Learning about Hospital Governance from “Down Under” and elsewhere in the world

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In this Editorial of the World Hospitals and Health Services (WHHS) Journal, we celebrate the upcoming 42nd World Hospital Congress in Brisbane, Australia in October 2018, with a special focus on governance and the role of university hospital in the health care systems.

Health care in Australia, like Canada, New Zealand and the United States had its earliest foundations in the colonial services established by the British Government in the 18th and 19th Century. During the upcoming Congress you will hear much more about how these early colonial health services evolved into one of the most sophisticated health care systems in the world, proving health care for all its residents at an affordable cost.

A unique feature of the Australian health care system is the split in responsibility for policy, governance, management, funding, and service delivery between the Federal Government, the States and Territories and the complex public-private mix in both funding and service delivery. The Commonwealth of Australia Constitution Act of 1900, which united the Australian states, gave individual states responsibility for most health services, while the Federal Government of Australia retained responsibility for quarantine and industrial hygiene.

This split in responsibility for health care between the central government and other levels of government in Australia raises some interesting challenges in governance which is similar to what is experienced in other federal states like Brazil, Canada, India, and the US.

This split in responsibility for health care in Australia raises interesting issues about “what exactly we mean with governance” when referring to health care. In the World Health Report 2000, WHO coined a new term “Stewardship” to capture the highest level of national policy oversight with the term “governance” being somewhat subordinate to this level of oversight. And then the idea of management at the institutional level somewhere conceptually below that. The contributing authors to this issue of the Journal explore these and other dimensions of governance in greater detail and as they relate to university hospitals.

Another interesting aspect of the Australian health care system is the public-private mix in funding and service delivery. The first doctors that settled in New South Wales (NSW), one of the Australian States, established a semi-autonomous NSW Medical Board in 1838 to register and accredit new members. Over time, despite the growth in public sector involvement in Australian health care, patients, civil society and the private sector have continued to play a central role.

The balance between professional independence, self-governance and various degrees of government oversight raises other interesting dimensions of the term “governance” reforms. The introduction of greater hospital autonomy and corporatization of the governance of public hospitals are ways that some countries have tried to shift some decision rights away from central and lower levels of government to the managers of individual institutions, such as university hospitals that enjoy a high degree of management freedom in many countries. There is no real consensus on where to draw the line and countries around the world are still experimenting with greater and lesser degrees of institutional autonomy in the quest for “good governance” of university hospitals and other health care facilities.

Over time, the pendulum has continued to swing back and forth several times in Australia between right-wing coalition governments that expanded the role of private health insurance and left-wing coalition governments that rolled back the role of private health insurance, favouring more tax-based funding. Once again, this highlights another complex dimension of governance – the extent to which patients can influence decisions and the behaviour of providers using their own funding either through direct payments or private health insurance.

The contributing authors to this issue of the WHHS Journal demonstrate how many of these themes are central to the governance of the health care system and university hospitals in France, Iran, Kenya, Netherlands, and countries across the world more broadly.

The 42nd World Hospital Congress in Brisbane provides a unique opportunity for Australia to showcase to the rest of the world the unique features of its health care system, and for other countries to both learn from Australia and share their own experience with those attending the Congress.