Governance / stewardship

Masters Program Infectious Biology and Epidemiology

Health systems (Vorlesung 18423-01)
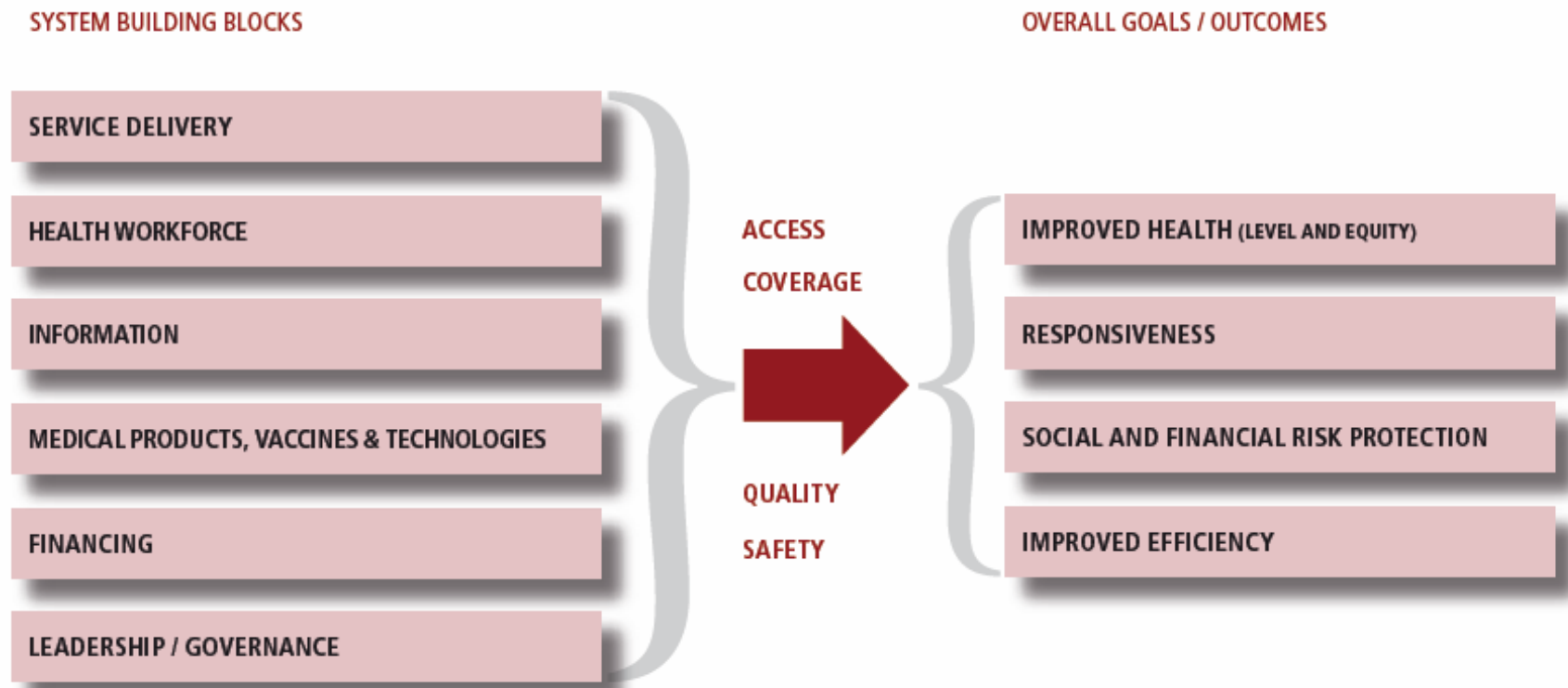
Kaspar Wyss, 9 December 2009

