioritization (17).

Although each mentioned term is applicable in its own context, our attempts to convey the comprehensive meaning of the revision were inconclusive. But what could be inferred from above arguments, the revision is briefly stated to be:

- A normative problem which requires the value judgement.
- Not an immediate and once-and-for-all decision but that which may be made over time.
- Not an action without memory, but that which considers previous achievements and options.
- A directional action to solve the current problem, improve the *status quo*, and make predefined reform.

Therefore, the revision of the HBP is a value-laden action with predetermined objectives to enhance the previous achievements, settle current issues, and provide applicable policies in the area of health service coverage. It could be focused on principles, process or institutional structure.

Section 2. Potential levers for the revision of the HBP

Different options may be taken for the revision of the HBP. What we see today, is the emphasis on the inclusion of health services in the HBP with involvement of stakeholders and based on evidence. However, in recent years attention has been paid to the exclusion of services from the HBP due to the economic recession and budget limitations (18). Despite that, the revision of HBP is not limited to the dichotomy of inclusion/exclusion of health services, but a group of options may be introduced, which could be employed in the revision of the HBP. It's been thought that implementing different policies can be categorized to seven levers. The seven levers of the revision of the HBP are introduced:

1. Inclusion of health services to the HBP

Technological innovations in pharmaceuticals and medical equipments have increasingly developed in recent years. It would be stemmed from the higher awareness of new medical technologies in the society, and higher demand for them. These technologies improve clinical effectiveness more than their alternatives but incur high financial burden on households. In cases where these health care services are not covered by the public fund or insurance mechanism, the households may face considerable financial hardship when they received the health services. In spite of the significant financial burden on the health system by the inclusion of the technologies, it's imperative to cover these new services (17). In recent years, however, more attention is being paid to active approaches for better management of resources, which one of them coined as the Conditional Coverage (CC). In CC, the risk of coverage decision for healthcare services is shared among the stakeholders. By applying a group of coverage policies are used to accelerate access to healthcare services (19-20).

2. Exclusion of the health service from the HBP

With the inclusion of new medical technologies in the HBP, it's expected their alternatives should potentially to be the exclusion candidate. Exclusion from the HBP means interrupting a stream of investment on health services that might result in the loss of its appropriateness. Exclusion may be due to changes in the trend of prescriptions of the physicians or withdrawal of the providing health care services (such as pharmaceuticals or medical devices) by their producers, or due to the patients' safety issues (21). However, it should be noted that only a few health services may be found meet criteria for total exclusion of the HBP, because it is undesirable for physicians and their patients (22). Therefore, exclusion of a service from the HBP is not practical, especially in countries where health service availability is an important value; because, it may lead to unintended social and political consequences.

3. Displacement of health services through the process of healthcare provision

The process of healthcare services provision means the sequence of diagnostic and treatment services which may improve the overall health of the patient. If the sequence of services provision is not optimum, it will not only interrupts the treatment process of the patient but also disturbs the effectiveness of the health services. For example, Statin is a drug which is cost-effective to prevent a second stroke in patients who have experienced one before. However, today, it is used for patients with the risk of the first stroke which might not be cost-effective (23). Efficiency in healthcare resource consumption might be improved when health care services such as this drug, used in proper position in the process of healthcare provision. So, one of the options taken in account regarding the revision of the HBP is the change in the position of diagnostic and treatment options.

4. Decrease in utilization of healthcare services

As previously mentioned, exclusion of health services from the HBP may not be applicable. However, it is seen that in the revision of the HBP, some services have to be modified in terms of utilization level. This may be due to the lower economic value of health service or its effectiveness compared to the alternatives (24). Applying the policies that may lower the accessibility of an intended service is a useful option. These policies could serve as the complementary strategies for other policies. In the literature, the term "disinvestment" was coined for this lever (25).

5. Increase utilization of healthcare services

As seen above, these health services must be discouraged by some policies, there are services that must be encouraged for utilization (26). Making services accessible in their appropriate position, not only improve the overall health of the patients but also improve the effectiveness and fairness of service provision. For instance, encouraging the use of hyperthermia in chemotherapy, not only increases the effectiveness of the chemotherapy but also lowers the number of chemotherapy cycles, then, decreases the costs (27).

6. Transformation of a healthcare service

There are services in the HBP that have undergone transformations in terms of usage or way of application over time. Appropriate lever for these types of services is not inclusion, exclusion or change in level of accessibility because they have been covered and are being used in the process of service provision. For instance, the dose and duration time of medicines may be changed, also, the medicines that were consumed by infusion previously, may be consumed orally nowadays (28)or, in the world of medical equipments, introducing point-of-care technologies in diagnostic tests may be supplied, which is considered as service transformation (29,30). This lever is very applicable in the HBP specifically by using clinical and economic evidence.

