Principles of good governance for a sustainable HBP policy

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What will we be talking about?

1. What is governance?
2. Good governance as one ingredient for sustainability of HBP policies
3. Poor governance of HBP -- welcome to the real world
4. Key good governance principles in the context of a HBP policy
5. Costs & risks of implementing good governance measures
What is governance?

- The **systematic**, patterned way in which decisions are made and implemented (Greer & Mckee, 2014). ➔ The “way” decisions are made and processes are carried out normally.

- Good governance relates to desirable process-related attributes of adequate benefit package design, adjustment and implementation practices. **Good governance works in the absence of especially good leaders and is a defense against especially bad leaders** (Greer & Mckee, 2014).

- Poor governance: how HBP design, adjustment and implementation sometimes happens in the real world
  - W/o transparency, no timely and relevant info. Limited accountability mechanisms.
  - No real participation of key stakeholders/behind closed doors,
  - Erratically, inconsistently and without coherence with regards to time/processes/resources/policies
### Five governance/institutional ingredients for a sustainable HBP-based policy

<table>
<thead>
<tr>
<th>Ingredient</th>
<th>What is means for your HBP policy (Good governance principles embedded in these requirements for sustainability)</th>
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<tbody>
<tr>
<td>1. The process of setting up and adjusting the HBP is <em>practical</em>.</td>
<td>- Do what’s feasible in your context, <em>coherent</em> with your time, money, political restrictions, info., skills.</td>
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| 2. Secure *broad support from providers, politicians, citizens and other stakeholders* (they mobilize $ & give vital backing to difficult decisions) | - Stakeholders will want to have a voice.  
- Stakeholders will want to know what/why/how you are doing things.  
- Stakeholders need to trust in what you are doing.  
- Trust builds up over time, don’t change your processes all the time, consistent & technically robust work. |
<p>| 3. Your HBP must be <em>affordable &amp; implementable</em>. | 3. Be coherent with your resources and other public policies. |</p>
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| 4. The HBP gets *adjusted overtime* given that a sustainable HBP is a living, evolving policy instrument that should adapt as new needs, evidence and capabilities emerge | -Think about who, how, when to adjust your HBP. *Make it explicit and transparent.*  
-Forget about a one time effort exercises. |
| 5. Your HBP is in line with goals and serves its purpose of setting limits. | -Make sure goals are a key element when deciding on what to prioritize now and in the future.  
-Resist political pressure to include services for political reasons.  
-Make sure resources get allocated to the benefits included in your package. |

And all this in a very difficult policy context:

i) people care more about the health benefits they receive than most other public & health issues (*eyes will be upon you!*)

ii) *that „rarely increases the political capital of their architects“ & „is a highly inflammatory area“* (Williams I. In Strengthening Health System Governance, Greer, Wismas and Figueras ed., 2016. European Observatory,

=SUSTAINABILITY OF YOUR HBP POLICY=DIFFICULT GOAL IN A VERY DIFFICULT CONTEXT
Maintaining a sustainable HBP policy –
Many processes and much more than technical work

Many processes, many actors, never ending cycle.
Maintaining a sustainable HBP policy - *Many processes and much more than technical work*

- Someone has to act as the director of orchestra (and willing to pay the political cost)
- Processes need to made explicit and anchored in the normative framework.
- Responsibilities must be distributed among existing institutions or new institutions must sometimes be created.

Whatever the precise institutional design, processes & packages should be governed by good governance principles to be sustainable.
Why is good governance important?

**Symptoms of bad governance**

Weak governance may create symptoms such as:

- **Process.** Limited credibility, lack of trust, legal problems, indefensible decisions, erratic policy changes, stagnation of adjustment processes

- **Results.** Failed implementation inclusion of non-prioritized services or w/o clear benefit, outdated HBPs, unsustainable HBPs, no effective coverage of prioritized services

- And it may even lead to the collapse of the HBP policy altogether.

