Health policy analysis: a simple tool for policy makers

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Summary Policy analysis is not an easy task. Its scope is broad and can include both the analysis of policy process and the analysis of policy content. This paper is concerned with the analysis of policy content and offers some practical guidance regarding how to analyse health policy and link it to health outcomes. An eight-step framework for policy analysis is proposed that public health policy makers and public health practitioners may find especially useful due to its simplicity. © 2004 The Royal Institute of Public Health. Published by Elsevier Ltd. All rights reserved.

Introduction

Policy analysis can be a troublesome task. Its scope is broad and problems can arise when deciding which aspects of policy to analyse. Much academic work, for example, focuses on the analysis of major stakeholders and their influence on decision making. But what are the options that policy makers face, and which of them will result in desirable outcomes? What are the consequences of policies if they are implemented?

In looking at policy analysis, an important distinction should be made between analysis of policy process and the analysis of policy content. The main focus of process analysis is policy formulation and the main focus of content analysis is the substance of policy. Content analysis examines a significant policy issue and explores the options to tackle this issue.1

This paper is concerned with the analysis of policy content and offers some practical guidance regarding how to analyse policy and link it to health outcomes. Policy analysis illustrates the need for interventions that highlight and address important policy issues, improve the policy implementation process and lead to better health outcomes.

This paper will begin by defining the terms ‘policy analysis’ and ‘health policy’, and will explore different approaches to public policy analysis. It will also offer a framework for health policy analysis that could be a useful tool for policy makers due to its simplicity.

Different approaches to policy analysis

Policy analysis is a generic name for a range of techniques and tools to study the characteristics of established policies, how the policies came to be and what their consequences are. Although increasing in importance in academic circles, policy analysis is not yet considered a unified field of
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study. The main concern of policy analysis is the outcomes of health policies or the effects that the policy has on people.

There are different methodologies for public policy analysis. Dunn suggested that policy analysis should incorporate five general procedures common to most efforts at human problem solving: definition; prediction; prescription; description and evaluation. Definition provides information about the conditions that contribute to a policy problem. Prediction provides information about future consequences of acting on policy alternatives, including doing nothing. Prescription provides information about the relative value of these future consequences in solving the problem. Description provides information about the present and past consequences of acting on policy alternatives. Finally, evaluation provides information about the value or worth of these consequences in solving the problem.

Portney referred to the three approaches of policy analysis: policy making; cause and consequence; and the policy prescription.

The policy making approach to policy analysis defines public policy not as a product of government action but as a political process. A proposal must move through the following five stages to become a policy: problem formation; policy formulation; policy adoption; policy implementation and policy evaluation.

The cause and consequence approach to policy analysis is focused on intended or unintended impacts of governmental decisions or non-decisions. It uses terminology from system analysis, such as inputs, outputs and outcomes.

Policy prescription looks ahead. It attempts to use a variety of economic, mathematical, computer science and operations research techniques to answer the question: what should the government do in the future?

Pal offered a broader but brief definition of policy analysis: 'the disciplined application of intellect to public problems'. Since it focuses on broad questions and on the future, policy analysis is subject to considerable uncertainty. According to Bardach, policy analysis is more art than science. It draws on intuition as much as method. Bardach proposed a practical framework for public policy analysis, which he referred to as the 'eight-fold path'. The following eight steps form the bases of the path: (1) define the problem; (2) assemble the evidence; (3) construct the alternatives; (4) select the criteria; (5) project the outcomes; (6) confront the trade offs; (7) decide; and (8) tell your story. It is worth noting that going through these steps is not necessarily a linear process. Often, it can be iterative. Bardach's framework does not require sophisticated methods of analysis; it is focused on the policy issue and can be accomplished by policy makers in a relatively short period of time.

Health policy analysis

The different policy analysis methodologies above refer to general public policy analysis, but how does one go about analysing health policies? At the outset, it is important to understand what is meant by 'health policy'. The World Health Organization (WHO) defined health policy as an agreement or consensus on the health issues, goals and objectives to be addressed, the priorities among those objectives, and the main directions for achieving them. The WHO's approach to public health policy 'puts health on the agenda of policymakers in all sectors and at all levels, directing them to be aware of the health consequences of their decisions and to accept their responsibilities for health'. However, health policy decisions are not always the result of a rational process of discussion and evaluation of how a particular objective should be met. The context in which the decisions are made is often highly political—concerning the degree of public provision of health care and who pays for it. Health policy decisions also depend on value judgements, which in any society are implicit, but are very important to understand in order for policy to be implemented, for example, the value placed on women and their health.

