



The Change in the Mix of Surgical Procedures in Israel as a Result of the Program for Shortening Waiting Times for Publicly Funded Surgery

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Abstract

Background

About a decade ago, a comprehensive reform began to take shape, which was intended to affect both the public and private markets of the healthcare system – two markets that are interdependent. This reform, commonly referred to as the Shortening Waiting Times for Publicly-Funded Surgery Program (hereafter: the Waiting Times Shortening Program or WTSP), was not presented as a reform but rather as supply-side cost sharing between the Ministry of Health on the one hand and hospitals and health plans on the other, based on the achievement of specific targets. The program began with an allocation of NIS (New Israeli Shekels) 240 million to the health plans in 2016. In 2017, NIS 358 million was allocated, and from 2018 to 2024, an additional approximately NIS 1.1 billion was allocated annually. Under Government Decision 1189 dated December 27, 2023, it was decided to change the program's funding mechanism for the health plans, by transferring NIS 891 million of the program's budget to the State Health Insurance Law basic basket of services (hereafter, health basket) budget. This was part of a broader decision to increase the health basket budget by NIS 3.7 billion. The Senior Division for Budget Planning and Pricing in the Ministry of Health approached the Myers-JDC-Brookdale Institute to implement the current study with the goal of examining the program's implementation and the changes it has brought about in the system.

Objectives

1. To examine how decision makers define the goals, implementation methods, and impacts of the program.
2. To evaluate how professionals in the field and experts define the goals, implementation methods, and impacts of the program, and to compare their definitions to those of the decision makers.
3. To investigate how key players in the system perceive the changes in the mix of surgical procedures between the private and public sectors following the program's implementation.

Methodology and Research Tools

The study combined three qualitative tools: a review of policy documents, in-depth interviews, and a Delphi survey.

- **Review of policy documents:** This involved analyzing official policy documents published from 2014 until the time of the study. These included documents distributed for public feedback on the program, supply-side cost sharing clauses, regulations, and summary reports on the health plans' activities and supplementary health

insurance programs, as well as documents accompanying the program's formulation that were presented to decision makers but not made public.

- **In-depth interviews:** The analysis of policy documents served as the foundation for developing a semi-structured questionnaire. This questionnaire was used as part of in-depth interviews with professionals from the Ministry of Health and the Ministry of Finance who were either involved in planning the program or responsible for its implementation.
- **Delphi expert survey:** This questionnaire, based on the review of policy documents and in-depth interviews, was sent to 55 professionals appearing in the distribution list of the Budget Planning and Pricing Division of the Ministry of Health.

Findings

Since the program was not accompanied by a formal document, it lacked explicitly stated objectives. However, a review of the policy documents and in-depth interviews identified nine goals. Different stakeholders articulated various intended objectives which, while not necessarily contradictory, could be achieved by various means, by employing various economic tools and incentives, and whose outcomes could be measured using various metrics. The multiplicity of goals was reflected in the program's implementation and its impacts on various stakeholders. A key finding of the study was that private hospitals owned by the health plans played a significant role in implementing the WTSP. Results for the initial years of the program showed that a considerable portion of the program's budget was directed toward these hospitals.

Conclusion and Discussion

The WTSP program's goal was to affect both the private and public healthcare markets, which are interdependent, and to mitigate the negative effects of increased private funding at the expense of the public system. The study's findings indicate that the program did lead to changes in funding sources and in the mix of healthcare insurance usage (public versus supplementary health insurance). There was an increase in the proportion of surgeries funded by the health basket and a reduction in surgeries financed through supplementary health insurance programs. However, it remains unclear whether the objective of reducing waiting times for publicly funded patients was achieved. In addition, the review of the program's impact revealed that it strengthened the position of private hospitals owned by health plans, which were key players in the program's implementation. The private hospitalization system expanded its patient base and diversified its funding sources. This outcome has positive aspects, such as increasing equity between individuals with voluntary insurance and those without such coverage and reducing waiting times across the system as a whole.