

# Abstract

## Conformity of healthcare service to the Flemish policy objectives

*Under the previous Government the Flemish minister for Welfare and Public Health had expressed the wish to extend the healthcare coverage. In six main sectors the Court of Audit has examined whether the healthcare policy objectives were achieved and whether the policy measures went far enough towards fulfilling these objectives. In spite of the increased expenditure and extended healthcare coverage the policy objectives were not entirely attained, in part because of a lack of financial resources. In addition, the Court of Audit has noticed that the policy is not adequately underpinned. More specifically the objectives are little supported by information on the policy areas and policy measures, such as subsidy schemes or planning, they are also seldom evaluated and there is an inadequate insight into the cost of healthcare and the efficiency of the facilities. In some cases the Court of Audit has been unable to establish objectively whether the objectives were attained because they were not verifiable or there was no dependable testing system.*

*If the present Flemish Government wishes to deal effectively with the healthcare deficiencies, it will have to develop a scientifically based and budget-supported long-term planning, a continuous policy area monitoring focused on healthcare cost, efficiency and cost-effectiveness and a periodic evaluation of the policy carried out.*

## Policy objectives

In several healthcare sectors demand exceeds supply so that the former minister set out objectives for the desirable healthcare coverage for the main policy areas. However, the supporting documents of the objectives lack transparency, since the underlying policy documents are inadequately harmonized and a summary table is missing. Moreover, the relation with the planning executory decisions is vague. These Government's decisions rarely show whether planning is an objective in itself or a mere budgetary management tool.

## Budget and expenditure

The higher share of the welfare and healthcare sector in the budget of the Flemish Community is evidence that the healthcare sector is among the Flemish Government's priorities : it rose from 11.1 % in 2000 to 12.4 % in 2004. Total healthcare expenditure by Government departments and public institutions grew by 41.6 % between 2000 and 2003. The Court of Audit was hardly able to find the relationship between the expenditure and the policy areas and objectives involved. Budget documents and accounts are not transparent enough to allow checking the budget appropriation against policy objectives as well as the cost of policy implementation.

## Evidence and verifiability of the policy area objectives

In order to check more in detail whether the objectives were attained and the conditions essential to an effective implementation of the objectives were met the Court of Audit has selected six major budgetary and social policy areas : child care, residential services for the elderly, domiciliary care, special youth welfare, care for the disabled and mental healthcare.

For each of the policy areas under consideration the objective underpinnings were not optimal. Government's insight into the policy areas was not adequate enough to articulate a well-founded objective for social needs. The verifiability of objective attainment also shows deficiencies, which, according to the Court of Audit, are due in part to deficient evidence. It is primarily the failure to be able to measure the results, the stipulation of an implementation deadline and the inconsistency of the objectives in policy documents that should be pinpointed ; they make an effective monitoring of the policy implementation and reaching reliable conclusions about objective attainment difficult.

### **Implementation of the objectives and evaluation of objective attainment**

Under this Government healthcare services have really increased especially for ambulatory care. The facilities available have been largely used. Expenditure for almost all policy areas selected has also grown strongly. Yet the Court of Audit has noticed that important policy objectives were not entirely achieved. Government departments and institutions lay part of the blame on an insufficient provision of budgetary resources, inappropriate regulations and long investment processing delays. The Court of Audit also believes that it is due to the poor documentation of the objectives. Government departments attempted to measure objective attainment, but policy evaluations were largely inexistent. The minister did not systematically get objective-attainment information and data on bottlenecks.

### **Subsidizing and monitoring the facilities**

In the Flemish Community, healthcare is mostly in the hands of private bodies and local authorities and, in much fewer instances, has the Flemish Government put in place its own healthcare facilities. Subsidies and other monitoring instruments should contribute to the desired level of healthcare service in all facilities.

Government departments and public institutions usually obtain enough information about healthcare service, check the enforcement of approval and quality provisions and are allowed to impose sanctions in case of defaulting facilities. However, their insight into healthcare cost and the facilities' financial sustainability is inadequate. This makes a right assessment of the subsidies needed difficult. Because of a lack of accounting inspection activities they also miss an insight into the cost-effectiveness and efficiency of the various facilities. The extension and distribution of healthcare is not yet sufficiently planned. Planning sometimes exists, but is never tied to a pluriannual budget. Government departments also fail to evaluate existing scientifically documented programme standards.