

SOCIAL, HUMANITARIAN AND CULTURAL ISSUES (THIRD COMMITTEE OF THE GENERAL ASSEMBLY)

AGENDA

PRIVATIZATION OF HEALTHCARE IN
DEVELOPING NATIONS

CHAIR
AKSHAY RAJE

VICE CHAIR
VIDHI BHABRA



LETTER FROM THE EXECUTIVE BOARD

“Debate and deliberation is how you stir the soul of a democracy”

-Jesse Jackson

Greetings delegates,

It gives me immense pleasure to welcome you all as delegates at the CENMUN 2017. I hope you're as excited as much as I am about being a part of this conference. To the MUN **veterans** out there, we promise you a very enriching debate and to the **newcomers**, we promise you a memorable virgin experience!

I started doing MUNs in my first year of engineering and now I'm in my third. Believe me, MUNs are life changing and serendipitous. This might come as a hyperbole, but I seriously am addicted to MUNning and I hope even you would too! A MUN inculcates in you oratory skills, cajoling negotiations, in-depth research and if I start making a list of the qualities, the entire background guide might talk just about it!

With this said, a committee simulation is meaningful and successful only when the delegates are well prepared. To aid in your research preparation, we have spent hours researching and writing, this Background Guide. The Background Guide serves as an introduction to your respective committee and an overview of the topics that you will be debating over the course of the conference. Also, it is to be considered that this guide is only a basic outline to direct you with regards to the agenda; you are advised not to totally rely on this. However, this will guide you through out.

What we desire from the delegates is not experience, or how articulate they are. Rather, we want to see how she/he can respect differences of opinion and work around these, while extending their own stance so that it encompasses more of the others without compromising their own stand, thereby reaching acceptable, and practical solutions. Moreover, we would require you all to be through with the research and implement it in a wise way in the committee. Also, the Executive Board only thinks the matter at hand is somewhat objected this way, this is entirely subjected to different perceptions of different people. **Any contradictions if at all occurs, this guide is not to be taken as a binding or ruling document.**

We would insist that you follow this research pattern;

- ✚ Read about your country
- ✚ Read the relation of your country with the agenda centric countries,
- ✚ Read about those countries,
- ✚ Read about the agenda,
- ✚ Read about the previous UN actions, resolutions and conventions,
- ✚ Read the UN charter, Vienna convention on the law of treaties, ICCPR, ICSEER and UDHR.

Take note of the following points regarding the type of documents that you might want to produce in the committee so as to substantiate your stand.

