Corruption in healthcare: developing a comprehensive theoretical framework and typology

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Abstract:

Background – Corruption in healthcare intrigues popular interest and attracts media attention, a fact obviously related to the vulnerable and sensitive nature of health and healthcare. Although there is no consensus on what corruption is, it is generally asserted that the "Illegal abuse of entrusted power for private gain" is endemic in healthcare systems of both developed and developing countries and therefore multiple international agencies design and launch initiatives to combat it. A necessary perquisite for the success of these initiatives is a clear understanding of the mechanisms producing this phenomenon and a comprehensive identification of its manifestations in the health sector.

Methods and Aim – Using a systematic grey literature review, the aim of the study is to develop a comprehensive theoretical framework and an empirical classification of the main mechanisms and most common types of corruption in healthcare services.

Results – The provisional results of our review suggest that: (1) corruption is a structural, systemic problem in the health sector, absorbing (depending on the data used and the methodology applied) 5-15% of total health expenditure globally (2) the most common theories appearing in the health policy and economics literature for interpreting this global trend are public choice theory and corruption as a response to government intervention ("rent-seeking behavior") and/or to the monopolistic power of the state ("corruption with or without theft" hypotheses) (3) the few typologies available are full of gaps, usually descriptive (classifying corruption by area of medical practice), and focusing selectively on types of corruption related to the misuse of power by government or public agents.

Using insights from information economics (agency theory – "imperfect agent" hypothesis), institutional economics (transaction costs theory – "incomplete contracts") and radical approaches (Marxist theory on competition) we develop an alternative theoretical model, explaining and identifying types of corruption in each power- and conflicting interest-relationship within healthcare systems (purchaser/provider, purchaser/contractor, user/provider relationships etc).

Conclusion – Our analysis suggests that corruption might still be evident within the functions of the state and the wider public health sector but the "grand" corruption is mainly present in the multiple contractual relationships between the public and the private sector in healthcare systems and especially in areas that are mostly exposed to competition and interest conflicts.