

**HOPE Agora Conference 2019**  
**Evidence-Informed Decision-making in Healthcare**  
**Management**

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**Evidence – informed**  
**healthcare management: a**  
**side view**

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## **Evidence-based decision: one-size-fits-all solution?**

Evidence-informed decision-making is the process of distilling and using **the best available evidence** from research, practice and experience to improve health policy and practice.

Due to different conditions in different surroundings, evidence does not produce identical solutions in each single setting.

**But: will solutions merge over time to one best solution?**

# It is already so in the evidence-based medicine

- Principles of health care become more and more similar all over the world.
- Medical procedures (e.g. in acute myocardial infarction, early detection of cancer, prevention of hospital infections, rational use of antibiotics) run almost identical course.
- Increasing number of countries use the same consensus statements, programmes, protocols, care pathways and algorithms for individual health conditions.
- When health professionals speak about health and disease they use the same language.

**Why does „best evidence“ not result in similar decisions in health management?**

# Evidence-based managerial decision

## Case 1: Nostrum Pharmaceuticals

Nostrum Pharmaceuticals has recently raised the price of an 65 years old drug nitrofurantoin from about **\$500** per bottle to more than **\$2,300**.

Nirmal Mulye, founder and CEO of Nostrum Pharmaceuticals:



**“I think it is a moral requirement to sell the product for the highest price.”**

*Interview to Financial Times*

# Evidence-based managerial decision

## Case 1: Nostrum Pharmaceuticals

### Was this decision evidence-based?

- Yes** The mission of of a private enterprise is as much profit as possible.
- Yes** High demand for the drug and monopolistic position of producer enable any price that a patient in need can afford.
- Yes** Neoliberal economy found a theoretical apology for such a robbery by contemplating that in a long run every-body benefits from the profits of stakeholders.

### Was this decision ethical?

- No** - according to 99% of mankind
- Yes** - according to CEO of Nostrum Pharmaceuticals and 1% of mankind

# Evidence-based managerial decision

## Case 2. Croatia: reform of primary health care (PHC)

- In 1997 Ministry of Health of Croatia started privatization of primary health care.
- By 2000, most primary health care practitioners became private entrepreneurs (paid by public fund) who rent rooms and equipment from previous health centres.
- This reform ruined the network of public health centres which was an „evidence-based“ good example for many countries all over the world.

# Evidence-based managerial decision

## Case 2. Croatia: reform of PHC

### Consequences after 5 years

- Referral to specialists increased from 200 to 300 per 1000 patients (Great Britain 47/1000, Norway 81/1000, Slovenia 100/1000)
- Triple reduction of preventive services in PHC
- 35% reduction of home visits

### Croatian experts' comment:

- General/family medicine has become a passive healthcare activity that only treats diseases and does not actively affect positive health changes in the population.
- These data point to multiple harmful consequences of the implemented reform.

# Evidence-based managerial decision

## Case 2. Croatia: reform of PHC

### Was this decision evidence-based?

- No** Majority of literature has foreseen the bad consequences of total privatisation.
- Yes** Minor part of literature supports privatisation of public health sector.
- Yes** Highly paid experts cruise around eastern Europe and preach over benefits of privatisation of public sector.

### Was this decision ethical?

- No** The reform was not done for the best interest of citizen but for the vested interest of physicians who expected that privatisation will increase their earnings.

