



# COSTA RICA

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# HEALTH SYSTEM PERFORMANCE REVIEW



## An outlier in the region...



- Long-standing commitment to universal, publicly-funded health care
- Middle-income country, but spending on health (as share of GDP) exceeds OECD average
- Life expectancy at birth exceeds that of many OECD members.

### *But broader context is challenging ...*

- Population is ageing rapidly
- Labour market is increasingly informal
- Socioeconomic inequalities are widening



## Much to praise in the health system ...

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- Well-established **primary care infrastructure**
- Ambitious reforms to **deliver integrated care**
- Extensive **inter-sectoral working**
- Effective **dialogue with service users**
- Unified **digital health record**



... but major concerns as well

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### Governance:

#### Attempts at some key reforms have failed



- DRG accounting. hospital accreditation and health technology assessment not routine
- traditional fee-for-service and salary payment mechanisms predominate



... but major concerns as well

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### Access and quality



Some key performance measures are poor

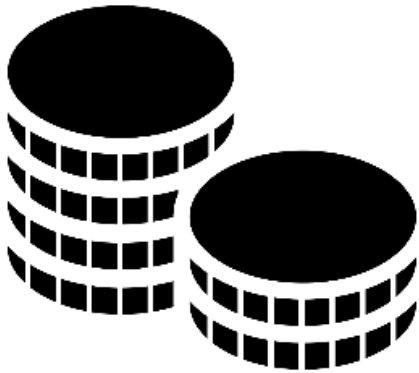
- Long waiting times for elective surgery
- Door-to-needle times after heart attack worsening



... but major concerns as well

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## Efficiency and sustainability



Health care spending is increasingly rapidly

- rising by 7% a year (2011-2015),
- mainly accounted for by workforce salaries  
– *rising by 6% annually*



# A mixed picture on population health...

**Life expectancy** at birth, is close to OECD average...

*... but at 65, it is only 7.3 yrs, compared to 19.5 yrs OECD average*



**Smoking rates and alcohol consumption** are lower than OECD average...

*... but more than half the population overweight, and physically inactive.*



# ... and the need for complex care will grow

Chronic disease is widespread -

... 8.5% of adults have diabetes, vs. 7.0% in the OECD.



Dementia is expected to rise rapidly...

Dementia prevalence per 1 000 pop'n	OECD	Costa Rica
2017	14.8	9.3
2037	23.1	<b>20.4</b>





# A relatively expensive health care system

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**9.1% GDP spent on health**

*... exceeding 9.0% OECD average!*



**Out-of-pocket payments comprise  
25% of total financing**

vs. 20% in the OECD,  
*... and going up*



... nevertheless, much fewer resources



Availability per 1 000 pop'n	OECD	Costa Rica
Doctors	3.3	2.1
Nurses	8.9	3.1
Hospital beds	4.8	1.2

... which drives long waiting times.

### Risk of a two-tier system?

... 30% of population use private providers at least once a year.

... 50% of population want to stop contributing to CCSS.

