

Corruption and the Healthcare Sector: Overview

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Abstract: The world is greatly out of balance on issues of health and equal distribution of resources. In the mist of scarce resources corruption has compounded the problem of health care institution as it affects the five dimensions of health system performance; access to care, quality of care, equity in health care services, efficiency of healthcare sector and efficacy of healthcare services. Corruption is a complex, multifaceted and a global issue in health system as no country is exempted, though it is more obvious in the developing world. In the health sectors corruption ranges from smaller- scale acts by doctors and nurses who collects bribes from patient before treatment, falsify data, to larger- scale acts at hospital administrator's level or ministerial level, when people in power embezzle public funds or redirect resources from those who need it for their own benefit which affects population health. The effect of corruption on health outcome of such population is devastating. Since corruption severally comprise quality of health services, there is need for significant regulatory oversight, transparency and accountability. To attain health for all and implement the fundamental health right, corruption must be eradicated or dwindled to barest minimum for effective implementation of healthcare care services that will enhance population health positively.

Keywords: Corruption, Healthcare, Sector, Treatment, Development, WHO.

INTRODUCTION

The need for access to care is greater today than at any time in the history of humanity as the world is greatly out of balance on issues of health and equal distribution of resources. And this is as a result of globalization which has led to development, over population, technology advancement, oil exploration, war, genetic modification of food, social vices and migration, diseases and issues that requires healthcare is on the increase.

World Health Organization (WHO) defined health in its broader sense in 1946 as "a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity (WHO, 1946). However, WHO (2017) declared that at least 400 million people have no access to basic health service and 40% of the world's people lack social protection which means that there is unequal distribution of resources that will enhance positive health outcome. Study by the British Centre for Counter Fraud Studies found that 'since 2008, losses as a result of corruption have increased by 25% worldwide and even by 37% for the National Health Service in the UK (Transparency international 2019). Globally, over 7% of healthcare expenditure is lost to corruption with annual global health expenditures now exceeding US\$7.5 trillion, this suggests that far over US\$500 billion in health resources are lost to corruption worldwide every year (WHO, 2018). Studies carried out in the past concluded that in United States, and Canada, the losses are high, estimated at up to 10% of public health expenditure in Germany, 56 billion euros annually in Europe, and \$75 billion in the United States for Medicare and Medicaid payments alone (Transparency international, 2019). The data is even worst in developing nations where corruption thrives. This implies that access to basic fundamental needs to positively enhance health outcome is not equally distributed. The above statistics shows that corruption is a global issue not exclusive of any country.

WHO, defined corruption as a criminal, immoral and the ultimate betrayal of public trust. It is defined as the use of public property and power in a given position for personal gain and benefit. World Bank in its definition of corruption

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stated that it is the “abuse of public office for private gain (WHO, 2016). Corruption can be divided into four main types: bribery, theft, bureaucratic or political corruption, and misinformation for private gain (WHO, 2020). Corruption undermines the delivery of quality essential health care services in an equitable manner. It increases cost of healthcare for the poor and disadvantaged, and results in poor healthcare delivering and poor health outcomes which results in high out-of-pocket expenditure, erosion of trust in the system, and reduced service utilization (Naher *et al.*, 2020). It will be right to state that corruption is a monster created by human to prevent healthy living. It could be said to be a moral pandemic.

Wikipedia defined population health as the health outcomes of a group of individuals, including the distribution of such outcomes within the group. An approach to health that aims to improve the health of an entire human population which includes health outcomes, patterns of health determinants, and policies and interventions. Many countries of the world designed robust health polices to address healthcare issues. Hence the goal of Universal health coverage which states that ‘all individuals and communities receive the health services they need without suffering financial hardship (WHO, 2021) is defeated. Basically, the issue of corruption threatens the implementation of healthcare service delivering as corruption in the health sector is a major challenge to advancing population health (WHO, 2018).

National Academics Press US (2018) also opined that corruption in the health sector has been found to take many forms in various areas, such as in health facility construction; equipment and supply purchasing; pharmaceutical distribution and use; health worker education; falsification of medical research; and the provision of health care services. Chronic government underfunding, insufficient regulatory oversight, and lack of transparency in governance breeds corruption and reduce the quality of health care. In the developing world, public spending for health care is inefficient, with poor governance that breed’s corruption the little resources allocated to healthcare is also mismanaged and this is detrimental to population health. There is growing evidence that high levels of corruption impoverish populations, increase inequality, and cause health status to deteriorate, especially among the most vulnerable population groups (Naher *et al.*, 2020). On the other hand, good governance, is very essential for national health care systems to work optimally. The quality of governance is a key mediator for whether public spending on health care will influences health outcomes positively. As the goal of Universal Health Coverage (UHC) is that everyone needing health care can access quality services without financial hardship, and attains sustainable health outcomes (Hogan *et al.*, 2018).

