Introduction
Interest in the issues of governance and stewardship arose from initial studies by the HPHF Hub on the non-state sector, particularly the growth of non state hospitals in Vietnam and Indonesia. These studies identified that growth of the non state sector was part of changes in health systems in LMIC which could be characterised as a shift to mixed health systems, some would say with a commercial orientation. (Nishtar, Macintosh)

A review of the literature in relation to management of mixed health systems identified the importance of regulation, and the need for the state to take a more active role in the regulation and direction of the whole system, not just the management of provision of state services. This role has been termed a ‘stewardship’ role, while the arrangements for decision making and control within the system can be viewed as ‘governance’.

Purpose
The purpose of the roundtable was to convene a discussion among experts from Australia and the region involved in research on stewardship and governance of health systems, to
(a) examine international experience and literature, and concepts regarding governance and stewardship of health systems;
(b) review the experience and findings from country studies of the role of the non state sector and regulation in Indonesia, India and Vietnam; and
(c) inform the development of further studies and research for the Nossal Institute and partners on the application of ideas on governance and stewardship for the regulation of mixed public-private health systems in a LMIC context.

Summary of discussion
(1) Concepts and theories of governance and stewardship
Governance is a difficult concept to describe and define. It has been seen variously as a function of the health system; a property of the system; and a multi-dimensional concept (Balabanova)

Issues arising during discussion:
- Governance could be seen as instrumental rather than normative, in the sense that it relates to decision making and implementation of decisions in systems and institutions to achieve goals, without specifying those goals;
- Governance occurs at different levels of the health system, from global / international, to national, to subnational and individual institutions, each level influencing the governance of the level below, forming a ‘cascade of governance’.
- Governance is not restricted to organisations of the state or formal government, but also includes the non state sector
- Governance covers structural aspects (such as organisational relations, formal rules), and also ‘soft’ aspects (such as culture, values, ideas, and power relations)

Stewardship
- Stewardship was more clearly a function of government in providing direction, specifying the goals, and ensuring appropriate arrangements for decision making and implementation at different levels and institutions within the system i.e. ensuring ‘good governance’;
- WHO has defined a range of components of stewardship: direction, information, use of instruments (legal, regulatory policy) (WHO Europe: European health report 2009 p 137)

- Stewardship is directed more towards the health of population; governance is directed towards operation of health system – accountability for achieving the goals set by stewardship

Some specific comments from experts:

Kabir – Governance is broader than stewardship; stewardship is actor centred, while governance is system centred

Abby – Governance is context specific, ideological; includes structure, process and function. Distinguish between global health governance; governance of public or private institutions; and collaborative governance, co-produced by state and non state actors.

Paul - governance is related to freedom and linked neoliberal ideologies of government or ‘governmentality’

(2) Components of governance and stewardship

Paul – Table of governance analytics (developed as part of training for directors on governance boards of companies)

<table>
<thead>
<tr>
<th>Orientation in time (towards past or future) and internal / external focus</th>
<th>Compliance (orientation towards past)</th>
<th>Performance (future orientation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal focus (within organisation)</td>
<td>Monitoring</td>
<td>Policy / control</td>
</tr>
<tr>
<td>External focus (outside organisation)</td>
<td>Accountability</td>
<td>Strategy</td>
</tr>
</tbody>
</table>

Kabir

Institutional arenas and functions defined by Brinkerhoff and Bossert (2008)

<table>
<thead>
<tr>
<th>Institutional Arena</th>
<th>Governance Functions</th>
<th>Focus of rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil society</td>
<td>socializing, enabling</td>
<td>How citizens engage in issues of public concern; access and participation of societal groups</td>
</tr>
<tr>
<td>Politics</td>
<td>aggregating, representing, legitimizing</td>
<td>How interests are combined by political institutions to policy; structuring representation and response to citizens’ needs</td>
</tr>
<tr>
<td>Policy</td>
<td>distributive, redistributive, regulatory, constitutive, adjudicatory</td>
<td>How government institutions make policies that allocate benefits, regulate behaviour, adjudicate disputes</td>
</tr>
<tr>
<td>Public administration</td>
<td>implementing, managing</td>
<td>How policies are implemented; structure &amp; organization of government; management of public agencies</td>
</tr>
</tbody>
</table>
(3) ‘Good governance’

Key characteristics of responsible governance (Brinkerhoff and Bossert (2010))

