

Experimenting with public goods; Experiences from the Dutch Health Insurance Act

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Modes of Governance

MARKETS AND PUBLIC GOODS 1: DEFINING THE DIFFERENCE FROM SOCIETAL GOODS

SOCIETAL: DESIRED FOR SOCIETY (AUTONOMY)

PUBLIC: NEEDING GOVERNMENT INTERVENTION
(QUALITY, ACCESSIBLE, AFFORDABLE CARE)

ONCE **DEFINED** THEY CAN BE **DELEGATED** TO OTHERS
REDUCING STATE INVOLVEMENT **WITHOUT** REDUCING
GOVERNMENT RESPONSIBILITY

THE **NPM DREAM** OF SEPARATING THE **DEFINITION** OF
PUBLIC GOODS FROM THEIR **IMPLEMENTATION**



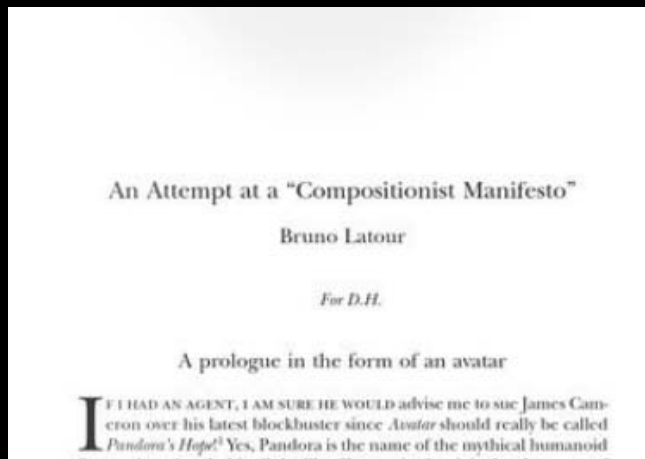
I'M 2 Y.O. & KAISER
CUT MY HEALTH INSURANCE
I AM THE 99%



MARKETS AND PUBLIC GOODS 2: COMPOSITION OF MARKETS AND PUBLIC GOODS

“things have to be put together (Latin *componere*) while retaining their heterogeneity”

Requires a move away from the
logic of implementation of public goods to a
logic of composition

