



## Unit 2: Can we think of health as capital ?



### 7. An overview of social inequalities in health care

- ➔ Good morning, I am Professor Sandy Tubeuf Professor at the University of Leeds. The session I will present is about health inequalities and inequities. The promotion of health and health equity is a challenge for economists. We see many large differences in health statuses across countries such as differences in life expectancy or differences in GDP which are often correlated with each other. Promoting the health of a population and health equity is an economic good that health economists have worked on a lot. If you think about differences across different groups you can see large disparities. The example I like to use with my students is that of passengers on the Titanic, and who survived the Titanic. The interesting thing is that your likelihood of survival was based on the price you had paid for your ticket. For example, passengers in first class had only a 38% chance of dying while people who worked as crew members or staff ended up with a 75% to 100% chance of dying. These inequalities are still very frequent within countries. If you take a country like the UK and you think about life expectancy at birth you can see very big differences among children currently being born. For example, at the moment, a child born in Kensington or Chelsea – a little boy – can expect to live to 83 years old. That is actually very different from the same little boy born on the exact same day, but in Glasgow who will probably live until the age of 73 which shows a big gap of ten years between these boys. Similar disparities are also found between girls. If we take a little girl born in South East England nowadays she can expect to live to 86 years old whereas another girl born in Scotland would not reach this age. Health economists are not only interested in understanding how these inequalities are created but also how they could be tackled. In France, you also have very similar disparities even among adults who are currently working. Professional status can explain much about disparities in life expectancy. For example, we can look into disparities in life expectancy among the French population. There's been a lot of work studying life expectancy at the age of 35 depending on socioeconomic status. What we find is that depending on your job and whether you're a man or a woman you will have a longer or shorter life. The typical difference that we can see is for a high official with a higher professional status who can, at the age of 35, hope to live for another 47 years. If you look at a person who is a manual laborer his life expectancy at the age of 35 is only 40 more years. So here we can see a gap of seven years. In women, similar gaps are found – they are just a little bit smaller. The difference between a female manual laborer and a woman with a high socioeconomic status is roughly five years. This is true across a whole range of professional statuses. Here, we demonstrate a very strong gradient in the life expectancy or health of individuals according to their job. The other point I really want to make here is how we define health inequality, and how we define equity. Health inequalities are statements of differences in health that we can find between people. It could be differences in life expectancy or differences in the diseases that people will suffer from. It is about equal chances, that different groups of individuals will not have the same chances in life. This is what we would call positive economics where we measure things. Health inequality is a statement that looks at the differences between various groups. On the other hand health inequities is a term which includes a moral judgment or brings in an ethical dimension. When we talk about inequities, we make a statement about a certain type of health inequality that we consider especially unjust and unfair. And we will judge this as being an inequality that we want to tackle the most.





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- ➔ Here, we make a normative judgment. Typically with inequality we look into differences in how things are shared. Positive economics deals with the data we find so we can see whether people are different from each other. In inequity, we
- ➔ add this dimension of a value judgment that we make. So in other words, we should not see differences in health between people of the same age but the differences
- ➔ we do see are explained by socioeconomic status. When we look into inequities the main question we need to ask ourselves is: what are people's needs and how can those needs be met? Sometimes, when you want to tackle inequity you may end up willing to create an inequality. Treating people differently actually participates in correcting inequities. For economists who are interested in equity there are two general principles that matter to them: the principle of horizontal equity and the principle of vertical equity. Horizontal equity cares about treating people that are similar in the same way. People with the same needs should receive the same care. People with the same health should be provided with the same care. On the other hand, vertical equity looks into creating inequalities between people where unequal individuals should be treated unequally. Unequal needs will mean that you will get unequal care. An unequal ability to pay may mean you pay a different amount depending on what you are able to do. This raises two big issues. On the one hand, we might want to treat equals equally. But on the other hand, we may want to create an inequality because we think that this inequality is fair. You can find equity and inequality in many different areas. Think for example about disabled people. Disabled people are treated differently because of their disabilities. The fact that you will have a specific type of access made through adjustments, is caring about equity. Similarly, if we think about how health care is provided in certain countries like with universal health coverage in France we take into account the fact that people will have a different ability to pay and will be treated differently. A lot of health care systems care a lot about equity. Perhaps the main target for us when we think about inequalities in health is to try to tackle the inequalities that we find the most unjust and the most unfair.

