

# A financialization of the French health care system?

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## INTRODUCTION

July 2023: the Director of the Social Security Fund “alerts” on financialization

INTERVIEW

« Nous alertons sur la financiarisation  
du secteur de la santé », prévient le  
patron de la CNAAM 🇫🇷



July 2023: After control, 13 optical centers “deconventioned” (*Alliance Vision*)

Treize centres de santé ayant  
fraudé la Sécu déconventionnés



## INTRODUCTION

### Plan of the presentation

Characterization

Expressions

Dynamics and consequences

Challenges for regulation



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## 1. Characterization

### Context

The French health care system

- Largely hybrid, both public and private
- Traditionally regulated by the State on a professional basis

An exploratory study

- Relation of the *Chaire Santé* with the Social Security Fund
- An exploratory study (with Dr Yann Bourgueil, 15 interviews in 2023)

# 1. Characterization

## Notions and definition

Financialization and *privatization*

Financialization and *profitability*

Financialization and *efficiency*

Financialization and *de-professionalization*

Financialization as “*the process according which non-professional private actors invest significantly in the health care sector to get financial returns*”

## 1. Characterization

### International trends

An international trend, some transnational players ; from the 2000s

USA	Financial investment × 100 (Shah, 2023)
Sweden	40% of health centers
Germany	20% of health centers (MVZ) ; attempts of regulation
Spain	The “Alzira” model
UK	Emerging in psychiatry (16%), dentistry (8%)



## 1. Characterization

### Main drivers identified

- Logics of public and private investments
- Integrative processes in health care systems
- Professional aspirations (across generations)
- Higher quality standards required
- Stricter price regulation

*An induced financialization?*



## 2. Expressions

### A first overview

Fragmented processes (different speeds and scopes)  
The importance of medical diagnosis

Biology

Primary care

Ophthalmology



Many other expressions : private hospitals, radiology, anatomopathology...



## 2. Expressions

### The emblematic case of biology

Well documented (administrative and academic works)

Goal: modernization by concentration (technology, quality)

Private investment (PI) as an emerging effect (70% of labs)

Ineffective attempts to regulate the spread of PI (2013)

Consecrated by the Covid19 epidemic (materials, volumes...)

Emerging forms of regulation (on profitability rather than on prices)



## 2. Expressions

### The uncertain case of ophthalmology

Tensions on professional competences (availability)

Professional tensions (orthoptist vs “aided work” model)

Softer regulation of “optical centers” (authorizations by ARS)

The example of “*Point Vision*” (from 2012 + American private equity funds)

Tensions on the quality (centers closed by the regulator, 2023)



## 2. Expressions

### The new frontiers of Primary care

Demographic scarcity and local reorganizations (CPTS, MSP...)

Some private operators (Ramsey, UrgencesMed...)

The ambiguous objectives of the (fragmented) regulators

The ambiguous positions of professionals (interested)

Dissociation between ownership and activity

Acceleration by digital platforms (*Doctolib...*) ?



### 3. Dynamics and consequences

#### Prospective scenarios

Scenario 1 : Shift to financialization

Scenario 2 : Come back of the public investment (hospital)

Scenario 3 : Pragmatic regulation



### 3. Dynamics and consequences

#### The key position of professionals

A pervasive context of professional scarcity  
The promise of modernizing health organizations  
The promise of better integrating health care  
Professional aspirations and tensions



## 3. Dynamics and consequences

### Professional alternatives ?

- Proposed by professional organizations
- More collective, interprofessional, integrated models
- Professional control + financial schemes
- Dissociation of ownership and revenues

Example : the model of ophthalmology

“Non-financial” investors (traditional banking, para-public players..)

Cooperative organizations (“SCIC”)



## 4. Forms on regulation

### New styles of regulation

Traditional style : The State, The Social Security and the professional unions

Who is currently in charge ? Professional orders + regional agencies

Fragmentated national public regulators (ministries, social security fund...)

Regulation by global budgets rather than by individual prices (biology)



## 4. Forms on regulation

## Regulation : main available instruments

## Public “authorizations” (recently reformed)

## Legal status of structures + obligations (role of professionals)

## A differentiated regulation of prices ?

## A regulation by budgets rather than prices (biology) ?





## Conclusion

### A few propositions

Knowledge and observatory (quantification)

A new mission of regulation (centralization)

From health spending to national investment

Real doubts on the feasibility and political will



## Conclusion

### Dynamics of change : a two-speed process ?

The slow dynamics of the health care system and its regulation  
The faster dynamics of private investment and reconfigurations

The role of digital technology  
The ambivalence of the regulators  
The ambivalence of professionals



**Merci !**