Walt differentiated policies by dividing them into 'high politics' and 'low politics'. High politics issues or macro-policies (such as major economic decisions or national security) involve the long-term objectives of the state and those in power, as opposed to low politics issues or micro-policies that involve mainly sectoral interests. In health, many policies often fall into the category of low politics. However, as Walt stated, a low politics issue can shift and become a high politics issue over time. A health policy maker needs to be aware of these constraints and develop a sense of what is urgent and feasible.

Health policy analysis is a political as well as social activity and could be very time consuming. However, in today's fast-paced environment, health policy makers may face a daunting reality of having to make important decisions in a very short period of time. Most frameworks proposed in the health policy literature use particular concepts and models in order to explain health policies in abstract, theoretical terms and focus mainly on
Step 1. Define the context

Countries vary enormously in terms of geography, politics, economics, culture and the organization of their health systems. In every country, health policy mirrors political, economic and social pressures, as well as national values and priorities. Health policy analysis has utility to the extent that it looks at health policy in the context of these national realities. Therefore, the first step to take in policy analysis is to develop a comprehensive profile of a given country.

The reasons for profiling a country for the purposes of policy analysis are two-fold: (1) to provide the background information on the country that puts health policy in context; and (2) to understand the determinants of health problems (socio-economic, cultural) that will subsequently form the basis for health policy analysis.

For developing a country profile, it is useful to look at all the factors that directly or indirectly influence health policies. The range of contextual factors that affect policies are broad and could include country history (political system, other nations’ influence), geography, social and economic conditions etc. Leichter proposed four categories of factors that have impact on policies: situational factors (such as violent events or change of government) that are more or less transient; structural factors (political structure, economics, social systems) that are relatively permanent characteristics of a given country; cultural factors (values of society) and environmental factors,11 which Walt called external or international structural factors (trade agreements, influence of bilateral and multilateral organizations).10 Health problems do not arise in a vacuum and changes in any of the contextual factors usually have direct or indirect influence on the health status of the population, which is important to document.

Step 2. State the problem

The next step in health policy analysis is consistent with Bardach’s first step—defining the health problem. The health problem is a situation or condition that has a current or potential adverse effect on people’s health. Whether a problem requires research depends on three conditions, as follows.

1. There should be a discrepancy between what exists and the ideal or planned condition.
2. The reason for this difference should be unclear.
3. There should be more than one possible solution to the problem.

The effort to define a health problem leads naturally to a problem statement. A good problem statement should be limited to description. Problem statements that explicitly or implicitly also include a diagnosis of the causes of a problem can be treacherous.6 In order to develop a well-defined health problem statement, data are needed on a population’s vital statistics (live births, deaths by age, sex and cause etc.) as well as health statistics (morbidity by type, severity and outcome data; also, burden-of-disease data could be useful when desegregated statistics are not available).

Problem definition is a crucial step. Over the course of policy analysis, the empirical and conceptual understanding of the problem will evolve. Therefore, it is important to revisit the problem statement over and over again in the policy analysis process to make sure that the problem will be successfully targeted in the end.

Step 3. Search for evidence

After the problem is defined, it is time to assemble the evidence—in other words, collect data that have ‘meaning’ and can help identify significant features of the policy problem under study and how it might be solved or mitigated. In real-world settings, an analyst can rarely afford the time for a research effort that would please a careful academic researcher. The principal error that a novice analyst makes is spending significant time trying to collect information that has little potential to be developed into evidence.6 Therefore, prior to seeking out evidence, it is imperative to narrowly define the policy issue to be examined. For example, the policy focus could be healthcare reform elements (not the whole reform) or it could focus primarily on vulnerable populations.

A good starting point for collecting the evidence is literature review. Secondary data are sometimes
sufficient to complete the analysis. ‘Secondary data’ indicates not only published academic sources, but important policy documents and unpublished reports that could be made available through ministries of health or other public institutions of a given country. Some information can be found through the Internet as well, although the validity and reliability of web data is sometimes suspected.

Surveys of best practices could also be a useful tool to collect valuable information. The chances are that the health problem under study is not unique to a given country; other countries may have already dealt with it successfully. Finding where the problem has already been addressed could lead to solutions that can be extrapolated to the situation under study.

If more evidence is needed after exhausting secondary sources, it is time to move to more expensive primary data collection. For less-explored problems, qualitative tools are more appropriate. This can be done through face-to-face interviews or through focus groups that give an analyst very rich qualitative data and a depth of understanding of the problem.

