1. Hello and welcome to the Lecture on “Policy Formulation: Agenda Setting.” The content for this lecture is taken from *Health Policymaking in the United States* by Beaufort Longest Jr.

2. The objectives of this lecture are as follows:
   a. Describe the agenda setting of the policy formulation phase of the policymaking process
   b. Describe how decisions are made about possible solutions in agenda setting
   c. Describe the nature of problems that drive health policy agenda setting
   d. Describe interest group involvement in agenda setting

3. The health policy making process is comprised of three cyclical highly interactive and interdependent phases: the formulation phase (making the decisions that lead to public laws), the implementation phase (taking actions and making additional decisions necessary to implement public laws) and the modification phase (consequences of existing policies are feed back into the formulation and implementation phase and stimulate changes in legislation, rules, or operations).

4. Agenda setting in public policymaking is a function of the confluence of three streams of activities: problems, possible solutions to problems and political circumstances (Exhibit 3.2). When problems, possible solutions, political circumstances flow together in a favorable alignment, a “policy window” or “window of opportunity” opens. When this happens, that can lead to a new public law or amendment to an existing one.

5. However, the existence of problems is not sufficient to trigger the development of legislation. Problems that drive policy formulation are those that policymakers broadly identify as important and urgent. It depends on its public salience and the degree of group conflict surrounding it.

   Trends in certain factors or variables reach unacceptable levels to some policymakers. For example, the number of uninsured and cost escalation in the Medicare program.

   The problem is spotlighted by their widespread applicability. For example, the high cost of prescription medication to millions of Americans, insured and uninsured. Or by their sharply focused impact on a small but powerful group whose members are directly affected (high cost of medical education and the AMA).

   Problems also gain a spot on the agenda because they are closely linked to other problems that occupy a secure place on the agenda. For example, cost increases in Medicare program and the growth of the Federal deficit.

6. Existence of possible solutions to problems helps set policy. Problems, no matter how critical, like the high cost of medical care, do not always lead to policy. Solutions substantiated by well-conducted health services research provide policymakers with facts that might affect their decisions. Research plays an important documentation role through the gathering, cataloging, and correlating of facts related to health problems and issues. Research informs, and thus influences, the health policy agenda through analyses to determine which solutions may work.
7. The rational model of decision making (as illustrated in exhibit 3.3) is usually used in making decisions about alternative possible solutions to problems.

8. Political circumstances drive agenda setting. Political circumstances surrounding any problems/potential solutions in agenda setting must include
   a. Relevant public attitude, concerns, and opinions
   b. The preferences and relative ability to influence political decisions of various groups interested in the problem
   c. The positions of involved key policymakers in the executive and legislative branches of government. For example, a President who views healthcare as a privilege will not advocate for universal healthcare coverage.

9. Interest groups are very powerful in the agenda-setting activities.
   a. They influence agenda setting by lobbing which is “Communicating with policymakers to influence their decisions to be more favorable to or at least consistent with the preferences of the lobbyist” However, in many people’s minds lobbying entails money exchanging hands for political favors and backroom deals.
   b. Interest groups influence agenda-setting by electioneering: that is, using resources at the disposal to aid candidate for political office. The so-called “super pacs.”
   c. They influence by litigation—that is—going to court to challenge existing policies, seeking to stimulate new policies, or trying to alter aspects of the policy implementation.
   d. Interest groups shape public opinions by creating television, radio, and print advertising that seek to protect and preserve their views or preferences. In 1993 and 1995 (during the Clinton era) interest groups spent to shape public open on national health reform. Insurance companies put out many Harry and Louis ads to block then President Clinton healthcare reform efforts.

10. Chief executive—the president, governor, or mayor—also influences the health policy agenda. Popular chief executives can do so easily.
    a. The political advantage inherent in the chief executive’s position gives them the ability to present a unified position on issues. They can also stimulate a lot of public pressure on legislators.
    b. Chief executives have the ability to emphasize problems and preferred solutions in a number of ways including press conferences, speeches and addresses.
    c. They have the ability to appoint special commissions or taskforce to address an issue.
    d. They are also well-positioned to focus the legislative branch on the development of legislation and to prod legislators to continue their work on a favored issue.

11. In summary,
    a. The policy formulation phase involves agenda setting and development of legislation
    b. Agenda setting is the function of the confluence of three streams of activity: problems, possible solutions to those problems, and political circumstances
i. When all three flow together in favorable alignment, a window of opportunity opens, allowing a problem/potential solution combination, which might be developed into a new public law, or amendment to an existing law.

c. Interest groups influence agenda setting by lobbying, electioneering, litigation, and by shaping public opinion.

d. The chief executive (the president, governor, or mayor) also influence policy agenda by the institutional resources inherent in the executive office.

This brings us to an end of our lecture on Policy Formulation: Agenda Setting. Next week, the lectures will cover policy formulation: Development of Legislation, Policy Implementation: Rulemaking and Operation, and Policy Modification. Thank you for listening. Please take a look at the questions at the end of the lecture. These questions can help you prepare for the exam.