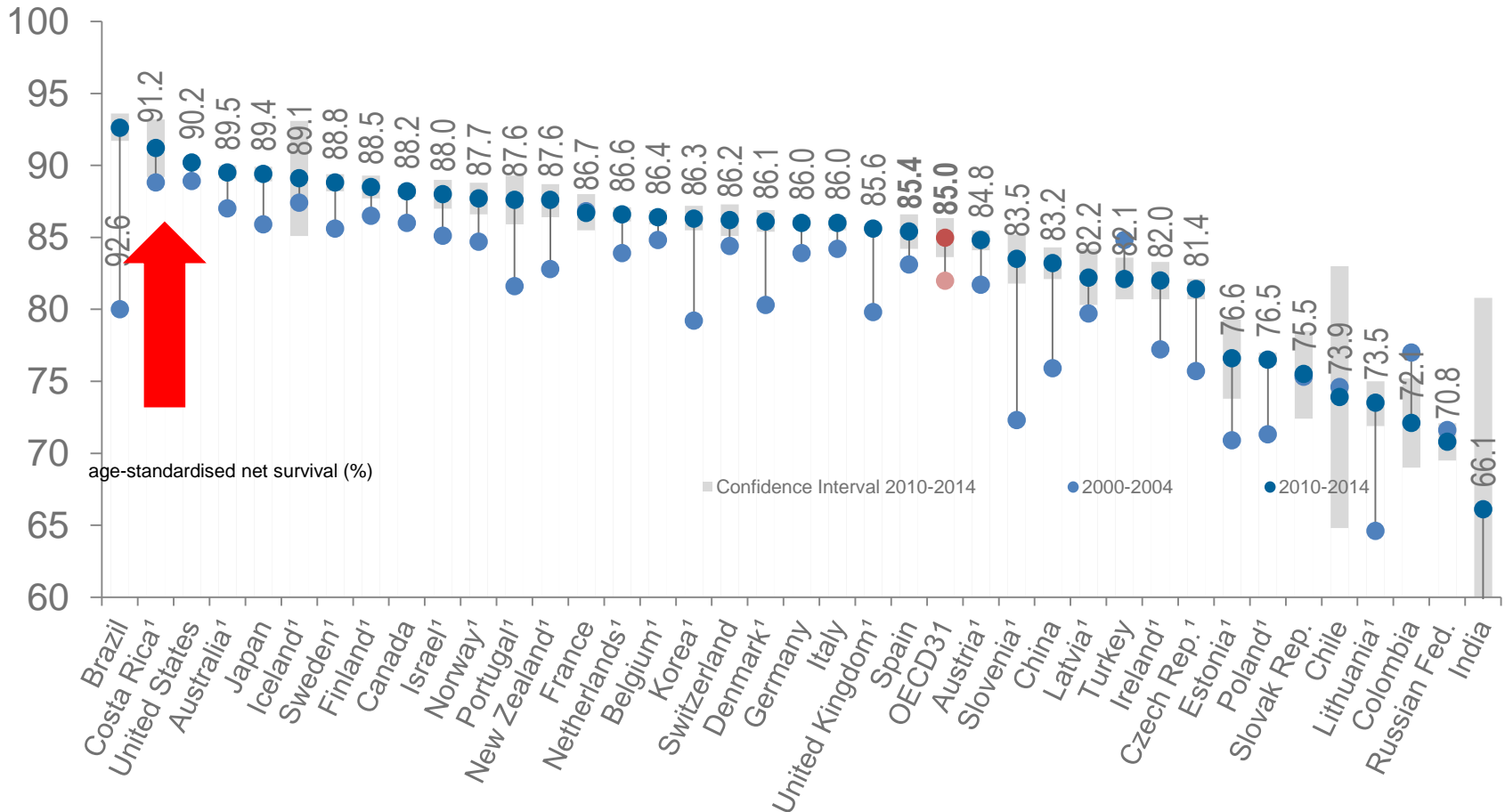


# Budgetary discipline is poor

	Spending (millions Costa Rican Colones, nominal values)						
	2010	2011	2012	2013	2014	2015	AAGR, 2010-2015
<b>ACUTE CARE HOSPITALS</b>							
Total	596 435	659 720	710 057	752 589	806 089	878 382	<u>8.1%</u>
...of which, operational spending	592 006	652 730	705 943	746 851	798 708	866 441	<u>7.9%</u>
...of which, salaries	420 578	453 677	479 338	516 333	548 532	586 605	<u>6.9%</u>
<b>PRIMARY CARE</b>							
Total	259 454	278 924	291 415	318 999	331 572	357 409	<u>6.6%</u>
...of which, operational spending	256 557	276 365	289 873	316 645	328 660	354 001	<u>6.7%</u>
...of which, salaries	160 935	174 235	180 566	197 956	210 821	225 992	<u>7.1%</u>



