Reshaping public accountability: Hospital reforms in Germany, Norway and Denmark

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Parent Project

Reforming the Welfare State: Accountability, Democracy and Management
(2011-2014)

How do recent welfare reforms reshape the balance between traditional and new forms of public accountability in Norway, Denmark and Germany?
Introduction

- Healthcare systems in Europe: mounting internal & external pressures
  - Challenge: high quality with efficiency & responsiveness

- New Public Management reforms (Hood, 1995)

- Shift towards multi-level governance in the health care sector (Hooghe & Marks, 2001)
Research Question

How have the recent, partially NPM-inspired reforms in healthcare impacted accountability relations within a system of multi-level welfare governance?

- **Case study**: hospital planning and investment funding in Germany, Norway and Denmark
  - Interaction between NPM ideas & public accountability
  - At what institutional levels are investment decisions taken?

- **Hypothesis**: stronger emphasis on managerial accountability, potentially to the detriment of public (political) and professional accountability
## Conceptual Framework

- Accountability (Mulgan, 2002; Mattei, 2012; Mattei 2009)

<table>
<thead>
<tr>
<th>Types of accountability for investment decisions</th>
<th>Public</th>
<th>Managerial</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direction</strong></td>
<td>Clear democratic accountability lines from electorate to elected politicians</td>
<td>Accountability to owners/shareholders (private) or autonomous boards if public.</td>
<td>Accountability primarily to professional forums and logic</td>
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<tr>
<td><strong>Logic</strong></td>
<td>Emphasis on broader public good/interest</td>
<td>Emphasis on “business opportunity” and “bottom line”</td>
<td>Emphasis on medical/ clinical evidence for investment decisions.</td>
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<tr>
<td><strong>Focus</strong></td>
<td>Process dimensions (openness, involvement, due process etc.) and politically determined substance goals</td>
<td>Output dimensions: bottom line, business strategy</td>
<td>Clinical output/outcome</td>
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</tbody>
</table>
Hospitals Institutional Configurations

**Norway**
- National Health Services
- State ownership (2002 Health Enterprise Act)
- Decentralized hospital management (five regional trusts)
- Decoupled from political representatives

**Denmark**
- National Health Services
- Organizational/administrative restructuring (2007)
- Decentralized hospital management
- Governed by directly elected politicians

**Germany**
- Corporatist setup
- 1972: Dual financing system
- MoH: health policy areas & admin regulations
- Hospitals as independent economic entities

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Reshaping public accountability
<table>
<thead>
<tr>
<th>Action 1</th>
<th>Action 2</th>
<th>Implication for autonomy &amp; public accountability</th>
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<tr>
<td><strong>Major Reform</strong></td>
<td>2002 HEA: Hospitals as separate legal autonomous “enterprises”</td>
<td>2007 Reform: streamlined structures, specialization &amp; economies of scale</td>
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<td>Removal of political control from elected politicians</td>
<td>Centralization of treatment facilities within regions (closure of smaller ones)</td>
<td>1993: stabilize costs, structural reforms (ABF)</td>
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<td>Autonomy in using expert judgment, not central directives</td>
<td>Regional investment plans approved by Juhl Commission (central government)</td>
<td>2009 Finance law: efficiency and productivity</td>
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<td>Ambiguity between autonomy and political control (after 2006 reform)</td>
<td>Limited regional autonomy and great role of experts</td>
<td>Reduced autonomy of Länder</td>
</tr>
</tbody>
</table>
The Impact of Hospital Reform: The Reshaping of Public Accountability

- *Centralization* as the dominant reform tendency
- *Economization* of hospital planning and funding
- *Corporatization*, albeit with distinct trajectories
- Uncertain *democratic accountability*, especially at the regional level
Thank you!

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**Project Website**
http://www.sant.ox.ac.uk/esc/reformingwelfarestates/
References