The US Health Disadvantage

Health Economics Bill Evans

Health disadvantage

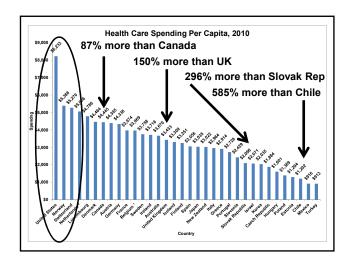
- US has lower life expectancy, higher mortality, higher infant mortality than most other developed countries
- Spend considerably more than other countries on medical care
- Many view these two facts as an indictment of the "unique inefficiency" if the US health care system

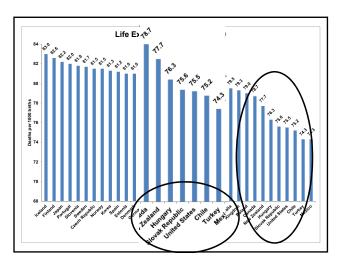
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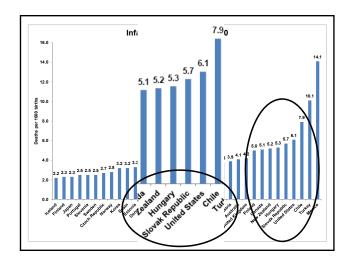
- 2013 National Academy of Sciences report
- Thoughtful outline of the issue
- Helps summarize many of the topics we discussed throughout the semester

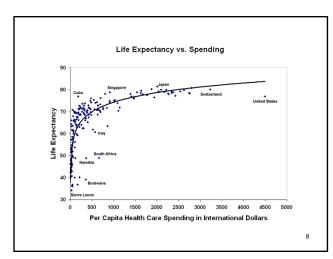
Some basic facts

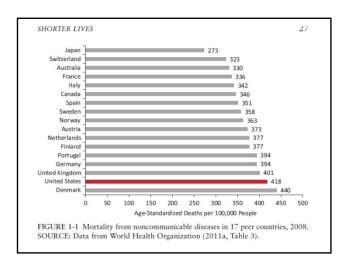
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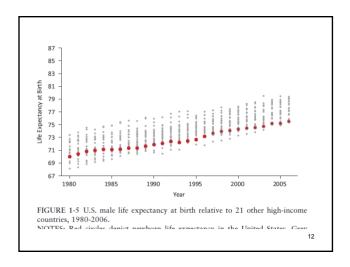


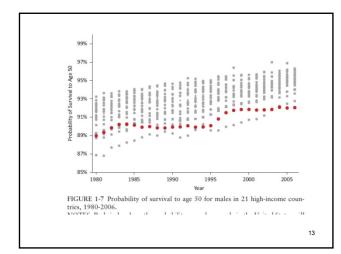


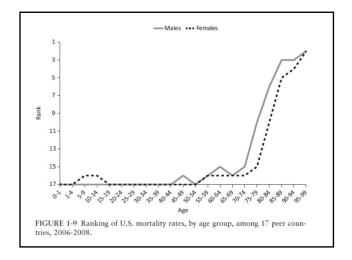


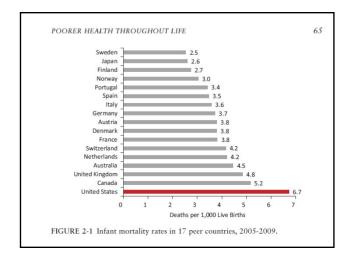
	Mortal			
Cause of Death	United States	Peer Countries (Unweighted Mean	N = 16) Range	
	Death Rates Above Average			
Cardiovascular diseases	155.7	133,6	97.4-174.9	
Neuropsychiatric conditions ^b	39.2	28.1	7.2-48.4	
Respiratory disease	34.3	21.0	12.7-34.4	
Infectious and parasitic diseases	15.4	7.7	4.4-17.5	
Diabetes mellitus	15.2	10.2	4.5-19.3	
Genitourinary diseases ^c	12.3	7.2	3.0-12.2	
Endocrine disorders	7.1	4.2	1.6-8.1	
Congenital anomalies	4.3	3.3	2.6-4.0	
Musculoskeletal diseases ^d	2.9	2.4	1.2-3.5	
Nutritional deficiencies	1.0	0.7	0.1-2.0	
Skin diseases	0.8	0.6	0.1-1.5	
Maternal conditions	0.4	0.1	0.0-0.2	
Perinatal conditions	7.1	3.7	1.3-5.9	
Unintentional injuries ^e	35.5	20.4	13.7-38.6	
Intentional injuries	17.3	11.4	5.6-20.2	
	Death Rates at or Below Average			
Malignant neoplasms	123.8	127.3	106.5-157.7	
Digestive diseases ^g	19.8	19.8	13.0-29.5	
Respiratory infections	9.7	12.3	4.0-29.7	
Other neoplasms	2.9	3,3	2.1-5.3	
Oral conditions ^b	0.0	0.0	0.0-0.1	
Sense organ diseases ^b	0.0	0.0	0.0	