Swiss Centre for International Health

Improving Health Systems Worldwide

A department of the Swiss Tropical Institute

Session outline

- Governance Environment

- Health System Governance

- Challenges to Strengthening Health Systems

- Discussion on the governance of selected health reform issue in Switzerland

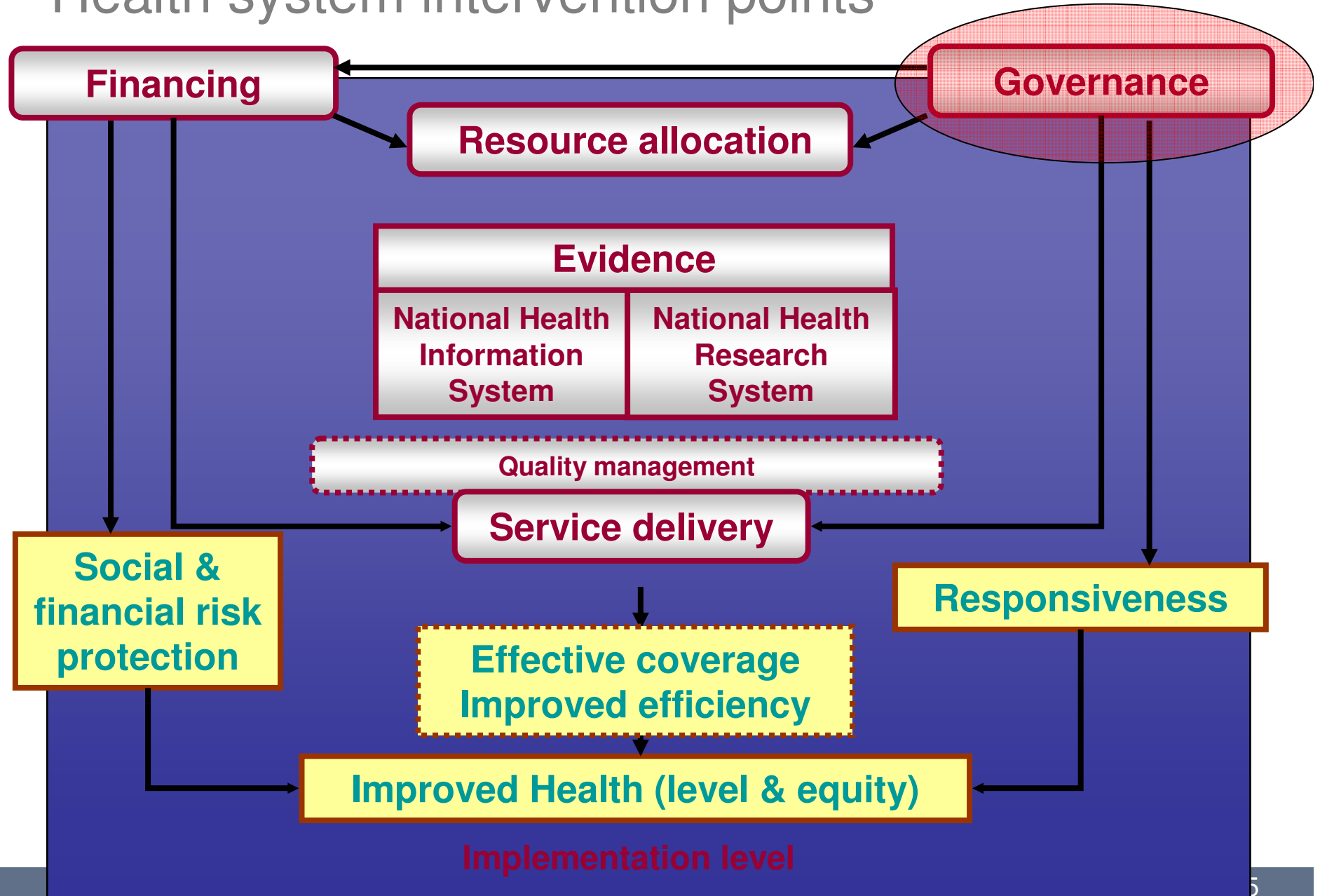# Relations between functions and objectives of a health system