Accountability: accountability of key system actors to the beneficiaries and broader public

Fairness: policy process engages key and competing interest groups on equal terms, given fair rules of competition, and allows negotiations and compromise

Capacities: sufficient state capacity, power and legitimacy to manage policy making and implementation

Engagement by non state actors in policy processes, service delivery partnerships, and in oversight and accountability

Paul: Good governance

Creates public value – return on investment

Uses appropriate, feasible, sustainable, accountable strategy

Manages risk – hazards, operational risks, strategic risks

(4) Instruments / mechanisms

Paul – concepts from international literature

(a) Responsive regulation pyramid (Braithwaite)

Each level of regulation is dependent on the level above and on the availability and use of sanctions and ruinous powers at the apex of the pyramid

(b) Networked governance

Overlapping jurisdictions of different authorities, which need to collaborate rather than compete (horizontal)

Multi level governance: recognizes the cascade of governance with each jurisdiction having a degree of sovereignty (vertical overlap)

(c) System engineering vs system evolution

Ideas of ‘engineering’ the health system challenged by the ‘ungovernability’ of the system. Alternative concept of health as a ‘biological’ system, which develops by ‘evolution’ of inter-related parts rather than planned and controlled.

(5) Characteristics of mixed health systems in the context of LMIC

Many Low and Middle Income Country (LMIC) health systems are characterized by (Nishtar 2010)

- Diversity in health care provision
- Dominant, poorly organized private markets
- Compromised public services
- Blurred public-private distinction

These health systems are characterized by:

- Unnecessarily high costs of health care
- Variable quality of care provided
- Irregular ethical conduct of health care providers
- Unavailability / unequal distribution of health care providers
Factors involved in mixed health systems

Government
- ideology – market orientation
- politics and power – capacity / willingness to take stewardship role
- allocation of resources
- capacity and willingness to regulate

Political context
- decentralization
- liberalization of the economy
- fragmentation of decision making

Community
- demand for services
- capacity and willingness to pay
- preference for private sector

Non state sector
- lack history / capacity for institutional governance
- lack ethical standards

Many of these factors relate to governance and stewardship

Government policy makers need to shift from direct ‘command-control’ instruments to a mix of instruments; covering private and public sectors, and engaging multiple stakeholders, and multiple levels of government – each with their own degree of authority and autonomy.

(6) Research agenda

Issues
- managing / engaging civil society, non state actors for public benefit (Abby – collaborative governance)
- institutional / organisational governance -management of resources; accountability
- importance of dynamic / software aspects – interests, ideas, power; focus has been too much on the allocation and use of resources (finance, workforce)
- involves analysis of policy and policy making

Potential approaches
(1) Case studies

Six case studies of policy influence currently being prepared by HPHF Hub on how research evidence and researchers have influenced policy agenda, formulation or implementation. These case studies use a structure which examines context, researchers, policy actors, and changes in engagement in policy, attitudes to policy, policy formulation and implementation.

Potential to add a governance perspective to these studies to identify / describe how the interventions or the changes relate to governance issues. Includes a focus on ‘system’ governance as well as institutional governance which varies in different case studies.

Aspects to be developed
- Concepts & definitions: governance, stewardship, regulation
• Context aspects – mixed health systems + countries selected – typologies (Kabir has ideas)
  Leichter 4 aspects of context: situational, structural, cultural and external.(Abby)
• ‘System’ governance arrangements: stewardship by state; engagement non-state;
  structures / rules; ideas, politics, values
• Institutional governance: use orientation / internal – external table (Dugdale)
• Identify lessons from case studies relevant to governance, policy making / implementation

(2) Synthesis Study
Use case studies above to identify governance implications for policy makers and development partners around a specific policy issue eg equity of access
Analyse governance in terms of components and ‘good governance’
- structural arrangements – authority, accountability
- formal policy / documentary arrangements – regulation, finance & payments, guidance provided
- perceptions, ideas, underlying power issues – in practice
Analyse stewardship function of government around components of stewardship
Discuss /identify options to address policy / governance challenges (accountability, government –
  non govt roles, levels of autonomy & decisions)
Discuss / identify implications for broader development agenda / development partners

Annex: Participants
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  Nossal Health Policy and Health Finance Knowledge Hub

Presentations available at website: www.ni.unimelb.edu.au
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