• **Valid and Binding:**

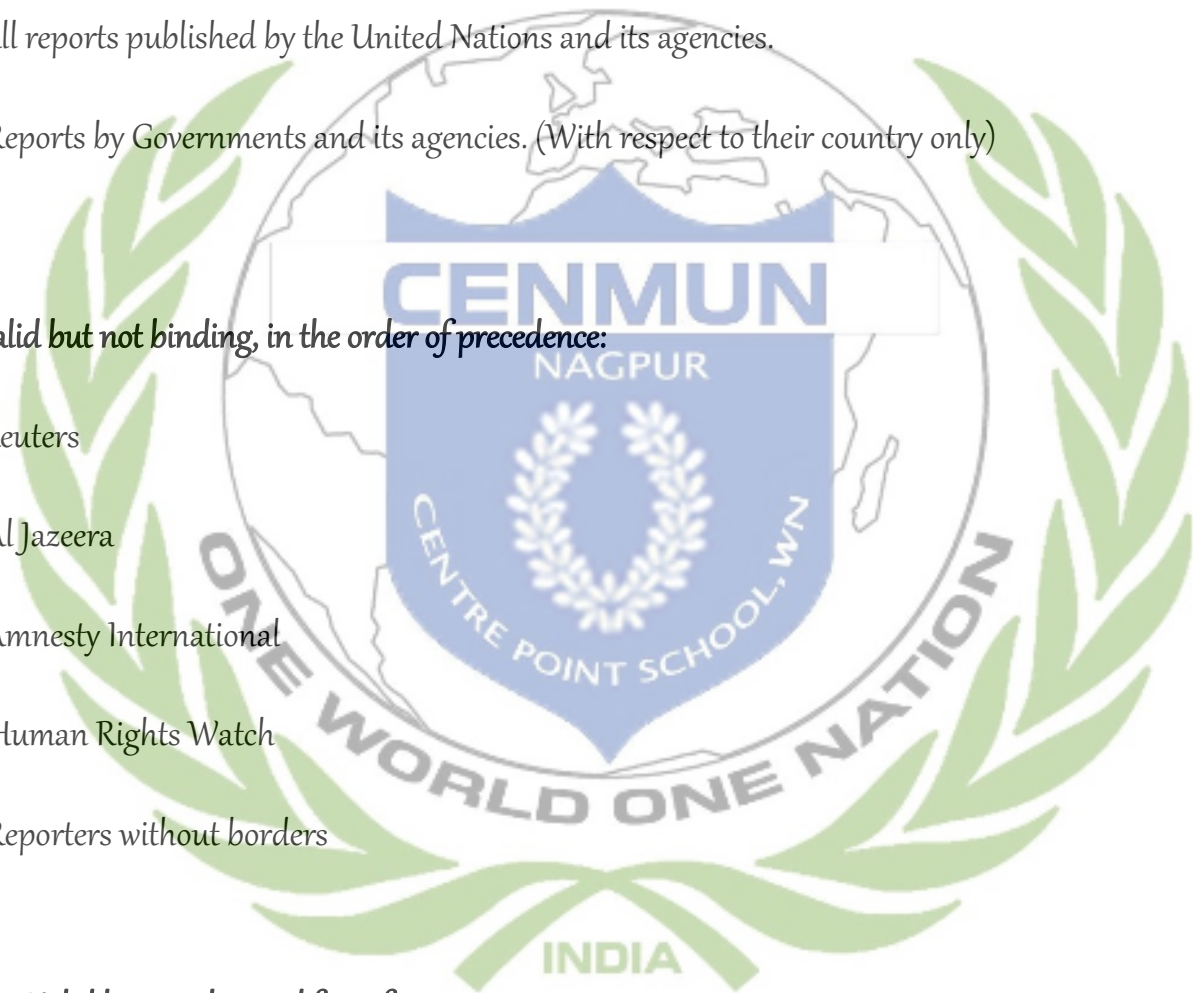
1. All reports published by the United Nations and its agencies.
2. Reports by Governments and its agencies. (With respect to their country only)

• **Valid but not binding, in the order of precedence:**

1. Reuters
2. Al Jazeera
3. Amnesty International
4. Human Rights Watch
5. Reporters without borders

• **Not Valid but can be used for reference purposes:**

1. Any report published by a recognized news agency or NGO.



• **Not accepted under any condition:**

1. Wikipedia
2. Wiki Leaks
3. Blog Articles
4. The Background Guide itself

We sincerely hope that this simulation of UNHRC will help you gain experience to become better professionals and persons in future. We are always at your disposal and please feel free to clear your doubts. You can ask us questions, or you could come with answers. We would like you much better that way!

