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## French Health Care System

In 2000, the World Health Organization (WHO) carried out its first ever analysis of health system designs in various countries around the world. Their intent was to understand the complexities and goals of the various health systems, as well as, measure their performance and effectiveness in providing healthcare to its residents. As part of its results, WHO ranked France as having the “best overall healthcare” system in the world, while ranking the U.S. at 37 out of a total of 191 countries. In the following article, we will explore this difference in ranking by analyzing how the French health care system has developed over its history, how the system is currently structured, and how the French healthcare system is different from the U.S. system.

According to the CIA World Factbook, the French Population estimate as of July 2012 stood at 65,630,692 people. The life expectancy at birth is 78.35 for men and 84.73 for women. Overall, the French are generally considered to be healthy people, with France currently the 128th fattest country in the world with an average BMI of 24. Though recently, obesity has become increasingly cited as a health concern in France as obesity has increased from 5.8% in 1990 to 11.2% in 2008. As of 2010, the mortality rate in France was just 4.10 per 1,000 people, compared to 7.93 in the US., and Infant mortality rates were 3.10 per 1,000 live births in France, compared to 6.4 in the US. [1] As such a healthy nation, France’s healthcare system is no doubt worthy of some studying.

The current French health care system is a universal health care system which has developed over the years through various reformations. Notably, the French health system was heavily influenced by economist William Beveridge, who identified five "Giant Evils" in society. They were squalor, ignorance, want, idleness and disease. His proposed reforms led to the formation of the National Health Services in England, which was then used by the French as a model for building their own national healthcare system. Since its initial enactment of a healthcare program in 1928, the French has continuously expanded its healthcare system. In 1945, France adopted the Social Security Ordinance of 1945, which provided coverage for salaried workers and called for a universal coverage. In 1961, France’s now national health insurance was broadened to also include farmers, and between 1966 to 1970, it was further expanded to also include the self-employed. Finally, all remaining uncovered groups were provided for in 1978. [2]

Today, 95% of the French population is covered through its universal healthcare system, with healthcare accounting for approximately 11.2% of its GDP. Approximately 77% of France's health expenditures are covered by its government agencies, with the rest provided for by private insurers and patients. In France, the government, namely the Ministry of Health has taken responsibility of both the financial and operational managements of France’s health Insurance. In particular, the Ministry is directly responsible for setting premium levels, as proportionate to income, as well as for determining the price of goods and services refunded to hospitals, doctors, etc... As the model to finance for France’s healthcare system is based on a social insurance model, contributions to the French health care system are based on income, and compulsory as it is a part of taxation. Prior to the 1998 reform, gross earnings were taxed at 12.8% on employers and 6.8% on employees. [3] After the 1998 reform, the system was

extended to be applicable not only to employees with income but also to those with no income but had wealth. In addition, gambling taxations (3.96%) are now also redirected to fund for France's healthcare. Prices for prescription drugs are also set by a national commission. French physicians and other health professionals are paid directly by patients on a fee-for-service basis and they are additionally reimbursed according to a nationally negotiated fee schedule.

In terms of access to services, everyone in France, regardless of region, have access ranging from general practitioners the most sophisticated high-technology procedures. Given that France has roughly 65 million people in total population with roughly 63 million living in metropolitan France, the difference in access to health-care between urban and rural healthcare is not very significant. Public hospitals in France include general and specialized hospitals of various sizes, ranging from regional medical centers to smaller local hospitals. Specifically, 65% are public hospitals, 15% are private non-profit organizations, and 20% are for-profit companies. [4]

In terms of benefits, France's universal healthcare covers: hospital services, rehabilitation, outpatient care, specialists, dentists, midwives, prescribed diagnostic services, prescribed eligible pharmaceutical drugs and devices, prescribed health-care related transport, and certain preventative care. In addition, the system is quite liberal in that patients can choose to see any practitioner at any time. Typically, patients receive 70% reimbursement for physician and dentist services and 60% reimbursement for auxiliary and laboratory services. [6] Outside of these benefits, roughly 90% of French residents also purchase additional benefits not currently covered by the mandatory national insurance through various private health insurance companies. Additionally, one important aspect of France's healthcare system setup is its idea of solidarity, the concept that the sicker an individual is, the less he/she has to pay for healthcare. In other words, for those with serious or chronic illnesses, i.e. cancer, AIDS, mental illnesses, etc... the French insurance system offers 100% reimbursement plus a waiver of all co-payment charges, allowing the individual access to free healthcare. Finally, there is no waiting list for specialized hospital treatments, and though there are sometimes waiting time for general practitioners, overall the French healthcare delivery system is very efficient.

France's health-care is not only offered to its residents. Citizens of EU/EEA countries are automatically entitled to France's universal healthcare due to the reciprocal agreements among EU countries. For non-EU/EAA residents, coverage differs depending on country of residence, and whether there are bilateral agreements between France and the traveler's residential country. Typically, France will offer only limited urgency healthcare to residents outside EU/EAA. [7]

Unfortunately, France's excellent healthcare coverage to its residents does come at a cost. France's health care system is one of the most expensive in the world, though still a distant second compared to the U.S. In 2005, U.S. spending came to roughly \$6,400 per person. In France, it was \$3,300. [3] To fund for its universal health care workers in France are required to pay about 21 percent of their income into the national health care system. While Americans don't pay as much in taxes, they end up paying more for health care when one adds in the costs of buying insurance and the higher out-of-pocket expenses for medicine, doctors and hospitals. One aspect in France's healthcare system that explain this seemingly paradoxical feature of having better healthcare for less overall cost when compared to the U.S. is that French doctors earn roughly 60% of that of American doctors. This reduction in fee drastically lower the amount of funding needed to support France's universal healthcare system. To make up for this

difference in salary, French doctors' expenses are also reduced as they pay no tuition for medical schools, as well as significantly less for malpractice insurance.

France, like the United States, relies both on private insurance and government insurance, and the French also generally get their insurance through their employers. In France however, everyone has health care. Although it is worth mentioning that despite France having a socialized universal healthcare system, its healthcare program also offers differences when compared to the setup of healthcare in Britain and Canada. The main difference being that in France there are no waiting lists to get elective surgery or see a specialist. In that way, the French want the same thing as Americans: choice. However, while there have been no provider organizations (PPO), or gatekeeper-type functions for primary care physicians in France in the past, in 2004 and 2006, the French government, in an effort to control rising healthcare costs, began encouraging more people to declare a referring doctor for specialist visits. While not mandatory, referrals are required if the patient wants to receive full reimbursements. Moreover, rising healthcare costs has forced President Nicolas Sarkozy to start charging patients more for some drugs, ambulance costs and other services, and in recent years, debates over cost-cutting have become an expected part of the national dialogue regarding health care in France.

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