Source: WHO, 2007

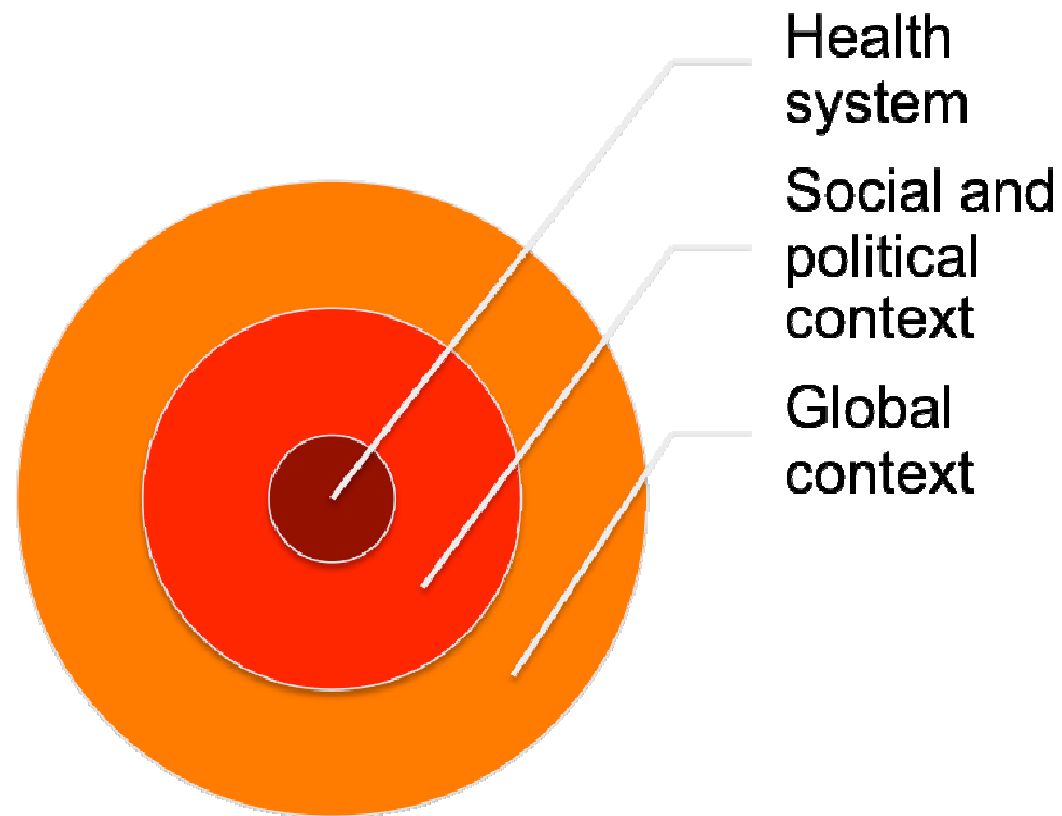# Dynamic architecture and interconnectedness of the health system building blocks

Source: WHO, 2009

Health system intervention points

Financing

Governance

Resource allocation

Evidence

National Health Information System	National Health Research System

Quality management

Service delivery

Social & financial risk protection

Responsiveness

Effective coverage Improved efficiency

Improved Health (level & equity)