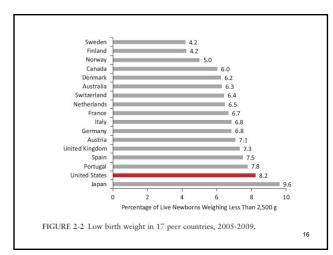
Ma	ales		Females			
Country	LE	Rank	Country	LE	Rank	
Switzerland	79.33	1	Japan	85.98	1	
Australia	79.27	2	France	84.43	2	
Japan	79.20	3	Switzerland	84.09	3	
Sweden	78.92	4	Italy	84.09	. 3	
Italy	78.82	5	Spain	84.03	3	
Canada	78.35	6	Australia	83.78	. 6	
Norway	78.25	7	Canada	82.95	1	
Netherlands	78.01	8	Sweden	82.95		
Spain	77.62	9	Austria	82.86	9	
United Kingdom	77.43	10	Finland	82.86		
France	77.41	11	Norway	82.68	1	
Austria	77.33	12	Germany	82.44	1	
Germany	77.11	13	Netherlands	82.31	1	
Denmark	76.13	14	Portugal	82.19	1	
Portugal	75.87	15	United Kingdom	81.68	1	
Finland	75.86	16	United States	80.78	1	
United States	75.64	17	Denmark	80.53	1	





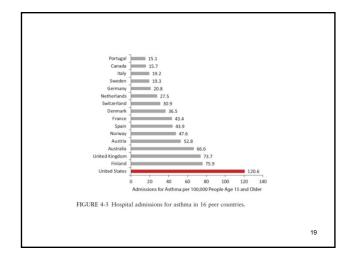


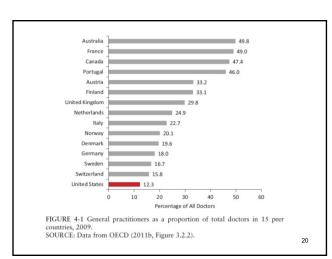


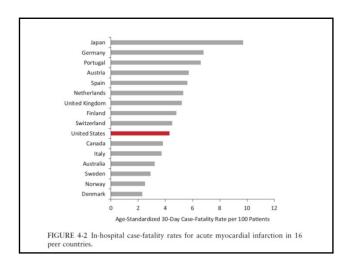


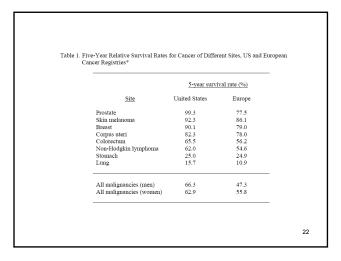
Ch. 4: Public health/Medical care

- US leading in health innovation
- Still has 10% of the population w/out insurance
- Many report not using care b/c of cost
- Differences in the quality of care across groups
- Poor access to care in inner cities/rural areas