Source: John Sell Cotman - Ruined House - Google Art Project.jpg
Why is good governance important?

Symptoms of bad governance

[decent health] ... „It’s over. The explicit health benefits package POS has ceased to exist yesterday“

What are the key good governance principles?

Stakeholder participation
Consistency, coherence
Transparency
Transparency - Defined

• Refers to the ability to look clearly through “the windows of an institution” or “lift the veil of secrecy” (Grimmelikhuijsen 2010).

• Why does it matter?
  ▪ Enables participation and thereby legitimacy, accountability.

Source: Andrew Wyeth, Looking out, looking in.
Transparency - Dimensions

• Transparency about
  ▪ Processes (whole policy cycle) - who, what, how
  ▪ Content of HBP - do people really know/understand the benefits?
  ▪ Results of HBP - goals reached? Effective coverage?

• Not just “report sharing” - questions you might ask to find out whether a transparent HBP policy is being carried out:
<table>
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<th>Attributes of transparency</th>
<th>Country examples- Good practice</th>
<th>Country examples- Weak practice</th>
</tr>
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<tr>
<td><strong>Availability</strong></td>
<td>-Routine information on access to AUGE health services by Superintendency</td>
<td>-No documentation on how the HBP of Colombia was originally designed</td>
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<td></td>
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<td>-Most LAC countries limited info on effective coverage of BP content</td>
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<tr>
<td></td>
<td></td>
<td>-LAC limited info on coverage decisions and processes</td>
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<tr>
<td><strong>Standardization</strong></td>
<td>-Chile AUGE benefits package. Common ground of benefits -</td>
<td>-Russia, many different health benefits packages, no way to compare, Chile thousands of health packages of Isapres and no way to choose wisely. RepDom reports of HBP services use non standardized coding systems.</td>
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<td>-Benefits package adjustment processes ad hoc and erratic in many countries.</td>
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<td><strong>Timely and up to date info</strong></td>
<td>-Colombia- institutionalized analysis of claims data with explicit schedules.</td>
<td>-Colombia-benefits advisory committee meant to review adjustment proposals but they do not arrive on time</td>
</tr>
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<td><strong>Understandable, sufficient, relevant</strong></td>
<td>Canada, Ontario, coverage decision information.</td>
<td>-Colombia, complex HTA reports</td>
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**Bottomline message:** transparency & ensuing scrutiny, empowerment, accountability depend not only on the quantity but also *quality* of the information
In this case, don’t even bother to implement transparent HBP policies.

Transparency only if it has a real impact on your policy.

Sunlight, as the saying goes, is the best disinfectant. And it’s tempting to think that if we just shine a light on wrongdoing, wrongdoing will go away...

Transparency is useful as long as it is accompanied by enabling factors such as accountability and enforcement mechanisms, ways to adjust, etc.

In this case, don’t even bother to implement transparent HBP policies.
Participation of stakeholders why?

4 reasons why participation is important for a sustainable HBP policy:

1. Legitimacy
2. Quality of decision
3. Accountability
4. Ownership

“Principle 10: HTA programs should actively engage all key stakeholders in all stages of the process, as this is likely to result in technology assessments of higher quality that are more widely accepted and stand a greater chance of being implemented. Moreover, such an open process will enhance transparency & trust in the process as stakeholders develop a greater understanding of the criteria and standards”.