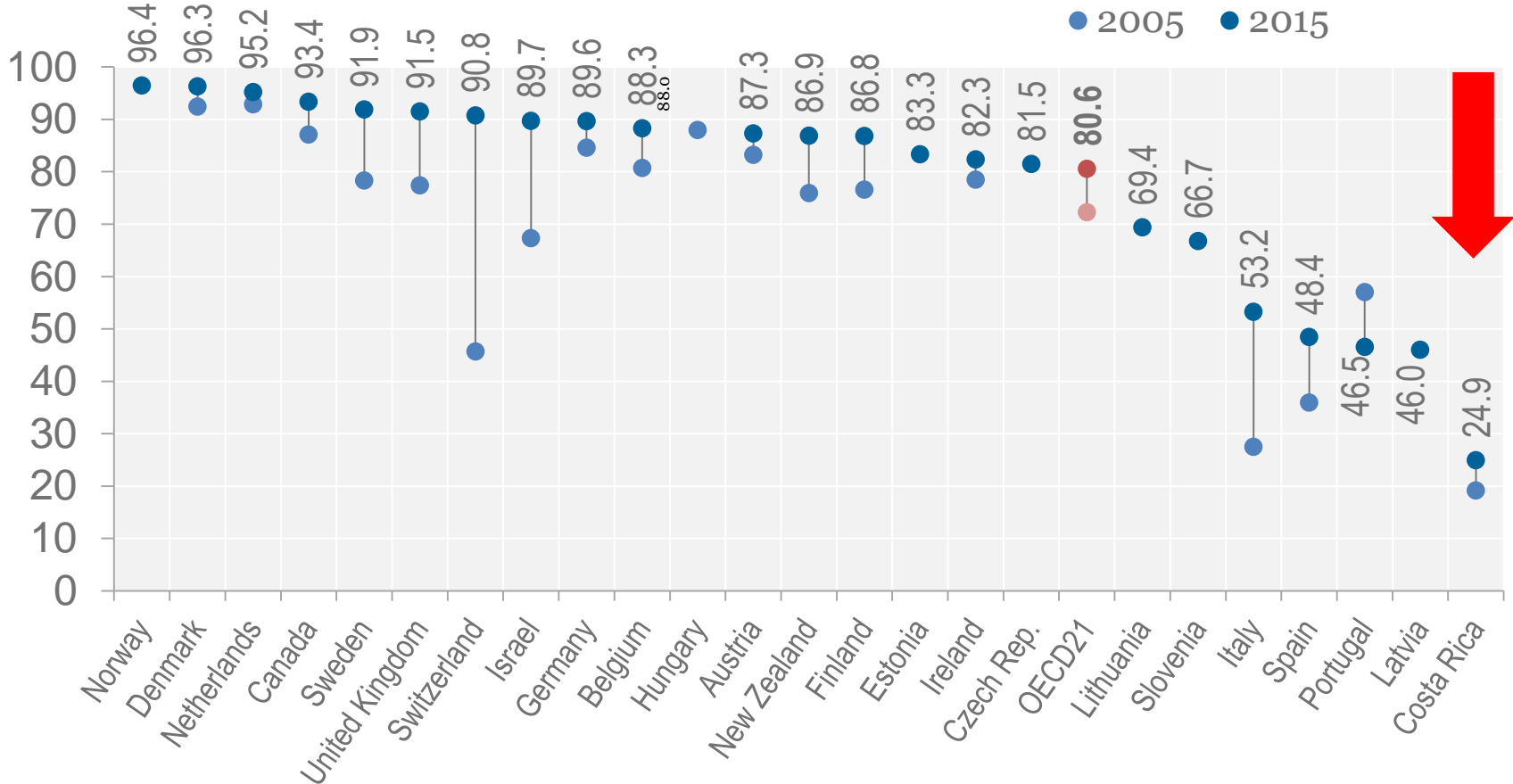
# Quality: some excellent outcomes



**Breast cancer five-year net survival,  
2000-2004 and 2010-2014**



# ...others more troubling



**% of hip fractures operated on within 48hr,**  
2005 and 2015 (or nearest year)



# Key recommendations

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## *Reform health system governance* by



- strengthening external scrutiny of CCSS objectives and performance; and
- increasing participation in international benchmarking initiatives.



# Key recommendations

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*Improve access and quality* by



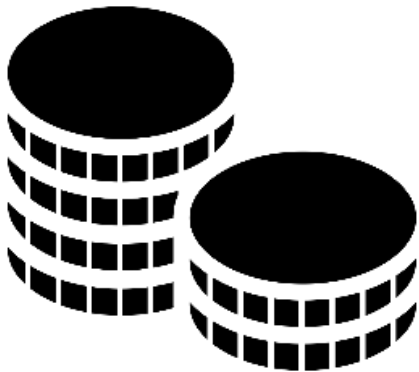
- expanding the supply of the health care workforce;
- allowing choice of provider; and,
- reinstating performance management in hospitals.



# Key recommendations

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## *Strengthen efficiency and financial sustainability by*



- more robust controls on public expenditure;
- reforming payment systems;
- systematising HTA; and,
- increasingly funding health care from the general government budget.





# In summary...



*A health system with many examples of good practice that other systems could learn from.*

*...but significant reforms needed to better monitor and improve performance.*



# Stay in touch!

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Note: The charts in this presentation are from *Health at a Glance 2017* and are available via the *Statlinks* within the publication.