**Step 4. Consider different policy options**

Upon compilation of evidence, it is time to think about constructing the alternatives for alleviating the problem. ‘Alternatives’ indicates policy options, alternative courses of action or alternative strategies of intervention. ‘We often think about alternative approaches to the problem as possible interventions in the system that hold the problem in place or keep it going.’

When it comes to options analysis, the policy linkages to contextual factors are imperative. Some options are often ignored even before any kind of option appraisal is attempted. For example, in examining the available options for HIV/AIDS policy, a sexually explicit public education campaign may not be considered in a given country. In other cases, epidemiological, clinical and economic aspects of interventions need to be considered if the policy is to be implemented. The options should also reflect the ethnic specificity and experience of the nation and be scientifically justified and based on international experience.

Weighing different alternatives does not necessarily mean that the policy options are mutually exclusive. Sometimes choosing one alternative implies forgoing another, and sometimes it means simply adding one more policy action that might solve or mitigate the health problem, perhaps in conjunction with other alternatives. For instance, if we refer to the HIV/AIDS example again, in a country with a low HIV/AIDS epidemic, the policy might be focused on prevention of HIV/AIDS through public education about individual protection. However, with a rising incidence of HIV/AIDS, the government might consider adding treatment to the prevention.

**Step 5. Project the outcomes**

An important point to keep in mind is that when considering the alternatives, we are mainly concerned with the outcomes of the proposed alternative interventions. For example, if we arrive at the conclusion that alternative A will lead to a desirable outcome OA, which we consider to be better than the outcome OB (the result of alternative B), we will decide to choose alternative A as the best possible policy option.

If we use the previous example of HIV/AIDS policy, the alternatives could be treatment vs prevention. Although attractive in theory, treatment of HIV/AIDS (where there is no cure and sometimes benefits are uncertain, while costs are high) benefits a relatively small number of individuals, while preventive strategies have the potential of reaching out to the whole population and could be more feasible.

**Step 6. Apply evaluative criteria**

In order to evaluate interventions, we need standards; criteria against which we measure the projected outcomes. It is important to stress again that criteria apply to judging the outcomes of alternative interventions, not the alternatives themselves. The choice of criteria depends on the problem under study.

Rodriguez-Garcia proposed five criteria that should be applied to the evaluation of interventions:

1. Relevance: does the intervention contribute to the health needs of the target population? Is it consistent with policies and priorities?
2. Progress: how do actual results compare with projected or scheduled results?
3. Efficiency: what are the results in relation to resource expenditure of the intervention?
4. Effectiveness: to what degree does this particular intervention attain its objectives?
5. Impact: what is the effect of the activity on overall health and related socio-economic development?
Step 7. Weigh the outcomes

A common error that inexperienced analysts make is to focus on choosing between the alternatives rather than between the projected outcomes. The alternatives should first be converted into outcomes before genuine trade-offs can be confronted. In our previous HIV/AIDS policy example, when we were considering the alternative of treatment vs prevention, the trade-offs would be between the improved health status of HIV/AIDS individuals who receive treatment vs the improved knowledge among a general population of how to protect oneself.

Step 8. Make the decision

Once the outcomes are carefully weighed, the decision should be made regarding which policy option to pursue. This decision is very context specific and depends on the problem under study, the priorities and values of a given country and the feasibility (material, financial and human resources) of policy implementation. Before the final judgement is made, policy makers are advised to receive feedback from experts since, as Ham suggests, the ‘impact of policies that are poorly designed and untested may be disastrous. As such the case for evidence-based policymaking is difficult to refute.’

Conclusion

Despite the simplicity of the policy analysis framework proposed above, health policy analysis is a daunting endeavour. Official statements of policy intent made in government health policy documents are not always translated into policy implementation that leads to favourable health outcomes. Often there are no formal policies to follow, or policy statements can exist on paper but not be supported by policy measures (such as regulations, projects or programmes) to facilitate their implementation. The fact that there is a health problem that needs intervention indicates that the existing policy is not effective and the alternatives should be explored through analysis in order to address the problem. However, it is important to be modest about the contribution that policy analysis can make in mitigating the identified problem. Ham warns us that ‘what goes inside the black box of decision making is not a rational, logical process in which information and research determine policy outcomes’. However, raising awareness on the importance of issues, and good communication with the important stakeholders, is a good start if analysis is to influence policy.

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