Context and Process of Health Policymaking

PHC 6102
Principles of Health Policy and Management
Objectives

• Describe political context within which health policy takes place
• To describe a model of the public policymaking process
Health Policy Makers

• Joint federal-state responsibility

• Federal and state gov’t function similarly
  – Each state has a constitution and a bill of rights
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  – Each state has a legislative, an executive, and a judicial branch
States' Roles in Health Policy

- Guardians of the public’s health
  - Protecting the environment, ensuring safe workplaces etc.

- Purchasers of healthcare services

- Regulators
  - Clinical licenses, license & monitor health organizations
States' Roles in Health Policy

• Safety net providers
  – support community-based providers, charity care hospitals

• Educators
  – Subsidize medical education

• Laboratories
  – Massachusetts universal health insurance program
The Context of Health Policymaking: The Political Marketplace

Negotiation in Markets

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The Context of Health Policymaking: The Political Marketplace

- Differences between political market and traditional economic market
  - Buyers or demanders in economic markets express their preferences by spending their own money.
  - In political markets, the link between who receives the benefits and who bears the cost is less direct.
The Context of Health Policymaking: The Political Marketplace

The Operation of Political Markets

**EXHIBIT 2.2** The Operation of Political Markets

Value

Demanders  Exchange  Suppliers

*Usually involves negotiation*

Structurally and operationally, a political market is much like an economic market.
Demanders of Health Policies

• Anyone who considers such policies relevant to the pursuit of their own health or that of others about whom they care

• Anyone who considers such policies as a means to some desired end, such as economic advantage
  – most effective demanders of policies are well-organized interest groups
Suppliers of Health Policies

• Elected Legislators
  – US Congress, state legislatures, or city councils

• Executives and Bureaucrats
  – Presidents, governors, mayors

• The Judiciary
  – US Supreme Court Judges, Appellate Court Judges, Circuit Court Judges etc.
Power and Influence in the Political Market

• Legitimate power (or forward power or authority)
  – Derived from position in social system, organization, or group

• Reward power
  – Based on ability of one person, organization, or group to reward others for decisions and action
  – Coercive power is opposite of reward power

• Expert power
  – Possessing expertise valued within the political market place

• Referent power (or charismatic power)
  – Ability of some people, organizations, & interest group to engender admiration

• All are interdependent
EXHIBIT 2.4: Model of the Public Policymaking Process in the United States

Preferences of individuals, organizations, and interest groups, along with biological, cultural, demographic, ecological, economic, ethical, legal, psychological, social, and technological inputs

Policy Formulation Phase
- Agenda Setting
  - Problems
  - Possible Solutions
  - Political Circumstances
- Development of Legislation
- Window of Opportunity*

Policy Implementation Phase
- Bridged by Formal Enactment of Legislation
- Rulemaking
- Operation

Policy Modification Phase
- Feedback from individuals, organizations, and interest groups experiencing the consequences of policies, combined with the assessments of the performance and impact of policies by those who formulate and implement them, influences future policy formulation and implementation.

*The window of opportunity opens when there is a favorable confluence of problems, possible solutions, and political circumstances.

The Policymaking Process: Interactive & Interdependent

EXHIBIT 2.4 Model of the Public Policymaking Process in the United States

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Summary

• Health policies are made within the context of the political marketplace, where demanders for and supplies of health policies interact.

• Federal and state government have important policy roles and similar health policymaking processes.

• Demanders of policies include those who view public policies as a mechanism for meeting their objectives, such as economic advantage.

• Suppliers of health policies include elected and appointed members of all 3 branches of government.

• The policymaking process is a highly complex, interactive, and cyclical process that incorporates formulation, implementation, and modification phases.
Questions

• Compare and contrast the operations of traditional economic markets with that of political markets.
• Discuss the roles of states in health policy
• Who are the demanders and suppliers of health policy? What motivates each in the political market?
• Define power and influence in the political market.
• What are the sources of power in political markets?
• What are the general features of the policymaking process model (Longest, 2010)?
Sources