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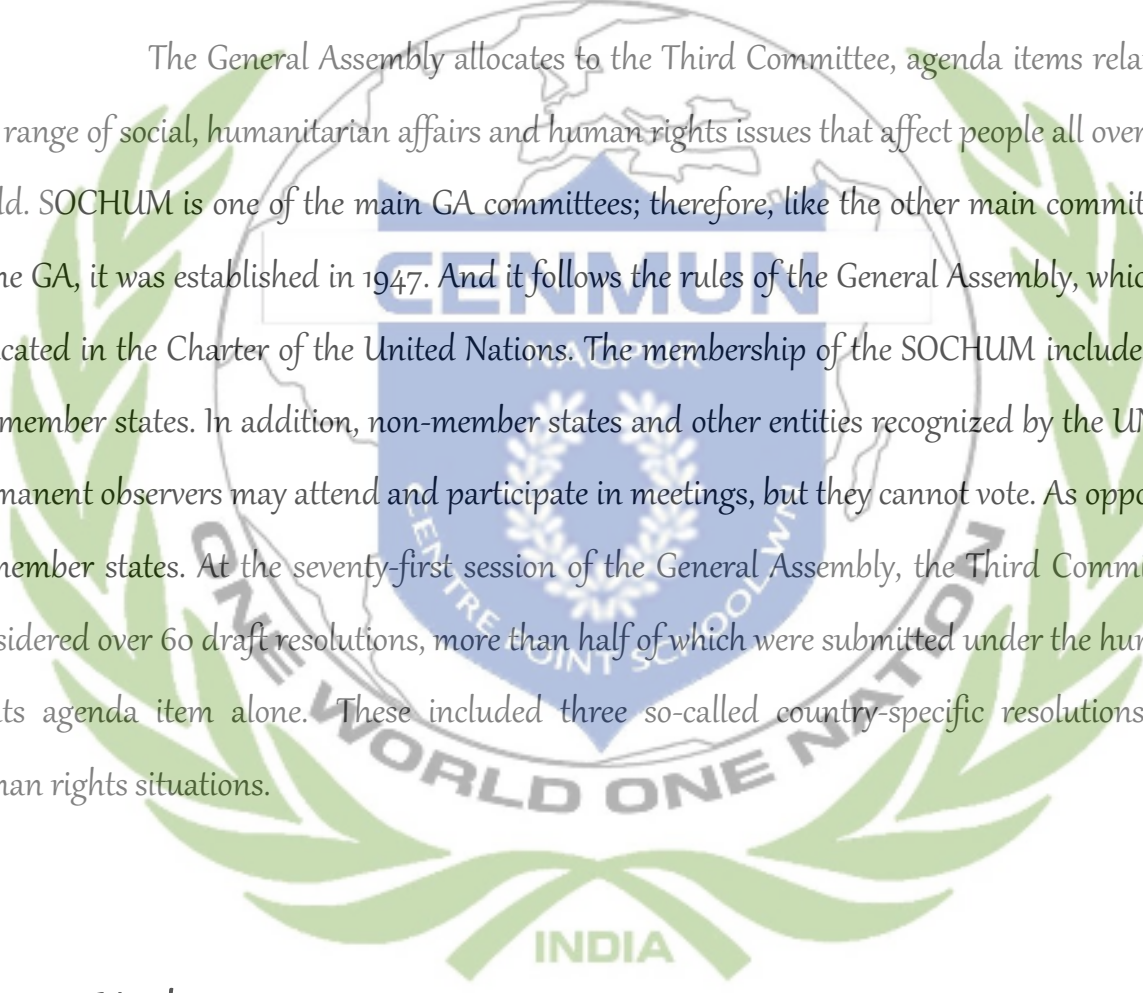
vidhi2609.bhabra@gmail.com

Be researched and prepared! See you soon.

With warm regards

The Executive Board

ABOUT THE COMMITTEE



The General Assembly allocates to the Third Committee, agenda items relating to a range of social, humanitarian affairs and human rights issues that affect people all over the world. SOCHUM is one of the main GA committees; therefore, like the other main committees of the GA, it was established in 1947. And it follows the rules of the General Assembly, which is indicated in the Charter of the United Nations. The membership of the SOCHUM includes all 193 member states. In addition, non-member states and other entities recognized by the UN as permanent observers may attend and participate in meetings, but they cannot vote. As opposed to member states. At the seventy-first session of the General Assembly, the Third Committee considered over 60 draft resolutions, more than half of which were submitted under the human rights agenda item alone. These included three so-called country-specific resolutions on human rights situations.

Committee Mandate

SOCHUM is a forum for UN Member States to discuss social, humanitarian, and cultural issues, especially those related to human rights. The SOCHUM and its subsidiary body, the Economic and Social Council (ECOSOC), take the lead in drafting general resolutions on these matters. According to the SOCHUM website, social, humanitarian, and cultural issues

include, but are not limited to:

the advancement of women's rights, the protection of children, issues related to indigenous affairs, the treatment of refugees and economic migrants, the promotion of fundamental freedoms through the elimination of racism and racial discrimination, and the right to self-determination. The Committee also addresses important social development questions such as issues related to youth, family, ageing, persons with disabilities, prevention of heinous crime, criminal justice, and control over the international drug epidemic.

Unlike Security Council resolutions, resolutions passed within the context of a General Assembly are not binding, SOCHUM serves as no exception. Resolutions, by in large, is a set of recommendations for the member states to ratify and adjust accordingly.

