

# Combatting Corruption and Promoting Equity in Health

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## Defining and Measuring Corruption: Challenges and Strategies (Pt. 2)

Tim K. Mackey, PhD – UC San Diego  
Associate Professor  
Director



@tkmackey

UC San Diego



WHO Collaborating Centre  
for Governance, Accountability and Transparency  
in the Pharmaceutical Sector

**“Health Corruption”?**

# Corruption in Healthcare Sector

## Summary of Corruption in Healthcare:

- **Scope:** True scope of corruption in healthcare is unknown, though estimated \$2 billion in bribes paid yearly (IMF), est \$415 billion lost to healthcare fraud and abuse globally (WHO)
- **Who is Impacted?** Corruption impacts countries of all income levels and across multiple points of healthcare sector
- **Health Corruption?** Unique form of corruption as it impacts human health and population health outcomes. Also undermines shared SDG goals

Policy & practice

## The sustainable development goals as a framework to combat health-sector corruption

Tim K Mackey,\* Taryn Vian\* & Jillian Kohler\*

**Abstract** Corruption is diverse in its forms and embedded in health systems worldwide. Health-sector corruption directly impedes progress towards universal health coverage by inhibiting people's access to quality health services and to safe and effective medicines, and undermining systems for financial risk protection. Corruption is also a cross-cutting theme in the United Nations' sustainable development goals (SDGs) which aim to improve population health, promote justice and strong institutions and advance sustainable human development. To address health-sector corruption, we need to identify how it happens, collect evidence on its impact and develop frameworks to assess the potential risks and put in place protective measures. We propose that the SDGs can be leveraged to develop a new approach to anti-corruption governance in the health sector. The aim will be to address coordination across the jurisdictions of different countries and foster partnerships among stakeholders to adopt coherent policies and anti-corruption best practices at all levels. Combating corruption requires a focused and integrated political will, better advocacy and stronger institutions. There is no single solution to the problem. Nevertheless, a commitment to controlling corruption via the SDGs will better ensure the integrity of global health and human development now and beyond 2030.

Abstracts in 中文, Français, Русский and Español at the end of each article.



abuse of entrusted power for private gain.<sup>1</sup> Corruption in relation to global health has been appropriation of authority, resources, trust or institutional gain that has adverse effects on international health systems and/or that individual patient and/or population health in 2013 by Transparency International, an organization working against corruption, 4 of 109 countries surveyed, more than 50% that the health sector in their country was ript.<sup>2</sup>

Special theme: health and the sustainable development goals

ology and Division of Infectious Diseases and Global Public Health, University of California, San Diego School of Medicine, San Diego, United States; Boston University School of Public Health, Boston, USA; University of Toronto School of Public Health, and Munk School of Global Affairs, University of Toronto, Ontario, Canada. \*Mackey (email: tmackey@ucsd.edu)

# What is “Health” Corruption?

Working definition of “health” corruption:

*“misappropriation of authority, resources, trust or power for private or institutional gain that has adverse effects on **regional, local, or international health systems** and/or that negatively impacts **individual patient and/or population health outcomes.**”*

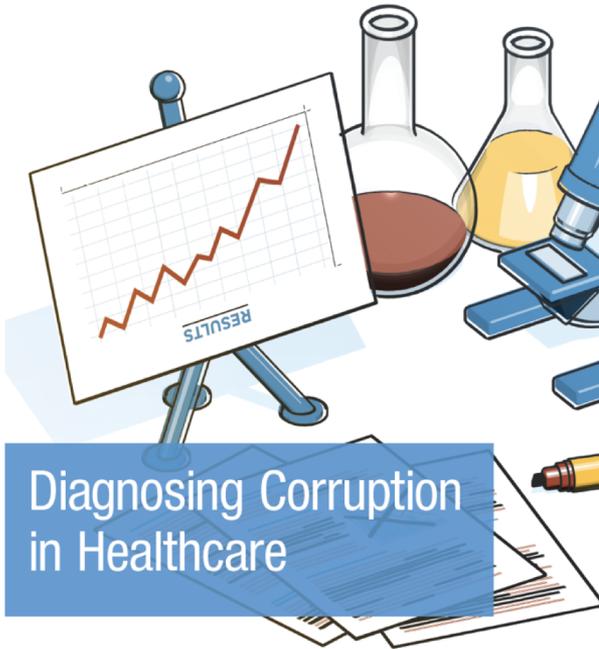
# What is “Health” Corruption?

Commonly accepted definition of  
“corruption”:

*“corruption is the abuse of entrusted  
power for private gain.”*

Transparency International

# Categories of Health Corruption



## Health System Governance

Distorted policies and legislation negatively affect public health goals and have a cascading effect throughout the health system.



## Research & Development

Corruption in research and development can lead to unsafe or ineffective products entering the health system, with medical knowledge being compromised.

Table 1. Categories of health corruption and their characteristics

Health corruption category	Description	Potential health system actors	Specific examples
Health-system governance	Corruption that undermines the governance process of policy and legislation setting in the health system for private gain	Lobbying firms Manufacturers Trade associations Insurance providers Politicians and law-makers	Lobbying activities aimed at influencing government health-care decisions and policy without integrity or transparency Undue influence over the political process to impact health policy, regulation or law Conflicts of interests associated with health-care suppliers or service providers
Health-system regulation	Corruption that undermines regulatory processes aimed at ensuring patient safety and appropriate use of health products	Regulators Manufacturers Trade associations	Inappropriate regulatory approval of health products Inappropriate inspection, accreditation, certification and product selection of health services, facilities and products Regulatory capture (when entire sections of health-care regulation are captured by select groups)
Research and development	Corruption and fraud in research and development activities for biomedical innovation	Researchers Academic institutions Manufacturers Clinical research organizations	Fraudulent research and clinical trial data Conflicts of interests between researchers and companies or sponsors Ghost-writing (when an author receives assistance with a scientific article and it is not acknowledged) Unethical practices in biomedical research Misleading research and clinical trial findings that are then disseminated or used to impact health-care services
Marketing	Corruption and fraud in marketing practices to increase profits or unduly influence prescribing or purchasing	Manufacturers Medical communication companies Health-care providers Patient and professional organizations	Gifts and other financial inducements to health-care providers False and misleading marketing claims Off-label promotion (where illegal), by marketing a drug for an indication which has not been approved Kickbacks (payments to induce or reward patient referrals or the generation of business involving health-care) Improper continuing medical education funding that involves conflict-of-interest in content or as a form of improper inducement
Procurement	Corruption and collusion in procurement of health products, supplies, equipment and related services	Manufacturers Distributors and wholesalers Procurement officials	Bid-rigging (when parties agree in advance to which company will win a bid) Collusion between bidders for contracts Influencing drug formulary decisions Unfulfilled delivery of contracts
Product distribution and storage	Corruption as it relates to the distribution, transport, and storage of medicines and other health commodities	Distributors and wholesalers Pharmacies and other dispensers Regulators Unauthorized manufacturers	Theft and diversion of products Expiration, spoilage and adulteration of products Falsified and substandard medicines Corruption that leads to medicine stock-outs
Financial and workforce management	Corruption that impacts financing and workforce management and that limits health-care services	Health administrators Health-care providers Donors Politicians and public servants	Theft, embezzlement and misallocation of health-care funds Unjustified absenteeism (workers who are legitimately on a payroll, but are chronically absent without approval) Dual practice (when clinicians who have salaries in the public sector also maintain a private practice to divert patients or resources for their own financial gain) Improper billing or payments, upcoding (when a provider bills for a service that is more expensive than the one performed), and false claims Self-referral (when a health-care provider refers a patient to an entity they have a financial relationship with) Ghost workers (non-existent individuals receiving salaries through the payroll system) Inappropriate selection for jobs, promotions and training



## Product Distribution & Storage

Product distribution and storage genuine may be stolen and falsified, and re-packaged products enter the health system.