Implementation level

Governance environment

- Health system
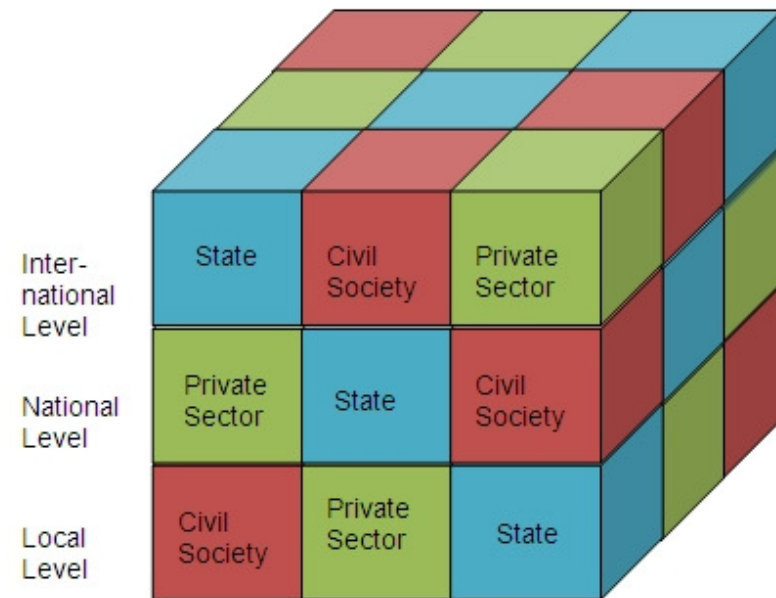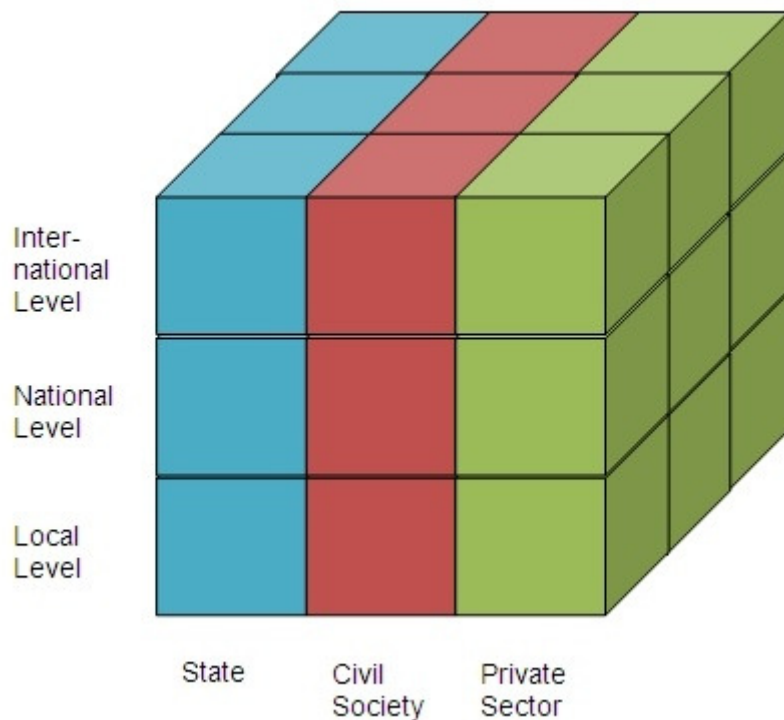- Social and political context
- Global context

Governance environment (cont.)

- Health system embedded in a wider and deeper framework of institutions, rules and cultures that go beyond narrow understanding of „health sector"

- Complexity multiplied by
  - plethora of state and non-state actors;
  - levels of intervention;
  - dynamics, ambiguities and contradictions of reform processes

Governance Cube
(Robledo et al 2008, based on Gaventa 2006)

Good Governance (UNDP 1997)

- **Good governance „ensures that political, social and economic priorities are based on broad consensus in society and the voices of the poorest and most vulnerable are heard in the decision making over the allocation of development processes."**

