

**20<sup>th</sup>**

1990-2010

Celebrating twenty years of

# Policy contributions

Health Economics Unit . School of Public Health & Family Medicine . University of Cape Town



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# Foreword

**When the HEU was founded in 1990 with a mission that included offering “expert policy advice on relevant issues in Sub-Saharan Africa”, it positioned itself at the threshold of an era which would pay particular attention to how research interfaced with policy.**

From the time of the first democratic elections, the Unit was commissioned by government to conduct research into critical health policy priorities in South Africa. This interest in policy-relevant research extended beyond the borders of South Africa when, in 2000, the unit formed a network in Sub-Saharan Africa to develop the capacity of researchers in other African countries to carry out analyses with direct relevance to their local priorities.

A similar collaboration with the Regional Network on Equity in Health in Southern Africa (EQUINET), saw the HEU coordinating regional work on resource allocation and health care financing. Findings of EQUINET activities are regularly presented at the meetings of SADC (Southern African Development Community) and ECSA-HC (East, Central and Southern African Health Community) Health Ministries.

The HEU’s work in policy-relevant research now extends worldwide, as evidenced by the growing portfolio of cross-country work in low- and middle-income countries. Notable examples include research on health insurance in Ghana, Tanzania and South Africa; and membership of a research consortium across 4 African and 2 Asian countries that seeks to translate health system research findings into policies that preferentially benefit the poor.

This document provides examples of how HEU research has influenced policy, highlights involvement in policy committees and reflects on the key factors that have enabled HEU researchers to contribute to health policy development.

As the HEU celebrates its 20<sup>th</sup> anniversary, we take this opportunity to highlight our main accomplishments to date. This is one of three documents that outline our research, teaching and health policy contributions from 1990 to 2010.

#### **HEU mission statement:**

The HEU will be a world-class independent authority in health economics and related fields. It will lead in publishing innovative research which addresses priority conceptual and methodological issues in low- and middle- income countries. It will play a key role in global post-graduate training in health economics and offer expert policy advice on relevant issues in Sub-Saharan Africa. To achieve this, the HEU will pursue a balance of mainstream and developmental health economics drawing on a strong human resource base with a full range of relevant skills and a diversity of nationalities and backgrounds.

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# HEU contributions to policy

This section outlines the main HEU contributions to health policy through research and policy committee activities in the areas of health care financing; equitable health systems and analyses of priority disease areas and interventions over the last twenty years.

## Health care financing

### Contributing to National Health Insurance debates

Evidence on the costs and benefits of the use of public and private health services as well as analyses of the resources needed to introduce alternative models of health care financing (including social and national health insurance) provide a crucial evidence-base to inform current National Health Insurance debates in South Africa.

### Learning from international health care financing experience

A monograph commissioned by the Global Forum for Health Research titled: "Learning from experience: health care financing in low- and middle-income countries" is used extensively by researchers and policy makers around the world.

### Learning from successes and failures in policy design and implementation

Evaluations of health sector reforms introduced during the first period of democratic government in South Africa (including free care policies, inter-provincial health budget redistribution and the unsuccessful attempt to introduce a Social Health Insurance) provide valuable insights into the key factors influencing the processes of policy development and implementation.

### Analysing public and private health sector spending

The development and implementation of a National



Health Accounts (NHA) methodology provided data on public and private health sector financing and expenditure and contributed to the assessment of the impact of financing reforms.

### Identifying key health sector challenges

A national health expenditure review assisted in the identification of the key health sector challenges facing the new democratic government and informed policy development (including the ANC Health Plan which formed part of the ANC's election platform).

### Debating the removal of user fees

An analysis of the revenue generation levels and equity implications of user fees formed the basis for recommendations to the 1994 Health Care Finance Committee. This culminated in the removal of user fees at the primary care level.

### Participation in policy activities

Professor Di McIntyre was involved in a number of national policy committees, including:

- 1994: Health Care Financing Committee;
- 1995: Committee of Inquiry into a National Health Insurance System;
- 2009 ongoing: Ministerial Advisory Committee on National Health Insurance.

## Equitable health systems

### Assessing equitable access to health services

While many public health care services are now free at the point of use, access barriers continue to be experienced. Through detailed analyses of access to obstetric services, TB treatment and anti-retroviral therapy, this project seeks to evaluate the key barriers to using health services and to propose possible solutions.

### Improving the provincial budget distribution to benefit the poor

Active engagement in research and policy debates around Treasury's 'equitable shares' formula contributed to the development of a formula component to account for inter-provincial differences in deprivation. Approaches to assessing relative deprivation continue to be used in the *District Health Barometer*, a regular publication of the Health Systems Trust that is used widely by government officials to identify particularly deprived areas at the sub-district level.

### Contracting private providers

Following recommendations from the mid-1990s Committee of Inquiry into a National Health Insurance (NHI) regarding the contracting of private providers for primary care services, research compared the cost and quality of service provision by public versus contracted private providers.



### Costing of a National Primary Health Care Package

The development of primary health care service norms and associated costs provides a guideline for PHC funding levels that can be used by provincial health departments in their budget negotiations.

