

Fiscal decentralisation can break a national health system

A descentralização fiscal pode quebrar um sistema nacional de saúde

La descentralización fiscal puede quebrar un sistema nacional de salud

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In January, *The Lancet Regional Health – Europe* published an editorial¹ on the challenges of Italy's fragmented national health system. In doing so, the outlet provided the opportunity to start an evidence-based discussion on the broader implications of fiscal decentralisation - the transfer of revenue and spending powers to local authorities and providers – in national health systems.

Fiscal decentralisation not only creates fertile ground to exacerbate pre-existing disparities but is also a gateway to privatise publicly owned and/or financed health services². This happens at local levels through reductions in healthcare capacity, introduction of new out-of-pocket-payments, methodical outsourcing of services, and hospital autonomisation³. The implications are remarkable: on the supply side, systematically underserved Regions use their local budget to buy healthcare capacity from the private sector. On the demand side, long waiting lists push patients toward private providers, either paying directly or relying on integrated insurance models⁴tax-funded health systems like Italian and Spanish ones reveal relevant internal patient flows, raising concerns in terms of equity, budget imbalances, and unexploited economies of scale at the regional and organizational level. However, policymakers lack effective tools to rapidly identify the causes of patient outflows in Beveridgean healthcare systems. We address the gap by conducting a critical review of the drivers of patient mobility. Elaborating on existing knowledge, we propose a concise, versatile assessment matrix to help policymakers in understanding the most relevant

causes of mobility. Specifically, we identify three main categories of drivers: insufficient service availability, poor (perceived).

Inter-regional mobility is also a common solution to inaccessible, fiscally decentralised local services. Since providers and regional authorities compete against each other, inter-regional mobility not only drives up costs but also introduces a perverse dynamic where funding follows the patient, often resulting in regional profits or losses, depending on whether a region attracts or loses patients to others⁴tax-funded health systems like Italian and Spanish ones reveal relevant internal patient flows, raising concerns in terms of equity, budget imbalances, and unexploited economies of scale at the regional and organizational level. However, policymakers lack effective tools to rapidly identify the causes of patient outflows in Beveridgean healthcare systems. We address the gap by conducting a critical review of the drivers of patient mobility. Elaborating on existing knowledge, we propose a concise, versatile assessment matrix to help policymakers in understanding the most relevant causes of mobility. Specifically, we identify three main categories of drivers: insufficient service availability, poor (perceived).

With its heavily fiscally decentralised healthcare model, Italy stands as a stark example of these practices and of their shortcomings⁵The Italian National Health System (Servizio Sanitario Nazionale, SSN. While naming⁴tax-funded health systems like Italian and Spanish ones reveal relevant internal patient flows, raising concerns in terms of equity, budget imbalances, and unexploited economies of scale at the regional and organizational level. However, policymakers lack effective tools to rapidly identify the causes of patient outflows in Beveridgean healthcare systems. We address the gap by conducting a critical review of the drivers of patient mobility. Elaborating on existing knowledge, we propose a concise, versatile assessment matrix to help policymakers in understanding the most relevant causes of mobility. Specifically, we identify three main categories of drivers: insufficient service availability, poor (perceived and studying⁵. The Italian National Health System (Servizio Sanitario Nazionale, SSN the issue is important, the political will to reject fiscal decentralisation is crucial to resume the path towards universally accessible care in Italy and elsewhere.

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