

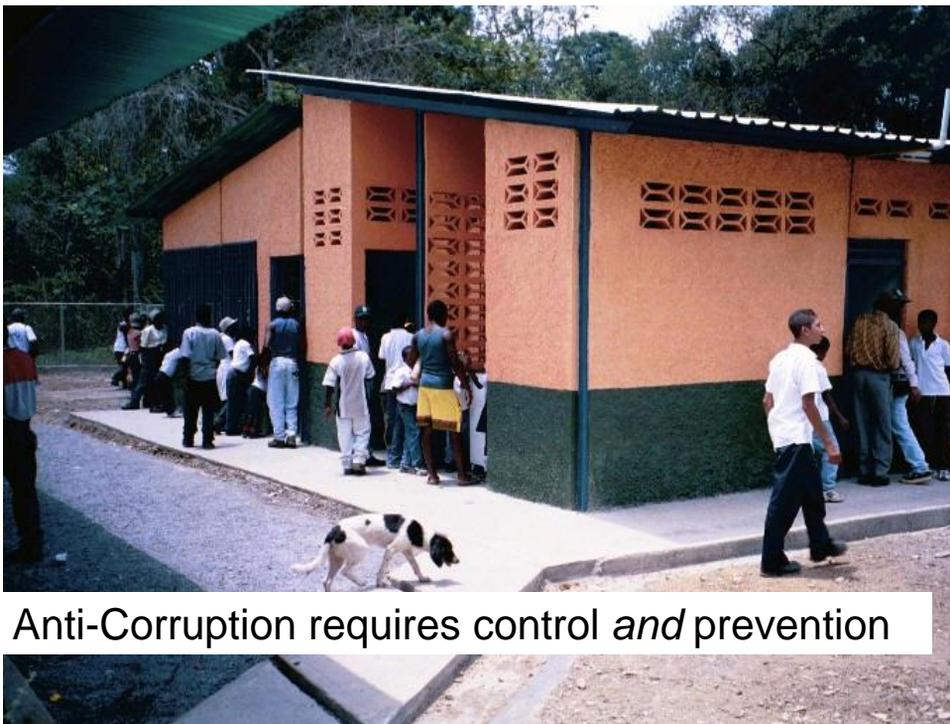
# Corruption in the health sector

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ISPE-Sanità  
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Anti-Corruption requires control *and* prevention

# Corruption is a Global Issue

**Writer Claims HealthSouth CEO Scrushy Bought Favorable Press Coverage During Fraud Trial**

AP Associated Press

By JAY REEVES, Associated Press Writer

Published: January 19, 2006 12:55 PM ET

**BIRMINGHAM, Ala. (AP)** Throughout the six-month trial that led to Richard Scrushy's acquittal in the \$2.7 billion fraud at HealthSouth Corp., a small, influential newspaper consistently printed articles sympathetic to the CEO.



Published on Wednesday, March 12, 2008 by the [Boston Globe](#)  
**Pharmaceutical Company Whistle-Blower Tells of 'Illegal' Tactics**  
 by Liz Kowalczyk

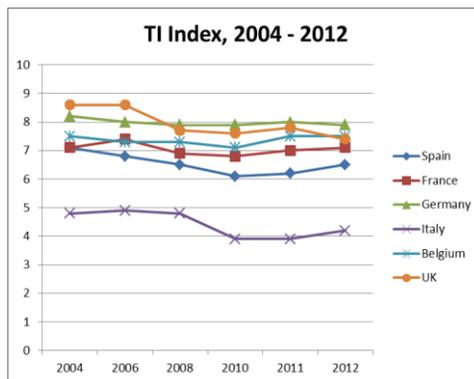
David Franklin, the drug company whistle blower who has sparked federal and state investigations into the marketing of the lip-sucking drug Nicorette, said yesterday that he and two former colleagues engaged in a series of inappropriate tactics, including convincing doctors to prescribe the drug to unimpaired users, and went trained to do things and do things that were blatantly illegal. Franklin, 41, said during an interview at the