Preventing health sector corruption is a complex and difficult task but a remedy for any healthy nation. Since corruption leads to waste of scarce resources, as well as severally comprise quality of health services there is need for proper funding of the health system, significant regulatory oversight and transparency.

CORRUPTION IN HEALTHCARE

Corruption in the health sector can make the difference between life and death. It has severe consequences for access, quality, equity, efficiency, and efficacy of health services and is an obstacle to the long-term goal of achieving universal health coverage (U4 Anticorruption Resource Centre, 2020). It also slows progress towards achieving 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 (United Nations UN, 2020).

According to WHO, Corrupt activity in the health sector can have repercussions in three areas:

- 1. Health and the health care system:** Corrupt activities destructs the ability of the health care system to deliver high quality and effective care. There is a growing evidence that high levels of corruption cause health status to deteriorate, impoverish populations, increase inequality especially among the most vulnerable population groups.
- 2. Entrepreneurial activity:** The presence of a substantial quasi-private system that operates corruptly within the public sector can be detrimental to the development of a strong private sector. It can often be more lucrative for private providers to exploit public facilities, with their supplies of medical equipment and patients, rather than to establish their own clinics and mechanisms for recruiting patients.
- 3. Macro-economy:** There is increasing evidence that corruption significantly reduces economic growth and private sector investment. As with other sectors, corruption in the health sector has spillover effects on the macro-economy (WHO, 2021).

IMPACTS OF CORRUPTION ON HEALTH SECTOR PERFORMANCE

A 2011 study analyzing data from 178 countries estimated that the deaths of approximately 140,000 children per year could be indirectly attributed to corruption. Child mortality correlated more strongly with national corruption levels than with literacy, access to clean water, or even vaccination rates (U4 Anticorruption Resource Center, 2020). Transparency international (2011) stated that Corruption is a complex and multifaceted challenge. When people in power siphon money or redirect resources away from those who need it for their own benefit (Transparency International, 2011). Corruption imposes severe consequences on the five dimensions of healthcare system performance.

Access to health – corruption hinders the implementation of healthcare care delivering strategies. Many people especially in developing nations has no access to healthcare services as such services are not within their location. In case of emergency due to poor transport system and poor road network most people can't access healthcare when needed. Unavailability of health care workers is also a barrier to accessing health, *Access* to health services can be seriously affected by absenteeism of medical staff (Ramadhan & Santoso (2015). Estimated rates range from 19% to 60% in low- and middle-income countries, with more qualified staff like doctors and pharmacists showing higher rates of absenteeism than less qualified staff (U4 Corruption resource center, 2020). Nishtar, (2010) stated that in many cases, absenteeism and the “ghost worker” phenomenon are prevalent where institutionalized corruption creates an environment that enables health care workers to be absent from duty in lieu of relinquishing a percentage of their salary, which is then shared institutionally. Under staffing also leads to long waiting hours, most times no skilled worker to attend to patients with special needs as government do not providing funding for such trainings, all these leads to long waiting hours and denial of care. The issue of poor remuneration is also a big challenge in developing world as healthcare workers are poorly remunerated, this leads to incessant strike and migration of skilled workers to other countries.

In most developing countries there are designated persons that are entitled to free healthcare services, however demands for informal payments or bribes in exchange for such services that citizens are entitled to receive for free hinders access to such care. Informal payments (i.e., bribes or kickbacks) are those made in kind or in cash by patients or relatives “outside official payment channels or are purchases meant to be covered by the health care system (Kankeu & Ventelou, 2016). These payments are often made directly to individual providers to either access care, avoid queues, receive more attention or better care, or even express gratitude (Kankeu & Ventelou, 2016; *Maestad & Mwisongo (2011)*).

According to U4 Anticorruption Resource center the incidence of bribes in direct interactions between citizens and health service providers varies widely, from 1% to 51% at global level, with higher levels in Africa, Central and Eastern Europe, and the Middle East/North Africa, and lower levels in Western Europe and the Americas. Theft, embezzlement, and bribery also affect access to needed medicines, equipment, and supplies. For example, in Togo a government audit discovered that a third of the anti-malarial medicines provided by the Global Fund to Fight AIDS, Tuberculosis and Malaria, worth over US\$1 million, had been stolen (U4 Corruption resource center, 2020).