SOCHUM Strategy

In our humble opinion, matters relating to social, humanitarian or cultural are more difficult to solve in compare to dilemmas pertaining to economic, financial or security. Culture, and social structure is often difficult and costly to change, because they are the factors which make a "community", or a "nation" unique and special. That being said, a delegate must come up with a set of practical ideas and consider humanitarian facts while trying keeping in mind the ethics and cultural norms of all parties the resolution is pertaining to. Truly all-encompassing ideas must address all three facets of the committee, which are the aforementioned social, humanitarian and cultural. Every committee requires a great amount of effort, but if you are planning to simulate SOCHUM; our advice to you would be to make your research more detailed and intricate than you would for most committees, direct your research towards sustainable and long lasting policy, as always ensure you have the financial resources to back up your creative ideas! Lastly, understand your government's views and policy on the

national/international affairs. As you learn more, we are confident that you will be able to come up with realistic ideas that respect and takes into consideration the cultural, religious, social rights and the thousands of different lifestyles embraced by people all over the world.



INTRODUCTION

A human rights approach assumes that states are responsible for shaping and implementing the delivery of health services to assure consistency with human rights requirements. However, in the contemporary health landscape, health services are increasingly delivered through private health sector institutions, and governments lack direct control over some or many components of the health system. As the World Health Organization (WHO) observes, “Private provision is a substantial and growing sector that is capturing an increasing share of the health market across the world.” Today, private health institutions and providers play a major role in both developed and developing countries. Even the National Health Service in the United Kingdom, long an icon of state-funded universal health care, is currently undergoing major structural changes, opening services up to competition with the private sector, ostensibly to improve efficiency. Private provision of health services does not change the role of the state as the ultimate guarantor of the realization of health rights obligations, but it makes implementing its responsibilities more difficult. Fragmentation of the health system complicates oversight and the promotion of a rights-based approach to health. Segmentation of the health system, with a poorly functioning public sector catering primarily to the poor and better quality private health institutions catering to the more affluent, tends to undermine support for investing in improvements in institutions for the public provision and financing of health care and likely erodes commitment to the right to health as well. Additionally, the goals and priorities of private health care institutions tend to differ, often significantly, from the values and norms in the human rights paradigm.

Working effectively with and through private-sector providers also requires management skills and complex health information systems that many governments, particularly those in poor and middle-income countries, often lack. To date, the issues that private-sector health provision raises for the right to health have received little systematic attention from those working on health and human rights issues. As will be discussed in a later section of this article, international human rights law does not specify how health care services should be delivered or paid for as long as the health care provision is consistent with human rights obligations. Although some UN human rights treaty body committees have acknowledged that reliance on private health care may be problematic, they have generally not been inclined to offer guidance at the level of depth and complexity it requires. The few human rights specialists who have addressed the subject have differed in their views.

What is expected from the committee is to use a human rights lens to evaluate private-sector health services provision and the privatization of health care; to explore the extent and ways in which privatization of health services potentially is and is not compatible with human rights commitments; to consider other ways that an expanding or dominant role for the private health sector can complicate efforts to promote and protect the right to health and to identify factors and policies that can mitigate or exacerbate the impact of private health provision on the realization of the right to health.

DEFINITIONS AND DESCRIPTIONS

Privatization is the transfer of decision making authority, delivery, or financing from a public to a private entity. Privatization approaches are based on the fact that the private sector can deliver services more effectively and efficiently than the public sector. One aspect of globalization in the developed world is the privatization of services that may have been once provided by government. This trend is also starting to appear and increase in developing countries (for different reasons e.g lack of public resources) and an area where this privatization is occurring frequently is healthcare. Reasons for privatization occurring are dissatisfaction with terribly managed public services as well as re-introduction of private practice. Despite this privatization, the standard of healthcare in many developing countries is very low and continuously getting worse. While privatization may address some worries of a developing country, such as lack of funding or administrative capability, it can also produce negative results if not managed effectively. The privatization of government services in developing countries can have unintended negative consequences. Challenges that arise due to privatization include the challenges to equity and equality, especially when introducing significant personal expenditures in replacing the public ones in addition to the development of a parallel health care system available to those with a better ability to pay and directed mainly to offering and providing services. The public sector may have other values besides efficiency that a private sector organization may not have, such as responsiveness, effectiveness and trust.