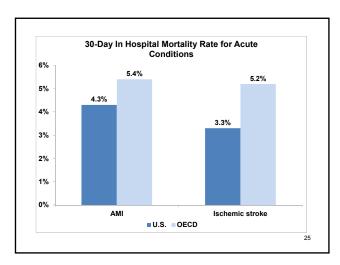






	FIVE-YEAR AGE-ADJUSTED CANCER SURVIVAL RATES, United States ¹ and Selected European Countries ²							
	Breast (Female)	Cervical (Female)	Colon (Male)	Lung (Male)	Prostate (Male)	Thyroid (Female		
United States	82.8	69.0	61.7	12.0	81.2	95.9		
White	83.9	71.8	62.5	12.0	82.7	95.7		
Black	69.2	55.6	52.6	12.0	69.2	93.0		
England	66.7	62.6	41.0	7.0	44.3	74.4		
Denmark	70.6	64.2	39.2	5.6	41.0	71.7		
France	80.3	64.1	51.8	11.5	61.7	81.0		
Germany	71.7	64.1	49.6	8.7	67.6	77.0		
Italy	76.7	64.0	46.9	8.6	47.4	77.0		
Sweden	80.6	68.0	51.8	8.8	64.7	83.7		
Switzerland	79.6	67.2	52.3	10.3	71.4	78.0		

Heart Attack	Гreatment, US	Canada vs.
	US	
Category	Canada	US
Angioplasty	11.4%	30.5%
• Bypass	4.0%	11.4%
• 5-year mortality	21.4%	19.6%
		24



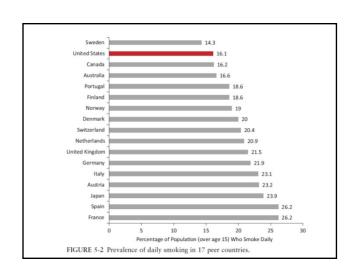
Conclusion

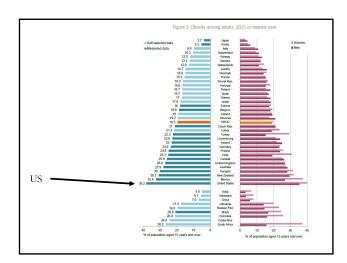
- \$ barriers a problem in US
- Many death categories not driven by medical care
- US does a good job once diagnosed
- Not such a good job preventing illness

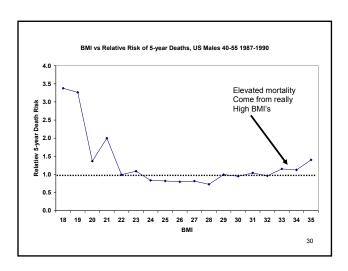
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Ch. 5: Individual Behaviors

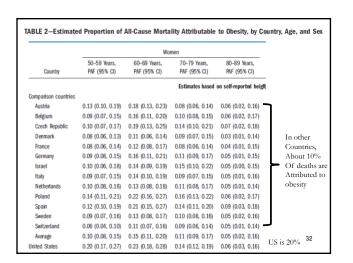
- US has much higher rates of obesity than the rest of the world
- US has high rates of some types of deaths
 Gun violence, traffic fatalities, drug poisonings
- Can these individual behaviors explain the US Health disadvantage
- If yes is this "caused' by the health care system?







