

Research Article

Comparative Analysis of Three Different Health Systems Australian, Switzerland and Saudi Arabia

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ABSTRACT

Objective: To compare the design and functioning of three health care systems in two developed countries, Australian and Switzerland with a developing country, Saudi Arabia.

Methods: Each country's health care system was described and examined in terms of its funding, consumer participation, and overall governance on a local to national level.

Results: All three countries demonstrate a different funding model of health care system ranging from public and private contributions to the payment of health care insurance to a rely solely on government funding for health care services. While

the third option obliges consumers with the sole responsibility for health care services.

Conclusion: Each health care system is vastly different in its governance, overall design, function and has a range of strengths and weaknesses in each system. There is much to be learnt from each system and improvements are to be made to each health system on an individualized basis. The limitations of this paper include a lack of influencing factors such as the cultural values and economic stability for each country.

Keywords: Health care; Health care system; Compare system; Health system framework

What is known about the topic?

The design and functioning of health care systems varies greatly on a global scale. Developed countries do not necessarily share the same health care systems and the same applies with undeveloped countries. Change must occur if more effective health care systems are to bring about health care in the best interest of each person in a society.

What does this paper add?

This paper adds to the knowledge and debate on the strengths and weaknesses of different health care systems in developed and underdeveloped countries. A framework for improving the health care systems in each country is provided at the end of the analysis.

What are the implications for practitioners?

Policy makers, government officials, and health professionals are responsible for implementing policies that address identified challenges to each country's health care system. Moreover, their collaboration with key stakeholders in the industry ensures the most effective and efficient health care is provided to citizens. Dialogue on how to best improve the health care system must be engaged amongst the key stakeholders and the need to actively encourage and inform consumers of the need to take responsibility for their health care.

Introduction

An effective health care system responds to the expectations and needs of the community members by improving the overall health of every individual within a global network of families and communities. The World Health Organization (WHO) recommends a range of strategies in providing an effective health system, which include the planning of health strategies that address inequities, accessibility, and shared decision-making by focusing on people-centered care. Moreover, the monitoring and evaluation of these strategies is essential to upholding and maintaining an effective health system [1]. Each health system responds independently according to each locality and varies according to their strengths and weaknesses.

This paper aims to compare the design and functioning of three health care systems, namely Australia, Saudi Arabia, and

Switzerland. The key differences between all three health care systems will be highlighted and examined in terms of their design and functioning. The goal of this paper will illustrate a health system framework based on cost effectiveness, communication and consumer participation which inform the health care systems.

Compare and contrast design and functioning

The main aim of this section is to compare and contrast the design and functioning of three health care systems from both developing and developed countries. The policies and health care systems are examined in Australia, Saudi Arabia and Switzerland.

Australian health care system: Australia is considered as a developed country and is ranked as one of the best six health care systems around the world that provide services for their

population. The Australian health care system comprises of public and private health care, which leads to debate and speculation about the spending by public and private stakeholders in the industry [2]. The Australian health care system is divided into three tiers according to each level of government: local, state, and federal level. The overall role of the Federal Government is to finance the health care system. Today, almost 70% of the health care (all of government, not only federal) is financed by the Federal government. While the Federal Government is responsible for developing the policies and the Local and State Governments are responsible for implementing and delivering services [3].

The Federal Government provides the major framework for the health care system in Australia and is responsible for framing the health policies and allocating money to the health care system, rather than directly providing various health services. One such example of a health policy is Medicare, a federally funded and administered government health insurance scheme, funded and administered by the Federal Government [4]. Other federal initiatives include the provision of pharmaceutical benefits in addition to the provision of funds for public hospitals and various types of population health programs. The Federal Government also regulates several health systems which include private health insurance, medical services, pharmaceuticals, along with key funding and regulatory responsibility for government subsidized residential care facilities [5].

According to the National Health Reform Agreement (NHRA), the government role is strengthened in matters of funding and governance of public hospitals. The eight states and territories are responsible for public hospitals which regulate all the hospitals and various community based health services. The local government manages environmental health and public health programs [5]. Table 1 gives insight about the different health governance functions and the various departments that provide numerous functions in relation to health care systems and the variations in responsibilities.

