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Federalism and Health Policy

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Federalism and Health Policy

A number of European countries, most notably Italy, Spain and the United Kingdom, are transferring power from the center to subnational governments. This is particularly important for health care, a crucial public policy sector in terms of expenditures and political sensitivity. Will these changes impact negatively on the capacity of a country to set and pursue national health policy goals, and if so, in what way? This question is of key importance for these countries, since all three have national health systems explicitly based on the principle of universal and comprehensive care delivered largely free at the point of consumption.

Cross-country analyses can be aimed at either “learning about” or “learning from” other countries’ health care systems.¹ The first is motivated by curiosity, the latter by a desire to get help in resolving a particular policy problem. Since it lacks national health insurance and has major gaps in coverage, European health policy analysts generally do not consider the United States to be a useful model. West-East intercontinental policy transfer is therefore rare. However, federalism and health policy may be an issue where European countries can learn from the U.S. experience. What has been the significance of the American brand of federalism for the pursuit of national health policy goals, and what are the implications of plans by the Bush administration to shift additional responsibility and authority to the states? The study of federalism and health policy is high on the agenda of a number of U.S. think-tanks.²

George France of the Institute for the Study of Regional and Federal Systems of the Italian National Research Council in Rome coordinated a recent study which tried to draw lessons for Italy from the experience of three established federations—Australia, Canada and Germany—all with something akin to a national health system pursuing national health standards.³ As a visiting scholar at Jefferson Medical College’s Center for Research in Medical Education and Healthcare from September to November 2003, he evaluated the utility and feasibility of extending this study of federalism and national health standards to include the American case.

In the three-country study, health system performance was measured mainly in terms of four criteria or standards—universal coverage, comprehensive care, portability of entitlement, and financial accessibility of care. The factors found to impact on the implementation of these principles included:

- existence of enforceable constitutional or statutory entitlements to health care;
- how power is allocated between different levels of government;
- degree of financial leverage possessed and exercised by the central government over lower level governments;
- legitimacy of the national government, as perceived by lower level governments, to set and apply national health standards;

- presence of a culture of inter-governmental cooperation and availability of tried and tested tools for inter-governmental negotiation;
- popularity of existing health care arrangements; and
- strength of the sentiment of social solidarity held by the citizenry.

The intention is to examine the American case using a similar approach to that developed for the study of Australia, Canada and Germany. The U.S. system is highly complex, but the four criteria promise to help make the analysis of its performance broadly comparable with that of the other national systems. Documentary material has been collected to help evaluate the more significant factors influencing performance, beginning with those examined for the other federations and then trying to identify factors that are U.S.-specific. A trial run of the approach applied to the American case suggests the utility of extending the list of criteria to include national standards for quality of care and uniformity in inter-governmental data transmission. In addition, the list of factors to study for their impact on performance might be expanded to include the question of the technical and political capacity (and commitment) of the individual states to pursue the kind of standards looked at in the three-country study.

References

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3. France G, ed. *Federalismo, Regionalismo e Standard Sanitari Nazionali: Quattro Paesi, Quattro Approcci (Federalism, Regionalism and National Health Standards: Four Countries, Four Approaches)*. Milan, Italy: Giuffre' Editore; 2001.

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