



„Is there a rational health policy? “

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Is there a rational health policy ?

I What is a desirable Health Policy?

II Is there such a thing as a rational health policy?

- 1) A functional rationality or the optimal allocation of resources
- 2) The political rationality or health policy as the art of feasibility

III Are there solutions which will lead out of the compromise trap?

IV Is evidence-based health policy possible?

V Several Answers



I What is a desirable Health Policy? (1)

- Quality assurance in all areas of health care as a major and permanent challenge
- Integrated resp. managed health care in general and in particular in connection with certain types of diseases (disease management)
- the introduction of more competition in the health care sector in general and in particular the liberalization of the negotiations between providers and funds (selective contracting)



I What is a desirable Health Policy? (2)

- The introduction of new payment systems such as the DRG-system in hospitals,
- Health in all policies; The patient benefit of health everywhere and lifelong
- Prevention as a permanent key element in the public discussion on health care
- More competition between funds on the basis of a risk structure equalization



I What is a desirable Health Policy? (3)

- Health care is a lot more than only a cost factor in an ageing society,
- The public understanding that the health care sector is a macroeconomic growth factor and a labour intensive sector of the economy
- Health economy as a driving economic force (see the latest figures for Germany).

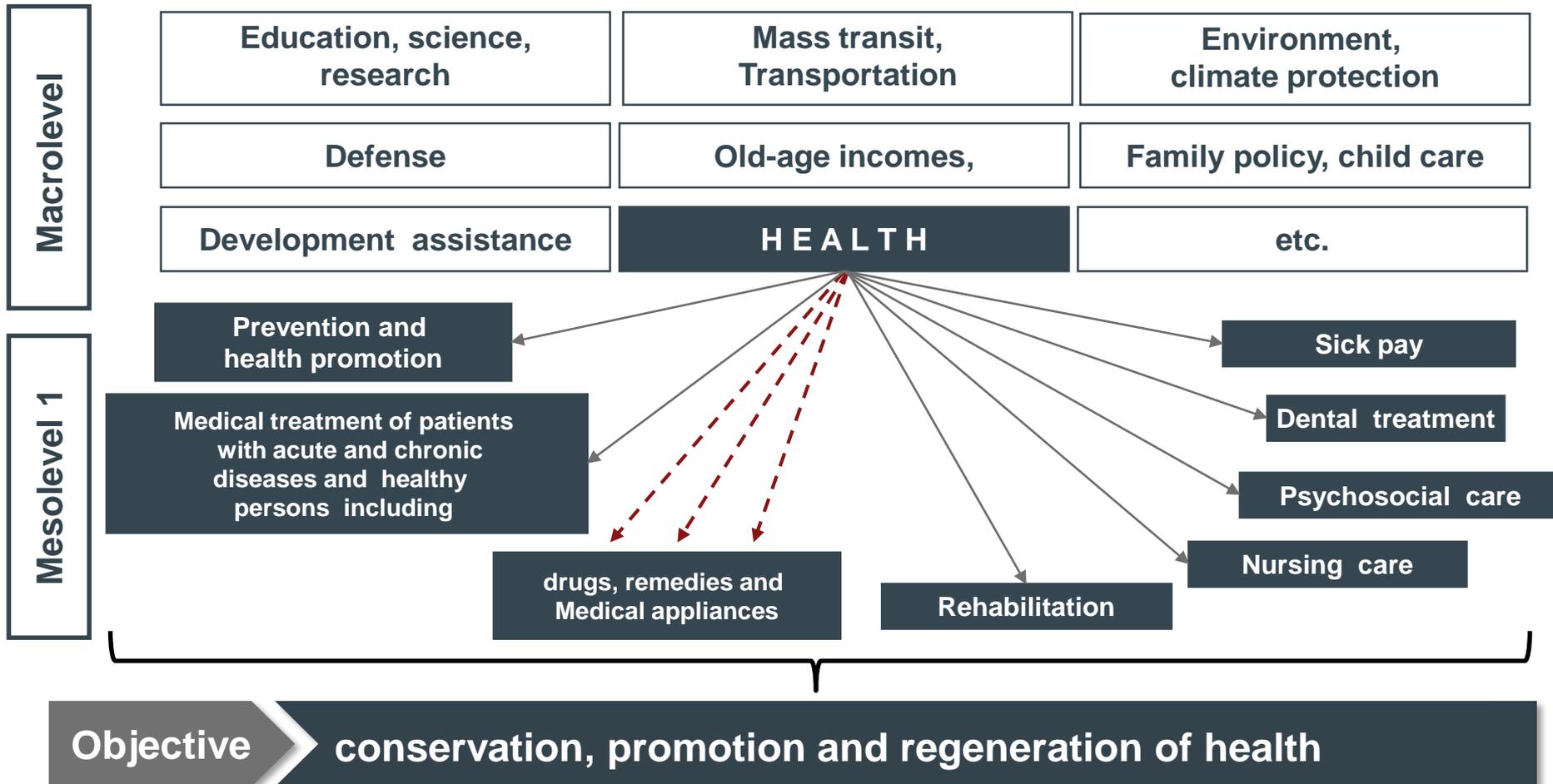
II Is there such a thing as a rational health policy?