The major health care policy of Medicare provides comprehensive health access to Australian citizens, permanent

residents and people who are on temporary visas from various countries with whom the government has reciprocal arrangements [6]. According to a report, in 2010 there were around 44,600 General Practitioners (GPs) and 29,300 specialists employed in Australian health occupations [7]. Most of the GPs were self-employed and they worked as a part of various multi provider facilities. Eight percent of the GPs were employed under contract with private agencies that focus on the emerging corporate culture in the health industry [8]. In the main, GPs are predominantly self-employed in the Australian health care industry; however, this is quite the opposite in Saudi Arabia. The next section discusses the health care system in Saudi Arabia.

Saudi Arabia health care system: This country is considered a developing country and is ranked as 26th among 190 countries in terms of its health care system [9]. The Saudi Arabian government provides free access to a number of health care services to all community members and also to the emigrants working in the country [10]. According to World Health Organization, the entire expenses on public health by the government were 5% of the “Gross Domestic Product” (GDP). The “Ministry of Health” (MOH) is also conscientious for the management, planning and formulation of different supervising health programs and also the health policies.

The health system in Saudi Arabia is primarily government based. The “Ministry of Health” monitors the health services provided in the private sector [11] and provides necessary guidance and advice to different government agencies and private sectors in terms of achieving the health objectives of government. The “Ministry of Health” oversees about 20 “regional directorates-general of health affairs” in different regions all over the country. Every provincial health directorate has several health sectors and hospitals which in turn supervises various public health centers (PHC). The directorates implement the various programs, plans and policies of the Ministry of Health and support the overall ministry in achieving the health objectives of the government [9]. Figure 1 illustrates the pathway and governance of the health care system in Saudi Arabia.

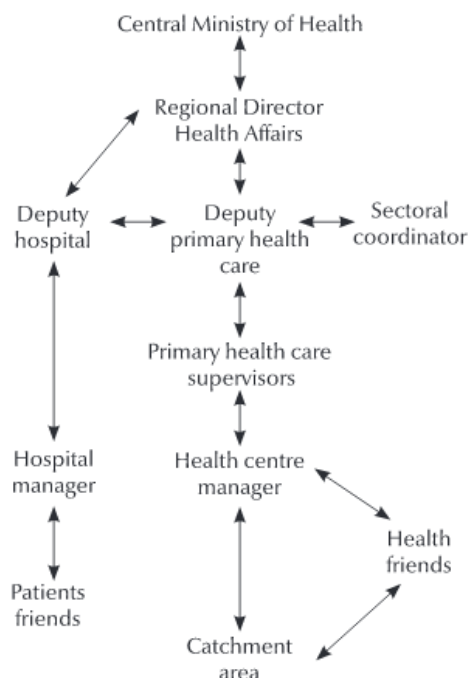
Table 1: Current location of various health governance functions.

Function	Commonwealth	States/Territories	Private/NGO Sector
Ownership		Public hospitals, community and public health	Private hospitals and Aged care facilities, private practices
Funding	Residential and some community aged care, MBS, PBS, DVA, State grants, Indigenous PHC, 30% rebate on insurance	Public hospitals, community and public health, ambulance, some public dental services, accident compensation and disability care	Health insurance and accident insurance
Commissioning	Limited DVA and some NGO community care	Varies – some hospital and NGO services	Limited – some insurers
Provision	Australian Hearing, Commonwealth Rehab Service, Health Services Trust	Public Hospitals, community and public health, workforce	Private hospitals and RACFs, private practices
Regulation	Residential aged care, food standards, health insurance	Public and private hospitals, community and public health, workforce	

^A Source: Bartlett et al. [8].

The government of Saudi Arabia is strongly focused on improving its health care system and has subsequently introduced the involvement of private enterprises in the health care industry [12]. However, it is important to note that the MOH still provides the preventive, curative, and rehabilitative

health care for Saudi Arabia. At present, the Ministry of Health is a major financier and provider of government based health care services in the country with approximately 244 hospitals, which encompasses 33277 beds and 2037 primary health care (PHC) centers making it 60% of overall health services in Saudi Arabia [13]. Apart from the MOH, other government bodies encompass appointment hospitals such as the “King Faisal Specialist Hospital and Research centre”, “Security Forces Medical Services”, “Army Forces Medical Services”, “National Guard Health Affairs”, “Ministry of Higher Education hospitals” that are mainly teaching hospitals, Saudi ARAMCO Hospitals, Royal Commission for Jubail and Yanbu health services, school health units of Ministry of Education and the Red Crescent Society. Except for the referral hospitals, the Red Crescent Society and the teaching hospitals all of the above mentioned agencies provide services to a defined population which mostly encompass workers as well as their dependants [14]. At the time of crisis and emergencies, all the agencies collaborate and provide services to all residents [15]. The health care approach is quite collaborative even for a developing country.

