

# Principles of good governance for a sustainable HBP policy

Amanda Glassman & Ursula Giedion  
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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



## Ingredient

## What is means for your HBP policy (Good governance principles embedded in these requirements for sustainability)

<sup>1</sup> The process of setting up and adjusting the HBP is *practical*.

-Do what's feasible in your context, *coherent* with your time, money, political restrictions, info., skills.

<sup>2</sup> 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.

<sup>3</sup> Your HBP must be *affordable & implementable*.

3. Be coherent with your resources and other public policies.

Ingredient	What it means for your HBP policy
<p>4 The HBP gets <i>adjusted overtime</i> given that a sustainable HBP is a living, evolving policy instrument that should adapt as new needs, evidence and capabilities emerge</p>	<p>-Think about who, how, when to adjust your HBP. <i>Make it explicit and transparent.</i>            -Forget about a one time effort exercises.</p>
<p>5 Your HBP is in line with goals and serves its purpose of setting limits.</p>	<p>-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.</p>

And all this in a very difficult policy context:

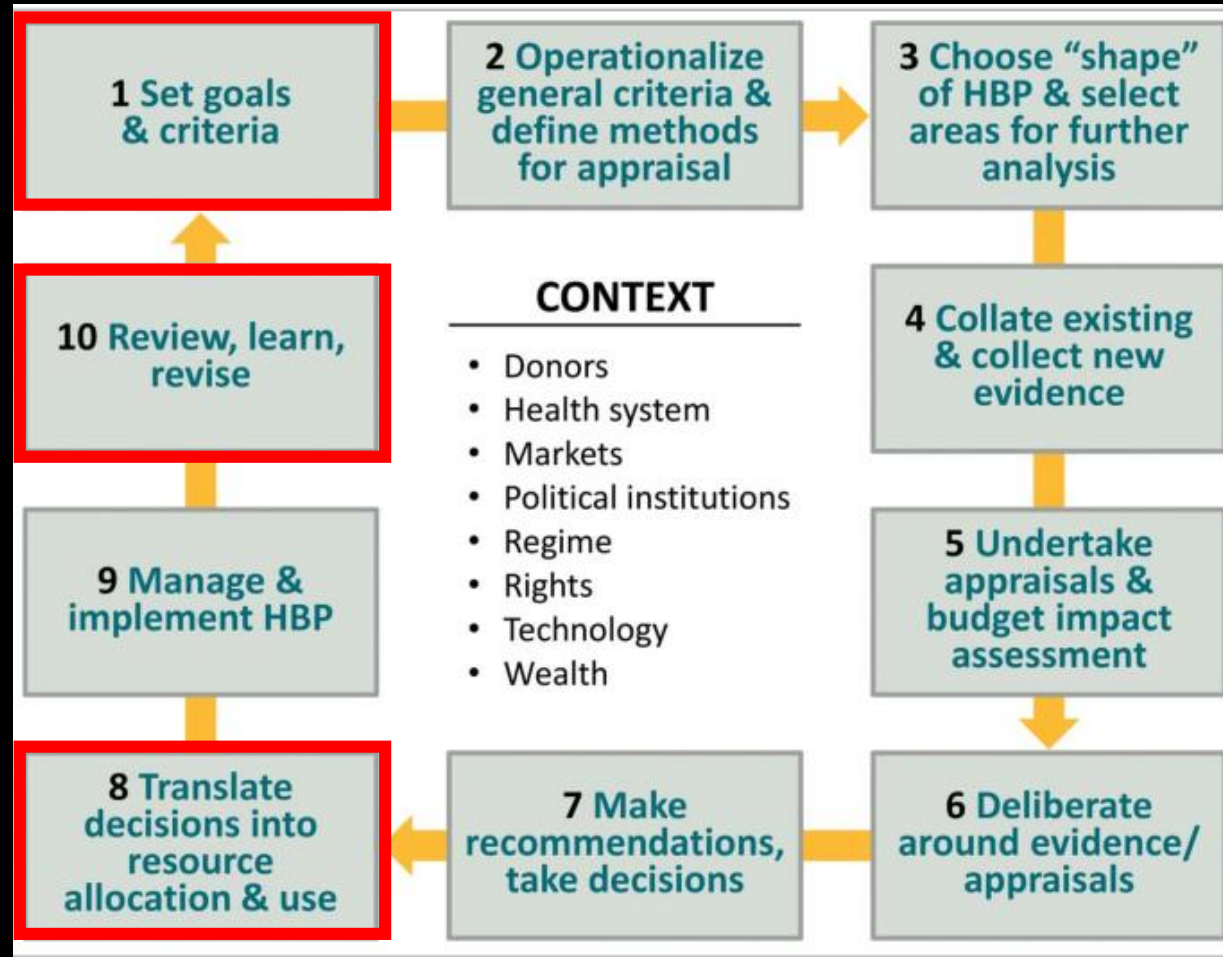
- i) people care more about the health benefits they receive than most other public & health issues (*eyes will be upon you!*)
- ii) that „rarely increases the political capital of their architects“ & „is a highly inflammatory area“ (Williams I. In Strengthening Health System Governance, Greer, Wismas 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 be 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*