- **Glossary of the issue**

Private sector - Usually composed of organizations that are privately owned and not part of the government. These usually include corporations (both profit and non-profit) and partnerships

Public sector - Usually composed of organizations that are owned and operated by the government.

Developing nation - A nation where the average income is much lower than in industrial nations, where the economy relies on very little export crops, and where farming is carried out by primitive methods

Capitation payments - Payments agreed upon in a contract by both a health insurance company and a medical provider. It is a fixed, pre-arranged monthly payment received by a physician, hospital or clinic per patient enrolled in a health plan with a capitated contract

Federally qualified health center (FQHC) - Federally funded nonprofit health centers or clinics that serve medically underserved areas and populations. Federally qualified health centers provide primary care services regardless of your position and ability to pay. Services are provided on a sliding scale fee based on your ability to pay

Grace period - a short period, usually 90 days, after your monthly health insurance payment is due. If you haven't cashed in your payment, you may do so during the grace period and prevent losing your health coverage

Uncompensated care - Health care or services provided by hospitals or health care providers that don't get repaid. Often uncompensated care arises when people don't have insurance and cannot afford to pay the cost of care

A brief timeline of the issue:

To date, the issues that private-sector health provision raises for the right to health have received little attention from those working on health and human rights issues. Although some UN human rights treaty body committees have realized that the dependence on private health care may be problematic, they have generally not been inclined to offer guidance at the level of depth it requires. The few human rights specialists who have voiced their opinion about the subject have differed in their views.

1901:

- American Medical Association (AMA) became a powerful national force
- Doctors are no longer expected to provide free services to all their hospital patients.

1930:

- Against the advice of insurance professionals, Blue Cross begins offering private coverage for hospital care in dozens of states within the country.
- Social Security Act is passed, omitting health insurance

1940:

- During the 2nd World War, wage and price controls are placed on American employers. To compete for workers, companies begin to offer health benefits, giving rise to the current employer-based system in place today.

- President Roosevelt asks Congress for "economic bill of rights," including right to adequate medical care.

1950:

- America plans to have a system of private insurance for those who can afford it and welfare services for the poor who can't afford it
- Many proposals are made for different approaches to hospital insurance, but none of which succeed

1980:

- Corporations start to integrate the hospital system, enter many other healthcare-related businesses, and consolidate control. Overall, there is a movement and shift toward privatization and corporatization of healthcare
- Medical care shifts to payment by diagnosis (DRG) instead of by treatment. Private plans quickly follow suit
- Growing complaints by insurance companies that the traditional fee-for-service method of payment to doctors is being exploited
- "Capitation" payments to doctors become more common

Current status

Today, private health institutions and providers play a major role in both developed and developing countries when it comes to healthcare.. Even the National Health Service in the United Kingdom, an icon of state-funded universal health care for a very long time, is currently undergoing major structural changes, opening services up to competition with the private

sector in hopes of improving efficiency. Private provision of health services doesn't change the role of the state as the most important insurer of the realization of health rights obligations, but it makes implementing its responsibilities more difficult. Segmentation of the health system, with a poorly functioning public sector catering primarily to the poor alongside better quality private health institutions catering to the more capable, tends to undermine support for investing in improvements in institutions for the public provision and financing of health care and likely erodes commitment to the right to health as well. Additionally, the goals and priorities of private healthcare institutions tend to differ, often significantly, from the values in the basic human rights of each one of us. Working effectively with and through some private sector providers also requires management skills and complex, well-structured health information systems that many governments, particularly those in poor countries, often lack.



PROBLEMS TO BE TACKLED

Privatisation is widely promoted as a means of improving economic performance in developing countries. However, the policy remains controversial and the relative roles of ownership and other structural changes, such as competition and regulation, in promoting economic performance remain uncertain. If privatisation is to improve performance over the longer term, it needs to be complemented by policies that promote competition and effective state regulation, and that privatisation works best in developing countries when it is integrated into a broader process of structural reform.

Privatisation may lead to steep hike in health expenditures, attributable to the increased costs of medical consultations, drugs and devices, medical tests and hospitalisation. Everybody involved has to earn; private medical practice is a profession, not just a public service.