### Improving planning and management of financial resources within districts

The development of a method and tool for undertaking district health expenditure reviews continues to be used by districts to inform planning and budgets. This approach was particularly valuable in districts where poor information systems meant that little or no information was available on how budgets were being used and how they could be reallocated to serve district populations' needs better.

### Participation in policy activities

Professor Di McIntyre was involved in national policy committees that sought to develop a national policy framework on public-private interactions, and to introduce drug regulations to reduce drug prices paid by the public. These included:

- 2002-2004: Department of Health Public Private Interactions Working Group
- 2003-2009: Ministerial Medicine Pricing Committee

## Analyses of priority disease areas and interventions

### Assessing the costs and cost-effectiveness of treatment for HIV/AIDS

The scale of the South African HIV epidemic together with high costs of treatment implies a need to carefully consider long term costs and sustainability of care. From 2001 to date, a number of cost-effectiveness and costing studies have been conducted to provide an evidence-base to inform government resource allocation in this key priority disease area.

### Assessing the cost and cost-effectiveness of treating and preventing malaria

Malaria continues to be a major cause of morbidity and mortality in Sub-Saharan Africa. A range of projects in South Africa and Mozambique has examined the cost-effectiveness of indoor residual spraying (relative to insecticide-treated bed nets), combination therapy (relative to mono-therapy) and rapid diagnostic tests. Much of this work vindicated existing South African policy. It has also had a profound impact on malaria prevention and treatment programmes in the region.



### Evaluating community-based supervision of TB programmes

A cost-effectiveness analysis of alternative approaches to the provision of TB treatment led directly to the development of a national policy to pay community-based workers for their key role in supporting adherence to TB treatment in clinics and communities.

#### Participation in policy activities

Dr Sue Cleary gave input to a number of initiatives to assess the costs of increasing access to HIV treatment and prevention programmes in South Africa and in the region, including:

- 2007: Costing Task Team of the 2007-2011 “National Strategic Plan for HIV/AIDS”

# Mechanisms for influencing policy

The HEU has contributed in many ways and on many fronts to health policy debates and development in South Africa. Reflecting on their experiences in this field, HEU researchers note some of the factors that have enabled this process to occur.

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## **A long track record**

The unit has been around for 20 years. During this time it has deepened its understanding of the issues facing the country and of research methods to investigate these issues. It has built up extensive networks with local, regional and international researchers and policy-makers. Most importantly, it has built up a strong reputation for good quality, policy-relevant research. This has given it a high profile as a source of reliable, professional, evidence-based policy advice.

## **Relevance of research to the social objectives of government**

The work of the unit is focussed on the pursuit of equity and the development of the district health system, both of which are key objectives of government. This work involves primarily applied research which is generated on the basis of a clear understanding of research priorities through sustained personal engagement with policy-makers and senior managers. Several projects have been commissioned directly by government.

## **Maintenance of a relationship with government**

The unit has been able to retain government's trust even in the face of ideological differences (e.g. around HIV/AIDS). It has sustained its position as a 'critical ally' because it has been consistent and objective in its policy advice, always offering constructive inputs to government. HEU researchers are keenly aware of the changing political and bureaucratic contexts in which policy-makers work which means that, when opportunities arise to make contact, HEU staff are always ready to engage in dialogue with government.

## **Direct engagement with government**

While the unit produces reports, journal articles, book chapters, conference presentations and newspaper articles, a key mechanism for disseminating policy information is through personal engagement with policy-makers and senior managers. This includes project-related processes (meetings, workshops, etc.) as well as direct involvement in policy-making committees and through teaching. This personal contact is particularly important in gaining the ear of decision-makers.

*“The unit has been around for 20 years. During this time it has deepened its understanding of the issues facing the country and of research methods to investigate these issues”.*



#### **Credibility**

While the Unit's modus operandi is trusted by government and others (such as activists, the media and donors), the characteristics of individual researchers are also very important. These include a high level of technical skill, commitment to equity, trust-worthiness, hard work and willingness to assist government. The Unit also shares many experiences with policy-makers, from the days of involvement in anti-apartheid activism. These factors have created a sense of trust in the researchers' work. Overall, the Unit's research is also perceived as professionally, politically and ideologically credible.



#### **The provision of courses**

Teaching has become an integral part of the Unit and has proved crucial for identifying priority areas for policy research, disseminating research and influencing policy-makers. Commenting on the research to policy interface, one of our research collaborators noted that 'the international world does not adequately acknowledge [the importance of teaching in achieving policy impact] ... It's about shaping minds ... not through the publication of information, but by directly engaging with people and learning and growing through that experience. I mean, all of the international debates about how you influence policy don't think about that as an important function.'

*“...the international world does not adequately acknowledge [the importance of teaching in achieving policy impact] ... It's about shaping minds ... not through the publication of information, but by directly engaging with people and learning and growing through that experience.”*

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Doherty, J. (2009). Health policy institutes: Landscaping and learning from experience. The case of the Health Economics Unit in South Africa. Report prepared for the Alliance for Health Policy and Systems Research, a unit based at the World Health Organisation.

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Gilson, L. McIntyre, D. (2008). The interface between research and policy: Experience from South Africa. *Social Science & Medicine*. 67(748-759).



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For more information about the Health Economic Unit's  
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[www.heu-uct.org.za](http://www.heu-uct.org.za)

Photographs courtesy of Brenton Geach