- The functional rationality or the optimal allocation of scarce resources
- The political rationality: health policy as the art of feasibility?



Is there a rational health policy ?

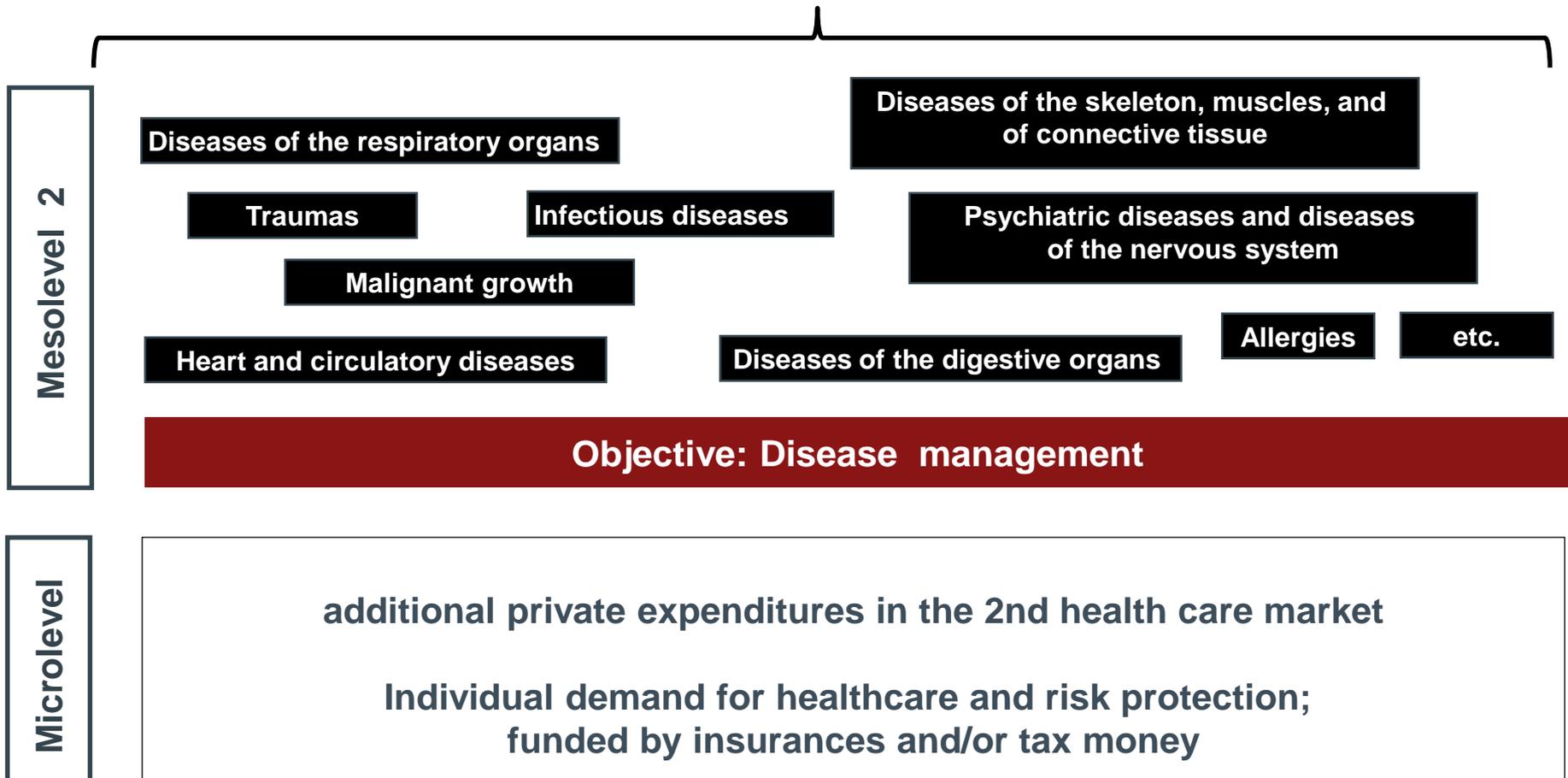
Economic Resources – how to allocate them top down?





Is there a rational health policy ?

Economic Resources - how to allocate them bottom up?





Who is deciding about the allocation of scarce resources?

Health care as an example

Individuals,

experts,

competition,

self governmental agencies, e.g. NICE in UK, G-BA in Germany

commissions,

parliament

central planning (local, regional, national, european level?)

More political rationality

Health policy as the art of feasibility?

