Précis of the Report *Open and Inclusive: Fair Processes for Financing Universal Health Coverage*

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Abstract: We summarize key messages from the Report *Open and Inclusive: Fair Processes for Financing Universal Health Coverage*. A central lesson of the Report is that in decision-making on the path to UHC, procedural fairness matters alongside substantive fairness. Decision systems should be assessed using a complete conception of procedural fairness that embodies core commitments to impartial and equal consideration of interests and perspectives. These commitments demand that comprehensive information is gathered and disclosed and that justifications for policies are publicly debated; that participation in decision-making is enabled; and that these characteristics of the decision system are institutionalised rather than up to the good will of decision-makers. Procedural fairness can improve equity in outcomes, raise legitimacy and trust, and can help make reforms last. While improving procedural fairness can be costly and there are barriers to achieving it, the range of instruments that countries at varying levels of income and institutional capacity

have used with some success shows that, in many contexts, advances in procedural fairness in health financing are possible and worthwhile.

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Universal Health Coverage (UHC) involves all people receiving quality health services that meet their needs without being exposed to financial hardship in paying for them. Decisions on health financing for UHC—how to raise, pool, and spend funds for this purpose—involve two aspects of fairness. *Substantive fairness* is equity in who gets what and in who pays for it. *Procedural fairness*, in contrast, is equity in how decisions are made—who can engage with decision-making, whose opinions are heard and whose interests are considered, and what weight they are given. Substantive fairness is widely recognized as a central value in decision-making on the path to UHC, and prominent attempts have been made by international organisations to advance practical criteria of substantive equity (see, e.g., WHO 2014). The Report *Open and Inclusive: Fair Processes for Financing UHC* aims for similar recognition of the importance of procedural fairness in health financing (World Bank, 2023). Specifically, it has three aims. First, to put forward a comprehensive account of procedural fairness in terms of foundational principles and practicable standards and show how these

can be used to evaluate decision-making on every aspect of health financing (revenue raising, pooling, and purchasing). Second, to explain the value of procedural fairness. Third, to provide insight into which instruments countries have used to improve procedural fairness in health financing.

The Report is a collaboration between the World Bank, the Norwegian Institute of Public Health, and the Bergen Center for Ethics and Priority Setting in Health. Its development involved consultations with policymakers, health financing experts, and researchers from low-, middle- and high-income countries. Its framework for procedural fairness is based on an scoping review of a multidisciplinary literature (Dale et al., 2023). Its conclusions about the value and cost of open and inclusive decision-making as well as how it can be successfully pursued were informed by seven commissioned case studies of health financing decisions in Kerala (India), Mexico, South Africa, Tanzania, Thailand, The Gambia, and Ukraine. In the remainder of this paper, we summarize the Report's key findings.

1. A Framework for Procedural Fairness

The proposed framework is represented in Figure 1. At its heart are three foundational principles: equality, impartiality, and consistency over time. *Equality* calls for equal access to pertinent information, equal capacity for participants to express their views, and an equal opportunity to influence decisions, regardless of factors that often create disparate abilities. These include social and economic status, health, gender, sexual orientation, ethnicity, and religious affiliation. It also requires that people's views are treated with respect, that is, taken seriously and evaluated on their merits. Respect does not require accepting a person's views as valid. Instead, it demands engagement with each participant as a potentially

reasonable person who is entitled to contribute to decision-making, capable of putting forward a perspective worthy of serious consideration, and responsive to evidence and argument. *Impartiality* requires that decision processes are unbiased and that those with a personal or organisational interest in the decision do not unduly influence it. *Consistency over time* demands that the way in which decisions are made should be stable and predictable and should not change on an ad hoc basis.

These principles provide the inspiration for seven practical criteria for decision-making systems, which are organised in three domains. The *information domain* encompasses *reason-giving*, *transparency*, and *accuracy and completeness of information*. In its strongest form, *reason-giving* involves a dialogue in which policymakers and stakeholders put forward their reasons for and against a policy, evaluate each other's reasons, and freely revise their views in the light of this exchange on rationally acceptable grounds. Reason-giving may also take a more limited, monological form, in which decision-makers simply offer public justifications for their decisions. *Transparency* requires that key information is provided about the decision process and about what has been decided and for which reasons. It also requires that information about the implementation of decisions and their impact be made available. Finally, *accuracy and completeness of information* demands that the decision process draws on a range of sources of evidence, informed opinion, and knowledge and assesses all this collected information by its likely degree of correctness.

The *voice domain* encompasses two criteria. *Participation* concerns the extent to which stakeholders and members of the public (or their representatives) can acquire and use pertinent information, communicate their views, and get involved with the decision process. *Inclusiveness* demands that a wide range of viewpoints is acknowledged and scrutinized and

that all relevant parties have an opportunity to put forward their conception of their own interests as well as their ideas of the common good. It also requires that governments reduce barriers to being able to join in that are faced by the poor and marginalised.