Quality of care

Transparency international declared that corruption in the health sector has a corrosive impact on the population's health. Studies have found that high levels of corruption are linked to weak health outcomes. In other words, pouring more money into highly corruption-prone health systems will not achieve the intended health goals. Corruption affects quality of care indifferent ways; the health training institutions may be under funded hence low quality of education that will produce unskilled workers. Low quality of care may be as result of poor recruitment where bribes are taken from unqualified individual for employment. According to U4 Anticorruption Center (2018), studies in 64 countries found that corruption lowered public spending on education, health, and social protection. Poor attitude of healthcare workers towards the patient and relatives is also another aspect that reduces the quality of care. Corruption also affects the price of medication hence unaffordable and this in turn leads to poor quality of care. Most times collaboration with suppliers to deliver substandard medications also leads to poor quality of care. Out of pocket expense especially in emergency where patients are meant to pay before services is rendered also reduces quality of care.

Equity

The effect of corruption on *equity* is of a great concern in healthcare industry. WHO (2018) asserted that high levels of corruption impoverish populations, increase inequality, and cause health status to deteriorate, especially among the most vulnerable population groups. Since healthcare is expensive due to corruption at all levels, families fall into deeper poverty when they are forced to sell assets or go into debt in order to access healthcare. In some instance the standard of healthcare required are not affordable to the poor masses or obtainable within their location, hence many die due to inequality in healthcare.

Efficiency of health sector

Corruption is a usual consequence of poor governance characterized by lack of transparency, weak accountability and inefficiency, and lack of citizen participation (Ciccone *et al.*, 2014). Efficiency could be measured easily by dividing its outputs by inputs. Expensive hospital construction, high tech equipment and the increasing arsenal of medicines needed for treatment, combined with a powerful market of vendors and pharmaceutical companies present opportunities for corruption in the health sector. These opportunities increase when there is insufficient accountability for decisions or results in organizations. Organizational culture can further legitimize this behavior by influencing individual attitudes and norms towards corruption and making it socially acceptable (Hechanova *et al.*, 2014). In Nigeria, apart for corruption in the federal level, the internal corruption in the healthcare institutions undermines the efficiency of services rendered as it is common to go hospitals and there is no power supply despite out-of-pocket payment system which is meant for day to day running

of the institution. Lack of maintenance culture due to corrupt practices also lead to lack efficiency in healthcare service delivering.

Efficacy

Cambridge online dictionary described efficacy as the ability, especially of a medicine or a method of achieving something, to produce the intended result. Efficacy, in the health care sector, is the capacity of a given intervention under ideal or controlled conditions. Effectiveness is the ability of an intervention to have a meaningful effect on patients in normal clinical conditions (Burches & Burches, 2020). Burches and Burches (2020) concluded that around the world, every health care system is struggling with rising costs and, the lack of economic sustainability of most healthcare systems has contributed to the development of regulation in the health sector. Efficacy in healthcare system can only be put in place when there are functional avenues for evidence-based practice. Most countries of the world especially developing nations do not have enough allocated resources for research that will lead to evidence-based policies that will positively enhance efficacy in health care delivering.

Nigeria is placed at 142 out of 195 countries according to a Lancet report's ranking of health systems performance using healthcare access and quality as its criteria. Nigeria also ranks poorly based on the World Bank's Universal Health Coverage Service Coverage Index (Amedari & Ejidike, 2018). A view at cost benefit in care which is comparison of interventions and their consequences in which both costs and resulting benefits (health outcomes and others) are expressed in monetary terms. York Health Economics Consortium, (2016) concluded that Nigeria is lacking behind. When health system financing, quality does not commensurate with the utilization and outcome, the efficacy of such healthcare is inadequate.

BLACK MARKET IN HEALTH SECTOR

Black markets medicine cannot exist in a free society where there is no corruption. They are medications sold illegally, outside of the government's watch. Black market medicine can be defined as the practice of medicine outside existing legal frameworks. These frameworks vary from one country to another. Due to high level of corruption in the health sector prices of medication and services are high. (Chesak, 2020) stated that as the price goes up, patients that cannot afford treatment are forced to make decisions about whether to continue using the medication as prescribed, ration their doses, source alternate means of getting the medication and some resolve getting it in the black market. They are the stigmata of interference with the voluntary exchange of goods and services (Crespo, 1990). The truth remains that no patient should go through stress in order to access something that is essential for survival (Chesak, 2020).