- Stop and go policy? Muddling through?
- Aimed systematically at the realisation of a target system which is comprehensive, sophisticated and well-balanced (Giersch)
- Achieving the highest possible degree of success in the given circumstances (Giersch)
- Social piecemeal engineering (Popper, Williamson)

III Are there solutions which will lead out of the compromise trap

Two major obstacles:

- lobbyism
- the media

III Are there solutions which will lead out of the compromise trap

Four directions:

- Is a constructive dialogue between all parties for the development of an informed opinion about health policy at all possible?
- Consolidation of general and regional elections in Germany
- More elements of direct democracy and more regionally oriented health policy
- The role of experts

IV Is evidenced-based health policy possible?

I National Level:

- Independent body for the entire social welfare system like the central bank for monetary policy
- Rule/target-based health policy
- The role of NICE, IQWiG, G-BA and other evaluation agencies

II International Level

- The role of the EU, OECD, WHO and the Worldbank

Better Governance? But What is Governance?

A Wikipedia-definition

Governance makes decisions that define expectations, grant [power](#), or verify [performance](#). It consists either of a separate process or of a specific part of [management](#) or [leadership](#) processes. Sometimes people set up a [government](#) to administer these processes and systems.

In the case of a [business](#) or of a [non-profit organization](#), governance develops and manages consistent, cohesive policies, processes and decision-rights for a given area of responsibility. For example, managing at a corporate level might involve evolving policies on [privacy](#), on internal investment, and on the use of data.

Governance as an instrument for Health Policy?

A list of Governance-approaches

Governance through

1. stop and go interventions, muddling through
2. evidenced-based policy
3. Cooperatistic/self-governmental systems
4. parafiscal systems
5. citizens participation
6. financial incentives/financial mechanism
7. command and control
8. indirect/informal regulation
9. direct/indirect democracy

Governance as an instrument for Health Policy?

A list of Governance-approaches

10. budget-based governance
11. planning-programming-budgeting (issue-based governance)
12. Governance by targets, outcome and performance
13. Governance by charisma
14. Corporate Governance (e.g. German Corporate Governance Codex) through networking
15. competition/markets/market based instruments
16. Central planning governance
17. Governance through bureaucracy
18. Governance through interest groups and lobbyism



Are there solutions?

Is evidence-based health policy possible?

Ex-Chancellor Schmidt may well have been right, however, when he recently commented that the debates about healthcare reforms should not be so high up the political agenda. After all, he continued, **we do have in the European Welfare States the best systems of patient care in the world** and we act as had we no problems of a more pressing nature in Germany

Further research is needed to compare the experience with more rationality and a higher quality in health policy in other nations. Are there already clear approaches of evidence-based health policy? **Is there best practice to be seen within the Common Market and the open method of coordination? And are these results more on a micro basis, i.e. on a local level or for certain kinds of diseases, or is it possible to show the superior systems of financing and purchases health care**

. Probably from a macro point of view the path dependency is still very much in the center of health policy in most of the countries . And what is the motivation for doing things better than in the past? **Where is the country with a treatment of diseases, with preventive lifestyles, with empowered population groups, integrated care, with a healthy climate etc. where one would like to live in ceteris paribus?**



Are there solutions?

Is evidence-based health policy possible?

A sustained framework including social compensation, partial accumulation of capital and more choice with regard to both private health insurance and the growing secondary healthcare market, would in the long term surely be a way out of the compromise trap. In this context the scope for experiments would grow, as is already the case with some beacon projects for integrated care and medical care centres. A willingness to experiment, as has repeatedly been called for by the committee of healthcare experts, is still lacking in the fields of patient care and healthcare supervision.

Whether or not one of the illustrated paths out of the compromise trap really will be adopted by politicians remains to be seen. Until that time we shall have to continue living with compromises of the existing kind and thus also with the lasting nagging of politicians, as well as criticism regarding the technical skills of the negotiators.



Is there a rational health policy? The answer is „no“!

There is no panacea, no gold standard for balancing the competing demands for resources, quality and access

There is no single rational health policy;
path dependency is in the center of health policy in most of the countries

The answer therefore:
Muddling through (Lindblom)
Stop and go (Tinbergen, Williamson)
Social piecemeal engineering (Popper)

BUT:

Summary: Rational health policy in general (1)

- Basic mandatory coverage for everybody
- Voluntary supplemental protection
- Regular monitoring and adjustment of benefits
- Healthcare networks including selective contracting
- Health related research and development expenditures
- Health in all policies (everywhere and lifelong)

Summary: Rational health policy in general (2)

- There is no stopping of the fitness and health revolution (2nd health care market)
- partial accumulation of capital (“saving for the future”)
- private and statutory health insurances offering different policies/tariffs
- From a state which provides benefits to a state which provides only guarantees
- health related services



Back up charts

Rational health policy: a general view

- Basic coverage for everybody at different prices
- **From a state which provides benefits to a state which provides only guarantees**
- **Includes extended areas of (Wellness, Bio-Food etc.)**
- **Intermediate goods and services and non-health-specific intermediate goods and services and investments**
- **Health in all policies**