The *oversight domain* likewise comprises two criteria. *Revisability* requires that decision systems are open to new evidence and arguments and that there are avenues to challenge and reexamine decisions when adequate grounds for doing so are presented. *Enforcement* calls for structures that give teeth to the other practical criteria of procedural fairness and that provide assurance that decisions are in fact implemented.

The Report emphasises that procedural fairness is a matter of degree and that the relative importance of these criteria will depend on context and the nature of the decision.

2. Value of Procedural Fairness

The Report argues that procedural fairness can be valuable in four ways. First, it can advance substantive equity by mitigating one common source of inequitable outcomes, namely the fact that powerful, vested interests, if left unchecked, tend to use decision processes to their advantage and to the detriment of the marginalised.

Second, it can contribute to the legitimacy of health financing institutions. A fair process ensures that policy choices are justified through public reasons. It allows for public participation, thereby enhancing the democratic basis of decisions. It also tempers the degree to which those impacted by health financing policies are placed in an objectionably inferior position to those who determine these policies. For it ensures that decisions are made for shareable reasons rather than decision-makers' personal benefit, it safeguards

equal, respectful consideration of interests and views, and creates mechanisms by which policymakers are accountable to citizens.

Third, procedural fairness builds trust because institutions in which open, inclusive decision-making is enforced offer the public assurance that pertinent evidence is weighed and interests are properly considered and that decisions, once made, are executed.

Fourth, procedural fairness can bolster the sustainability of reforms on the path to UHC. Fair public deliberation aims for consensus where it can be found, and decisions that are based on consensus are more likely to endure. Even where policy consensus is unattainable, the fact that an open and inclusive process was followed can lessen the resentment of those who would have preferred a different policy and can heighten their degree of acceptance of the selected policy.

While the Report and its associated case studies offer evidence that fairer procedures can be valuable in these ways, they also indicate that it is challenging to establish the socio-cultural conditions in which open and inclusive decision-making can succeed. For example, one such precondition is a modicum of trust in the willingness and ability of stakeholders and the public to engage in a deliberative process. The case study on the implementation of a new Programme of Medical Guarantees in Ukraine in 2017 shows that this precondition is not always met. Reformers were loath to engage with some stakeholders (in particular, leaders of associations of medical professionals) because they did not trust that they would participate in good faith (Dzyghyr et al., 2023).

Procedural fairness might come at a considerable cost in terms of time and other resources. For example, the case study of South Africa's sugar tax revealed that the relatively high degree of public reason-giving that was achieved required substantial resources from the

Treasury, which responded point-by-point to all public submissions received in response to their consultation (Kruger et al., 2023).

3. Instruments for Improving Procedural Fairness

The Report draws four general lessons about countries' use of tools to promote procedural fairness. First, regulation and legislation at every level are crucial. Valuable examples include foundational frameworks like South Africa's Constitution, laws that apply to the full public sector such as Ukraine's Freedom of Information Law, and health-specific legislation such as the National Health Security Act in Thailand.

Second, legal and regulatory instruments need to be backed by adequate resources and capacity-building in the civil service and civil society. For example, in The Gambia, lack of knowledge among civil servants tasked with organising consultations on a new National Health Insurance scheme inadvertently led to the Nursing and Midwives Council (a regulatory body) being invited to participate, rather than the association representing nurses and midwives (Nije et al., 2023). In contrast, successful public involvement in coverage decisions in Thailand is the result of years of learning in the civil service and considerable expenditures to facilitate the participation of marginalised groups (Viriyathorn et al., 2023).

Third, the nature of the decision matters to which criteria of procedural fairness are most important. For example, public participation is, fittingly, more often employed in decisions that determine which values should direct the construction of a health insurance system. In contrast, such participation is, naturally, less often employed in purely technical decisions that involve the use of expert knowledge within a pre-determined framework of values. In

the latter type of case, criteria such as transparency and public reason-giving take on greater significance.

A central lesson of the Report is that in decision-making on the path to UHC, procedural fairness matters alongside substantive fairness. Decision systems should be assessed using a complete conception of procedural fairness that embodies core commitments to impartial and equal consideration of interests and perspectives. These commitments demand that: comprehensive information is gathered and disclosed and justifications for policies are publicly debated; participation in decision-making is enabled; and these characteristics of the decision system are institutionalised rather than up to the good will of decision-makers. Procedural fairness can improve equity in outcomes, raise legitimacy and trust and help make reforms last. While it can be challenging and costly to achieve more open and inclusive decision-making, the range of instruments that countries at varying levels of income and institutional capacity have used with some success shows that, in many contexts, advances in procedural fairness in health financing are possible and worthwhile.

Figure 1: A framework for procedural fairness

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