

Implementing a new regionally managed funding mechanism: the population endowment.

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Introduction

In recent years, new funding mechanisms have been introduced in France to address challenges faced by the French hospital system in the aftermath of the COVID-19 crisis, such as recruitment difficulties and the increasing healthcare demands of an aging population.

Among these mechanisms, the population endowment is designed to allocate hospital funding based on the health needs of the territories they serve. This approach ensures that the funding for emergency, rehabilitative, and psychiatric care is not solely dependent on hospital activity levels. Instead, it also considers the population size and characteristics of the covered territory.

The calculation of the population endowment is managed by regional health agencies, enabling better consideration of local specificities. To support these agencies, national guidelines and methodologies have been established to standardize and facilitate the calculation process.

Methods

The total amount of the population-based endowment is determined at the national level and subsequently allocated to regions. The distribution among regions is based on their population size and other criteria, such as poverty rates and indicators of healthcare provision.

Each regional health agency receives a dedicated budget for the population endowment, which must then be distributed among the hospitals within the region. To achieve this, the population of each municipality is assigned to hospitals based on the proportion of the hospital's activity that originates from those municipalities. Hence, the population of each municipality can be distributed across several hospital.

The population assigned to each hospital is then adjusted using specific indicators computed at the municipality level, such as poverty rates and the proportion of children in the population. This weighted population serves as the basis for distributing the regional endowment among hospitals.

To ensure the acceptability and transparency of the allocation process, the methodology and key criteria are presented to a regional committee. This committee includes representatives from hospitals, physicians, and patient associations, fostering a collaborative approach to decision-making. This committee also deliberates on criteria, worth considering, which could relate to the population's health needs.

Results

A statistical tool was developed and made available to regional health agencies to assist them in allocating the population endowment budget among hospitals.

This tool provides for each hospital a list of municipalities within its designated territory, along with key data at the municipality level, including population size, socio-economic status, and healthcare provision.

The modular design of the tool allows regional health agencies to access a centralized, and easily navigable data source offering a broad and diverse range of variables. At the same time, it maintains the flexibility to select the variables used for weighting the population, which is then applied to distribute the regional population-based fundings.

To ensure the accuracy and relevance of the data, the tool is updated annually, incorporating the most recent information on population demographics and characteristics.

Each regional health agency has the option to use this tool at its discretion.

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