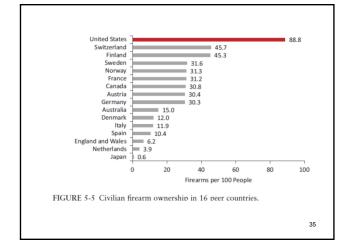
Country	Sample Size, No.	BMI≥25, % (95% CI)	BMI≥30, % (95% CI)	BMI≥35, % (95% CI)	BMI≥40, % (95% CI)	
			Estima	tes based on self-re	ported height and	
Comparison countries						
Austria	1840	57.0 (53.8, 60.2)	21.0 (18.5, 23.8)	4.7 (3.5, 6.3)	1.5 (0.9, 2.6)	
Belgium	2933	53.2 (50.6, 55.8)	17.7 (15.8, 19.7)	4.1 (3.2, 5.2)	0.8 (0.4, 1.3)	
Czech Republic	1768	67.7 (63.4, 71.7)	22.8 (19.2, 26.7)	4.6 (3.1, 6.9)	1.0 (0.5, 2.1)	
Denmark	1756	43.7 (40.4, 47.1)	13.0 (10.9, 15.5)	3.0 (2.1, 4.3)	0.6 (0.3, 1.3)	
France	2774	46.0 (42.7, 49.3)	15.5 (13.0, 18.4)	3.2 (2.3, 4.6)	1.2 (0.6, 2.3)	US has a
Germany	2885	54.8 (51.9, 57.6)	15.8 (13.8, 17.9)	4.4 (3.4, 5.7)	1.4 (0.8, 2.2)	Enormous
Israel	2146	57.9 (48.7, 66.6)	19.0 (13.9, 25.4)	3.5 (2.0, 6.2)	1.0 (0.3, 2.7)	Fraction of
Italy	2751	53.2 (50.0, 56.4)	15.9 (13.8, 18.3)	3.1 (2.2, 4.2)	0.6 (0.3, 1.1)	Really hig
Netherlands	2812	52.7 (49.8, 55.6)	15.9 (14.0, 18.1)	4.3 (3.3, 5.7)	1.5 (0.9, 2.4)	BMIs
Poland	1681	68.3 (64.9, 71.6)	27.3 (24.4, 30.5)	6.2 (4.8, 8.1)	1.1 (0.6, 1.9)	
Spain	1994	66.5 (63.2, 69.6)	23.9 (21.2, 26.8)	7.5 (6.0, 9.4)	1.9 (1.1, 3.1)	
Sweden	2966	52.1 (49.1, 55.0)	16.4 (13.8, 19.2)	3.3 (2.4, 4.4)	0.9 (0.5, 1.7)	
Switzerland	1615	41.4 (38.0, 44.9)	12.5 (10.4, 15.0)	3.1 (2.1, 4.6)	0.7 (0.3, 1.6)	
Average	2302	55.0 (54.0, 56.2)	18.2 (17.5, 19.1)	4.2 (3.9, 4.7)	1.1 (0.9, 1.3)	/
United States	7526	61.9 (59.7, 64.0)	31.0 (29.1, 32.9)	12.3 (11.6, 13.2)	5.1 (4.3, 6.0)	31



		e ₅₀ for V	Vomen	e ₅₀ for Men			
	800 23	Without	Difference	1535 72	Without	Difference	
Country	Actual	Obesity	(95% CI)	Actual	Obesity	(95% CI)	
	Es	timates based	on self-reported heigh	t and weight			
Comparison countries							
Austria	33.96	34.67	0.71 (0.59, 1.07)	29.39	30.39	1.00 (0.86, 1.23)	
Belgium	33.70	34.42	0.73 (0.61, 1.16)	29.03	30.01	0.98 (0.82, 1.18)	
Czech Republic	31.24	32.25	1.01 (0.85, 1.40)	26.04	27.38	1.34 (1.12, 1.57)	
Denmark	31.90	32.52	0.62 (0.52, 1.02)	28.22	29.05	0.82 (0.68, 1.02)	
France	35.68	36.20	0.52 (0.43, 0.90)	29.86	30.85	0.99 (0.82, 1.20)	
Germany	33.60	34.31	0.70 (0.60, 1.07)	29.07	30.12	1.05 (0.85, 1.27)	
Israel	33.61	34.40	0.79 (0.61, 1.18)	30.64	31.56	0.92 (0.71, 1.22)	
Italy	35.24	35.81	0.57 (0.49, 0.96)	30.57	31.47	0.90 (0.73, 1.12)	
Netherlands	33.31	34.00	0.69 (0.59, 1.03)	29.45	30.18	0.73 (0.61, 0.92)	
Poland	31.39	32.58	1.19 (1.02, 1.60)	24.73	26.09	1.37 (1.21, 1.61)	
Spain	35.40	36.27	0.87 (0.72, 1.23)	29.94	31.09	1.15 (0.95, 1.39)	
Sweden	34.10	34.73	0.63 (0.53, 1.01)	30.45	31.17	0.72 (0.59, 0.92)	
Switzerland	35.33	35.83	0.50 (0.41, 0.84)	31.14	31.93	0.79 (0.63, 0.99)	
Average	33.73	34.46	0.73 (0.63, 1.13)	29.12	30.10	0.98 (0.86, 1.16)	
United States	32.95	34.23	1.28 (1.14, 1.70)	29.20	30.81	1.61 (1.44, 1.82)	

On previous slide

- For females -
 - Raw difference in life years after 50
 - US is 32.95
 - Avg. of rest is 33.75
 - Difference is eliminated when adjust for obesity
- In aggregate
 - Explains 42% of the gap for females, 65% for males