✓ Participatory

✓ Equitable

✓ Transparent

✓ Accountable

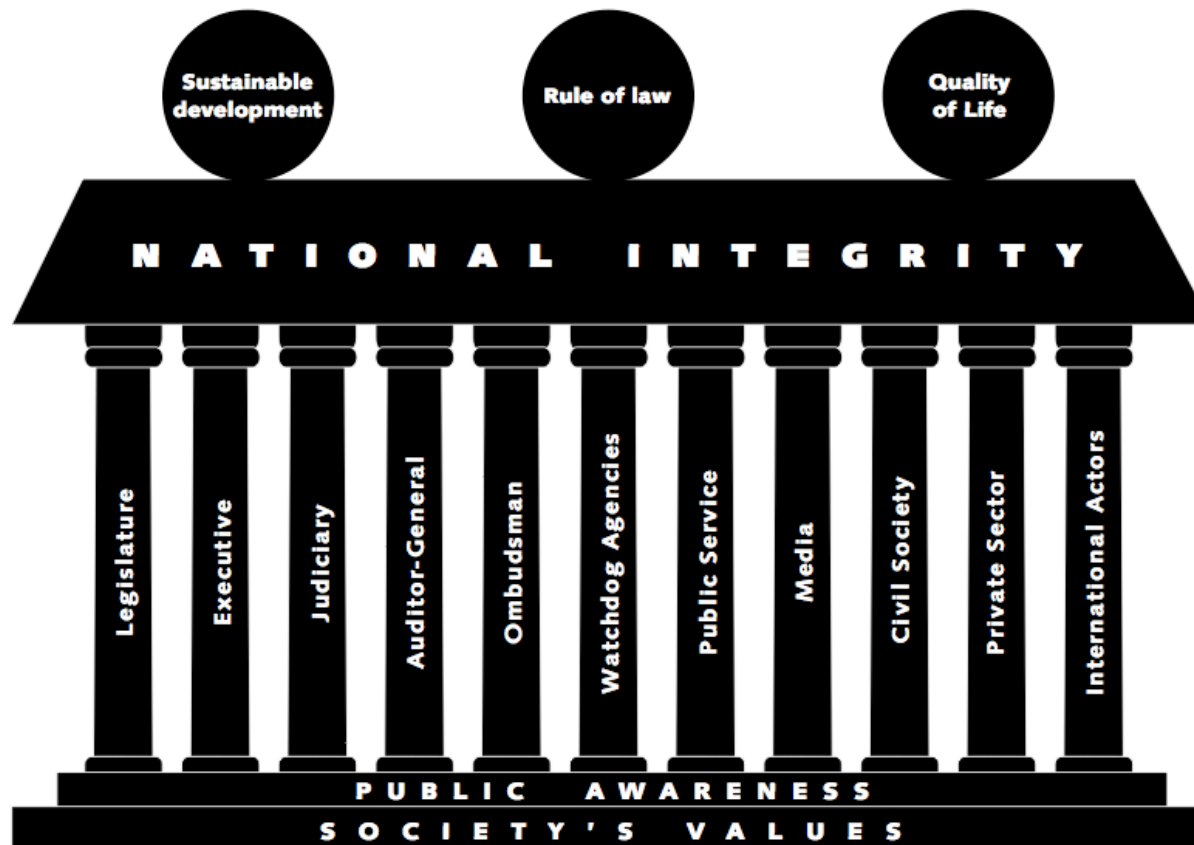✓ Effective

Governance (World Bank Institute)

- Governance consists of the traditions and institutions by which authority in a country is exercised.
- This includes the process by which
  - governments are selected, monitored and replaced;
  - the capacity of the government to effectively formulate and implement sound policies;
  - the respect of citizens and the state for the institutions that govern economic and social interactions among them.

(Kaufmann et al. 1999, Kaufmann et al. 2008)

Determinants of Governance (World Bank Institute)

	Definition		Dimension
I.	Process by which those in authority are selected and replaced	i) ii)	Voice and Accountability Political Stability and Absence of violence
II.	Ability of government to formulate and implement sound policies	iii) iv)	Governmental Effectiveness Regulatory Quality
III.	Respect of citizens and the state for institutions which govern their interaction	v) vi)	Rule of Law Control of Corruption

National Integrity System
(Transparency International 1999)

Health System Governance: Stewardship (WHO)

„Stewardship is the careful and responsible management of something entrusted to one's care.

In the context of health systems, it involves influencing policies and actions in all sectors that may affect the health of the population."

WHR, 2000

Stewardship Functions according to WHR 2000

- The ability to formulate strategic policy directions;

- Ensure good regulation and tools for implementation (powers, incentives, and sanctions);

- Generate necessary intelligence on health system performance in order to ensure accountability and transparency

Health System Governance Principles
(Siddiqi et al. 2009)

- Strategic vision
- Rule of Law
- Participation and consensus orientation
- Transparency
- Responsiveness
- Equity and inclusiveness
- Effectiveness and efficiency
- Ethics
- Intelligence and information
- Accountability

Governance principles

1. Strategic vision:
   - Do national health stewards set the long term vision for the nation's health and the vision for how the health system will achieve this?
   - What is the content of this vision?
   - How does it speak to values of participation, ownership, equity and justice?
   - Intended versus factual strategy?

2. Participation and Consensus orientation
   - Policy set by MOH & which other stakeholders?
   - Inter-disciplinarity?
   - Devolution to local government?
   - What is degree of participation and consensus with national vision and plans?

Governance principles

3. ## Rule of law

   - Are the branches of government (executive, legislature, judiciary) constitutionally defined, clearly separated and independent?
   - Are the functions and responsibilities of key actors in the executive clearly defined?
   - To what extent can and does the judiciary exercise independence in decision making?
   - Does the judiciary have the administrative and substantive capacity to adequately handle all judicial cases?
   - Is there a system of judicial review for challenging administrative actions and seeking redress?
   - Has the government established an adequate regulatory regime that it can enforce?
   - Charter of client rights questions?