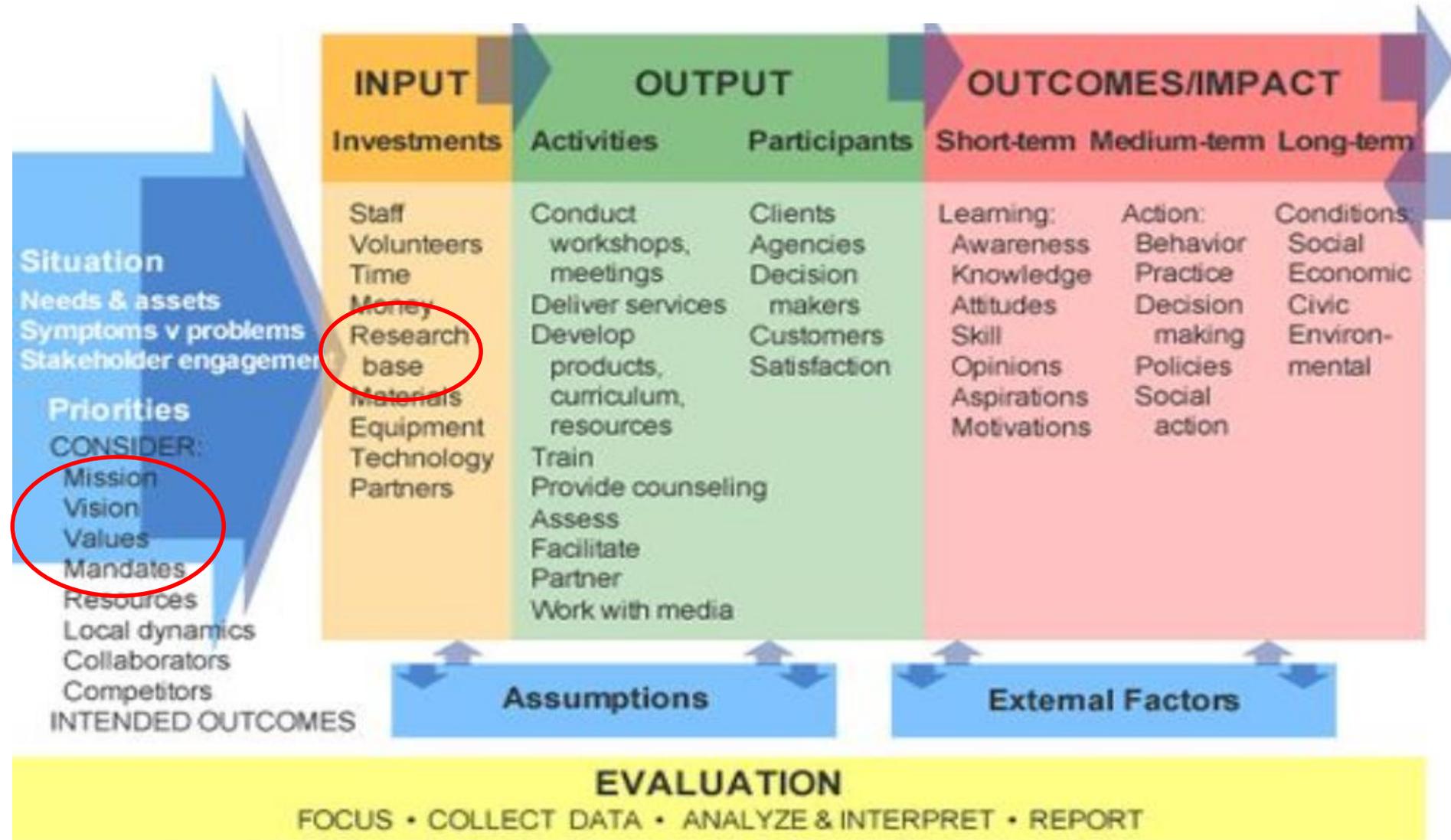
# Diferent source of evidence in private and public health care

- There is a conflict between understanding health services as goods for sale, and as value-driven services that should be universally accesible.
- The goal of private health care is to increase efficiency, competition and economic profit.
- The goal of public health care is good health and equal care for the whole population.

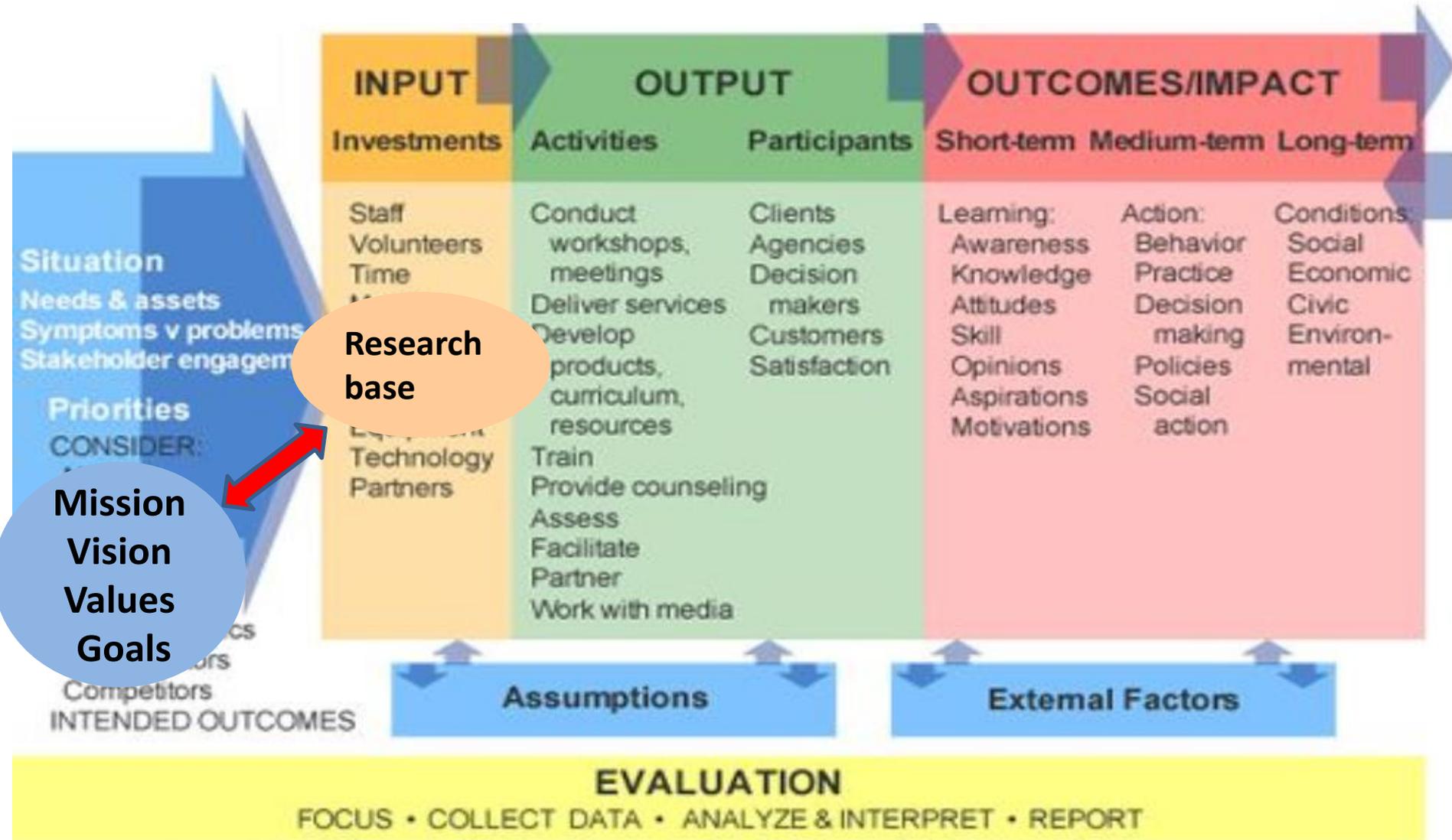
**In health management not all evidences are „neutral“.**