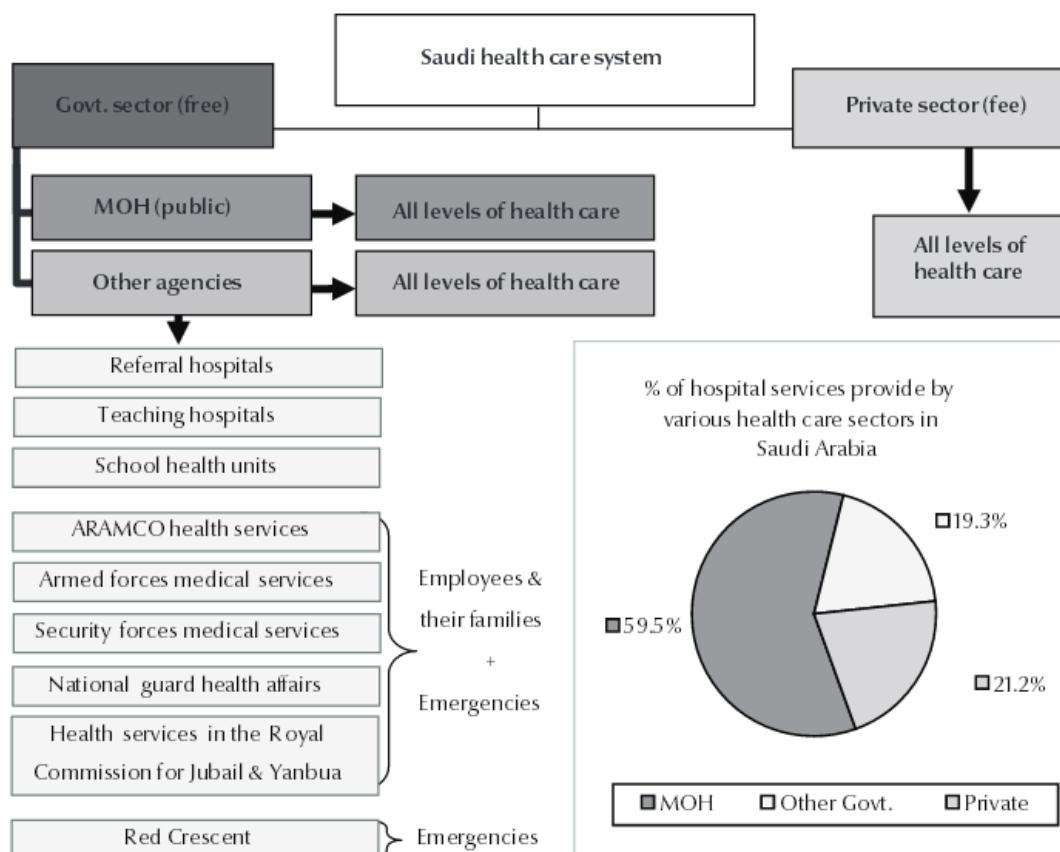


^Source: (Almalki et al.) [9]

Figure 1: Design of health care system in Saudi Arabia.

The health care system via the government bodies controls about 39 hospitals with an accommodation of 10822 beds in total. The contribution of the private sector is extensive in cities and large towns with a total of 125 hospitals that leads to 11833 beds and 2218 dispensaries as shown in the Figure 2 [9].

The quality of health care services in Saudi Arabia have improved significantly due to advancement in the field, improvement in education, people health awareness and better



^Source: (Almalki et al.) [9]

Figure2: Saudi health care system design and functioning.

life conditions. However, in spite of all these advancements, the health care system still experiences certain challenges in terms of lack of coordination and cohesion among the various health enterprises. These challenges often lead to wastage of resources and duplication of data and effort [14]. While the Saudi Arabia health care system is extensively government based, the Switzerland health care system provides a different framework as compared to Australia and Saudi Arabia. The next section discusses the Switzerland health care system in more detail.