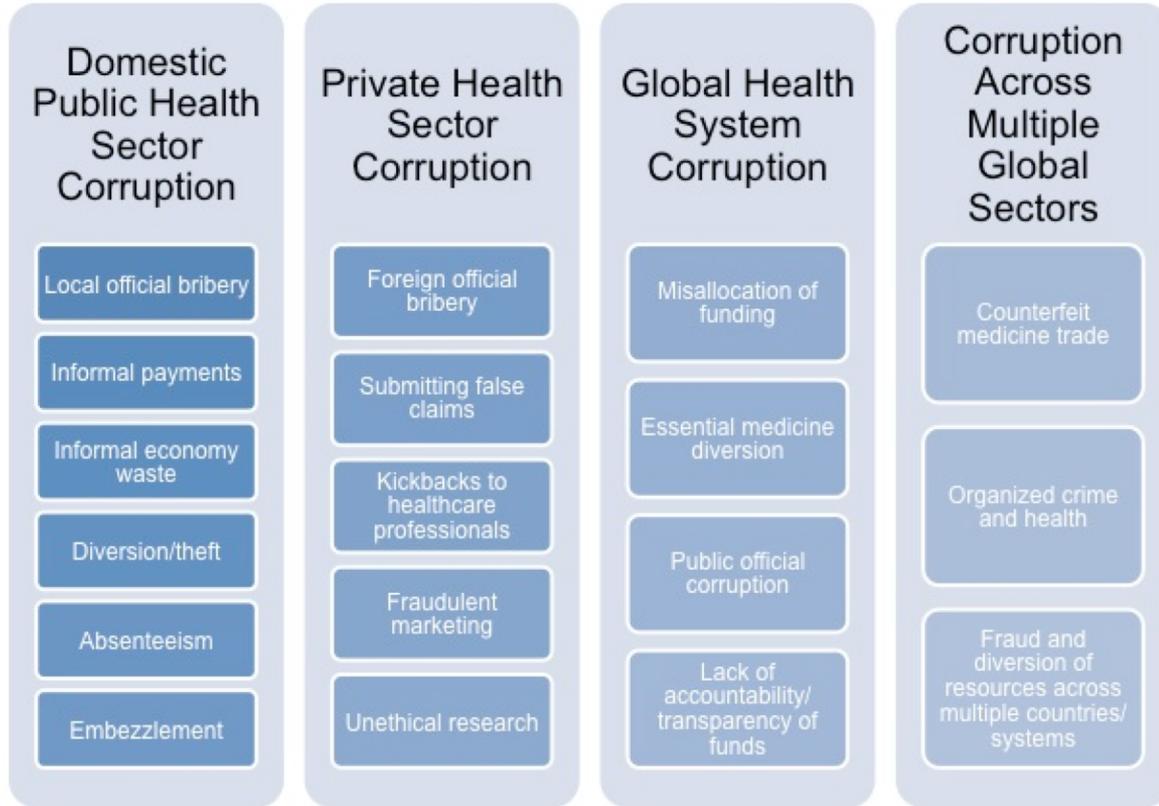


## Pharmacy of Healthcare Services

Presence of corruption during the delivery of a healthcare service will act on the quality and level of care to patients by healthcare providers.

(continues...)

# Diversity of Health Corruption



**Figure 1: Examples of health corruption types and scopes**

Forms of health corruption are diverse and complex spanning developed and developing countries. Each needs to be addressed with targeted policy and interventions.

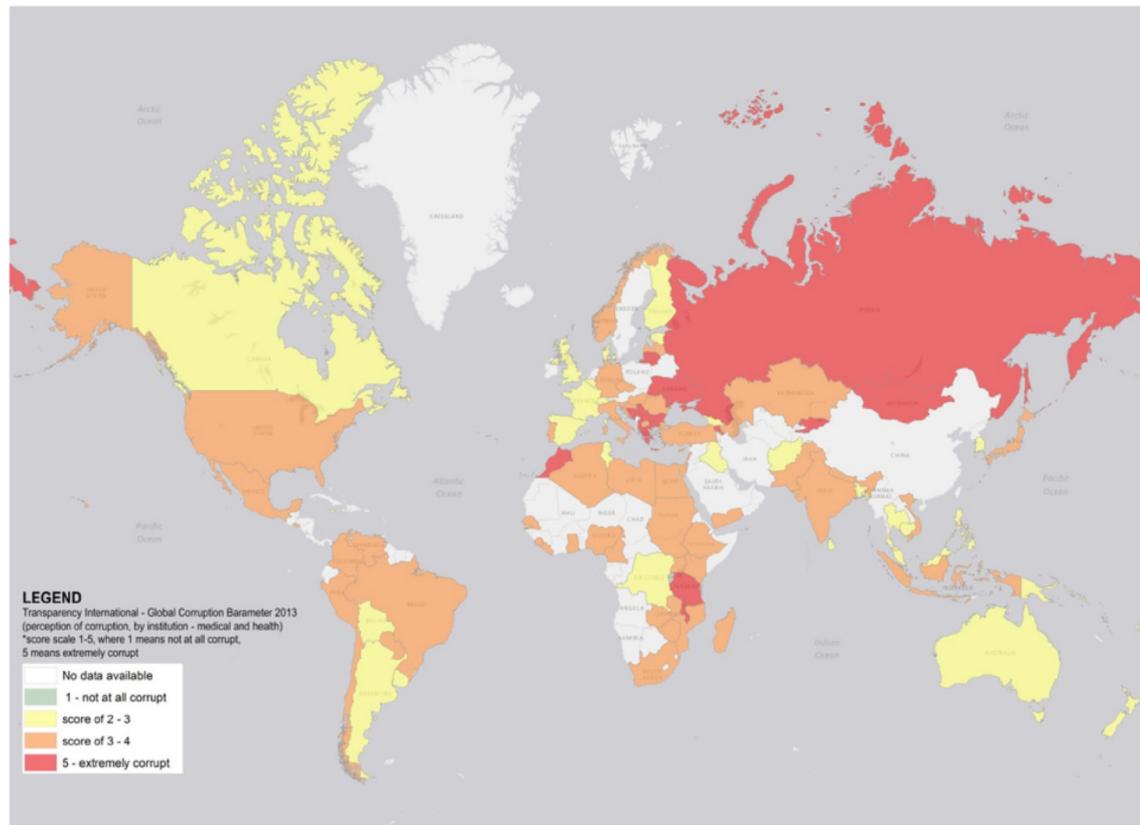


# Global Perceptions of Corruption in Healthcare Sector



**GLOBAL  
CORRUPTION  
BAROMETER  
SERIES**

This is how we found that  
**1 in 4 people**  
paid a bribe to access a public serv  
\*in the world