**Before searching for evidence we must define our mission.**

# Logical Framework: a tool for planning, implementing and monitoring projects and policies



# Logical Framework: a tool for planning, implementing and monitoring projects and policies



# Situation analysis and evidence analysis

## Field of analysis Sources of evidence to consider

<b>Mission, vision, values, goals</b>	<ul style="list-style-type: none"><li>• basic company documents</li></ul>
<b>Type of business, ownership</b>	<ul style="list-style-type: none"><li>• non-profit, profit</li><li>• public, private</li></ul>
<b>Research evidence</b>	<ul style="list-style-type: none"><li>• the most relevant, high-quality evidence available</li><li>• research findings from relevant disciplines and sectors</li></ul>
<b>Community health issues, local context</b>	<ul style="list-style-type: none"><li>• surveillance data and community health status reports</li><li>• significance of the issue vs other health concerns</li></ul>
<b>Community and political preferences and actions</b>	<ul style="list-style-type: none"><li>• needs and interests of community members</li><li>• support or opposition from the public/gov officials</li><li>• current political climate</li><li>• current organizational/corporate climate</li></ul>
<b>Resources</b>	<ul style="list-style-type: none"><li>• financial resources</li><li>• human resources</li><li>• materials</li></ul>

# **Goals, mission and ethical values of health care**

## **Case of social state: Sweden**

### **Goal**

The goal of Swedish health care is good health and equal care for the whole population.

### **Mission and ethical values in health care**

- equity in health for the whole population
- respect for the patient's integrity, autonomy and right to participation in decision-making
- health care should be democratically governed and solidary financed
- care should be given out of need, not ability to pay.

# Formal status of ethics in health care management

## Case of nonsocial state: USA

- A study<sup>1</sup> found similar highly ethical mission statement in both for-profit not-for-profit US hospitals.
- According to the author the mission statement should capture the organization's unique purpose and niche in the competitive healthcare environment.

*<sup>1</sup>Douglas S. Bolon (2005) Comparing Mission Statement Content in For-Profit and Not-For-Profit Hospitals: Does Mission Really Matter?, Hospital Topics, 83:4, 2-9*

## Commentary:

- Mission statements of for-profit hospitals avoid to show a profit-making orientation.
- Making profit from somebody's suffering is not politically correct.
- In search for evidence it will be sometimes difficult to recognize experts' orientation.

# Actual status of ethics in health care management: Case of Sweden

- Although ethics has a high status in theory, evidence indicate that it has a lower status in practice in health care management.
- The interviewed politicians, civil servants and CEOs prioritize financial requirements above ethics.
- This development had been enforced by the marketization of the health care system.

*Anna T Hogelund, Erica Falkenstrom (2018) The status of ethics in Swedish health care management: a qualitative study. BMC Health Serv Res 18: 608*

# Mission in health care and health management

Health care:

Benefit of citizen/patients

Health management:

Benefit of citizen/patients

Benefit of owners/provideres

# Conclusions

- The conflict between missions explains why evidence is less uniform in health management than in health care.
- An evidence can be selectively used to justify a decision that has already been made for other tactical or political reasons.
- Without mission every evidence is a good evidence.
- Evidence from institutions and experts with similar mission and values should be given priority.
- Similar solutions are based on similar values and mission.
- Health manager in public health care should judge what is right and what is wrong, and only in the second place what is cost- efficient and what is not.