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## Magnitude of the problem in Europe

- Spending on health is 3-11% GDP
- \$56 billion euros a year lost to corruption (80 m. euro per day)



## Magnitude of the problem in Europe

Question	Spain	France	Germany	Italy	UK
Corruption has gotten worse in past 3 years	73%	66%	70%	65%	67%
Have paid a bribe for health services in past year	2.3%	5.1%	0.7%	10.0%	0.6%
Agree that ordinary people can make a difference in fight against corruption	79.1%	68.8%	62.5%	67.2%	76.7%

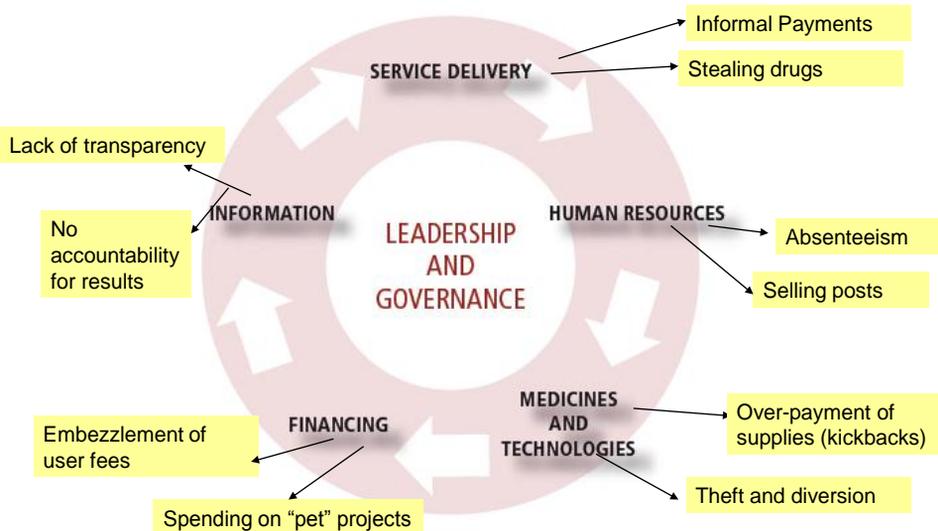
\*More likely to think you can make a difference if you are older, urban, more educated, higher income

Source: TI Global Corruption Barometer, 2010-2011

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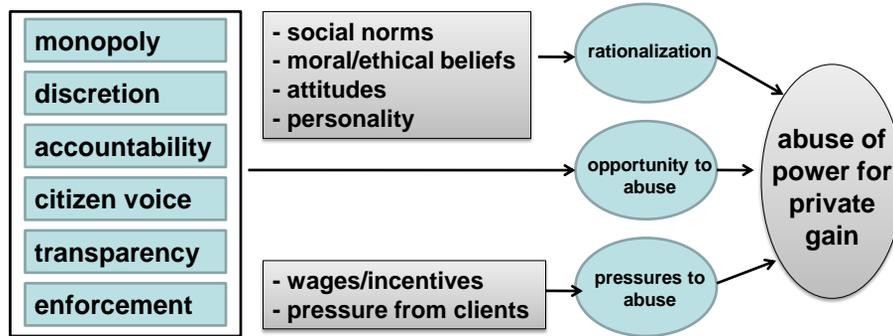
## Governance and Health Systems Strengthening



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## Framework of corruption in the health sector



### Health care system and structure

- Insurance
- Payer-provider split
- Role of private sector, etc.

### Type of abuse

- Hospital construction
- Procurement
- Informal payments, etc.

### Resources

- High or low incomes
- Donor dependence, influx of funding

Source: Vian 2008

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## Applying the framework: Project ABC

### ▪ Pressures to abuse

• Mistress needs apartment

### ▪ Opportunity

• Discretion in how to report

• Confusing flows of funds

• No performance audits, so could falsify results

### ▪ Rationalization

• Others have done worse

• Not hurting anyone

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Source: Vian, Savedoff, Mathisen eds. 2010. Chapter 3.



