

Public Policy Analysis of Health System in Conditions of the Greek Economic Crisis

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Abstract

The aim of the study is to provide a literature overview of the Public Policy Analysis of the Greek Health System during the Economic Crisis, so that the generated knowledge can be used in Doctoral studies.

The research methodology extends to the literature overview of valid Greek and international literature.

The Findings of the study include summarising and categorising information related to the categories of public policies and those involved in policy making. Studies on policy changes in conditions of an economic crisis are reviewed. The Policy Change in the Greek Health System during the economic crisis is studied and placed within a pre-existing framework for classification of health system policies.

Study limitation. The study specialises in the policy of the Greek Health System during the Economic Crisis and cannot be generalised as such for health systems of other countries.

The study's practical applications are that it may constitute a useful literature review for students who want to study the Policy of the Greek Health System during the Economic Crisis and it also leaves room for further future study of this field.

Value. The present study is an innovative research, it is a source of collected information and offers practical help in the study of the field.

Keywords: Public Policy Analysis, Greek Health Policy, Greek Economic Crisis, Policy Change

Introduction

The purpose of the study is to provide a bibliographic overview of Public Policy Analysis in the Greek Health System during the Economic

Crisis, so that the generated knowledge can be used in doctoral studies under preparation. The research methodology extends to the review of valid Greek and Foreign literature.

Public policy can be defined as a decision reached by a government or on behalf of a government. In particular, Public Health Policies include the fundamental choices made by governments, either to engage in specific operations or to do nothing, (Blank & Burau, 2013).

The Public Policy Analysis field was established in the US in 1933 through the law on flood control following assessment for the community larger than the costs that would be spent and was later combined with the branch of cost-benefit assessment of applied economics (Dorfman, 1976: 2).

Public Policy Analysis follows the Public Policy cycle which determines its progress in addressing key social issues, and which includes: 1) the establishment of the governmental agenda (agenda setting), 2) policy formulation, 3) decision making, 4) policy implementation, 5) policy evaluation (Hogwood & Gunn, 1984).

Osborne and Gaebler studied the reformative change of policy regarding the functioning of the state during the 1990s and the attempt to free itself from the old bureaucratic model of the post-war era and adapt its operation to the rapidly changing cognitive environment. The public policy change consists of the delegation of certain state services to the private sector and the development of the voluntary sector, including charity organisations as a replacement of a state plagued by a lack of resources (Osborne and Gaebler, 1992). A similar change, as we shall see later, appeared in the Greek Health System's policy-making during the early years of the economic crisis.

Table 1 shows the Distinction of Public Policies into categories, depending on the features that distinguish each policy and the function it performs (based on Lowi, 1964, Anderson, 2006).

Table1 : Division of Public Policy into categories (based on Lowi, 1964, Anderson, 2006)

Type	Lowi, 1964			Eldeman, 1964		Anderson, 2006.	
Division Criteria	Effects of various Public Policies on society			Substantive or symbolic aspect of policies		Result or process	
Policy name	Distributive policy	Redistributive policy	Regulative and auto-regulative policy	Material Public Policies	Symbolic Public Policies	Substantive Policies	Procedural Policies
Description of Public Policy	Distribution of policies and benefits to particular population segments such as lobbyists, legal entities, communities.	The state tries to change the distribution of income, resources and property among various population groups	Restrictions in the behaviour of individuals and groups. In the auto-regulative policy entrepreneurial associations.	Offering of material resources or powers to beneficiaries and deprivation from others.	Invocation of values which have a deep and universal meaning to citizens.	Determination of state activities to ensure a more efficient functioning of society.	Determination of exactly how that can be done.
Public Policy function	Provision of Services to individuals or to a few or alternative benefits to a large number of people.	Redistribution of financial or institutional resources.	Prevention of crime against people's lives and property.	Enhancement of citizens' income citizens or increase of tax burdens.	Citizens are invited to raise awareness on peace, environmental sensitivity or social justice.	State activities which distribute direct costs and benefits to citizens.	Determination of the person to take action or determination of the principles governing a policy.
Policy examples	Enhancement of agricultural products, tax exemptions, free education and bailout loans.	Policies regarding income tax through application of tax scales.	Pollution control, consumer protection, professional practice prerequisites.	State subsidies to groups of citizens or businesses and taxation.	Maps of citizens' rights with symbolic value.	Construction of motorways.	Operation regulations for Civilian Service Centres.