Major injury causes, total Drug poisonings Firearm-related injuries	Death Rate ^b 50.2 16.1	No. of Deaths 78 521 25 110	Death Rate ^b	No. of Deaths	Life Expectancy Gap, y (%) ^c
Firearm-related injuries	16.1		9.3	21 575	
Drug poisonings Firearm-related injuries	16.1		9.3	21 575	
Firearm-related injuries		25 110		213/3	1.02 (48)
		25 110	2.7	5943	0.30 (14)
	18.4	28 836	1.1	2734	0.45 (21)
MVT crashes	15.7	24 575	5.6	12898	0.28 (13)
Other causes	814.9	1 195 101	762.7	2 100 772	1.13 (52)
All causes	865.1	1273622	772.0	2 122 347	2.15 (100)
Raw difference bet Difference explain About half the dif	ed by three	causes: drugs,	guns, cars	:	2.15 years : 1.02

	United States	5	Comparison (Comparison Countries ^a		
Cause of Death	Death Rateb	No. of Deaths	Death Rate ^b	No. of Deaths	 Life Expectancy Gap, y (%)^c 	
Women						
Major injury causes, total	19.3	31 469	3.4	8977	0.42 (19)	
Drug poisonings	10.1	16 390	1.6	3958	0.20 (9)	
Firearm-related injuries	2.9	4724	0.1	191	0.08 (4)	
MVT crashes	6.3	10 355	1.7	4828	0.14 (6)	
Other causes	605.4	1238041	490.9	2 145 412	1.82 (81)	
All causes	624.7	1 269 510	494.3	2 154 389	2 22 (400)	
					2.23 (100)	
Raw difference b Difference explai About 20% of th	etween US a	nd comparison	countries in	ife expectancy:		

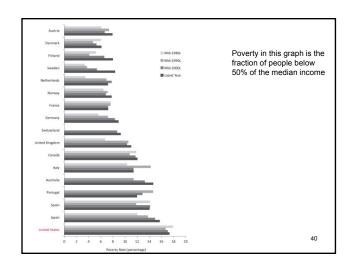
Questions

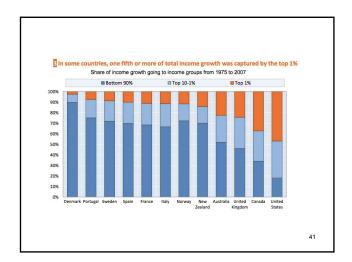
- Obesity, traffic deaths, drug poisonings and gun violence explain a large fraction of the US health disadvantage
- Is this
 - Caused by medical care system?
 - An indictment of the medical care system?
- What changes to the medical system would alter these outcomes?

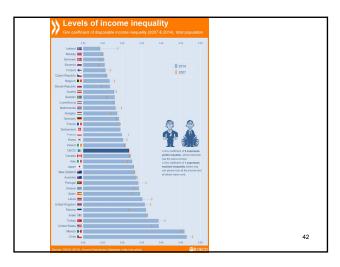
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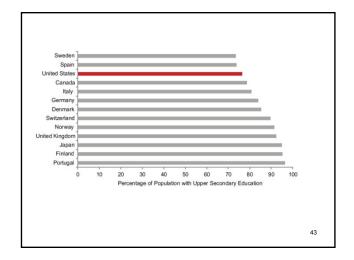
Chapter 6: Social factors

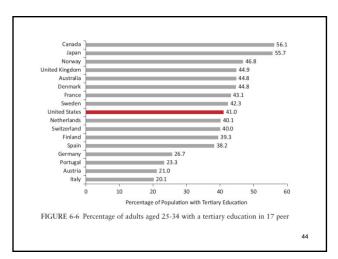
- Many variables correlated with mortality
 - Income, poverty, wealth, education, early child education
- What role do these variables play in the US health disadvantage?











Ch. 7: Physical and Social Env.

- Physical factors
 - Pollution
 - Access to food, medical care
 - Built environment
- Social environmental
 - Neighborhood characteristics
 - Role of social capital and connectedness

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Air pollution

- Particulate matter is the pollution most closely correlated with mortality -- P10 and PM 2.5
- Daily morality correlated with daily deaths
- Aggregate mortality correlated with levels



Annual average PM10 concertations in OECD urban areas

2011

Report of Enrich

France

German

Detailed examination: Infant mortality

Chen et al.