Governance principles

4. ## Responsiveness of Institutions
   - Do the health policies respond to the population health needs?
   - Does the health system address the regional and local health needs?

5. ## Transparency
   - Does an access to information law exit and what does it encompass?
   - Monitoring and enforcement mechanisms?
   - ICT access and access to information?
   - Are auditing reports made public?
   - How are corruption complaints handled?

5. ## Equity and inclusiveness
   - To what extent is equity specifically targeted by governance of health system?
   - What equity concept is used?
   - How are disadvantaged regions, populations targeted?
   - And how are they included in planning processes?

Governance principles

7. ## Effectiveness and efficiency
    - Finance resource allocation?
    - How sustainable is the government's fiscal programme in the mid-term?
    - Is the budget comprehensive or are there significant extra budgetary funds?
    - Is there a central administrative body which ensures coordination and communication, provides logistical support to decision making, ensures recording and monitors implementation of decisions?
    - Are government regulations clear, consistent, comprehensible and accessible to users?
    - Are corruption and other abuses of power subject to effective disciplinary and penal remedies?

Governance principles

8. Accountability

- Does the legislature have the powers of a) financial and b) bureaucratic oversight?
- Is there an independent general auditor (Supreme Audit Institution) for the whole government and what is its authority?
- What horizontal accountability institutions (e.g. Ombudsman, Anti-corruption Agency, Human Rights Commission etc.) have been established and what is their authority and mandate?
- Do public agencies disclose information on their regulatory and other actions (e.g. procurement), and do they publish regular reports with financial statements?
- How does the MOH handle the press for new policies?
- How does the MOH handle the press when their problems are exposed in the media?
- Does an Ethics code for public officials and health workers exist?
- Can citizens bring charges against politicians and officials?
- Are citizens freely able to assemble and protest matters of public interest?

Governance principles

9. **Intelligence and information**

   - Is information about health and the health system generated, collected, analysed and accessible, and what evidence is there for its use in the decision making process?

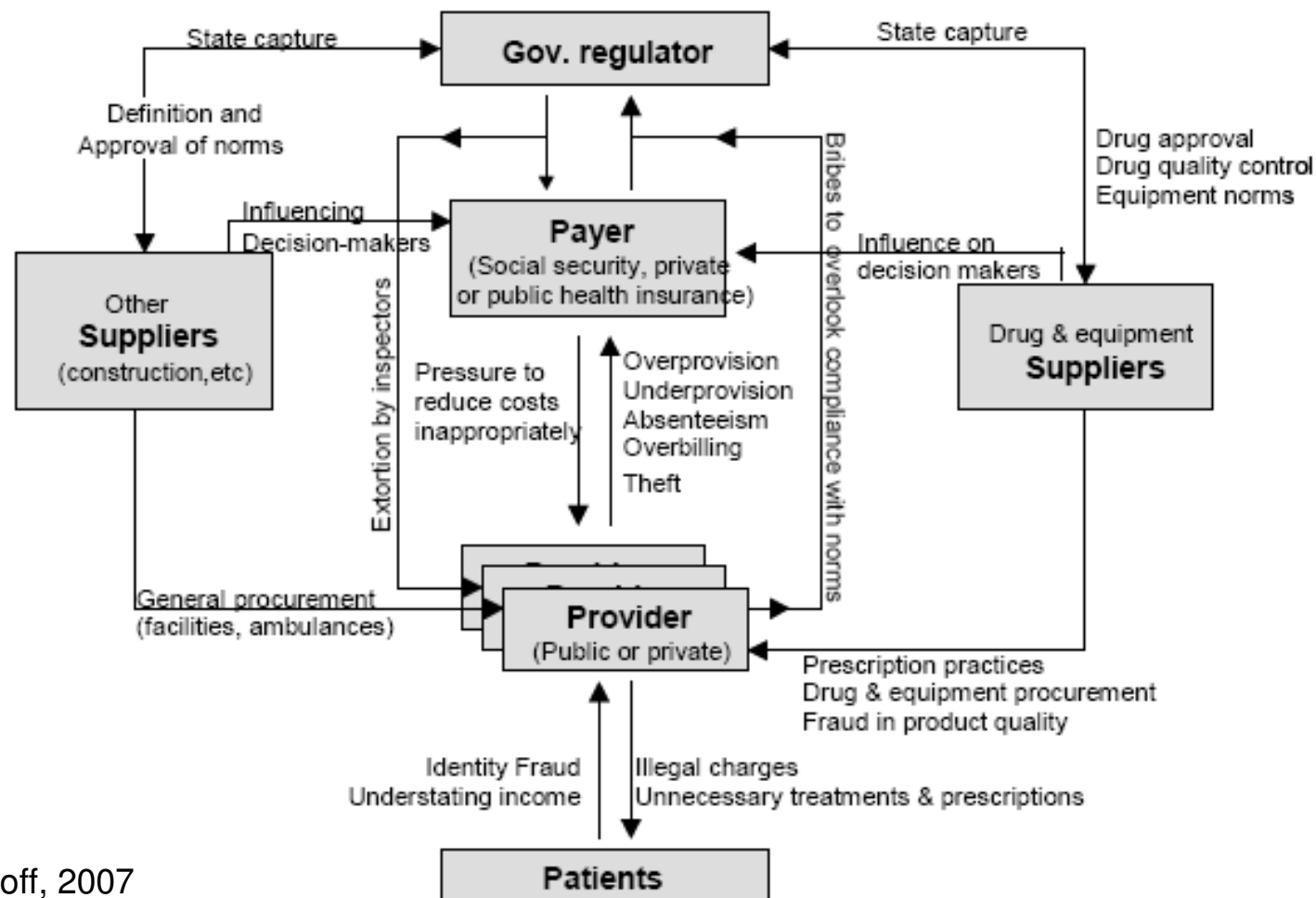   - How is the implementation of health policies monitored?