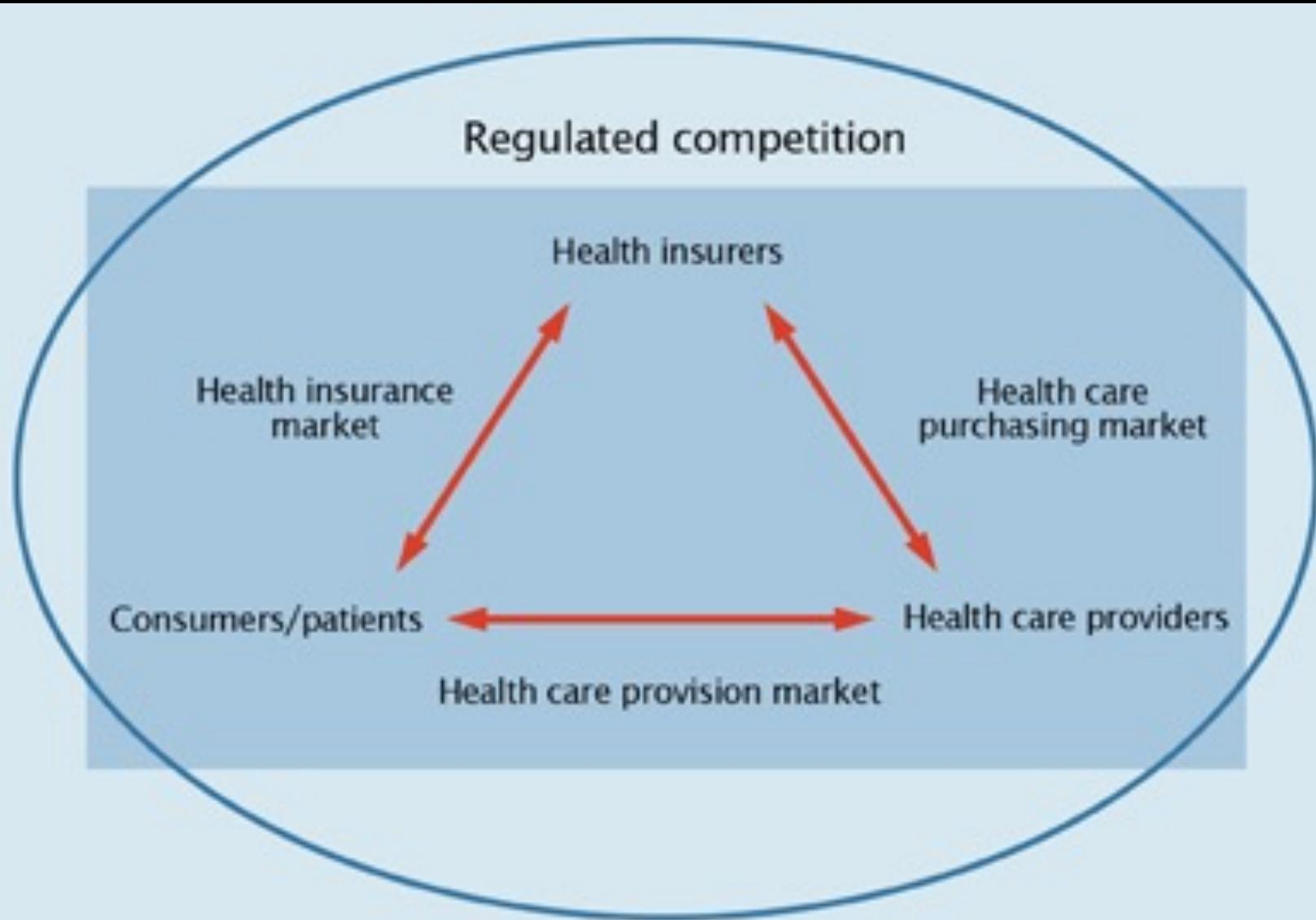


MARKET PRACTICES AND PUBLIC VALUES ARE
PERFORMED, SHAPED AND FORMATTED THROUGH
'SPACES OF CALCULATION'
(OFTEN DEVELOPED BY ECONOMISTS)

