Ideas that change health and care

# How does the NHS compare to the health care systems of other countries?

# Overview

- Comparing the health care systems of different countries can help politicians and policy-makers assess how the UK health care system is performing and where it could improve.
- For our research, we reviewed the academic literature on previous attempts to compare health care systems, analysed quantitative data on health system performance, and interviewed experts in comparative health policy.
- We found the UK health care system has fewer key resources than its peers. It performs relatively well on some measures of efficiency but waiting times for common procedures were 'middle-of-the-pack' before the Covid-19 pandemic and have deteriorated sharply since.
- The UK performs well on protecting people from some of the financial costs of ill health, but lags behind its peers on important health care outcomes, including life expectancy and deaths. The latter could have been avoided through timely and effective health care, and public health and preventive services.
- There is little evidence that one particular 'type' of health care system or model of health care funding produces systematically better results than another. Countries predominantly try to achieve better health outcomes by improving their existing model of health care, rather than by adopting a radically different model.

## Why we did the research

The current pressures on NHS services and 75th anniversary of the NHS's founding mean this is a particularly important moment to assess how the UK's health care system is faring compared to its peers. Every health care system has 'something to teach and something to learn'. So, comparing the health care systems of different countries can help UK politicians and policy-makers assess the performance of the UK health care system and identify where it can improve.

## What we did

We compared the health care systems in different countries by doing three things. First, we reviewed the research literature and assessed previous attempts to rank and compare health care systems. Second, we interviewed academic experts in international health care policy and experts who had extensive knowledge of the UK, German and Singaporean health care systems. Third, we analysed the latest quantitative performance data for the UK health care system and the health systems of 18 higher-income peer countries.

We analysed data in three main domains:

- the context the health system operates in (eg, the health status and behaviours of the population)
- the resources a health system has (eg, levels of staffing, equipment and health care spending)
- how well the health care systems uses its resources and what it achieves as a result (eg, measures of efficiency in delivering services, quality of care, financial protection from the costs of ill health, and health care outcomes).

# What we found

## A system with fewer resources

The UK has below-average health spending per person compared to peer countries. Health spending as a share of GDP (gross domestic product) was just below average in 2019 but rose to just above average in 2020 (the first year of the Covid-19 pandemic, which of course had a significant impact on the UK's economic performance and spending on health services). The UK lags behind other countries in its capital investment, and has substantially fewer key physical resources than many of its peers, including CT and MRI scanners and hospital beds. The UK has strikingly low levels of key clinical staff, including doctors and nurses, and is heavily reliant on foreign-trained staff. Remuneration for some clinical staff groups also appears to be less competitive in the UK than in peer countries.

#### The UK has fewer doctors and nurses per person than most of its peer countries



#### A mixed record on efficiency and quality

The UK health system performs relatively well on some measures of efficiency, such as the rate at which cheaper generic medicines are prescribed. The UK also spends a relatively low share of its health budget on administration.

But waiting times in the UK for common procedures like knee, hip and cataract operations were broadly 'middle of the pack' compared to peer countries in 2019 (before the Covid-19 pandemic). And the fall in activity for these procedures in the first year of the pandemic was dramatically sharper in the UK than in peer countries.

#### Good financial protection but poor health care outcomes

People in the UK receive relatively good protection from some of the catastrophic costs of falling ill. Relatively few core NHS services are charged for and certain population groups are exempt from charges. But financial protection is weaker for some services, such as dental care, and there is growing concern that people in the UK may be forced to choose between funding their own care or enduring longer waits for treatment.

But the UK performs noticeably less well than its peers – and is more of a laggard than a leader – on many important measures of health status and health care outcomes. These include health outcomes that can be heavily affected by the

actions of a health system (such as surviving cancer and treatable mortality), and outcomes such as life expectancy, which are significantly affected by factors beyond the direct control of any health system.

## Wider reflections

There is little evidence that one individual country performs consistently better than another across a range of performance indicators. Even countries such as Germany and Singapore, that score highly on several health system performance measures, are facing the challenge of rising demand from a growing and ageing population and the need to improve health care outcomes.

There is also little evidence that one 'type' of health care system or health care financing model achieves consistently better results than another. And the costs of transitioning from one system to another can be significant. As a result, countries predominantly try to achieve better health outcomes by improving their existing model of health care, rather than by adopting a radically different model.

## About this report

The work for this project was commissioned by the Association of the British Pharmaceutical Industry (ABPI). This output was independently developed, researched and written by The King's Fund. The ABPI has not been involved in its development, research or creation and all views are the authors' own.

To read the full report, How does the NHS compare to the health care systems of other countries?, please visit www.kingsfund.org.uk/NHS-international-comparisons

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