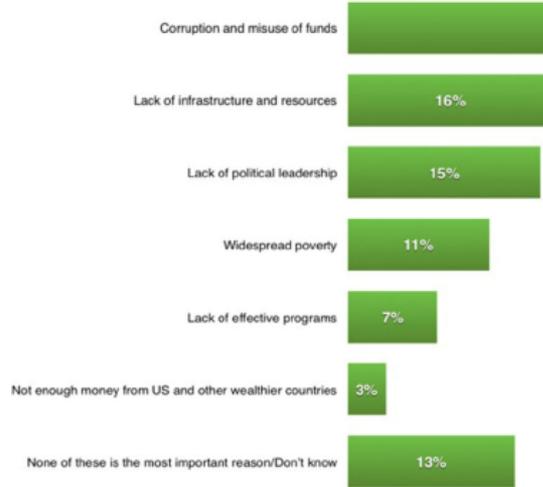
**Fig. 3** Heat map of Transparency International's Global Corruption Barometer (GCB): perceptions of the extent of corruption in medical and health services institutions. Transparency International's 2013 GCB uses surveys from more than 114,000 respondents in 107 different countries to assess people's direct experiences and views on corruption in main institutions in their countries. This includes assessing perception of the extent of corruption in Medical and Health Services institutions measured on a scale of 1 to 5, where 1 indicates "not at all corrupt" and 5 indicates "extremely corrupt." The above map was generated using publicly available data from GCB and was visualized in ArcGIS map. It depicts the varying levels of public perception on how corrupt medical and health institutions are within respective countries (global mean score of 3.3)

# Impact of Perception on Global Health Funding?

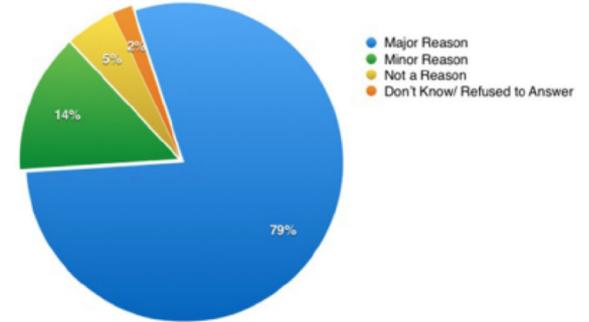
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## Corruption Seen As Biggest Barrier to Improving Health in Developing Countries

Percent who say that each choice is the MOST important reason why it has been difficult to improve health for people in developing countries



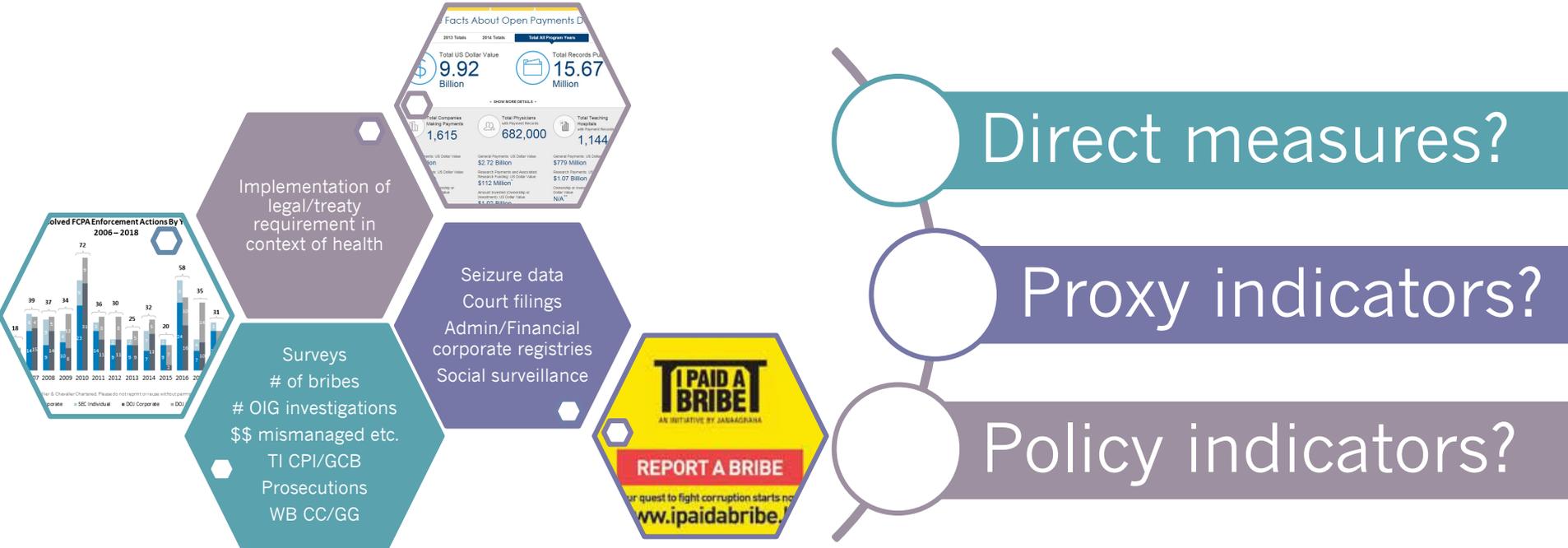
Percent who say that corruption and misuse of funds is a major reason, minor reason, or not a reason



SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted December 1-7, 2015)

**Fig. 2** Public perception on the role of corruption in improving health in developing countries (Kaiser Family Foundation) [6]. Surveys conducted by the Kaiser Family Foundation examining Americans' opinions on the US role in global health have consistently found that the American public views corruption as a major problem. In its 2015 survey, 44 % of respondents believed that 'corruption and misuse of funds' was the most important reason why health cannot be improved in developing countries. Seventy-nine percent of respondents also believed corruption was a major barrier, meaning that corruption is viewed by the American public as the biggest barrier (more than lack of infrastructure/resources, poverty, lack of political leadership and effective programs, and lack of funding) to investing in programs that support global health goals

# Measuring Corruption?



# **Research Trajectory and Future Directions?**

# Health Corruption Governance (2012)

## Improving Governance?:

- **Advocacy:** Highlight unique risks and impact of multisector – multistakeholder health-related corruption and its impact on health security.
- **Diversity:** Recognize the health corruption comes in many forms, but inherently pose risk to human health.
- **Examine Existing Tools:** Harmonize existing tools/resources with flexibility for local/community needs.
- **New Governance Mechanisms:** Propose new mechanisms to improve governance, surveillance, and enforcement.