Switzerland health care system: Similarly as Australia, Switzerland is also considered as a developed country and has a health care system based on “the principles of universality and equality by mandating individuals to purchase health insurance on the private market, providing financial assistance to those on lower incomes and regulating the insurance market in order to protect those with poor health” [16]. The Switzerland health expenditure per capital is second highest in the world with 99.5% of citizens having private health insurance [17].

The Switzerland health cover is universal and in line with the *Federal Health Insurance Act (FHIA) 1996*. Under this act, the residents are mandated to buy statutory health insurance from competing insurers. This act ensures that there are no uninsured residents in the country [17]. Every person who lives in Switzerland has an insurance policy and any migrant is required to buy insurance policy within three months of their arrival. Moreover, this insurance is applied retroactively to the arrival date of the migrant.

Statutory Health Insurance applies to an individual and cannot be sponsored by employers, hence the individuals are required to buy separate policies for their dependents [5]. The insurance market of Switzerland is consumer driven. Insurance is provided by the providers only so that, the consumers do not have the pressure of staying in a job because of its health benefits. According to government regulations, the private insurance providers cannot earn profit on the purchase of government mandated basic benefits but they can earn profits on supplemental insurance such as alternative medications or hospital rooms. These supplemental insurances are private and equipped with specialized facilities. The consumers pay for the health care expenses of the country [18].

There are three levels of the Switzerland health systems, which include the federal, cantonal and communal [19]. The design of the system is decentralized since the role of cantons is critical in the functioning of the health care system. In total, there are 26 cantons which include 6 demi-cantons. They are responsible for providing licenses, planning of hospitals, subsidizing of institution and organizations. Cantons have sovereignty in all matters and they function like states, except the matters that are regulated by Federal constitution. Each canton and demi canton has their own set of legislation [5].

Differences among the three health systems

The key differences among the above mentioned three health care systems are consumer participation, government participation and communication. In the Saudi Arabian health

care system, the entire decision making is centralized. The MOH oversees the policies and provision of health care for the citizens as well as the expatriates. The centralization is also in accordance with the long monarch rule in the country [9].

When it comes to the Switzerland health care system, the overall system is decentralized. Each state has its own body of regulations pertaining to health care governed by them. Also, the health care industry is privatized which means that the individuals have to buy minimum health care insurance if they live in Switzerland. Individuals have the option to select from range of policies based on their needs and requirements; however, they have to own insurance from the private players in the market. There is no such government organization or department that provides insurance, nor does the employer provide any form of insurance, the individual has to look out for their own insurance. “The Swiss and the Affordable Care Act” assumes that every individual needs insurance but also shares the responsibility to obtain it. The individual mandate is the keystone buttressing the Swiss health care system from collapse. It ensures the universal risk pool of Swiss health systems as, “*Everybody in, nobody out*, a mantra from socially liberal health advocates” [20]. Though the government does not provide health insurance, they still frame effective health insurance related policies “the Swiss government mandates that insurers must provide doctor visits, hospital stays, medications, physical therapy, physician-ordered rehabilitation, dental care and in-home nursing care as a part of the basic health services package and approves their prices”. However, the cost of the basic package has continued to increase which has raised questions about the affordability of the insurance for the citizens [16]. The system has been effective because Switzerland is a rich country and individuals can afford to pay high insurance costs.

The Australian health care system is not completely decentralized as the government has been providing 70% of the health care finances; out of which two thirds are contributed by the Federal Government, and the remaining funded by State and territory governments. This is achieved through subsidy schemes Medicare and pharmaceutical Benefits Scheme [21]. Indeed, there are public and private players in the market. Individuals that earn high are encouraged to take out insurance from private companies and they are given insurance rebate for doing so. Consumer participation is 100% in Swiss Health Care system, minimal in Saudi System and average in Australian system.

The Australian Health care system is well integrated with the use of technology, whereas the Saudi Arabian health care system lacks effective technology when it comes to cohesion and communication between the various entities of the health care system. The Swiss system is decentralized which means that each state has their own regulations which often results in regulatory issues in the health care industry [16] (Table 2).

Comparative analytical framework

A report by WHO states that there is a wide variation in the health care system performances in different countries. This

Table 2: Comparative analytical framework.