7. Redistribution of health care resources

The outlined levers generally may increase or decrease costs of a group of services or specific disease. The options of exclusion from the package, decrease utilization and service transformation may release the financial flow. On the other hand, increase utilization of a service requires new

financial flow. In fact, most modifications in the HBP create both financial input and output flows which necessitate redistribution lever. If the revision of the HBP does not include this lever, expectations of achieving the designed objectives for the revision of the HBP would fail (31). The redistribution may occur on the level of the health services provider, service group, or the disease. The redistribution may also be performed according to the gender or age group of population.

The revision of the HBP is not limited to these seven levers and it could be expanded to more levers. Moreover, it should be noted that several levers may be used simultaneously to manage a service. For instance, if the main objective would be reduction in length of stay in hospitals, by inclusion of new services that might reduce length of stay, or by increasing utilization of outpatient services in the HBP, not only the resources well redistributed to finance the activities, but also the aforementioned objective could be satisfied. In another example, the combinational options of exclusion of a service from the HBP and reduced utilization may be used to contain the healthcare costs. Therefore, simultaneous use of the aforementioned levers would be very useful.

Section 3. General Characteristics of an appropriate model for the HBP

As stated above, the revision of the HBP is a step beyond a separate decision on the inclusion or exclusion of healthcare service and is a value-based process which carried out along the path of the predefined objectives. The HBP contains a big collection of healthcare services including medicines, medical equipments, service provider's visits, surgical procedures, professional consultation and laboratory tests. Furthermore, the revision of the HBP should think about various diseases, different service providers and covered people with various age and socioeconomic situation. The financial resources to cover these services may be a combination of government revenues, direct payment of people, and the prepayment mechanism. Therefore, it's would be useful to determine general characteristics of a good framework for revising the HBP. In this section, we will address this issue.

1.Internalizing values dominated on the revision of the HBP

As the revision of the HBP is a directional and value-laden process, a great emphasis is made on governing values and objectives. For example, if the organizations that purchase the health services are seeking to preserve achievements and sustain resources, these objectives should be internalized in the revision process. It's also discovered that the values such as improving justice and access of patients to services, improving the satisfaction of the society and efficiency of the allocations may be internalized in the HBP (32). Therefore, it's imperative to consider objectives of revising the HBP. Participating relevant stakeholders to determine the revision objectives may not only reveal the direction of actions but also reduce the inconsistencies and disagreements about the implementation of the revision of the HBP.

2. Participation of stakeholders in the decision-making risk of coverage

Deciding on the coverage of a health service in the HBP is incurred financial burden for organizations that purchase the health services. This decision always involves uncertainties. Although using health technology assessment mechanism to create evidence of clinical effectiveness and cost-effectiveness, uncertainty remains about whether the health services should be covered. Unresolved uncertainty leaves a decision risk that can lead to a wrong decision and, finally, unreasonable financial burdens to payers (16, 33). In fact, pharmaceutical companies and manufacturers of new medical equipments, patients, and recipients of services, as well as healthcare providers, should involve in the risk of coverage (34-36). Therefore, how to share the remaining risk should be considered in the design of the revision of the HBP

3. Providing control levers to manage the HBP

As stated in this study, revision is a continuous and directional process. In order to monitor its good functioning, there is the need to have specific and active levers. In fact, it is expected that a revision of

the HBP, not only increase the transparency in producing evidence, but also policymakers using the levers to conduct the plan to improve the quality of services or control the costs of treatment (37, 38). Therefore, this should be addressed in redesigning the HBP.

4.Compatibility with other dimensions of strategic purchasing

It is noteworthy that there are several issues in the health system and the revision of the HBP is only a part of a more general framework called "Strategic purchasing of health care". Therefore, the compatibility between the HBP and other dimensions of strategic purchasing of health care should be considered. Strategic purchasing is considered as a key issue in the management of healthcare services, which includes several dimensions, one of which is the HBP (39, 40). If the design of the revision of the HBP does not address the consistency with other dimensions, one cannot expect to achieve the social values of the health system.

Conclusion

In general the literature of health economics did not present a clear definition of the revision of the HBP. This paper states that the revision of the HBP is a continuous process influenced by social values, which plays its role by a predetermined objective. The revision of the HBP is not merely a decision about the inclusion/exclusion of a service from government coverage, but seeks objectives that are achievable by seven levers. The reductionist approach to revision of the HBP makes it impossible to go in the right direction.

Then, an appropriate suggestion for the revision of the HBP must internalize relevant societal values , set the revision goals before implementation and finally have logical alignment with other strategic purchasing dimensions. Providing management tools and involving the stakeholders in the risk of coverage decision in the HBP is another requirement to provide a comprehensive approach to design an appropriate model for revising the HBP.

Conflicts of interest

The authors declare that they have no conflict of interests.

Authors' contributions

Nouhi M and Naderi M carried out in design of study, analysis of data, interpretation of findings and prepared initial draft of the manuscript. Nouhi M and Olyaeemanesh A participated in data collection and preparing final draft.

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