Research shows that Altruism and a lack of access and affordability are three reasons why people with chronic illnesses are turning to the "black market" for medicines and supplies (Keifer, 2019). Scientists at University of Utah Health and University of Colorado conducted surveys to understand why individuals are looking beyond pharmacies and medical equipment companies to meet essential needs. The reasons listed were many but centered on a single theme: traditional healthcare is failing them (Keifer, 2019). All of these are centered on the corruption in the healthcare sector.

Michelle, lead author of the study, a nurse practitioner and researcher concluded that people have to make a decision. Do they want to maintain their health? And if so, what are the medications and tools that they need in order to stay healthy. Since the traditional health care has failed them, they turn to black market medicine to sustain their health need (Keifer, 2019). The effect of black market medicine is huge and thriving in Nigeria and the devastating effect is detrimental to population health. Researchers have warned that counterfeit and substandard medicines are associated with tens of thousands of deaths, with young children in poorer countries being particularly affected (Thepharmletter, 2019).

In August, 2021, drugmaker Gilead Science announced that potentially harmful counterfeit versions of 2 of their HIV drugs are circulating in the US (Zaggocare, 2021). These dangerous medications are either stolen, expired, contaminated, or fake. Some are medications donated by people who have no need of it any longer, may have not been properly preserved. If medications are to be purchased or gotten from the government regulated zone the likelihood of purchasing counterfeit medication will be low.

Shockingly, the *Drug Enforcement Administration (DEA)* seized more than 9.5 million counterfeit pills between January and September of 2021 (Zaggocare, 2021). The DEA warning states that international and domestic criminal drug networks "are mass-producing fake pills, falsely marketing them as legitimate prescription pills, and killing unsuspecting Americans." Unfortunately, these widely available, easily purchased counterfeit pills often contain deadly doses of fentanyl (Zaggocare, 2021). It further stated that Criminals often sell these fake prescription pills on social media and e-commerce platforms and this is where black market medicine thrives. It concluded that patients fall directly into the hands of criminals when they buy from online pharmacies since such is not regulated to ascertain the components, preservation and price by government regulating bodies.

ERADICATING CORRUPTION IN THE HEALTH SECTOR

Corruption negatively impacts sustainable development goals (SDGs), by impeding people's access to quality health services and to safe and effective medicines, while also undermining systems for financial risk protection. Addressing healthcare system corruption complements the right to health, a principle enshrined in international law through the Universal Declaration of Human Rights and WHO Constitution which underpins UHC and the SDG health-related targets and indicators (World Health Organization, 2018).

High quality of governance is associated with higher life expectancies and lower mortality rates for mothers and children (Holmberg and Rothstein, 2011) and it also leads to good population health. Effect of corruption has hampered the achievement of universal health coverage, hence affect population health negatively.

Transparency international stated that to end corruption, transparency, accountability and integrity must be promoted at all levels and across all sectors of society. To curb corrupt practices in the health sector there is need for proper funding of the health sectors, significant regulatory oversight and transparency in governance. Anti-corruption strategies and tactics to eradicate corruption in the health sector should focus on protective factors, including good governance approaches centered on the rule of law, transparency, accountability and participation (WHO, 2018). Accountability to the public-by-public officials is also essential to foster trust in public institutions, the decision-making processes and governance, with the overall aim of assessing the achievement of goals laid out by government against the standards and commitments made (WHO, 2018). Transparency is important in mitigating the adverse effect of corruption by ensuring information is made available publicly, using electronic devices to provide services to citizens), open contracting and e-procurement approaches.

CONCLUSION

Corruption fundamentally undermines governance, weakens health systems, and violates human rights. Corruption undermines the delivery of quality essential health care services in an equitable manner, makes health costly for the poor and disadvantaged, and results in poor healthcare delivering and poor health outcomes. It also disrupts progress toward the goal of Universal Health Coverage (UHC), the principle that all individuals and communities should be able to access the essential health services they need, without financial hardship. Population health management is successful when directed at those who need it most, core aim is to improve health outcomes of individuals while improving efficiencies and reducing the total costs. In the face of corruption this is not the case, rather there is mismanagement of resources through embezzlement, misappropriation of funds and waste of scarce resources. To curb corruption in health sector is a complex and difficult task. Obvious challenge is the establishment of a potent system of accounting and auditing that will not only expose corruption but acts on such revelations in a corrupt government. Anti-corruption laws and regulations need to be conscientiously enforced. Patient rights should be clearly delineated, and diligent system should make it easy to register and investigate complaints, and taking complaints through the courts should be simplified and made less costly.

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