Management reforms in healthcare and their impact on patient safety and universal health coverage

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Abstract

Background: Universal health coverage is a human right according to the United Nations Universal Declaration of Human Rights. Healthcare across the world has undergone frequent management reforms during the 20th century. The aim of this review was to investigate the impact of management reforms on patient safety and universal health coverage.
Methods: A MEDLINE search for Health care sector AND Marketing AND Patient safety, as well as Health care sector AND Marketing AND Ethics, clinical between 1990-2016 was performed. Articles and literature debating this topic and metaanalyses within the medical and sociocultural fields were reviewed.
Results: Three strategies for healthcare governing were described-principles based on bureaucratic, market management and professional ideals. Market management strategies, based on ideological or political grounds, have increased their impact worldwide since the 1940s, with a claim that professionally run systems are ineffective. They may have increased the availability to healthcare, but they were followed by negative effects on patient safety and universal health coverage, particularly for the poor. Governmental bureaucratic systems to protect the public against incompetent practices have lagged behind. Market management reforms were followed by increasing costs due to growning administration. There was no systematic, critical evaluation. Professionalism was deemed to be as a more viable alternative for healthcare governance.
Conclusions: The repeated market management reforms were performed on political or ideological grounds without critical evaluation. They may have increased availability to healthcare, but they were followed by negative effects on patient safety and universal health coverage. The bureaucratic control systems have been ineffective. Professionalism, based on evidence based medicine, ethics, collaboration and systematic, critical evaluation, was argued to be a more viable alternative for healthcare governance. A challenge in the 21st century would therefore be to restrict market management trends and to reprofessionalize healthcare.

Key words: Professionalism, ethics, management reforms, new public management, patient safety, trust, universal health coverage, value based healthcare.

Background

Universal health coverage is a human right according to the United Nations Universal Declaration of Human Rights (1948). It states in Article 25, that everyone has the right to a standard of living adequate for the health and well-being including medical care and necessary social services (1). Healthcare should therefore be obtained on the basis of need rather than request or the ability to pay (2, 3). Universal health coverage has been suggested for the new global development agenda after 2015 by the World Health Organization (WHO). In 2014, a global coalition of more than 500 leading health and development organizations worldwide urged governments to accelerate reforms that ensure everyone, everywhere, access to quality health services without being forced into poverty (2, 3).

The international code of medical ethics, the Declaration of Geneva, adopted by the World Medical Association (WMA) in 1948, states that the physician shall not permit consideration of age, ethnic origin, gender, nationality, social standing or any other factor to intervene between the professional duty and the patient (4).
During the medieval ages, the hospitals and hospices were run by the monasteries. Modern healthcare systems have been categorized into four basic models: the Bismarck Model (Otto von Bismarck, 1815-1898), where providers and payers are private; the Beveridge Model (William Beveridge, 1879-1963), where healthcare is provided and financed by the government through tax payments; the National Health Insurance Model, where national insurance collect monthly premiums and pays medical bills; and the Out-of-Pocket or Catastrophy Model in countries without a healthcare system, where only the rich get medical care while the poor people don´t (2, 3). Healthcare systems around the world have undergone frequent management reforms during the 20th century. The repeated presentation of management concepts with a similar set of ideas and methods under different names has been called "pseudoinnovation". Systematic critical evaluation and deeper reflection about these concepts have been encouraged (5, 6, 7). The aim of this review was to investigate the impact of management reforms on patient safety and universal health coverage.

Methods

A MEDLINE MESH search for Health care sector AND Marketing AND Patient safety, as well as Health care sector AND Marketing AND Ethics, clinical between 1990-2016 resulted in 131 articles. Articles relevant for the topic of this review were included (8-12). Reports restricted to the fields of esthetic surgery, organ trans-plantation etc. only were excluded. Articles and literature debating this topic within the medical and sociocultural fields during these years were reviewed (13-24).

Results

Three strategies for healthcare regulation were described – principles based on bureaucratic ideals, market managing ideals and professional ideals (5-9). The market management strategies have increased their impact worldwide since the 1940s, with a claim that professionally run systems are ineffective and with a primary aim to lower costs. Since the 1990s, market management trends were introduced on ideological or political grounds in western countries in cycles every 3-5 years without systematic, critical evaluation (6, 7).

The rapid spread of management reforms in low and middle-income countries have increased availability to healthcare, but they were followed by negative effects on patient safety and universal health coverage, particularly for the poor (8-10, 14, 15). The bureaucratic systems to protect the public against dangerous, unnecessary, ineffective and expensive practices in these rapidly expanding markets have lagged behind (8-

10, 15-17). Licensing, price control and other traditional regulatory mechanisms were insufficient in ensuring patient safety and efficacy (9, 10).

The market management ideals, adopted from national economy theories, were based on a view of people as egocentric profit maximizers. This view of people is false, according to current research in psychology and evolutionary biology (18, 20).

Broader arrangements of institutional regulation of healthcare markets were suggested to achieve quality and safety of care, value for money, social agreement over fair access and financing, and accountability (9, 10). Professionalism, based on evidence based medicine, medical ethics, collaboration, sharing knowledge and systematic, critical evaluation was urged to be a more viable alternative for healthcare governance (2, 7, 8, 19-21, 25, 26).