Criteria	Australian Health Care System	Saudi Arabian Health Care system	Swiss Health Care system
Government Role	The Federal government finances the insurance and overlooks the policy development. The state and territory government implements the policies. The government also Medicare program that provides universal access to health care for everyone [21].	The Ministry of Health oversees the design of policies, and their implementation. It provides health care services [11].	Government formulates robust policies and leaves the provision of insurance to the private players in the market [18].
Finance	The government finances 70% of the Insurance, rest is through tax money and private insurance	It funds the health care system [11].	The government does not fund the Insurance nor do the employers provide insurance. The individual is required to take out their own insurance. The Consumer funds the health care system
Cover	Universal access through the Medicare policy	The government provides free access to health care services to citizens as well as to expatriates. Saudi Arabia lacks in use of technology with most of the hardware and software outdates and lack of centralized communication system.	99.9% Swiss Citizens are covered [17].
Use of Technology	The Australian system uses technological advancement		The Switzerland health care system uses latest technology to
Cost Effectiveness	Government uses tax money and charges high premium to higher upper class individuals for insurance policies	The government does most of the funding.	It is very expensive for citizens to get even the basic policy packages, “the Swiss spend 11.4 percent of their GDP on health compared with the OECD average of 9.5 and health spending per capita is even further above the OECD average at US\$ 5144ppp” [16].
Low income protection and exemption	“Low-income and older people: Lower cost-sharing; lower OOP maximum before 80% subsidy” [5].	The government provides health care to everyone.	“Income-related premium assistance (30% receive); assistance for low-income; some exemptions for children, pregnant women” [5].

variation can be due to design, content and management of health systems that leads to a range of socially valued outcomes such as health, responsiveness or fairness. The decision makers at different levels of the health care system should quantify the variation in health system performance. They need to determine the factors that influence the health care system and come up with policies that will achieve better results in different types of settings [22]. The comparative analysis of the three systems would be based on government participation, cover, health outcomes and fairness.

Discussion

All three health care systems have their own advantages and disadvantages. Based on the individual analysis of each health care system in conjunction with the comparative analysis of same, an evaluative proposal is suggested for each country.

Australian health care system

The population is aging at an alarming rate and if the government continues to finance the health care system, it will increase the burden on the public spending. There is a need to have necessary balance between private and public spending. The government should also reduce the rebate given to high income earners as this income bracket places considerable pressure on government money. Individuals should be strongly encouraged to buy private insurance based on their level of income to reduce the burden on the public system [6]. High-level income earners are already taxed an extra amount to compensate for Medicare, in case if they do not have private health insurance. Therefore, new incentives and awareness is needed to facilitate the purchase of more private health insurance in Australia.

Saudi Arabia health care system

While the Australian health care system works on a hybrid approach of public and private funding, the Saudi Arabia health care system works heavily on a government managed and funded health care system. At present, the government funds and manages the health care system. More private players should be encouraged to provide funds and private health insurance should be introduced, keeping in mind the long term need of public health financing [12]. In the Saudi Arabia health care system, there is also a lack of cohesion due to the underutilization of technology which results in wastage of resources and results in errors. The government should roll out effective technological plan to increase the efficiency of the health care system [9].

Swiss health care system

In contrast with the hybrid Australian health care system and the government based Saudi Arabia health care system, Switzerland relies heavily and solely on individual contributions towards purchasing private health insurance to facilitate its health care system. The government does not contribute at all towards financing of the health care system which has resulted in making even the basic package to be very expensive. This can present significant disadvantages to individuals financially, especially the increase in aging population. The other disadvantage is the impact of the rising cost of technology and professionals in the field; ultimately the cost must be passed on to the consumers of the health care system and everyday public. Therefore, the government should come up with some scheme to bring the cost of adequate and accessible health care down and centralize the regulation of the insurance [18].

Conclusion

This paper examined the design and function of health care system in three different countries including Australia, Saudi Arabia and Swiss. This paper also compared the three health care systems based on government control, consumer participation and communication. The comparative analytical framework compared the design and performance of the three systems based on different criteria followed by evaluative proposal for reform of each of the system. This report highlighted that different countries have separate health policies, which are mostly based on their specific circumstances and noted the big gap between policy makers and people participation. To ensure exceptional presentation and high-quality healthcare supplies, the identified challenges need to be considered. They may be solved through the design and introduction of long-term collaborative modification plans by concerning the role of the various organizations and sectors, decentralization and people participation.

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