Drummond et al., 2008. Key principles for the improved conduct of HTA for resource allocation decisions
## Participation and quality of decisions – Examples

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<th>Country/source</th>
<th>Pre-participation</th>
<th>Value added by participation</th>
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<td>Chile/AUGE</td>
<td>Dentures were initially not considered for inclusion in HBP</td>
<td>Focus groups with vulnerable groups of women evidenced huge impact of dentures for quality of life.</td>
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<td>U.K./NICE documented by Littlejohns et al. 2009</td>
<td>Clinical research indicated that quality of life of patients with psoriasis depended on the SIZE of injury</td>
<td>Patients showed that location of injuries were even more important than size.</td>
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<tr>
<td>U.K./NICE</td>
<td>Typical and atypical antipsychotics were considered equivalently effective from a clinical perspective</td>
<td>Mental health patients showed that side effects were completely different.</td>
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Design of participation in HBP design – *Key questions*

- **What type** of participation (from very soft to very committing)?
  - Inform: e.g. Actively inform health care providers and patients about benefits and methodologies.
  - Consult: e.g. Ask stakeholders @ their views on inclusions, criteria.
  - Involve in process & seek collaboration: e.g. Citizens in deciding on the criteria used to choose interventions.
  - Empower of decisions
    - Create multistakeholder decision bodies

- Little evidence on what works best
- Real life participation mostly very limited
- Context specific
Participation –
Some key concerns

• Conflicts of interest ➔ Manage explicitly
• Imbalance of power/skills to participate (for example patient advocacy groups versus lay citizens and defendants of Cinderella issues)
• Do not just use for pro-forma validation.
• Try to institutionalize participatory processes
  ▪ Explicit rules of how, when with whom
• Is resource intensive. Ergo? Use appropriately and only if you are willing to take into account what stakeholders have to say.
  ▪ Examples: Chile/AUGE and Colombia/negative list (relevant to ask lay persons what they want to EXCLUDE from a HBP?).
### Consistency and Coherence - Examples from the real world

<table>
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<tr>
<th>Consistently applied criteria &amp; processes to update the HBP</th>
<th>Dominican Republic. <em>Ad hoc</em> adjustments with no clear nor explicit criteria. Colombia. 5 different institutional designs in 10 years to adjust the HBP Chile. Normative framework establishing criteria, studies etc. To adjust the HBP.</th>
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<td>Coherence HBP content+ <em>HBP goals</em></td>
<td>Inclusion of services into HBP despite limited effectiveness or w/o logical sequencing. Many countries.</td>
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<tr>
<td>Coherence <em>with resources</em> (time, $$infrastructure, information)</td>
<td>Update a HBP in 3 months. <em>Honduras</em>. Review the whole benefits package in 6 months <em>(Colombia)</em>. Ambition to design a fully HTA based HBP <em>(many countries)</em></td>
</tr>
<tr>
<td>Coherence w. other policies</td>
<td>Different and unarticulated institutional frameworks to update ELM and HBP <em>(Peru, RepDom, Mexico, etc.)</em></td>
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The HBP does not exist in isolation. If it is to be more than a *de jure* wish list of services, HBP must inform health system functions such as payment, provision, financing.
Consistency & coherence for HBP policies

Does it matter?
- Commitments, trust
- Reduces influence of interest groups
- Efficiency in processes
- Learning process/virtuous cycle
- Better results
- Allows measurement
1. **Resource intensive**. Needs money, time, personnel.

2. **Can backfire**: can produce unexpected/undesired and even opposite results.
   - Participation can become counterproductive when only those with strong voice participate and make themselves heard...
   - Too much transparency can create a blaming culture and disincentive moving forward..policing...

3. Can be converted into a **formality**, a non-consequential, proforma exercise.

4. Not necessarily smoother decision making process but well done more sustainable HBP policies.
Risks & costs of good governance

• Consistency, participation, etc. are all words with very positive connotations, but they also involve risks and costs:
  ▪ Speed, efficiency, effectiveness, flexibility, creativity, empowerment and innovation may be obstructed by good governance.
  ▪ It is costly.
  ▪ It can backfire when used to block processes.
• If you go that road, be sure you are prepared to take it seriously (and bare the consequences of critique, negotiation, second best solutions).
• Not necesarily smoother decision making process but well done more sustainable HBP policies.
Good governance principles make HBP sustainable but do not implement as an end in itself but rather as a means to an end...

A SUSTAINABLE HBP POLICY!