Policy Analysis places great importance on the involved players who constitute the community policy. The Policy Community interacts for Decision Making in the Policy field.

The players involved in the policy community are shown in Figure 1. Visible players are the ones whose action consciously goes through the media in public opinion. The invisible ones consciously operate away from the media (Sartori, 2005). The setting of the agenda is influenced by players with visible action while the production of alternative agenda is influenced by the invisible ones. The elected ones are visible. But they do not always do what the public prefers. They often shape the preferences of their voters.

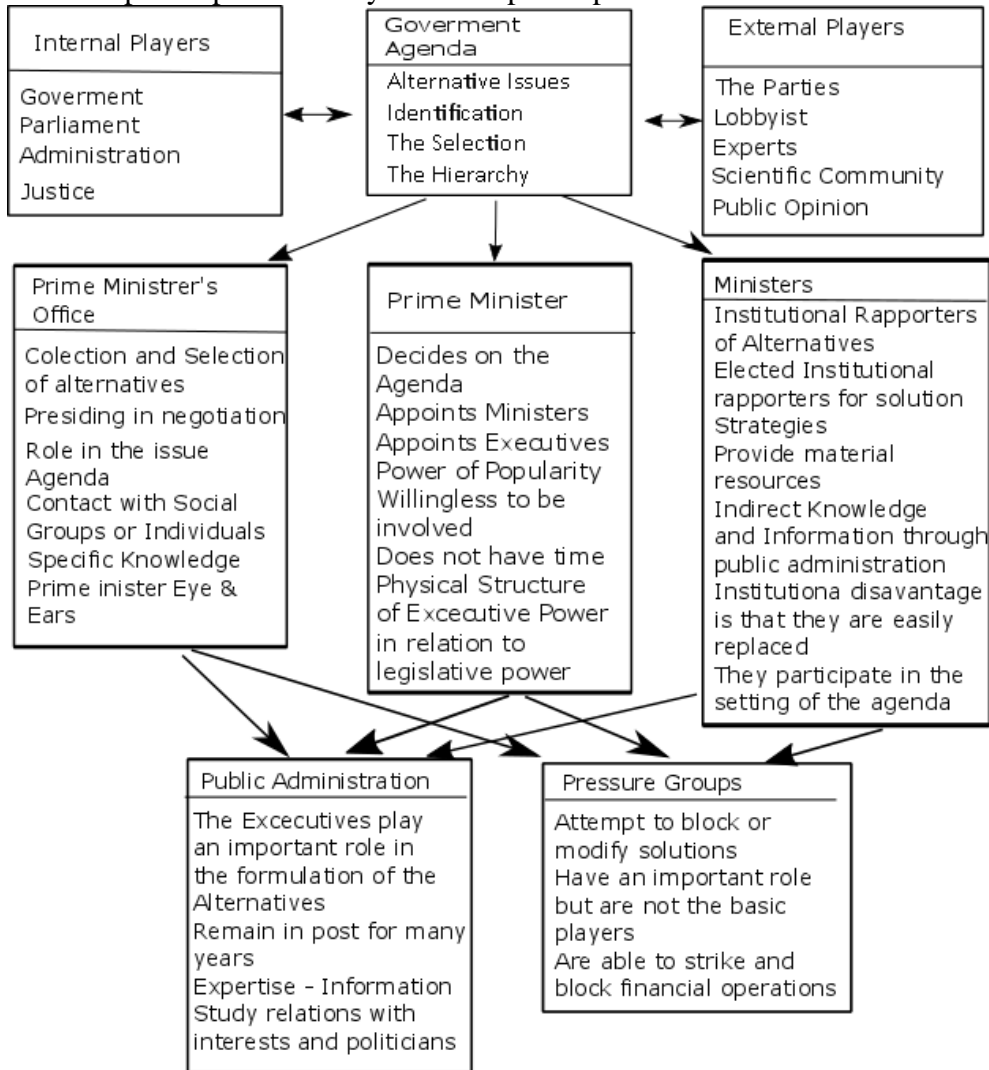


Figure 1 : Players on Policy Community (based on Sartori, 2005)

The players involved in the community policy played an important role in policy making for the Greek Health System in the early stages of the Economic Crisis (Lyrintzis, 2011).