- IMR deaths within 1 year of birth/1,000
 - US is about 4.5
 - Scandinavia about 1.0
- Standard statistical value of life estimate
 - \$7 million
 - 4 million births/year in the US
 - Could spend \$21,000/birth to reduce IMR to Scandinavia levels and it would cost effective

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Why the difference?

- Sample composition? (e.g., what is a live birth?)
- Conditions at birth? (e.g., low birth weight)
- Time of the deaths (what is the gradient as a child ages through the first year)
- Demography where are the differences biggest?

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Data

- Birth-level data from US, Austria and Finland
- Cell-level data (grouped) for Belgium and UK
- In US –4 million births a year, 6 years, 24 million obs.

	United United				
	States (1)	Austria (2)	Finland (3)	Kingdom* (4)	Belgium (5)
Death within 1 year, per 1,000 births, full sample	6.78	3.98	3.21	5.33	4.40
Number of births	24,484,028	466,227	339,312		
Panel A. Main sample					
Death within 1 year, per 1,000 births, restricted sample	4.65	2.94	2.64	3.43	3.67
Gestational age (weeks)	38.8	38.6	39.4		
Birth weight (grams)	3,332	3,345	3,550	3,368	3,310
Number of births	23,411,153	451,920	327,732	3,942,209	667,697
Panel B. Demographic sample					
Death within 1 year, per 1,000 births, restricted sample	4.55	2.94	2.63		
Gestational age (weeks)	38.8	38.6	39.4		
Birth weight (grams)	3,333	3,345	3,553		
Male infant (%)	51.2%	51.2%	51.3%		
Mother's age (years)	27.40	28.75	29.51		
Mother is black [US] or immigrant [AU] (%)	14.9%	23.9%	_		
Mother is married (%)	65.3%	65.3%	59.9%		
Mother has at least college degree (%)	25.7%	11.9%			
Mother is "upper white collar" worker (%)			21.8%		
Number of births	23.113.240	451,920	292,786		

Sample construction

- US any baby born alive is in the denominator of the IFM
- Many other countries
 - Don't include low gestation
 - Don't include very low birth weight
 - Don't include children that die soon after birth
- US has high use of infertility treatments that increase multiple births and reduce birthweight
- Would overstate the US health disadvantage

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Definition of live birth

- All live births
 - US, Austria, Denmark, Finland, England
- \geq 22 weeks, \geq 500 grams
 - France
- \geq 22 weeks, \geq 500 grams, baby survives 24 hrs
 - Czech Republic

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Definitions of live births

- WHO report
 - "it has also been common practice in several countries (e.g. Belgium, France, Spain) to register as live births only those infants who survived for a specified period beyond birth"

		R	ate*
Country	No	<500 g (per 10 000)	<1000 g (per 10 000)
Austria	78 934	2.8	37.8
Belgium	76 872	0.4	33.2
Canada	204 521	10.8	45.2
Czech Republic	97 664	1.4	37.9
Denmark	64 521	2.2	33.1
England and Wales	639 721	6.1	49.4
Estonia	13 990	2.1	40.1
Finland	57 569	3.8	30.4
Germany	646 599	4.8	50.1
Hungary	95 118	6.1	61.0
Ireland	62 066	0.0	32.6
Latvia	20 355	0.0	28.5
Lithuania	29 480	1.0	28.2
Luxembourg	5469	0.0	1.9
Malta	3887	0.0	25.7
Netherlands	181 006	2.7	36.8
Northern Ireland	22 362	1.8	40.7
Norway	57 111	1.9	33.4
Poland	356 697	0.0	38.9
Portugal	109 356	0.6	35.7
Scotland	52 911	4.2	39.5
Slovak Republic	52 388	0.8	32.8
Slovenia	17 846	3.4	38.1
Sweden	100 158	1.5	27.4
United States	4 118 951	16.9	75.2

Variation in the registration of births at the borderline of viability and related problems compromise the validity of international rankings of industrialized countries by perinatal infant mortality

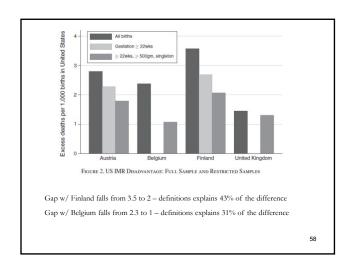
Joseph et al., British Medical Journal

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How to hold all else constant

