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Regional Conference

Public Service Delivery in Arab Countries: Corruption Risks and Possible Responses

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SYNTHESIS REPORT: Anti-Corruption in the Health Sector

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I. Introduction

In the framework of the regional conference on “Public Service Delivery in Arab Countries: Corruption Risks and Possible Responses”, the health sector was one of three service delivery sectors for more detailed discussions on its prevalent corruption risks in the Arab region and potential mitigating strategies to be pursued through the ACIAC programme.

The selection of health as one of the three focus sectors for the ACIAC programme was based on the following five reasons: i) the resources spent in the health sectors are huge amounting to roughly 5.3 trillion US$ per year globally (WHO estimates), offering lucrative opportunities for abuse and illicit gains, with the Arab region health spending from 2.4% to 6% of GDP (Lebanon and Jordan spend 10% and 12% respectively); ii) corruption in the health sector has severe consequences on the key sector goals namely: access, quality, equity and effectiveness of health care services and can lead, in the worst cases directly to death; iii) unethical and fraudulent behavior in the health sector compromises the fundamental human rights; iv) corruption in the health is a key obstacle for the achievement of the Millennium Development Goals (MDG), and v) corruption has a corrosive impact on health outcomes with the poor and marginalized affected the most.

The relevance of and interest for addressing corruption in the health sector was reconfirmed by the participants of the conference in their presentations and contributions during the first day. Numerous examples of corrupt practices, vulnerabilities to corruption and reasons or drivers of corruption in the health sectors of the participating countries were brought into the discussions.

Participants in the round table on corruption in health included representatives of Djibouti, Egypt, Jordan, Morocco, Palestine, Tunisia and a wide range of different institutions, including parliaments, multi-national pharmaceutical company, anti-corruption commissions, ombudsman office, civil society, international multi- and bilateral agencies. The round table on corruption was moderated by Karen Hussmann (consultant) with valuable inputs from Mohammed Ismail (WHO-EMRO).

II. Themes emerging from the round table discussion

The round table discussion was kicked off with a brief presentation which drew attention to i) the large information asymmetries in the health sector that compound the risks for corruption, ii) the need to unpack the concept of corruption into the wide array of corrupt practices (ranging from intentional abuse and criminal behaviour, over administrative demeanours, to unethical practices and mistakes) in order to design appropriate solutions, and iii) perspectives from the Arab region in particular with regard to the insights from the WHO Good Governance in Medicines Programme (GGM). The ensuing group discussion was focussed on exploring the i) the main corruption vulnerabilities in the health sectors of the Arab countries and ii) potential ways to mitigate these risks. The following key themes emerged clearly as the main problems and potential entry points for action:

- **Legal and regulatory framework as well as standards**

  The legal and regulatory framework was considered by many participants as insufficient in their respective countries, specifically with regard to drug selection and procurement as well as pharmaceutical promotion to influence insurers and doctors in their decision making. A further issue of concern were the deficient standards and protocols for medical treatments leaving too much discretion to medical staff.

- **Access to information and proactive transparency**

  The lack of access to information was identified in almost all contributions as a source for abuse and a key hindrance to increase transparency and accountability. Discussions showed pointed to two
dimensions of this issue: i) the link to a national level access to information law and associated regime of institutional guarantees, and ii) the information generated and made accessible (or not) by health sector institutions. It was emphasized that while an access to information law and implementation regime may take time, there is a plethora of tools to be used to increase proactive transparency in health sector institutions.

- **Focus on behaviours of health actors – both groups and individuals – with actor specific approach**

  Participants recognized that laws and institutions alone will not bring about change. These need to be complemented with a strong focus on behavioural change including: i) conflicts of interest management schemes in decision making by a variety of different actors (drafting of laws and policies that can be captured; drug selection and procurement; choice of medical treatments); ii) codes of conduct for different actors and professions (pharmaceutical industry, doctors and pharmacist associations, etc.); and iii) mechanisms for cost control (striking a balance between what is desirable for an individual, e.g. most expensive drug or treatment, and what is necessary for the common good, e.g. focus on cost-effectiveness). The measures to change and/or control behaviours might best be pursued through an actor specific approach, although ensuring that all relevant actors participate and coordinate with each other is important: integrity initiatives for the pharmaceutical industry, for medical equipment suppliers, for medical staff associations, for pharmacists, etc. Coordination is also needed between different health sector agencies.

- **Strengthening of patients’ rights and obligations**

  The need to empower patients to better know their rights in health, to have access to information about their entitlement to services, the fee scales, and complaints mechanisms was highlighted by many participants. Patients are often victims of the abuses in the health sector, but they can also be agents of fraud by “playing the system”, and they can contribute to perpetuating the situation by not (being able to) claiming their rights and/or complaining about the denial of services, extortion, etc.

- **Foster detection mechanisms**

  Some participants emphasized the importance to work on mechanisms that allow the detection of unethical or fraudulent and criminal behaviours. For this purpose, linkages and coordination between health sector, anti-corruption agencies and ombudsman offices may be useful.