Governance in Public Health Care Systems

- „The problem with the lack of concern with basic governance principles in health care delivery is that well-intentioned spending may have no impact. Priorities cannot be met if institutions don't function and scarce resources are wasted."

- „If the health system is not governed well, health workers are absent, patients pay illegal fees, and basic inputs are stolen without any consequences for those who mismanage or corrupt the system, performance of health care will be poor and population health will suffer."

Source Lewis (2006)

Manifestations of corruption in the health system

State capture — Gov. regulator — State capture

Definition and Approval of norms

Drug approval
Drug quality control
Equipment norms

Influencing Decision-makers

Payer (Social security, private or public health insurance)

Influence on decision makers

Other Suppliers (construction, etc)

Drug & equipment Suppliers

Bribes to overlook compliance with norms

Extortion by inspectors

Pressure to reduce costs inappropriately

Overprovision
Underprovision
Absenteeism
Overbilling
Theft

General procurement (facilities, ambulances)

Provider (Public or private)

Prescription practices
Drug & equipment procurement
Fraud in product quality

Identity Fraud
Understating income

Illegal charges
Unnecessary treatments & prescriptions

Patients

Savedoff, 2007

Reflecting on the health systems introduction

- **Complexity and heterogeneity of systems**
  - No two systems alike
- **Many tensions**
  - Efficiency versus equity
  - Public versus private
  - Centralized versus decentralized
  - Needs versus demands
  - Systems versus vertical programs
- **Many problems**
  - Escalating costs and unsustainable financing
  - Lack of incentives, quality and satisfaction
  - Gross inefficiencies (technical and allocative)

Health reform defined

- A sustained process of fundamental change in policy and institutional arrangements, guided by government, designed to improve the functioning and performance of the health sector, and ultimatively the health status of the population

Health reforms

- Quest for greater:
  - Greater efficiency
    - Technical efficiency (e.g. standard treatement guidelines, pharmaceutical policy for generics, reduce length of stay in hospitals and over-use of services)
    - Allocative efficiency (e.g shift to ambulatory care, task shifting)
    - Administrative efficiency
  - Equity
  - Quality of services
  - Financial soundness (cost containment, sustainability)
  - Satisfaction

Discussion

- Corruption is a widely acknowledged problem in many middle and low-income countries. With regard to governance where do you see **main challenges**:
  - Strategic vision
  - Participation and Consensus orientation
  - Rule of law
  - Transparency
  - Responsiveness
  - Equity and inclusiveness
  - Effectiveness and efficiency
  - Intelligence and information
  - Accountability