Mackey and Liang *BMC International Health and Human Rights* 2012, 12:23  
<http://www.biomedcentral.com/1475-2875/12/23>



DEBATE

Open Access

## Combating healthcare corruption and fraud with improved global health governance

Tim K Mackey<sup>1,2\*</sup> and Bryan A Liang<sup>1,3,4</sup>

### Abstract

Corruption is a serious threat to global health outcomes, leading to financial waste and adverse health consequences. Yet, forms of corruption impacting global health are endemic worldwide in public and private sectors, and in developed and resource-poor settings alike. Allegations of misuse of funds and fraud in global health initiatives also threaten future investment. Current domestic and sectoral-level responses are fragmented and have been criticized as ineffective. In order to address this issue, we propose a global health governance framework calling for international recognition of 'global health corruption' and development of a treaty protocol to combat this crucial issue.

**Keywords:** Global health, Global health governance, Corruption, Informal economy, International law, Health policy, Health system strengthening

### Correspondence

The impact of globalization on health has been marked by new and daunting challenges. Though globalization has enabled advancements in trade, travel, and communications, it has also facilitated rapid global spread of infectious diseases such as SARS and H1N1/A, requiring a paradigm shift in global health governance. Yet, the next global pandemic is not the only challenge facing global health. A more immediate threat is systemic global healthcare corruption that adversely impacts both developed and resource-poor states.

As reported by Transparency International the scale and scope of corruption impacting health is immense. Exact numbers are elusive, but it is estimated billions of dollars are lost annually due to corruption and fraud in a global health market estimated to be worth 10% of global gross domestic product in 2009 [1-3]. Systematic corruption in health is also a barrier in meeting the Millennium Development Goals as it weakens health systems and delivery [4]. It also disproportionately impacts

the vulnerable, including negative health outcomes for women and children [4].

Importantly, health corruption not only leads to financial waste of scarce resources, but also has adverse impact on healthcare access, infrastructures, financing, and social determinants of health. In addition, health corruption can severely compromise quality and coverage of services, leading to price inflation for health service unit costs [5]. Indeed, health corruption at the domestic level represents a severe impediment to global health efforts in resource-poor settings and transitional economies. Corruption can drain resources from already impoverished and fragile health systems, precluding access to life-saving treatment for vulnerable patient populations [4,6]. With surveys reporting that 80% of individuals in developing countries have experienced health sector corruption, these resource-poor populations are disproportionately impacted [4,7,8].

Recent scandals that have plagued global multilateral health programs have also raised concerns regarding presence of corruption in global health. Allegations of corruption and fraud in the Global Fund to Fight AIDS, Tuberculosis and Malaria (the "Global Fund") represent a serious threat to continued funding and support of global health initiatives. This is particularly concerning given ongoing funding challenges arising from the recent global economic crisis [9].

\* Correspondence: [tmackey@ucsd.edu](mailto:tmackey@ucsd.edu)

<sup>1</sup>Institute of Health Law Studies, California Western School of Law, San Diego Center for Patient Safety, University of California San Diego School of Medicine, 380 Cedar Street, San Diego, CA 92161, USA

<sup>2</sup>Joint Doctoral Program on Global Health, University of California San Diego-San Diego State University, San Diego, CA, USA

Full list of author information is available at the end of the article



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## Utilize Existing Frameworks

- UNODC:** Employ partnership with WHO and UNODC on developing a global health corruption protocol to existing 2003 U.N. Convention against Corruption (“UNCAC”) by amending treaty to allow protocol development.
- Anti-Corruption Laws:** Explore use of domestic and regional corruption tools such as the USA Foreign Corrupt Practices Act, UK Anti-Bribery Act and other fraud and abuse statutes (US FCA, Anti-kickback statute, STARK law.)

Table 1 Key Points of Global Health Anti-Corruption Framework

GOVERNANCE SYSTEM	DESCRIPTION	BENEFITS	INSTITUTIONAL RESPONSIBILITY
<b>Establishing International Consensus on “Global Health Corruption”</b>	Suggested definition: “misappropriation of authority, resources, trust or power for private or institutional gain that has adverse effects on regional, local, or international health systems and/or that negatively impacts individual patient and/or population health outcomes.”	Establishes an internationally recognized definition and draws needed attention to the unique risks of health-related corruption	International community and input from all relevant stakeholders (e.g. public health agencies, law enforcement, regulators, judicial system, civil society, global health systems, donors)
<b>WHO-UNODC Global Health Corruption Protocol Under UNCAC</b>	Development of an international binding treaty protocol on global health corruption and establishing the necessary global health governance framework	Implements definition under an existing international treaty and establishes infrastructure for global corruption framework	Member states of WHO and UNODC
<b>Global Health Anti-Corruption Governance Framework</b>	<i>Model Acts System:</i> Development of Model Acts system of core anti-corruption definitions and requirements for individual states to implement with certain flexibilities	Development of a model system for states to follow in developing their own domestic systems and aids in harmonization	Signatories to Protocol in consultation with domestic stakeholders
	<i>Domestic and Regional Corruption Tools:</i> Assessment of inclusion of existing domestic anti-corruption tools that have had success	Examines existing enforcement tools that have curbed domestic level health corruption	Governance structure of protocol (e.g. conference of state parties, other developed governing body)
	<i>Useful International Tools and Systems:</i> Assessment and active inclusion of existing methods, tools and good practices addressing corruption developed by international organizations	Assesses existing tools developed by international organizations aimed at addressing global health system corruption	Governance structure of protocol (e.g. conference of state parties, other developed governing body)
	<i>Governance System:</i> Development and implementation of dynamic global health governance structure to address global health corruption flexible enough to deal with diverse forms of corruption in different settings	Governance system flexible enough to be tailored to domestic and global health system needs. Should be comprehensive including components of protocol implementation, financing, incorporation of health system strengthening, and establishment/recommendation of various anti-corruption interventions.	All stakeholders

# The Disease of Corruption? (2016)

- **Advocacy:** Group of diverse authors from different healthcare and anti-corruption sectors highlight unique risks of health types of corruption and identify key challenge areas
- **Key Themes:** (1) problems with “zero corruption”; (2) need for better data; (3) importance of transparency; (4) need for multi-stakeholder partnership; (5) linkages to global health security; and (6) good governance central to anti-corruption efforts.

Mackey et al. BMC Medicine (2016) 14:149  
DOI 10.1186/s12916-016-0696-1



FORUM

BMC Medicine

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The disease of corruption: views on how to fight corruption to advance 21<sup>st</sup> century global health goals

Tim K. Mackey<sup>1,2,3\*</sup>, Jillian Clare Kohler<sup>4,5</sup>, William D. Savedoff<sup>6</sup>, Frank Vogt<sup>7,8</sup>, Maureen Lewis<sup>9,10</sup>, James Sale<sup>11</sup>, Joshua Michaud<sup>12,13</sup> and Taryn Van<sup>14</sup>

## Abstract

Corruption has been described as a disease. When corruption infiltrates global health, it can be particularly devastating, threatening hard-gained improvements in human and economic development, international security, and population health. Yet, the multifaceted and complex nature of global health corruption makes it extremely difficult to tackle, despite its enormous costs, which have been estimated in the billions of dollars. In this forum article, we asked anti-corruption experts to identify key priority areas that urgently need global attention in order to advance the fight against global health corruption. The views shared by this multidisciplinary group of contributors reveal several fundamental challenges and allow us to explore potential solutions to address the unique risks posed by health-related corruption. Collectively, these perspectives also provide a roadmap that can be used in support of global health anti-corruption efforts in the post-2015 development agenda.