## Systems level: problem analysis

- Step 1: describe and measure
- Step 2: understand the drivers (pressures, opportunities, rationalizations)
- Step 3: consider levers to restrict opportunities, reduce pressures or change incentives, address rationalizations

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## WHO Pharmaceutical System Vulnerability Analysis

Moderately vulnerable

	Bolivia	Indonesia	PNG
Registration	8.6	7.2	4.3
Promotion	4.7	7.6	1.7
Inspection	6.2	8.7	2.6
Selection	7.6	5.5	4.5
Procurement	6.2	7.0	6.6

0.0-2.0 = extremely vulnerable; 2.1-4.1 = very vulnerable

4.1-6.0 = moderately vulnerable; 6.1-8.0 = marginally vulnerable

8.1-10.0 = minimally vulnerable

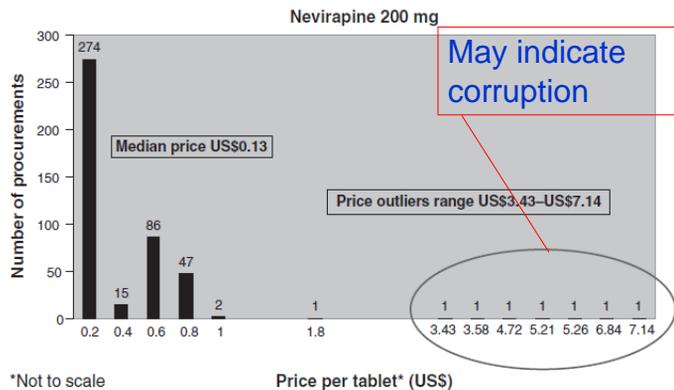
Source:  
<http://www.who.int/medicines/ggm/en/>

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# Pharmaceutical procurement

Figure 10.2 High price outlier analysis, Nevirapine 200 mg



Source: Vian, Savedoff, Mathisen eds. 2010. Chapter 10.

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## Levers: Accountability

The process of holding actors responsible for actions. (Fox & Brown, 1998)

Complicated by:

- Difficulty measuring what we do in health
- Power differentials in accountability relationship

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## Levers: Accountability

Dana Farber Cancer Center



- Commitment to quality
- 56 newspaper articles exposing problems: public pressure for accountability

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## Transparency

Those affected by decisions should know not only the facts and figures but also the mechanisms and processes by which decisions are made.



Transparency International

International Budget Partnership

[www.internationalbudget.org](http://www.internationalbudget.org)

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## Moldova Experience Improving Governance in Health Sector

- Health Sector component
  - decrease discretionary powers of health personnel
  - increase accountability
- Civil Society Monitoring component
  - media training, communications

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## Moldova: Health interventions to decrease discretion

- Create competitive selection process for facility directors
- Physician licensing
- Create standard treatment guidelines
- Procurement audits



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## Moldova: Health interventions to increase accountability

- Quality Councils, clinical audits
- Annual patient satisfaction surveys with “satisfaction score” and “corruption score” (informal payments)

13. Do you know the services you are entitled to within the Unified Program of mandatory medical insurances? Yes No
14. Did you get acquainted with the list of paid services and their corresponding prices? Yes No
15. Is the price list of paid services posted in a visible place in the facility? Yes No
16. Did you pay for services at the cashier? Yes No
17. If yes, did you get a receipt? Yes No
18. Did you leave an unofficial payment in the doctor's office? Yes No
19. If you did leave an unofficial payment, was this because It was a gift from you Yes No The doctor asked/insisted on it Yes No

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## Motivating people to act with integrity

- Values based communication: expand messaging to appeal to workers' best values and aspirations
- Harness powerful drivers of ethical behavior through decision framing and group membership dynamics



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Thank you!

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