Case Study – Ensuring Good Governance in HBP Design and Implementation

Background

To establish robust foundations for any HBP, policymakers must define and put into practice an overarching set of core governing principles and set up the necessary processes to monitor and evaluate the implementation of these principles. The lack of strong governance mechanisms can ultimately determine the success or failure of any HBP, as has been the case for many countries around the world[1].

The case below provides multiple examples of how a lack of good governance principles, structures and processes led to HBP policy failure. As you read through the case, reflect on some of the good governance principles discussed in the last session to identify where the Government of Madhuraj went wrong, and what could have been done better.

CASE STUDY: MADHURAJ

In 2009, the Government of Madhuraj announced its plans to adopt a universal health insurance scheme. They commissioned a team of local and international experts to design a HBP that would offer the population of Madhuraj universal health care. The development of the scheme was fast-tracked to be released prior to the upcoming election, and after 3 months of intense technical work, the proposal was submitted to the Government. On the surface, the proposal appeared technically sound. However, there was no documentation of the methodology and criteria used to assess existing evidence and develop the packages that made up the HBP. This scheme was met with opposition from the academic, clinical, and civil society communities, who felt that the package of services offered was insubstantial and did not match population needs. In order to gain buy-in from the clinical community, the government appointed a 'Clinical Advisory Group' of 7 well-known surgeons to review the package and advise the government on whether it should be taken up formally. Approximately 6 weeks prior to elections, the Government of Madhuraj formally adopted the scheme with the support of the Clinical Advisory Group and announced that it was to be immediately rolled out by all public facilities in the State. Private hospitals were encouraged to apply for empanelment to the scheme and were offered a one-off financial incentive of an undisclosed amount to sign up to deliver care through the scheme. The Government was re-elected, and the Scheme continued to be in operation for 4 years. The Opposition party was elected in 2014 and disbanded the scheme, citing a large body of evidence collected by academic institutions and NGOs indicating that beneficiaries were largely unaware of the scheme, and that it had been unsuccessful in improving population health and reducing out of pocket expenditure. Further, a detailed review of the State finances revealed spending on the scheme was about three times more than the original projections.

[1] See: Glassman, Giedion & Smith (2016) What's in What's Out: Designing Benefits for Universal Health Coverage. *Centre for Global Development*, ch1, p33-34,

Activity

Reflecting on the details provided above about the experience in Madhuraj, within your group, please spend 30 minutes filling in the table below by discussing the primary governance failures that you identify within the Madhuraj case study scenario, and what measures you would advise future policymakers to consider to improve the design of a new HBP. You can refer to the checklist of Dos and Don'ts to help you identify what could have been done better with regard to (1) Transparency; (2) Consistent, stable, & coherent decision-making structures; and (3) Stakeholder participation. Below we have provided one example of a governance failing as it relates to both transparency and decision-making structures. Please nominate one person within your group to be the rapporteur.

Governance Failure	Why	Potential solution
Goals of the HBP not clearly defined nor explicitly communicated	*'Universal health coverage' is very broad. The Government should stipulate exactly what they are trying to achieve through rolling out the package, while recognising key constraints e.g. financial, HR, infrastructure, etc. This is needed to inform consistent decision-making processes*	*Identify clear goals for the HBP e.g. Maximise population enrolment; reduce maternal mortality, infant mortality, incidence of NCD's; ensure access to all essential drugs and devices on the NLEM; reduce waste; improve value for money of govt expenditure; reduce private OOP expenditure*

	Do	Don't
Transparency		
Available information	• Keep written track of your processes. • Explicitly communicate the goals of your benefits package. • Provide clear information on benefits package content, targeted for prescribers and citizens. • Make sure that conflicts of interest are openly and systematically declared. Ensure that patient groups declare the source of their financial support and their own conflicts of interest. • Decide strategically what information is most important to share given your limited resources	• Do not make decisions on the benefits package behind closed doors. • Do not flood key stakeholders with information without prioritizing what is most important to share. • Large amounts of raw information in the public domain may breed opacity rather than transparency
Timely information	• Maintain updated information on services covered by the HBP and effective coverage of those services. • Submit your proposals to relevant key stakeholders with sufficient time for them to make meaningful suggestions for adjustment	• Do not disseminate information that is no longer relevant.
Understandable Information	• Put resources aside to translate your technical documents into documents tailored to the needs of the target audience	• Do not disseminate unintelligible technical reports
Consistent, stable, and coherent decision-making structures	• Be explicit about the goals and criteria used to choose and adjust the HBP. • Anchor the goals and criteria used to define and adjust the HBP in legal frameworks. • Be explicit on the institutional arrangements, indicating specific responsibilities for making coverage decisions (define who does what and how different entities interact). • Be explicit on how the priority-setting framework can be modified. • Monitor and evaluate to make sure actual decisions are in line with existing rules. • Have an appeals mechanism in place so actors can question decisions not in line with established rules. • Earmark resources to allow the adequate functioning of the existing institutional framework. • Isolate key participants within the priority setting process from political bodies.	• Have ad hoc rules and regulations. • Give managerial discretion to any institution without the authority, capacity, tools, and resources required to fulfill this responsibility. • Change periodically the objectives the HBP pursues, the goals it sets, the criteria it uses, and the processes it follows. • Make decisions on a case-by-case basis. • Be afraid to adjust the HBP when needed—just make sure the adjustment follows established rules.
Stakeholder Participation	• Ensure that participation is carried out properly, not merely because it is politically correct to have some sort of participation. Bad practice can be worse than no practice. • Make the purpose of the participatory process explicit and clear. • Make sure that participants' needs are fully aired and considered and that their level of influence is clear from the start. • Incorporate stakeholder participation from the beginning rather than at the end after decisions have been made. • Minimize the power imbalance between the public and patients on the one hand and clinicians and policymaking experts on the other. • Take the time to plan and conduct an appropriate participatory process. If the necessary time to obtain genuine input from stakeholders is not spent upfront, a greater amount of time may be spent later addressing objections to both the process and its outcomes. Remember that sometimes "you save time by taking time." • Actively involve those who have the least say in decision making.	• Try to legitimize a decision that has already been made behind closed doors. • Use participation to avoid responsibility for difficult decisions. • Plan participation poorly: no one wins from situations where anger, distrust, frustration, and a sense of utter powerlessness taints stakeholder participation. • See participation as another hoop for officials and politicians to jump through, instead of an enhancement to current practice. • Let advocacy groups overtake the request for public participation. • Include more than 15 members when setting up committees.