Source: John Sell Cotman - Ruined House - Google Art Project.jpg

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.



# Why is good governance important?

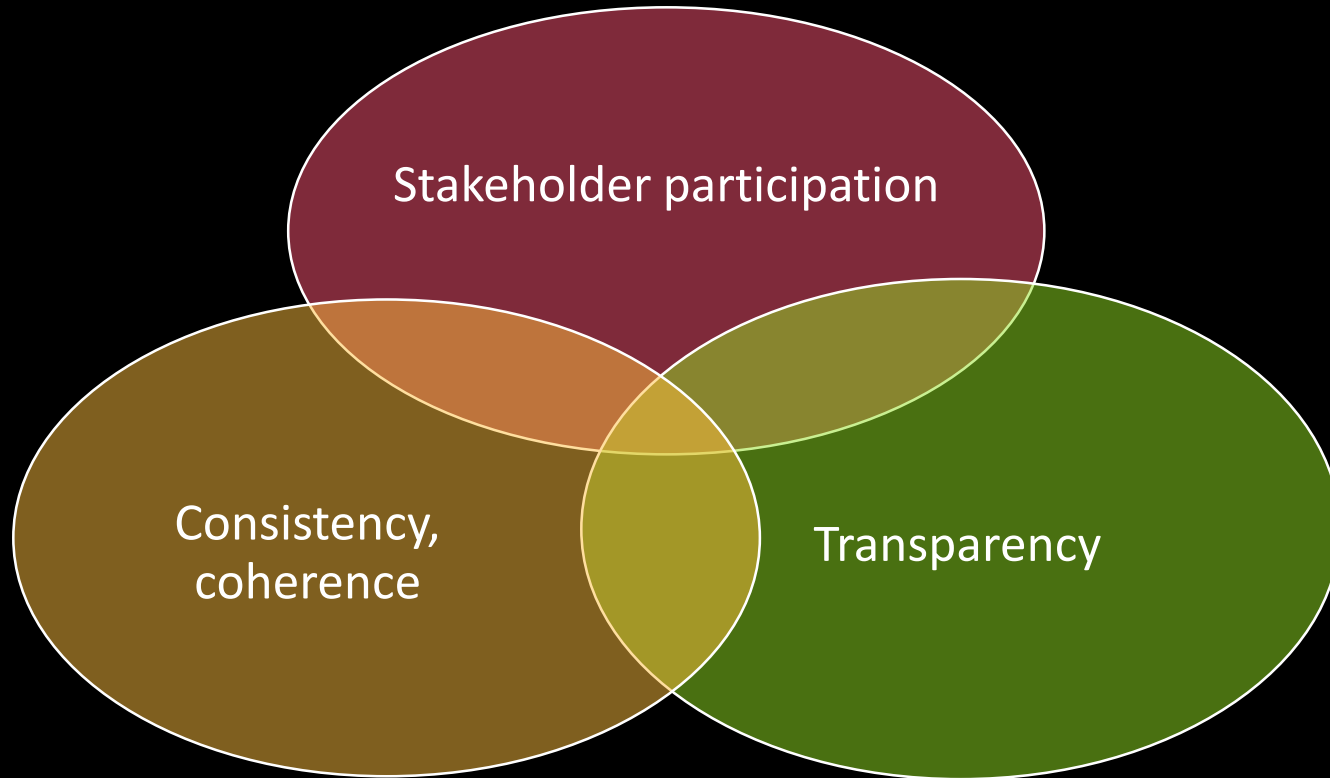
## *Symptoms of bad governance*

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



Source: El Pulzo. 17.2.2017. <http://bit.ly/2IVSZDs>

# What are the key good governance principles?



# Transparency - *Defined*



Source: Andrew Wyeth, *Looking out, looking in*.

- 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.