Public Policy Analysis and Economic Crisis

Public Policy applies to financial crises periods, with a view to eliminating the dysfunctions which caused the crises and implementing reform changes which aim to drive the functioning of societies into a new efficient mode of operation. Stucler et al. conducted a study on the effect of the economic crisis on public health and policies to address it, examining health indicators related to economic indicators such as GDP and increase of unemployment. The study confirms the significance of policies in addressing the negative impact of the economic crisis on the public health through the design and implementation of programmes to sustain work posts and reintegration of workers in the work market in order to limit the negative effects of the crisis (Stucler et al. 2009: 315, 320-321).

The health policy convergence is the contemporary trend by which health policies are assimilated in the international environment, with weaker countries adopting policies of the most powerful ones. Deleon and Resnik - Terry (1999) refer to "comparative regeneration", the development of a policy which develops during economic and political crises affecting different countries. In this case, a keen interest is expressed by the Governments and policy makers in policies that have been implemented in other countries and have been shaped by the perception of sound political challenges and a successful result in addressing the crisis. In times of crisis the development of a policy is extensively based on comparative policy. Ovretveit (1998) argues that comparative health research plays an important role in building relations between ethnic communities and that by creating knowledge necessary to understand the similarities and differences, the health managers in health policy can improve their services by suitably adapting concepts which have been implemented elsewhere. According to Marmor (2009), transnational collaborations on health policies include the learning of national arrangements for health policies and the way they function, learning of the way they affect the health field and also learning of the policy analysis of these policies. Immergut (1992) argues that comparative analysis can separate the important from the non-important factors in policy-making. Klein and Williams (2000) argue that comparative policy analysis sheds light on the institutional framework and the importance of decision-making by policy-makers, while Ham (1999) argues that an examination of international experiences leads policy-makers to the identification of difficulties and selection of sound strategies (Blank and Bureau, 2013).

The Economic Crisis dictates or imposes a change of Policy. Public Policy which was conducted before the advent of the economic crisis, is deemed insufficient as the economic crisis threatens the foundations of the state and its organisations. A change in policy is a necessity. Studies referring to policy change during an economic crisis are set out in Table 1.

Table1 : Studies on policy change during an economic crisis (Authors, 2016)

Scholar	Field of study	Findings	Suggestions
Braun (2008)	Change of Policy in European economic crisis 08-13.	Policy-making in an interpretative framework which includes targets and policy means	Shaping EU institutional architecture. Preparation of crisis management measures
Taylor (2009)	Response to policies during an economic crisis	Government policies adversely affect the financial crisis. Misconduct of policy-making within a vague framework makes matters worse.	Creation of civil policies to deal with future financial crises. Creation of emergency policy framework for future use.
Copeland & James (2014)	Economic reform policy amid economic crisis	Two political problems(the Greek debt crisis) and policies (shifting of the dynamics of institutions addressing it)	Change of policy at an appropriate time by policy-making experts. Change of policy in the strategy for exiting the crisis.
Zaxariadis and Exadaktylos (2015)	Crisis, successful and unsuccessful policies in higher education	Policies adversely affect status quo and strategies and are used for manipulation, leading to failure in crisis conditions	Conditional increase of strategy success and reduction of ambiguity in the reform and policy change
Kwon & Holliday (2007)	Examination of political change during the Asian financial crisis in Korea	Response to the economic crisis following policy change expansion and job creation in the health system. Maintaining the productive orientation of social policy.	The potential population constitutes a risk to the continuation of the implementation of policy expansion in the health system.
Stiglitz, J. (2000)	Addressing Global economic crisis with emphasis on the Asian crisis with restrictive IMF and state policies	Implementation of policies by the most powerful countries in weaker countries following the example of the crisis in Latin American countries which was based on austerity and cuts. "Blind implementation" of the same recipe in the contemporary global financial crisis.	Inversion of this policy's implementation with cessation of austerity and cuts. Implementation of a policy which encourages growth.