- Focus on singleton births
 Delete twins, triplets, etc.
- Keep gestation ≥ 22 weeks
- Keep birth weight ≥ 500 grams

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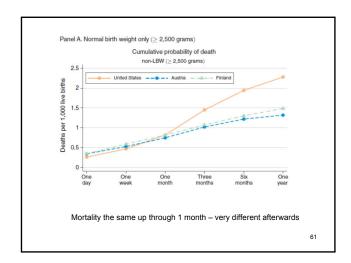


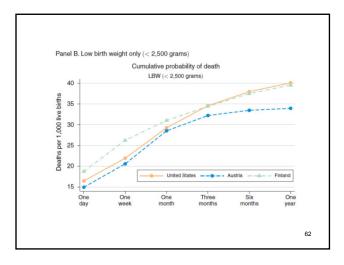
Conditions at birth

- IMR driven in part by low birth weight/low gestation
- US has a much higher LBW rate tah others
- If we control for BW, does that erase the difference

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	No		Control fo	or birthweight	
Comp. Country	Controls All deaths	All deaths	< 1 week	1 week – 1 month	1 month – 1 year
Finland	2.008 (0.091)	0.533 (0.088)	-0.,276 (0.063)	0.164 (0.033)	0.647 (0.054)
Austria	1.704 (0.082)	1.140 (0.077)	-0.019 (0.056)	0.068 (0.036)	1.083 (0.043)
Belgium	1.214 (0.033)	0.781 (0.031)	0.043 (0.021)	0.091 (0.014)	0.648 (0.020)



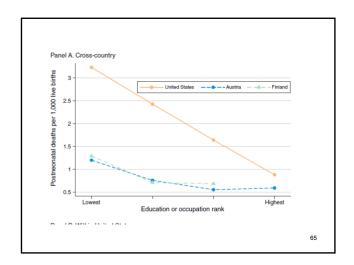


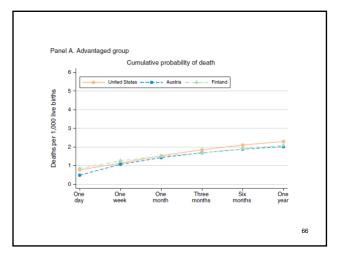
	(1)	(2)	(3)	Accident (4)	Assault (5)	Othe (6)
nited States	0.380	0.068	0.699	0.208	0.064	0.613
nland	0.325	0.021	0.226	0.044	0.003	0.287
ıstria	0.377	0.007	0.185	0.030	0.013	0.175
ited States-Finland						
w difference	0.055	0.047	0.473	0.164	0.061	0.326
share of Finland	17%	224%	209%	373%	2,033%	1149
iited States-Austria						
						0.438
share of Austria	1%	871%	278%	593%	392%	2509
w difference share of Finland	0.003 1% s the difference in the sample of i	0.061 871% in postneonatal nfants alive at or	209% 0.514 278% mortality from ne month. Mean	373% 0.178 593% each cause of do s are in units of	2,033% 0.051 392% eath across co 1,000 deaths.	I

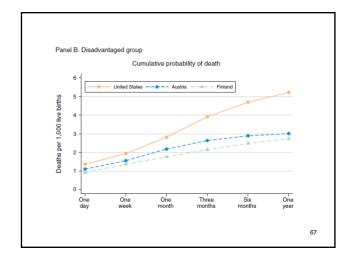
Demography of the US Disadvantage

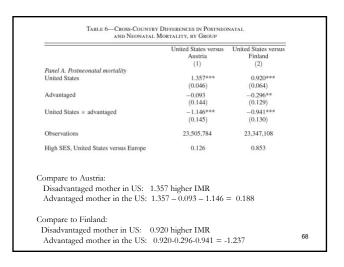
- Compare death trajectories over the 1st year for two groups
 - Advantaged: High educ/high occupation, white married and non-immigrant (in Austria)
 - Disadvantaged all others
- Sample restricted to
 - Gestation ≥ 22 weeks
 - BW ≥ 500 grams
 - Singleton births

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Recap

- Obesity
- Guns, traffic, drug poisonings
- Post birth mortality (many accidents)