Because of the pressure to make a profit, many diagnostic centres may promote uncalled-for investigations and treatment in order to recover their initial investment. So, services with limited value will be popularised and promoted to many people – whether or not they need it.

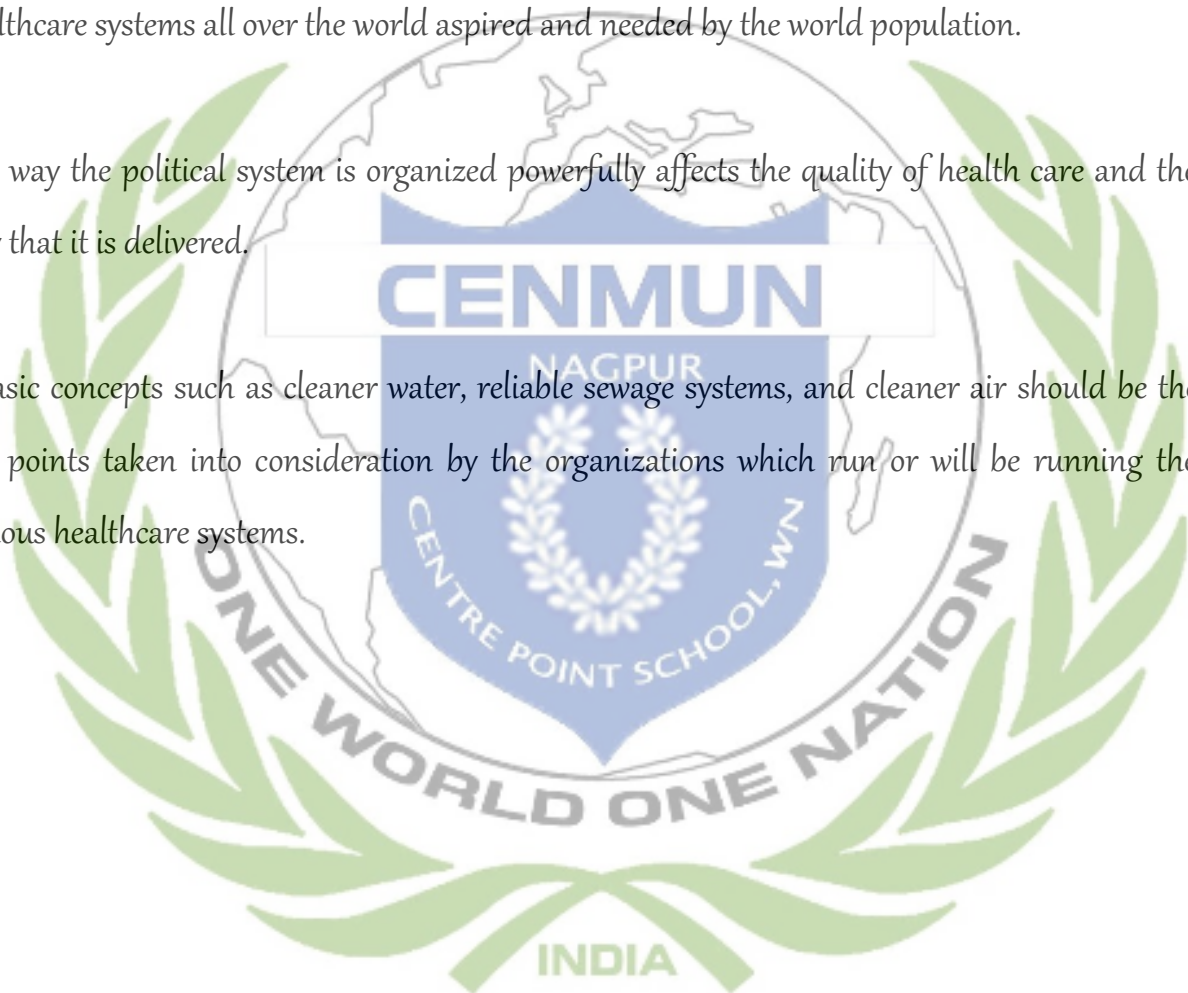
Lack of transparency may also be one of the few drawbacks of fully privatised healthcare systems.

