

Want a healthier population? Spend less on health care and more on social services

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Increased social spending was associated with health improvements at the population level, while health spending increases did not have the same effect, according to a large new Canadian study in *CMAJ* (*Canadian Medical Association Journal*).

"Spending more on health care sounds like it should improve health, but our study suggests that is not the case and <u>social spending</u> could be used to improve the health of everyone," says Dr. Daniel Dutton, The School of Public Policy, University of Calgary, Calgary, Alberta. "Relative to health care, we spend little on <u>social services</u> per person, so redistributing money to social services from health care is actually a small change in <u>health care spending</u>."

Health care costs are expanding in many developed countries like Canada, and governments are seeking ways to contain costs while maintaining a healthy population. Treating the social determinants of health like income, education, or social and physical living environments through spending on social services can help address the root causes of disease and poor health. However, health spending continues to make up the lion's share of spending.

The study looked at data from 9 of Canada's 10 provinces over 31 years from 1981 to 2011 (Prince Edward Island and the northern territories were not included because of insufficient data) to see if social and health care spending ratios were linked to population health status. The researchers looked at three health outcomes: potentially avoidable



mortality, infant mortality, and life expectancy.

Average per capita spending on social services was \$930 compared with \$2900—almost three times the amount—for health services. Health spending per capita increased 10-fold over the study period compared with social spending. However, increased social spending per dollar spent on health care was associated with improved health outcomes at the population level by province.

"Social spending as a share of health spending is associated with improvements in potentially avoidable mortality and life expectancy," says Dr. Dutton. "If governments spent one cent more on social services per dollar spent on health by rearranging money between the two portfolios, life expectancy could have experienced an additional 5% increase and potentially avoidable mortality could have experienced an additional 3% decrease in one year."

This has implications for the way governments allocate spending.

"If social spending addresses the social determinants of health, then it is a form of preventive health spending and changes the risk distribution for the entire population rather than treating those with disease. Redirecting resources from health to social services, that is, rearranging payment without additional spending, is an efficient way to improve health outcomes," he says.

In a related commentary, Dr. Paul Kershaw, School of Population and Public Health, University of British Columbia, Vancouver, BC, writes that the researchers found that increased health spending "is associated with lost opportunities to improve life expectancy and prevent avoidable mortality by comparison with a more even distribution between medical and social investments. These results add to evidence that should impel governments to seek better balance between medical and social



expenditures."

Governments have increased <u>health spending</u> as the aging population has expanded.

The commentary author suggests governments should allocate social spending fairly for both young and old to ensure that the younger generation is not being shortchanged.

More information: Daniel J. Dutton et al. Effect of provincial spending on social services and health care on health outcomes in Canada: an observational longitudinal study, *Canadian Medical Association Journal* (2018). DOI: 10.1503/cmaj.170132

Paul Kershaw. The need for health in all policies in Canada, *Canadian Medical Association Journal* (2018). DOI: 10.1503/cmaj.171530

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