**Keywords:** Global health, Corruption, Anti-corruption, Sustainable Development Goals, Good governance, International development, Global health governance

## Background

In 1996, former World Bank President James Wolfensohn made a groundbreaking speech calling for international action and attention to deal with what he coined the “cancer of corruption” [1]. Decades later, this representation of corruption as a destructive disease seems fitting, as health-related corruption is now a multifaceted, multi-jurisdictional, and multibillion-dollar phenomenon that threatens the future progress of global health [2, 3]. Similar to cancer, health-related corruption comes in several types ranging from “jerry” corruption such as absenteeism of healthcare workers to “systematic” corruption involving multinational companies engaged in widespread healthcare fraud and abuse, and “grand” corruption occurring at high levels of government, can

invade and spread (infiltrating public and private sectors as well as poorer and richer countries alike), has an enormous financial cost, is often difficult to detect/diagnose and, most importantly, is hard to treat [2, 3]. Critically, health-related corruption is distinctly dangerous compared to other forms of corruption in traditional economic sectors such as energy, extractive industries, banking, and construction, in that it presents a “dual-burden” of limiting both economic/human development while at the same time endangering patients and population-level health [2, 4].

The cost of health-related corruption can extend beyond the people and communities it directly impacts, as the mere presence of corruption can lead to negative public perception and criticism about the value of foreign health aid [5]. This is evidenced by surveys conducted by the Kaiser Family Foundation that have consistently found that corruption and misuse of funds are seen as the largest barrier to improving health in developing countries among the US public (Fig. 2) [6]. Transparency International (TI), an international non-governmental organization created to combat corruption, has also

\* Correspondence: tmackey@ucsd.edu  
Department of Anesthesiology, University of California, San Diego School of Medicine, San Diego, CA, USA  
Division of Global Public Health, University of California, San Diego School of Medicine, Department of Medicine, San Diego, CA, USA

Full list of author information is available at the end of the article



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# Linking to SDGs? (2017)

## Improving Governance?:

- **Reinforcing importance of health corruption:** Scale, diversity, impact on health and society, and multifactorial challenges.
- **Emerging Technologies:** Need to leverage emerging technologies of social media platforms, e-government/open procurement, big data mining technology, anticounterfeiting supply chain technology
- **SDG Health Corruption Framework:** Call for Health Corruption SDG sub-indicators combining Goals 3 and 16 (mobilization with 17) and focusing on three primary translational domains.

## GLOBAL HEALTH

### Combating corruption in global health

Tim K. Mackey,<sup>1,2,3,4\*</sup> Jillian Kohler,<sup>4,5</sup> Maureen Lewis,<sup>6,7</sup> Taryn Vian<sup>8</sup>

Corruption is a critical challenge to global health efforts, and combating it requires international action, advocacy, and research.

Humanity has been plagued by corruption for as long as it has been fighting diseases. Yet only in the past 20 years has the international community fully recognized the immense costs and pervasiveness of corruption, including its devastating effect on human health (1, 2). Health-related corruption negatively affects society in areas of economic growth, development, security, and population health. Health sector susceptibility to corruption is accentuated by system complexity, large public spending, market uncertainty, information asymmetry, and many actors, all of which conspire to obstruct anti-corruption efforts (1).

Although the exact magnitude of health corruption is difficult to measure, estimates put it in the billions of dollars (1). However, the true cost for the millions of people who suffer from compromised access to lifesaving health services is immeasurable (1). Here, we discuss the multifactorial challenges of corruption and how it blocks the translation of global donor investments aimed at achieving positive health outcomes. We also explore how the Sustainable Development Goals (SDGs) of the United Nations (UN) can catalyze scale-up of anti-corruption tools, programs, evaluations, and policies (<https://sustainabledevelopment.un.org/sdgs>).

#### DIMENSIONS OF HEALTH CORRUPTION

Health-related corruption is diverse in its forms and broad in its scope. It can infiltrate various domestic and international health system components and stakeholders. Health-related corruption is pervasive in low- and high-income countries alike (1). Corruption also impedes attainment of the “right to health,” a fundamental human rights principle enshrined in interna-

tional law (including the Universal Declaration of Human Rights and the World Health Organization’s constitution). Poor governance, marked by weak institutions, absence of rule of law, and lax enforcement of health policy, creates conditions for corruption to thrive. This then can contribute to health system failure and deprive citizens of access to even basic health services (3).

Corruption is also linked to health security in the modern era of the globalized pathogen. Ensuring that international systems can prevent, detect, and respond to pandemics, such as the SARS outbreak of 2003 and the Ebola virus epidemic of 2014, requires public trust and confidence. However, this response capability is compromised by corruption, especially in fragile states with weak public institutions (1). For example, audits in Sierra Leone and Liberia during the 2014 Ebola virus outbreak found irregularities, including disbursements made without any documentation, corruption in procurement of medical equipment, and claims of Ebola “ghost workers” (that is, workers or staff who fraudulently forged identities to receive compensation or additional pay) (1). Hence, corruption affects multiple dimensions of global health and can undermine the delivery of lifesaving interventions, threaten health system capacity and emergency responses, and waste billions of dollars invested in domestic and global health programs.

#### CORRUPTION IN GLOBAL HEALTH

Global health is now a multibillion-dollar sector driven by \$37.6 billion in development assistance for health in 2016, according to the Institute for Health Metrics and Evaluation (4). Rapid growth in global health financing,

coupled with proliferation of funding sources and implementers, has created complexity and vulnerabilities enabling crimes of opportunity, especially in countries with weak governance.

The Global Fund to Fight AIDS, Tuberculosis and Malaria, a multistakeholder public-private partnership that has disbursed more than \$27 billion since 2002, has had firsthand experience with health-sector corruption. Corruption investigations of its portfolio have detailed mismanagement and misuse of funds, irregular procurement procedures, kickbacks, illegal drug diversion, inadequate oversight, collusion, faked documents, and other forms of outright fraud (5).

In 2011, corruption in Mali, Mauritania, Djibouti, and Zambia, first reported by the Inspector General of the Global Fund and, later, by the media, casts an unattractive spotlight on the Global Fund’s stewardship of its programs. In the fallout, several governments threatened to suspend funding, disbursements were frozen, and the then Inspector General was controversially fired (5). However, the \$34 million in missing funds represented less than 1% of the organization’s total grant portfolio.