Research on changing policies in conditions of economic crises, shows that crises are changing policies in order to address their causes. Sometimes the outcome of policies on economic crises is characterised as

successful (Braun, 2008, Copeland & James, 2014), while others are in need of improvement (Stiglitz, 2000, Taylor, 2009, Zaxariadis and Exadaktylos, 2015). As far as efficiency and the efficient measures are concerned, Bromley (1990) distinguishes a distance between policy-making analysts and economists who provide advisory services for policy-making, regarding the non-application of efficient measures, solely in optimal decision making. However, performance measures are important parts of economic theory, particularly cost-benefit analysis, and are used in the analysis of public policy. While economic efficiency has no claim to objectivity, a political scientist can be an objective analyst of political choice. Elimination of the efficiency rule gives the economist the liberty to focus on the assessment and analysis related to aspects of policy analysis options which are of greater importance to decision-makers (Bromley, 1990: 86, 91-94).

Analysis of Public Policy in the Greek Health System reform

The creation of a modern Health System which will be able to meet the changing current Social Conditions is a fundamental principle of the Health sector policy. In this Health System the primary concern will be the protection of Health rather than simple management of the disease and will ensure the same easy accessibility to high quality health services for all citizens (Maniou and Iakovidou, 2009). Modern Public Health Policy is trapped by the dilemma of response by the Political Leadership on the increased demand for Health Services with the need to reduce the cost of healthcare and to manage the limited financial resources (Blank & Burau, 2013).

The current Global Economic Crisis has affected the health systems in all countries. According to the World Health Organisation, the negative consequences of the crisis on Health will be much greater in countries that have low financial reserves, weak social institutions and damaged infrastructures. It will also negatively affect developing countries whose financial support will be limited, developed countries which have requested urgent assistance from the IMF but also sensitive population groups within economically robust countries, while their restriction appears to be based on economic and social support policies (Karaiskou, Malliarou and Sarafis, 2012).

Health Policies during the Economic Crisis in Greece are reflected in the reduction of government expenditure on health for two reasons: due to the economic stringency and due to the interruption of external financial aid from wealthier countries, which cover a large portion of health funding. These Policies affect health systems and have an impact on the population's health (Malliarou and Sarafis, 2012).

Before and during the beginning of the Economic Crisis, the Greek Health Policy was heading in the direction of reorganisation of the healthcare system regarding regional decentralisation and primary health care. A fairly well-structured and efficient primary healthcare system is quite difficult to maintain as effective and efficient within the framework of decentralisation and modern health systems' policy. Greek Health Policy in modern changing conditions requires detailed research in order to address the causes of the problems and find solutions (Adamakidou & Kalokerinou 2010). According to Wendt (2009), Greece was placed near the southern countries, but with some unique characteristics, such as far higher private payments and minor legislations related to access to healthcare providers. In Greece, even before the start of the Economic Crisis, the private healthcare sector played an important role and the services provided by this sector are related to informal payments and bribes which limited access to health care.

Applied Health Policies during the Economic Crisis in Greece, include drastic reduction of the budget for health, which created a lack of personnel, medication, basic medical and surgical supplies and reductions in workers' wages. They also include major cuts in illness or disability benefits for people with disabilities. Existing data show that the implementation of targeted financial health policies have undermined the promotion of health goals and have resulted in the deterioration of the quality of basic health services. The policy for the reconstruction of Public Sector hospitals through their closure or merger and centralisation of health services has jeopardised the availability of basic health services (Ifanti et al., 2013).

The economic crisis has created changes in Policy Decisions for the Greek Health System. Whereas before the crisis, National Governments were responsible for the implementation of compromises which determined the viability of health systems, after the outbreak of the crisis, countries such as Greece, which relied on support packages, were forced to accept interventions in National Health Policy by International Organisations. Modern Health Policy during the Economic Crisis is guided by the focus on enhancing the value of the health system and not on identification of areas where cuts are feasible (Mladovsky et al., 2012).

Countries exhibit a variety of Health Policies which depend on the individual characteristics of each. However, according to the OECD, the guidelines for the exercise of Health Policies are sorted between two extremes, that of Free Market Health and that of Government Health Monopoly. Among these, based on Health Policies, countries are classified into categories as shown in Figure 2. The countries on the left (which indicatively include Germany and the Netherlands) have a tendency to rely on market mechanisms for the provision of healthcare, whereas the countries on the right (such as Finland and the United Kingdom) are more dependent

on public administration and control. Despite restrictions, Health Policies exhibit common characteristics which form the groups (OECD, 2010).