- **Dynamics and distribution of political power (political economy) – the need to be smart**

  As in the plenary discussions of the first day, participants highlighted the fact that the health sector is part of the broader country’s governance dynamics and distribution of power. Therefore structural changes in the sector, including decisions on political interference, clientelism and favouritism in appointments, policy and procurement decisions, would require political will at the national level. Although this interlinking of national level good governance reforms with health sector approaches is doubtless necessary, it was noted that it should not impede the use of more targeted interventions in the health sector, or specific parts of it (e.g. hospital reform, transparency & integrity initiatives in certain sub-sectors or areas). Participants underlined the need to be smart in the design and implementation of anti-corruption measures in sectors including the fostering or creation of political will through targeted “sector – lobby”, the pursuance of pragmatic approaches (do what you can do, not what should be done, and avoid “to take the bull by the horns” but approach it from the side).

- **Potentially need for a specific approach in Palestine**
Participants from Palestine drew attention to the fact that the political, security and administrative context of the relations between Palestine and Israel pose specific challenges and opportunities for abuses of power in direct relation with the health sector (e.g. the denial for Palestinians to cross check-points in order to get medical treatment in East Jerusalem or elsewhere). These particular situations may require an approach for the health sector that would address these broader issues as well.

III. Options for a way forward with the ACIAC programme

- **Focus on medicines as a corner stone for the above mentioned themes → GGM**

  The suggestion by participants to focus a regional approach to corruption in health on counterfeit drugs met with wide approval and interest of the round table. In fact, there was agreement to work on corruption in medicines more broadly. This approach is not only crucial to achieve better health outcomes and to use scarce resources more effectively (key goals of the health sector) but it would also be a corner stone to bring the above mentioned problems and potential solutions under one umbrella. Of particular relevance is that such an approach would allow bringing virtually all actors around the table, including the pharmaceutical industry, with a view to strengthen both the legal and regulatory environment as well as to generate behavioural change. The potential to work with the multinational companies supporting ACIAC, in particular Sanofi-Aventis and potentially Siemens, is an important asset in this regard. Furthermore, the experience of the GGM Programme of the WHO shows that positive “spill-over” effects on other areas of the health sector are not uncommon.¹

- **Integrate a corruption sensitive lens into health sector policies / strategies**

  The Moroccan experience of the Anti-Corruption Commission promoting and supporting sector approaches to address corruption, e.g. in health, was suggested and supported by participants as a second option to be adopted by and adapted for the ACIAC programme. A diagnostic and design phase involved the Ministry of Health at all levels and aimed at generating ownership. The integration of anti-corruption measures, indicators and monitoring approaches into the core business of the Ministry of Health is aimed at ensuring effective implementation. Implementation has as yet to start, thus it is too early to say how this strategic approach will work out in practice. More generally, the development of new national health plans is an ideal opportunity for integrating governance strengthening and anti-corruption strategies into the sector. Opportunities in the region for such an approach, building on the Moroccan experience, could be sought.

- **Complementary or alternative more targeted approaches**

  Participants realized that the conditions for a GGM approach or one similar to the Moroccan experience is not necessarily possible in all contexts. There was agreement that opportunities for less

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¹ The GGM programme, launched in 2004, relies on two core strategies: a ‘top-down’ discipline-based strategy that seeks to help governments establish anti-corruption laws and improve legislation and regulation governing the pharmaceutical sector, and a ‘bottom-up’ values-based strategy that aims to help governments build institutional integrity through the promotion of ethical practices. Implementation occurs in three-phases: i) national assessment of the level of the level of transparency and potential vulnerability to corruption of the national pharmaceutical system; ii) participatory development of a national GGM framework which usually includes an ethical framework, code of conduct, regulations and administrative procedures, collaboration mechanisms with other good governance and anticorruption initiatives, whistle-blowing mechanisms, and sanctions for corrupt acts; iii) implementation of the national GGM programme. This includes the training of government officials and health professionals, as well as communications and advocacy campaigns.
ambitious approaches to address a specific corruption problem should be used, either on demand or as part of donor supported programmes. This could involve transparency and integrity initiatives in specific hospitals, certain districts, units / areas of the Ministry of Health or actor-specific initiatives, e.g. self-regulation among the pharmaceutical industry.

- **Principles relevant to all three options**

  As said above, participants stressed two issues that would require specific attention in any of the three options: i) the links of health sector initiatives with broader good governance measures to address the widespread influence of relatively closed political and clientelistic networks, and ii) the need for civil society empowerment to promote transparency and accountability in health, both for advocacy and grass roots organizations (which will require very different approaches for support).

**Some final remarks on the “right” moment to initiate anti-corruption initiatives in the health sector**

In the ideal scenario, a systematic anti-corruption initiative for the health sector would be started when a new health policy or plan is developed and/or when a government committed to reform is at the beginning of the electoral cycle. But, action is possible throughout the life-time of a health sector plan or policy if these sector strategy documents exist at all.

Particular opportunities usually arise in the wake of a major scandal, or as part of a wider drive to improve value for money and development effectiveness. Opportunities may also arise for targeted initiatives to address specific problems or risk areas. The latter may be used to build the ground for a more systematic approach at a later point of time. What is most relevant, though, is that anti-corruption should ideally not be the result of an ad-hoc reaction. Efforts to address corruption tend to generate both high expectations of those affected and at times strong resistance by those who stand to lose. Both sides need to be managed carefully if the intervention is to be successful and sustainable.

**IV. Useful links and reading**

**Links**

- MeTA (Medicines Transparency Alliance): [www.medicinestransparency.org](http://www.medicinestransparency.org)
- U4 Anti-Corruption Ressource Centre: [www.u4.no/themes/health](http://www.u4.no/themes/health)

**Reading**

- Transparency International (2010), The Anti-Corruption Catalyst: Realising the MDGs by 2015, Berlin, Germany.