The Global Fund responded with strong anti-corruption measures, including a campaign dubbed “Speak Out Now!” designed to encourage reporting of violations. It also instituted a 2:1 penalty, punishing governments by withholding double the amount of new grants when lost funds were not recoverable (5). Despite these measures, corruption continues: More recent investigations uncovered \$9 million in fraud in Burkina Faso and another \$3 million in Nigeria. In total, Inspector General reports indicate that from 2008 to mid-2016, there have been 13 investigations in 32 different countries, totaling some \$104 million in “noncompliant expenditures,” although, reportedly, half of these funds have been recovered ([www.glopolity.org/corruptionOIG/stmcorruption.html](http://www.glopolity.org/corruptionOIG/stmcorruption.html)).

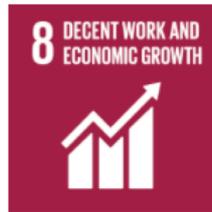
The experience of the Global Fund to Fight AIDS, Tuberculosis and Malaria illustrates several fundamental challenges in combating global health corruption. These include (1) inherent difficulties for donors and aid

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<sup>1</sup>Department of Anesthesiology, University of California, San Diego School of Medicine, San Diego, CA 92093, USA. <sup>2</sup>Division of Global Public Health, Department of Medicine, University of California, San Diego School of Medicine, San Diego, CA 92093, USA. <sup>3</sup>Global Health Policy Institute, San Diego, CA 92122, USA. <sup>4</sup>WHO Collaborating Centre for Governance, Transparency and Accountability in the Pharmaceutical Sector, University of Toronto, Toronto, Ontario M5S 3M2, Canada. <sup>5</sup>Leslie Dan Faculty of Pharmacy, Dalla Lana School of Public Health, and Rankin School of Global Affairs, University of Toronto, Toronto, Ontario M5S 3M2, Canada. <sup>6</sup>School of Foreign Service, Georgetown University, Washington, DC 20057, USA. <sup>7</sup>Academy for Global Health, Washington, DC 20036, USA. <sup>8</sup>Department of Global Health, Boston University School of Public Health, Boston, MA 02118, USA.  
\*Corresponding author. Email: [tmackey@ucsd.edu](mailto:tmackey@ucsd.edu)



# SUSTAINABLE DEVELOPMENT GOALS



# GOAL 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



## 16.3

Promote the rule of law at the national and international levels and ensure equal access to justice for all

## 16.4

By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

## 16.5

Substantially reduce corruption and bribery in all their forms

## 16.6

Develop effective, accountable and transparent institutions at all levels



# SUSTAINABLE DEVELOPMENT GOALS

## for corruption and health

**3 GOOD HEALTH AND WELL-BEING**

3.b "Achieve universal health coverage, including...access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all."

3.c "Substantially increase health financing and the recruitment, development, training, and retention of the health workforce in developing countries..."

3.d "Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks."

- 3.8.1 Coverage of essential healthcare services
- 3.8.2 Number of people covered by health insurance or public health system per 1,000
- 3.c.1 Health worker density and distribution
- 3.d.1 International Health Regulations capacity and health emergency preparedness

- Examples of health sector corruption**
- theft and embezzlement of healthcare funds
  - fraud and abuse
  - corruption in procurement
  - corruption in product approval and facility certification
  - fraud or misleading research
  - improper inducements
  - false or misleading marketing
  - informal payments
  - overcharging and unnecessary referrals and services
  - absenteeism
  - improper professional accreditation
  - embezzlement and misuse of national and donor funds
  - inappropriate selection, promotion and training
  - private use of public time, equipment, facilities
  - collusion in contracting
  - unfulfilled contract delivery
  - theft and diversion
  - embezzlement of emergency funds

**Examples of SDG sub-indicators to address Global Health Corruption**

**Bribery and Healthcare Access:**  
"Proportion of persons who paid or were asked to pay a bribe [or who made an informal payment] for public or private health services"

Survey data, community monitoring, social media

**Fraud, Abuse, Misuse, Embezzlement:**  
"Amount of United States dollars recovered in health systems related fines, penalties and settlements"

Global and domestic health prosecutions/audits

**Quality and Access to Medicines:**  
"Number of unfulfilled, expired, stolen, diverted, substandard, unapproved, or falsified medicines detected"

Number of poor quality products detected/seized

**Health Workforce and Systems:**  
"Proportion of national health budget and official development assistance committed for health system strengthening and good governance"

Data on government health expenditures and ODA

**Capacity for Global Health Risks:**  
"Proportion of emergency fund expenditures with appropriate use/documentation"

Audits, M&E, counterfactual evaluation designs

**Types of health sector corruption addressed**

- bribery of public officials in the health sector
- misallocation of health sector funds
- perception of public regarding health services delivery

**Key international institutions and treaties**



**Policy Coherence:** "Number of countries implementing UNCAC provisions in the health sector"

Monitoring of UNCAC implementation and anti-corruption policy/law mapping

**Multistakeholder Partnerships:** "Amount of support and participation by countries, international organizations, and civil society in health anti-corruption partnerships"

Funding commitments to health corruption SDGs sub-indicators

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**

16.5 "Substantially reduce corruption and bribery in all their forms."

16.6 "Develop effective, accountable and transparent institutions at all levels."

- 16.5.1 and 16.5.2 Proportion of persons [or businesses] who had at least one contact with a public official and who paid a bribe or were asked to bribe during the previous 12 months
- 16.6.1 Primary government expenditures as a proportion of original approved budget, by sector
- 16.6.2 Proportion of the population satisfied with their last experience of public services

**17 PARTNERSHIPS FOR THE GOALS**

17.14.1 Number of countries with mechanisms in place to enhance policy coherence of sustainable development

17.14 "Enhance policy coherence for sustainable development."

17.14.1 Number of countries reporting progress in multi-stakeholder development effectiveness monitoring frameworks that support the achievement of the SDGs

17.16 "Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs in all countries, in particular developing countries."

**Legend**

- Square SDG Target
- Octagon SDG Pre-defined Indicator
- Rectangle SDG Proposed Health Corruption Sub-Indicators
- Oval SDG Proposed Health Corruption Sub-Indicator Measurement



## The sustainable development goals as a framework to combat health-sector corruption

Tim K Mackey,\* Taryn Vian<sup>†</sup> & Jillian Kohler<sup>‡</sup>

**Abstract** Corruption is diverse in its forms and embedded in health systems worldwide. Health-sector corruption directly impedes progress towards universal health coverage by inhibiting people's access to quality health services and to safe and effective medicines, and undermining systems for financial risk protection. Corruption is also a cross-cutting theme in the United Nations' sustainable development goals (SDGs) which aim to improve population health, promote justice and strong institutions and advance sustainable human development. To address health-sector corruption, we need to identify how it happens, collect evidence on its impact and develop frameworks to assess the potential risks and put in place protective measures. We propose that the SDGs can be leveraged to develop a new approach to anti-corruption governance in the health sector. The aim will be to address coordination across the jurisdictions of different countries and foster partnerships among stakeholders to adopt coherent policies and anti-corruption best practices at all levels. Combating corruption requires a focused and invigorated political will, better advocacy and stronger institutions. There is no single solution to the problem. Nevertheless, a commitment to controlling corruption via the SDGs will better ensure the integrity of global health and human development now and beyond 2030.