Privatisation may also encourage unhealthy competition among the groups involved, since the objective is not only to earn, but to earn more than others. Privatisation leads to the relative neglect of problems from which there is little to earn.

Therefore, a decision catering the needs of all and solving maximum problems related to healthcare systems all over the world aspired and needed by the world population.

The way the political system is organized powerfully affects the quality of health care and the way that it is delivered.

Basic concepts such as cleaner water, reliable sewage systems, and cleaner air should be the key points taken into consideration by the organizations which run or will be running the various healthcare systems.



CASE STUDY

Academics and World Bank officials argue that, by reducing out-of-pocket expenditures, expanded private insurance may improve access to needed health services in less developed countries. In this empirical response, the authors examine this recommendation through observations from their research on privatization of health services in the United States, Argentina, Chile, and Mexico. Privatization, either through conversion of public sector to private sector insurance or by expansion of private insurance through enhanced participation by corporate entrepreneurs, generally has not succeeded in improving access to health services for vulnerable groups. Although the impact of privatization has differed among the Latin American countries studied, expansion of private insurance often has generated additional co-payments, which have increased rather than decreased out-of-pocket expenditures, thereby worsening access to needed services. Privatization usually has improved conditions for private corporations and has led to higher administrative costs. To address the devastating problems of access to services worldwide, we must find ways to enhance the delivery of public sector services and must move beyond conventional wisdom about market-based policies such as privatization.

Governments engaging third parties and collaborating with nongovernmental organizations (NGOs) is an aspect of globalization that has taken root in the developed world, especially in the United States. The relative success of this trend is, however, only one possible outcome of privatization in a developed, stable country. Privatization has also begun to take root in the developing world, but it is occurring there for different reasons than in the

developed world (e.g. lack of public resources). This movement should be critically evaluated because while privatization may address some concerns of a developing country, such as lack of funding or administrative capability, the effort can produce negative results if not managed effectively. The privatization of government services in developing countries, in the form of humanitarian intervention, can have unintended consequences. And with the proliferation of NGOs and international groups (including state-affiliated groups), developing states can turn to less traditional, non-state and international actors to fulfill roles traditionally served by government. This reliance is not necessarily a bad development. In fact, in many areas it is often likely to be beneficial as these new actors whether international or domestic may be better equipped to deliver higher quality services. In some circumstances, however, the reliance of a developing state's government on non-state and international actors may be detrimental to the population, and for this reason privatization should be viewed with caution.



QARMA

Before you start thinking this is some Urdu word and wondering what it is doing here, stop! QARMA is actually an acronym for **Q**uestions **A** Resolution **M**ust **A**nswer. It is expected that after two days of tiring debate, the delegates would come up with a resolution that provides strong, realistic and sustainable solutions to the problem at hand. Always remember, before you suggest a solution to a particular problem, put that answer through a litmus test of 4 questions, as follows:-

1. What needs to be done?
2. Who would do it?
3. How would do they do it?
4. Why would they do it?

The main questions that your resolution is expected to answer are:

1. What are the essential characteristics or qualities of a healthcare system?
2. How many of the essential characteristics are you able to address in the resolution?
3. What kind of role would the UN play in furthering the interest of public?
4. Who would bear the costs of the restoration works? Why?
5. What would be the timeline of the actions?
6. How would you get the locals and the regional organizations to work together towards the cause?
7. Who/What all are the impact points?

8. What other ills can pop up, and do we have a contingency plan for the same?
9. How can your country contribute towards the process?

This is neither an exhaustive list nor a binding list. These are just some suggestive points on which you need to work to bring out a strong, concrete, sustainable and conceivable resolution.



FURTHER READING RESOURCES

<https://www.ncbi.nlm.nih.gov/books/NBK52830>

<http://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg-no=IV->

<http://www.repository.law.indiana.edu/cgi/viewcontent.cgi?article=1427&context=ijgls>

<http://www.pubmedcentral.nih.gov/articlerender.fcgi?artid=1121065>

<http://doctorswithoutborders.org/publicationstar/report.cfm?id=2010&cat=activity-report>

<http://www.heritage.org/health-care-reform/commentary/the-top-ten-healthcare-amendments>

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