The Economic Crisis led Greece to a change in Health Policy ranging from the restriction of Public Expenditure and Public Sector Participation at the beginning of the Crisis, to the increasing role of Private Initiative in the provision of health services. The position of Greece in the Policy classification as well as the attempted Policy change during the first five years of the Economic Crisis (2010-2015) are shown in Figure 2.

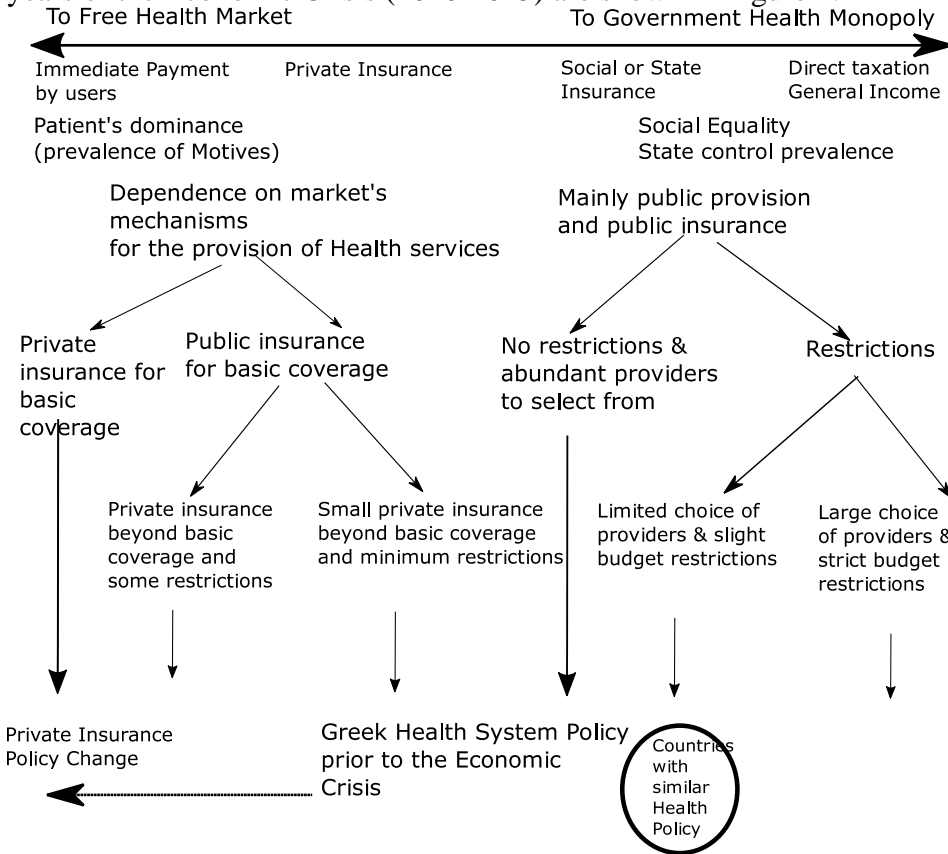


Figure1 : Change in the Greek Health System Policy during the Economic Crisis (based on OECD studies)

Kentikelenis et al. (2014), develop recommendations on the policy which should be adopted by Greece in order to continue the difficult structural reforms while at the same time prevent catastrophic social consequences. The proper functioning of the Greek Health System during an Economic Crisis period includes the implementation of Public Policies which encourage the establishment of structures for Public Accountability of all health System stakeholders, the effective coordination and management

of the performance of Health units and utilisation of health professionals' skills.

Conclusion

The findings of the study show that economic crises affect policymaking in order for the said policy to be able to address the conditions which created the crises. Implementation of a policy, which refers to an International Level and receiving information from other Countries, in some cases successfully help to overcome the crisis, but in other cases do not take into account the particularities of the countries. In the early years of the economic crisis, the change of policy in the Greek Health System included an attempt to limit expenditure and expand private expenditure. The study realises the health policy change during the economic crisis and constitutes a bibliographic resource for anyone interested in the field. The study leaves room for further research to determine policy change and its impacts, following the change in leadership of the country that took place in Greece after the period under study, that is, the first five years of the economic crisis. The results of the study regard policy change in the Greek Health System and cannot be implemented as such in other countries' equivalent health systems.

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