Abstracts in العربية, 中文, Français, Русский and Español at the end of each article.

### Introduction

Corruption is the abuse of entrusted power for private gain.<sup>1</sup> The concept of corruption in relation to global health has been defined as: "misappropriation of authority, resources, trust or power for private or institutional gain that has adverse effects on regional, local or international health systems and/or that negatively impacts individual patient and/or population health outcomes."<sup>2</sup> A study in 2013 by Transparency International, a global civil society organization working against corruption, found that in 42 out of 109 countries surveyed, more than 50% of citizens believed that the health sector in their country was corrupt or very corrupt.<sup>3</sup>

The exact financial cost of corruption affecting the health sector is unknown because corruption, by its nature, is often hidden.<sup>4</sup> However, the scope and impact of corruption is widespread, with estimates that, on a worldwide basis, there are up to United States dollars (US\$) 2 trillion in bribes paid every year in countries of all income levels.<sup>5</sup> The World Health Organization (WHO) estimated that of the US\$ 5.7 trillion spent on health worldwide in 2008, US\$ 415 billion (7.3%) was lost to health-care fraud and abuse.<sup>6</sup> Using data collected from 33 organizations in 7 countries, one study estimated global average losses from health-care fraud and abuse in 2013 to be 6.19% (US\$ 455 billion of the US\$ 7.35 trillion global health-care expenditure).<sup>7</sup>

The adverse effects of corruption are not only financial: there are societal and human costs too, especially in low-income settings. A study in 20 African countries found that a higher perceived level of national corruption was associated with poorer health, with a more detrimental impact among people of lower socioeconomic status.<sup>8</sup> A study demonstrated

significant association between child mortality and national perceived levels of corruption, with estimates that up to 140 000 annual child deaths could be indirectly attributed to corruption.<sup>9</sup> The immediate and delayed effects of corruption on health outcomes, including higher morbidity and mortality, are due to the barriers it creates to access to health-care services, particularly for the most vulnerable groups of the population. Corruption has a negative impact on health-system quality, while distorting the allocation of countries' health investments.<sup>9</sup>

Corruption also slows progress towards achieving universal health coverage (UHC), a unifying strategy to achieve the United Nations' (UN) sustainable development goal (SDG) 3, as set out in *Transforming our world: the 2030 agenda for sustainable development*.<sup>10</sup> SDG 3 focuses on ensuring healthy lives and promoting well-being for all. Specifically, corruption negatively impacts SDG 3 by impeding people's access to quality health services and to safe and effective medicines, while also undermining systems for financial risk protection. Addressing health corruption complements the right to health, a principle enshrined in international law through the Universal Declaration of Human Rights and WHO Constitution,<sup>11,12</sup> and which underpins UHC and the SDG health-related targets and indicators.

This article aims to identify and characterize the main types of health-sector corruption and explore frameworks for assessing risks of corruption and identifying protective factors. We also outline international efforts to combat health-sector corruption. Finally, we propose a new health corruption governance framework embedded within the 2030 agenda. We hope that such a framework could help catalyse international action to combat corruption in the health-care setting.

\* Department of Anesthesiology and Division of Infectious Diseases and Global Public Health, University of California, San Diego School of Medicine, San Diego, United States of America (USA).

<sup>†</sup> Department of Global Health, Boston University School of Public Health, Boston, USA.

<sup>‡</sup> Leslie Dan School of Pharmacy, Dalla Lana School of Public Health, and Munk School of Global Affairs, University of Toronto, Ontario, Canada.

Correspondence to Tim K Mackey (email: tmackey@ucsd.edu).

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# Recent Developments...

## G20 Osaka Leaders' Declaration

### PREAMBLE

1. We, the Leaders of the G20, met in Osaka, Japan on 28-29 June 2019 to make united efforts to address major global economic challenges. We will work together to foster global economic growth, while harnessing the power of technological innovation, in particular digitalization, and its application for the benefit of all.
2. Building on work done by previous presidencies, we will strive to create a virtuous cycle of growth by addressing inequalities and realize a society where all individuals can make use of their full potential. We are tackling to build a society capable of seizing opportunities, and resolving economic, social and environmental challenges, presented today and in the future, including those of demographic change.
3. We will further lead efforts to foster development and address other global challenges to pave the way toward an inclusive and sustainable world, as envisioned in the 2030 Agenda for Sustainable Development.

### GLOBAL ECONOMY

4. Global growth appears to be stabilizing, and is generally projected to pick up moderately later this year and into 2020. This recovery is supported by the continuation of accommodative financial conditions and stimulus measures taking effect in some countries. However, growth remains low and risks remain tilted to the downside. Most importantly, trade and geopolitical tensions have intensified. We will continue to address these risks, and stand ready to take further action.
5. We reaffirm our commitment to use all policy tools to achieve strong, sustainable, balanced and inclusive growth, and safeguard against downside risks, by stepping up our dialogue and actions to enhance confidence. Fiscal policy should be flexible and growth-friendly while rebuilding buffers where needed and ensuring debt as a share of GDP is on a sustainable path. Monetary policy will continue to support economic activity and ensure price stability, consistent with central banks' mandates. Central bank decisions need to remain well communicated. Continued implementation of structural reforms will enhance our growth potential. We also reaffirm the exchange rate commitments made by our Finance Ministers and Central Bank Governors in March 2018.
6. Global current account imbalances have narrowed in the aftermath of the global financial crisis, notably in emerging and developing economies and they have become increasingly concentrated in advanced economies. However, they remain large and persistent, and stock positions continue to diverge. In assessing external balances, we note the importance of monitoring all components of the current account, including services trade and income balances. In the spirit of enhancing cooperation, we affirm that carefully calibrated macroeconomic and structural policies tailored to country-specific circumstances are necessary to address excessive imbalances and mitigate the risks to achieving the G20 goal of strong, sustainable, balanced and inclusive growth.

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## G20 Shared Understanding on the Importance of UHC Financing in Developing Countries

—Towards sustainable and inclusive growth—  
June 6, 2019

### 1. Background

Universal Health Coverage (UHC) builds an essential basis for sustainable and inclusive growth. Progress towards UHC, which ensures that all people can access the quality health services they need without experiencing financial hardship, enhances health outcomes, thus helping develop human capital. It promotes job creation, increases financial protection and reduces poverty, promotes economic inclusion, and strengthens health security and thus macro-stability.

However, significant challenges remain. Many developing countries face multiple issues: inadequate domestic resource mobilization; uncoordinated development assistance for health; and inefficiencies and inequities in the health system. They are also confronted by various emerging challenges related to the future stability of their health financing systems, such as (i) rising cost pressures due to noncommunicable diseases, aging population, and technological progress; (ii) slow movement of workers from the informal to the formal economy; and (iii) health emergencies such as pandemics and Antimicrobial resistance (AMR).