Discussion

After World War II, healthcare reforms around the world in Africa, Asia, Europe, Latin America and North America have been market oriented. Focus has been directed towards public choice, competition and cost effectiveness, with an assertion that professionally or democratically run systems are ineffective (13-17). Several utilitaristic and libertarian arguments have been mobilized in favour of market management in healthcare. Researchers within the sociocultural field emphasized, that two forms of individualism have influenced the western societies during the latest five hundred years - an "utilitaristic" invidualism aiming at increasing short-term, often material, benefit and an "expressive" individualism, aiming at expressing and implementing individual goals. These forms of egocentric individualism are represented by two sociocultural types, the manager type and the therapeut type (27).

Market management concepts with similar sets of ideas and methods have been reinvented every 3-5 years on political or ideological grounds without evidence basis or systematic, critical analyses (6, 7). The new public management (NPM) reform was presented as a universal administrative strategy for healthcare in the 1970s (5). The latest management concept, value based healthcare (VBHC), has been launched as an ultimate administrative strategy that will "fix" healthcare. The founders suggest continuous competititive strategies, with a shift in focus from volume to value for patients, defined as outcomes divided by costs (11). However, this concept is poorly understood, since only five out of fiftytwo articles in the field present an explanation. Systematic critical evaluation of and deeper reflection about these concepts have long been called for (6, 7, 9, 10).

Economists emphasized, that the public sector does not function as a market, since it is totally dependent on the public taxes. It is a "quasi-market", where the provision of a service is undertaken by competitive providers as in real markets, but where the purchasers of the service are financed by the state instead of from their own resources (13,16).

Patient safety

When asked, patients and citizens themselves claimed that the most important issues when being in contact with healthcare are professional and competent care, trust, continuity and proximity to the caregiver (12). Competition and public choice were argued to enhance patient safety and effectivity. However, several metaanalyses, e.g. one including 38 million patients in the United States, reported higher mortality and morbidity rates in private hospitals driven by profit, than in non-profit hospitals. Also, the costs in private hospitals driven by profit were higher, due to an expanding and costly administration (22, 23). Since the market management central focus was cost effectiveness, it was less capable of ensuring honesty and resilience (5, 13, 16).

Reports on inadequate patient safety and misleading information to patients in profit-driven European hospitals, as well as the need for "second opinion" consultations for fear of incompetent healthcare practices, strengthened this conclusion (24).

Sweden had a leading position in social and healthcare programmes after the 1940s and was regarded as a model of the successful welfare state in the 1970s. However, by 1990 there was a change in the health policy. Instead of speaking about healthcare in terms of effectiveness, solidarity, and public planning, the debate focused more on markets, competition and privatization, thus adopting more of the characteristics of the United States system (14). After this change in management, Sweden has lost its leading position. According to the WHO ranking of healthcare in its 194 member states in 2015, France, which offered universal health coverage, was ranked as leading, Sweden as No 23, and the United States as No 37 (28).

The research of today develops the healthcare of tomorrow. As a result of increasing market management in academic research, the Swedish universities decide over less than fifty percent of their means. The rest is owned by foreign financials, who can influence and govern the universities via remote control. In other countries, such as Switzerland, where the universities have maintained the power over their own means, the research results were better (25). Also, the frequent redesign of management programmes may have damaged the effectiveness and development in healthcare organizations (6, 7).

Universal health coverage

The international code of medical ethics, the Declaration of Geneva (1948), states that the physician must not permit consideration of age, disease or disability, creed, ethnic origin, gender, nationality, political affiliation, race, sexual orientation, social standing or any other factor to intervene between the professional duty and the patient (4). Healthcare should therefore be obtained on the basis of need rather than request or the ability to pay (2, 3). Healthcare systems based on insurances could not ensure universal health coverage, since they provided care for those who can afford health insurances, but not for those who can not.

The bureaucratic control systems to ensure universal health coverage have been ineffective and have lagged behind the rapid expansion of management reforms. Broader arrangements of institutional regulation - from governments, firms and citizen groups - were suggested in order to achieve quality and safety of care, value for money, social agreement over fair access and financing, and accountability (9, 10).

There is no evidence that public caregivers always act altruistic, or that competitive ones always are driven by self-interest (13, 16). However, the market management ideals, adopted from national economy theories, viewed people as actors on a market, driven by an egoistic aim to maximize the profit. This view of people has lead to mistrust, and therefore the work performed by professionals must be measured and the benefit evaluated by an administrative control system (17-21). "Our professions have been kidnapped by the economists models", wrote the chairs of the Swedish Medical Association, the National Union of Teachers in Sweden and the Swedish Police Union in 2013 (19).

Many authors emphasized the importance of trust in healthcare, education, and law, and pointed out that lack of trust is devastating for the civil society as a whole (9, 12, 14, 15, 20, 21, 26). According to current research in psychology and evolutionary biology, the national economists and many politicians view of people as driven by egoism and greed is false (18, 20). The researchers emphasize, that the vast majority are driven by altruism. The "evolutionary

spirit" and the steps of success during the evolution of mankind depend on our ability to collaborate and to share. We have been wrongly brought up with the idea, that "the invisible hand of the free market", a metaphor created by the national economist Adam Smith (1723-1790), would reduce suffering in the society (18).

Conclusion

Market management reforms were performed on political or ideological grounds without evidence basis or systematic, critical evaluation. They may have increased the availability to healthcare, but they were followed by negative effects on patient safety and universal health coverage. Bureaucratic control systems to protect the public against incompetent practices have lagged behind. Professionalism, based on evidence based medicine, medical ethics, collaboration, sharing of knowledge and systematic, critical evaluation was urged to be as a more viable alternative for healthcare governance (4, 7-10, 12, 14,15, 19-21). The challenge in the 21st century would therefore be to restrict market management trends and to reprofessionalize healthcare.

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