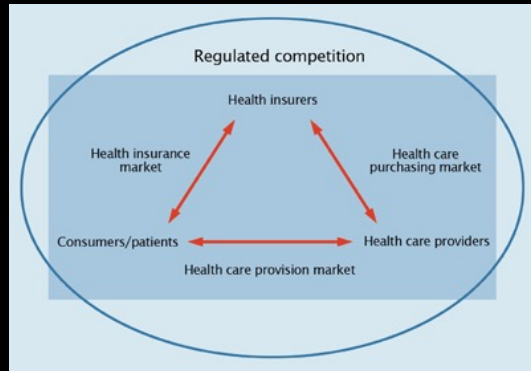


The Dutch Health Insurance Act

'REGULATED COMPETITION' IN DUTCH HEALTHCARE



'REGULATED COMPETITION' IN DUTCH HEALTHCARE



Health Care Insurance Act

Insurers: Selective contracting

Providers: Portfolio choices

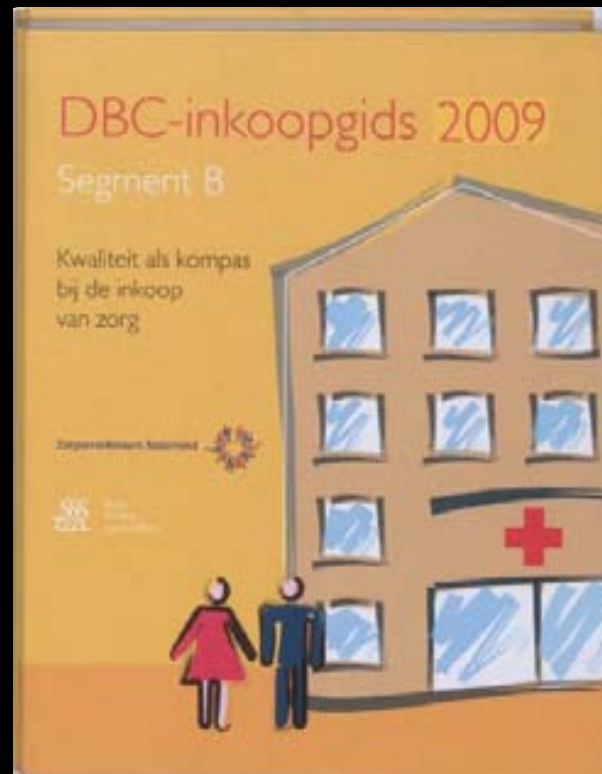
Professionals: Give up 'hobbyism'

Patients: Choosing for quality

NEW SPACES OF CALCULATION

DIAGNOSE TREATMENT

COMBINATIONS PURCHASING GUIDE



NEW SPACES OF CALCULATION

DIAGNOSE TREATMENT

COMBINATIONS PURCHASING GUIDE



"THE BOARD OF DIRECTORS OF [HOSPITAL X], THEY TOOK THIS GUIDE AND WENT TO THEIR DOCTORS, SAYING: "WELL, LOOK HERE?!" WITHIN ONE WEEK THE LENGTH OF STAY WAS DOWN BY TWO DAYS. (...) THEY HAVE SOMETHING ON PAPER THAT ISN'T THEIRS BUT HAS A CERTAIN DEGREE OF OBJECTIVITY, BECAUSE "WE [AS HOSPITAL DIRECTORS] ALSO DIDN'T MAKE THIS UP. THE PROFESSIONAL ORGANIZATIONS HAVE INDICATED: THIS IS HOW WE THINK IT SHOULD LOOK ON AVERAGE"" (DEVELOPER PURCHASING GUIDE).