Against this backdrop, we hereby present our shared understanding on the critical importance of strengthening health financing for moving towards UHC, with the common narratives shown below. The language of these narratives needs to be interpreted with due consideration to each country's contexts and priorities. We thank the World Bank (WB) for preparing a valuable background study.<sup>1</sup>

### 2. Key considerations for finance authorities

**Power of an early start and preparedness for the future.** A move towards UHC at an early stage of development creates a firm foundation for long-term sustainable and inclusive economic growth. This can be associated with the possibility of generating a demographic dividend, as well as creating policy space and building resilience to prepare for aging populations in the future. Further, governments should recognize the importance of adapting to evolving national circumstances.

**Prioritizing domestic sources in a fair and equitable manner.** Domestic financing sources, such as taxes, insurance premiums and co-payments, are stable in the long run and hence should be the primary funding source of the health system. Each government should determine for itself what would be the best mix of domestic sources, according to its own circumstances. Governments could seek to establish a broad and diversified revenue base, by strengthening the capacity to mobilize revenue if needed. They are also encouraged to aim for a fair and balanced risk sharing, ensuring that any reliance on out-of-pocket payments does not expose the user to financial hardship. Co-payments can be implemented while minimizing their potential adverse effects on access to health services. The financial capacity to raise sufficient resources and progressivity should be taken into consideration when designing domestic financing scheme, as part of the effort to secure financial protection for the poor and vulnerable.

<sup>1</sup> World Bank, 2019, "High-Performance Health Financing for UHC: Driving Sustainable, Inclusive Growth in the 21st Century."

1



# Recent Developments...

## Global Health

30. Health is a prerequisite for sustainable and inclusive economic growth. We recall our commitment to moving towards achieving universal health coverage according to national contexts and priorities. We look forward to the United Nations General Assembly High Level Meeting on Universal Health Coverage (UHC). Primary health care including access to medicines, vaccination, nutrition, water and sanitation, health promotion and disease prevention is a cornerstone for advancing health and inclusion. We will strengthen health systems with a focus on quality including through enhancing health workforce and human resources for policy development and promoting public and private sector innovation, such as cost-effective and appropriate digital and other innovative technologies. Recognizing the importance of sustainable financing for health, we will call for greater collaboration between health and finance authorities in accordance with

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# Recent Developments...

## ANTI-CORRUPTION

20. We remain committed to play a leading role in the global efforts to prevent and fight against corruption, as well as promoting integrity, by implementing the G20 Anti-Corruption Action Plan 2019-2021 while strengthening synergies among related international instruments and mechanisms. Recognizing that countering corruption is an important requisite for ensuring quality and reliability of infrastructure, we welcome the Compendium of Good Practices for Promoting Integrity and Transparency in Infrastructure Development as part of our further work. We endorse the High Level Principles for Effective Protection of Whistleblowers. We renew our commitment to pursuing high level international cooperation between G20 members in the fight against corruption and to lead by example through the effective implementation of the United Nations Convention against Corruption, including its review process. We will intensify our efforts to combat foreign bribery and to ensure that each G20 country has a national law in force for criminalizing foreign bribery as soon as possible. We take note of the efforts towards adherence to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. We will continue practical cooperation to fight corruption and reaffirm our commitment to deny safe haven to persons sought for corruption and their proceeds of corruption consistent with our G20 and international commitments and our domestic legal systems and will work more closely on asset recovery cooperation. We look forward to the scoping paper on international cooperation dealing with serious economic offenders and recovery of stolen assets in relation to corruption to be prepared by relevant international organizations. In addition, we also welcome the work on the linkages between corruption and gender being undertaken by relevant



**Questions to think about  
moving the health  
corruption agenda forward**



# Questions for Consideration...

- **Need for a “health corruption” definition?:** Do we need a separate definition or will the current “corruption” definition suffice for health?
- **What about equity?:** How do we get health equity more directly into the conversation about corruption? Do we take it from a human rights approach, UHC, access to medicines case study, or some other policy navigation? Is corruption a social determinant?
- **Evidence anyone?:** What data do we need to build the evidence base for health anti-corruption initiatives, interventions and policy advocacy? Direct vs. proxy indicators?
- **Policy Window (Kingdon)?:** With recent developments, do we have a policy window (problem, policy, and political streams) we can leverage to put health corruption at the forefront?

# Next steps for health corruption? (20XX)

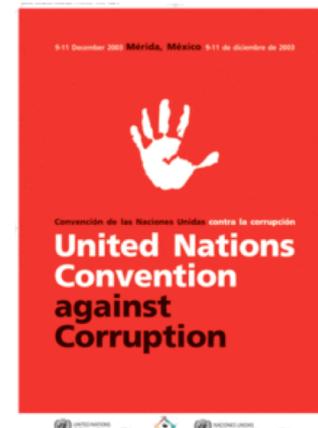
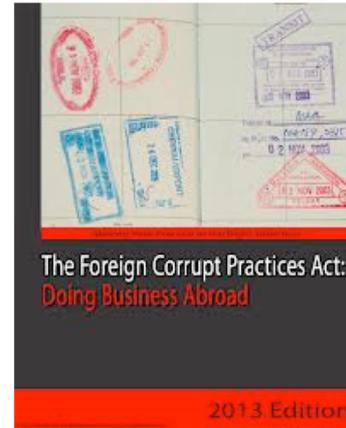
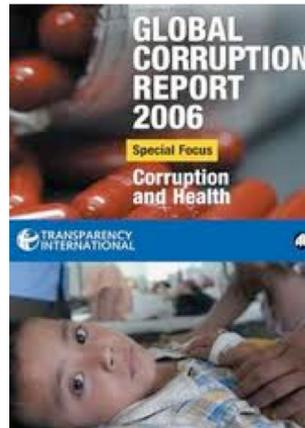
## Mini Consensus Statement?

- **State the obvious?:** Health corruption is uniquely destructive and needs heightened attention by the international community for equity and UHC
- **Bridge Disciplines/Sectors:** Call for unification of different global health sectors around the issue? Health equity? Health and human rights? Biosecurity? International Development? Access 2 Medicines? Health Diplomacy?
- **Catalyze Action?:** Call for need for international commitment and investment in research, education/training, and evaluation of anti-corruption tools, initiatives, and other activities?



# Final Takeaways

Health corruption is uniquely dangerous and directly impedes global efforts towards sustainability (SDGs), UHC, economic progress, social justice, equity, and human health. Needs to be tackled from a multisector and multidisciplinary approach given its complexity. Technology, policy, and governance are key to addressing this global health challenge.



# Global Health Policy Institute

Welcome to the website for the Global Health Policy Institute (GHPI), a safe space for multidisciplinary research, education and advocacy aimed at improving domestic and global health outcomes

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## CONTACT INFO

Tim K. Mackey, MAS, PhD  
Email: ([tmackey@ucsd.edu](mailto:tmackey@ucsd.edu))  
Associate Professor,  
UC San Diego - School of Medicine  
Director, Global Health Policy  
Institute ([www.ghpolicy.org](http://www.ghpolicy.org))

## COLLABORATORS



UNIVERSITY OF TORONTO  
LESLIE DAN FACULTY OF PHARMACY