## 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:

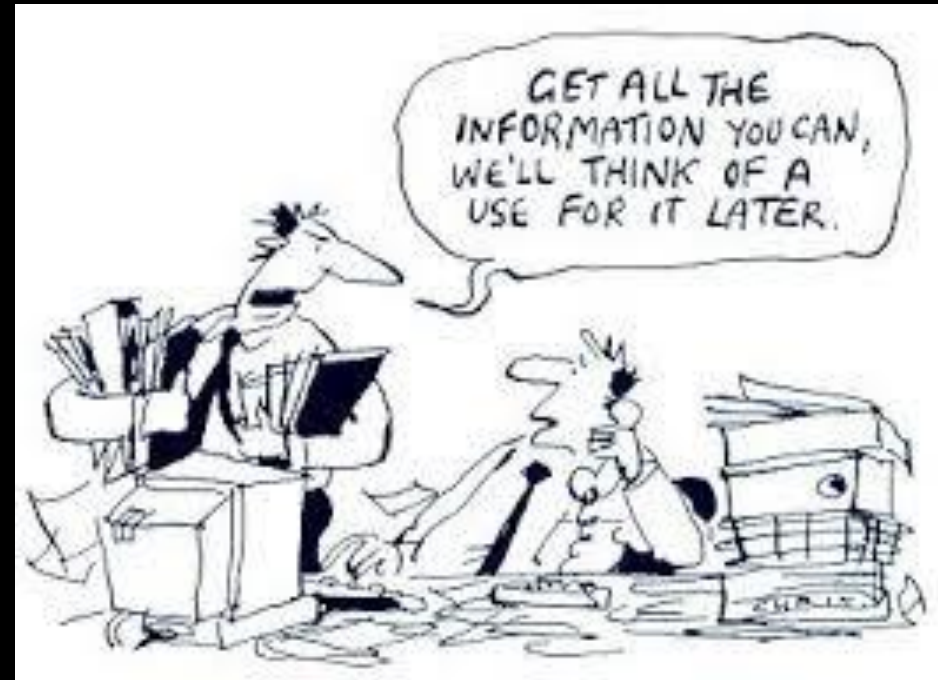
<u>Attributes of transparency</u>	Country examples- Good practice	Country examples- Weak practice
Availability	-Routine information on access to AUGE health services by Superintendency	-No documentation on how the HBP of Colombia was originally designed -Most LAC countries limited info on effective coverage of BP content -LAC limited info on coverage decisions and processes
Standardization	-Chile AUGE benefits package. Common ground of benefits -	-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. -Benefits package adjustment processes ad hoc and erratic in many countries.
Timely and up to date info	-Colombia- institutionalized analysis of claims data with explicit schedules.	-Colombia-benefits advisory committee meant to review adjustment proposals but they do not arrive on time
Understandable, sufficient, relevant	Canada, Ontario, coverage decision information.	-Colombia, complex HTA reports

Bottomline message: transparency & ensuing scrutiny, empowerment, accountability depend not only on the quantity but also *quality* of the information

# 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*



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



# Design of participation in HBP design – *Key questions*

- What *type* of participation (from very soft to very committing)?

**Empower of decisions**

*Create multistakeholder decision bodies*

**Involve in process & seek collaboration**

*e.g. Citizens in deciding on the criteria used to choose interventions*

**Consult**

*e.g. Ask stakeholders @ their views on inclusions, criteria.*

**Inform**

*e.g. Actively inform health care providers and patients about benefits and methodologies*

- 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*



	Examples
Consistently applied criteria & processes to update the HBP	<p><i>Dominican Republic.</i> Ad hoc adjustments with no clear nor explicit criteria.</p> <p><i>Colombia.</i> 5 different institutional designs in 10 years to adjust the HBP</p> <p><i>Chile.</i> Normative framework establishing criteria, studies etc. To adjust the HBP.</p>
Coherence HBP content+ HBP goals	Inclusion of services into HBP despite limited effectiveness or w/o logical sequencing. <i>Many countries.</i>
Coherence with resources (time, \$\$ infrastructure, information)	<p>Update a HBP in 3 months. <i>Honduras.</i></p> <p>Review the whole benefits package in 6 months (<i>Colombia</i>).</p> <p>Ambition to design a fully HTA based HBP (<i>many countries</i>)</p>
Coherence w. other policies	Different and unarticulated institutional frameworks to update ELM and HBP (Peru, RepDom, Mexico, etc.)

## On consistency and articulation policy wise

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

## Risks & costs of good governance



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 necessarily smoother decision making process but well done more sustainable HBP policies.

HBP



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!***



Source: Artist Luke O'Sullivan. „flood-proof housing“