NEW SPACES OF CALCULATION

DIAGNOSE TREATMENT

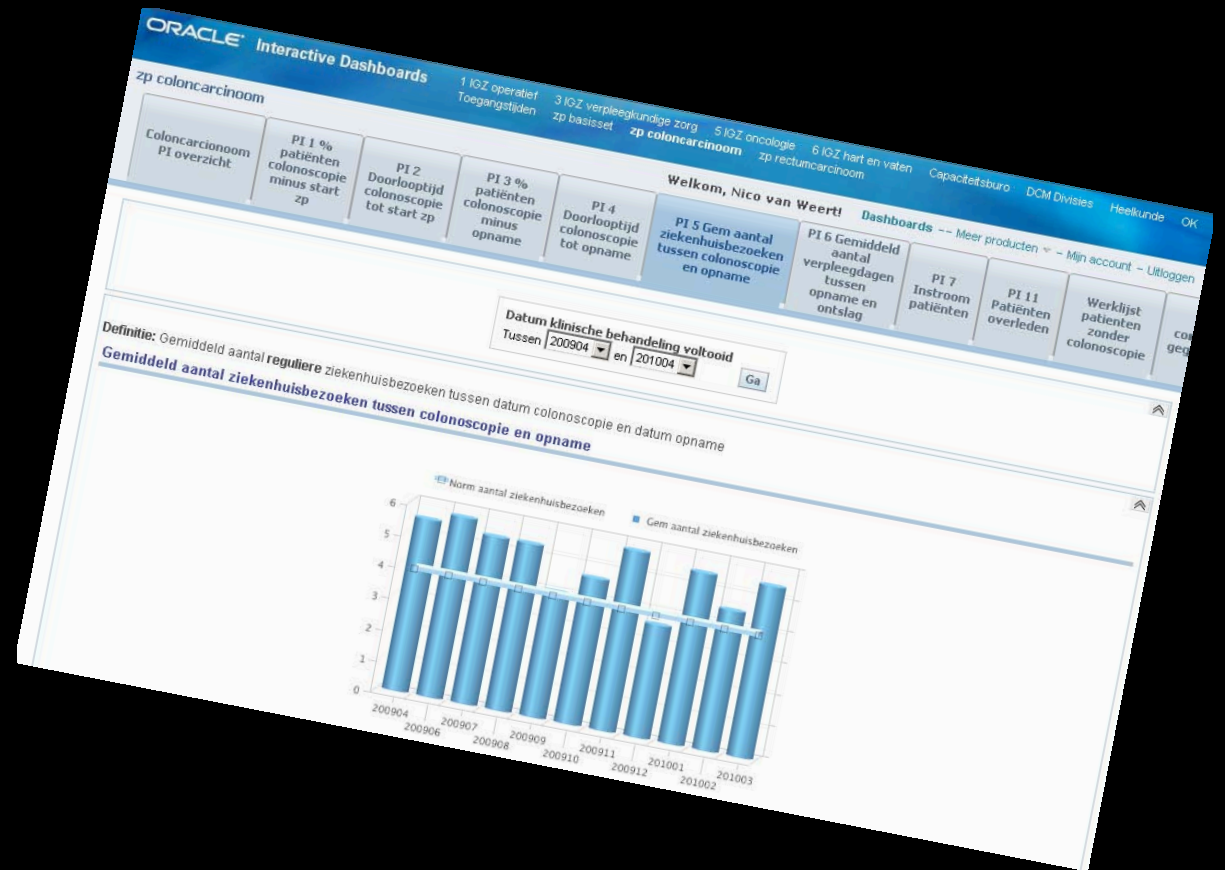
COMBINATIONS PURCHASING GUIDE



"THE BOARD OF DIRECTORS OF [HOSPITAL X], THEY TOOK THIS GUIDE AND WENT TO THEIR DOCTORS, SAYING: "WELL, LOOK HERE?!" **WITHIN ONE WEEK THE LENGTH OF STAY WAS DOWN BY TWO DAYS.** (...) THEY HAVE SOMETHING ON PAPER THAT ISN'T THEIRS BUT **HAS A CERTAIN DEGREE OF OBJECTIVITY,** BECAUSE "WE [AS HOSPITAL DIRECTORS] ALSO DIDN'T MAKE THIS UP. **THE PROFESSIONAL ORGANIZATIONS HAVE INDICATED: THIS IS HOW WE THINK IT SHOULD LOOK ON AVERAGE**" " (DEVELOPER PURCHASING GUIDE).

NEW SPACES OF CALCULATION

DASHBOARDS AND 'CONTRACT WITH SOCIETY'



"WE DO ASSUME THAT QUALITY AND AFFORDABLE CARE COULD GO TOGETHER. WHICH MEANS THAT AS SOON AS YOU [THE HOSPITAL] DO THE RIGHT THING AND IT BECOMES MORE EXPENSIVE, WE ARE LESS INTERESTED THAN THE OTHER WAY AROUND"
(PURCHASER INSURANCE COMPANY)

"There is one promising strategy: reducing the products you loose money on (...)
Bleeders and feeders: what is draining us and how to stop the bleeding"
(quality manager hospital)

Lessons for the Governance of Public Goods

REGULATED COMPETITION IN PRACTICE

HOSPITALS **MORE SIMILAR** THAN DIFFERENTIATED THROUGH 'NORM' OF DTC-PURCHASING GUIDE AND BLEEDERS AND FEEDERS

QUALITY SUBSTANTIALLY IMPROVED – BUT **DEFINED** AS '**COST SAVING**'

STRONG FOCUS ON **PRICE** AS CORE MECHANISM OF COORDINATION

FOR **GOOD COMPOSITION**, **EXCLUDE PRICE** THROUGH NON-PRICE COMPETITION

COMPOSITION OF PUBLIC GOODS INHERENTLY UNCERTAIN

BOTH **GAINS** AND **PROBLEMS** DIFFERENT THAN
FORESEEN

GOVERNANCE IS ALWAYS **IN THE MAKING**

FROM **DESIGNING GOVERNANCE SOLUTIONS**
TO **EXPERIMENTAL EXPLORATIONS OF PUBLIC
GOODS**

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