

## Methods for Assessment of Effectiveness of Health Care Reforms

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**Introduction.** Health care reforms, which in many countries, especially in the Eastern Europe, started in the 1990s, affected Latvia as well. The key directions of the reforms commenced were as follows: decentralisation, orienting the service providers to the market economy principles, greater involvement of the private sector, introduction of the alternative types of financing providing for the patients' financial responsibility and private insurance, as well as orientation to the economic efficiency of medical technologies.

**Aim, Material and Methods.** Within the framework of this research, the author proposes the measurers of effectiveness of health care reform. To achieve the goal of the research, the methods of theoretical research (literature analysis, content analysis, and electronic resources analysis) are used alongside the methods of empirical research (data collection methods: document analysis and database statistical analysis). For data processing and analysis, methods of statistical analysis and methods of economic analysis are used.

**Results.** To perform the research, the author uses a three-level performance evaluation model based on macro-level evaluation, meso-level evaluation and micro-level evaluation:

- macro-level analysis and efficiency measuring based on the policy impact assessment methodology. The author uses the policy impact assessment methodology created by the Latvian State Chancellery and the results and performance indicators' system developed by the Ministry of Finance as the basis for performing of the Latvian health care macro-level analysis;
- meso-level analysis and efficiency measuring performed by using the system analysis, as well as functional and economic efficiency measuring at the level of the institutions of the Ministry of Health;
- micro-level analysis and efficiency measuring based on the production function by application of the allocative and technical efficiency measures, given at the level of health care providers.

The appropriate measures of macro impact results, policy outcomes and performance outputs are defined to evaluate the effectiveness of the performed health care reform. To gain a more complete picture, it might be noted that health care is only one of the mechanisms to achieve the public health goals. The author assumes that macro impact results are specified for public health, the policy outcomes are determined to health care, as well as the pharmacy, while the performance's outputs are representative for all areas. In constraints of this research, the policy outcomes are measured by the functional effectiveness and economic efficiency indicators.

**Conclusions.** The ex-post evaluation of the Latvian health care reform leads to the conclusion of its temperate low functional effectiveness, particularly taking into consideration the almost 20-year exemption period to reach a number of planned measures and some inconsistencies in the formulation of the expected outcomes. The general conclusion shows the economic efficiency of the reimbursement system is sufficient and there is simultaneously a tendency to move towards technical efficiency, rather than total economic efficiency (technical and allocative efficiency). The allocative efficiency in health economics is also associated with the market efficiency and effectiveness of the treatment process. However, the author notes that there are no perfect competition market conditions for health care products and services, so it is necessary to use alternative methods of economic analysis, as a coin-joint analysis, which is one of the most appropriate additional methods.