

# THE INSTITUTE OF NATIONAL PLANNING



Memo. No. 883

Priorities In Health Planning  
A General Framework

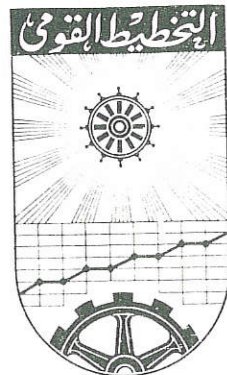
By

W. A. Hassouna M.D., Ph.D.

May 1969

# UNITED ARAB REPUBLIC

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"Opinions Expressed and Positions Taken by Authors  
are Entirely Their Own and do not Necessarily Reflect the  
Views of the Institute of National Planning".

## PRIORITIES IN HEALTH PLANNING

### The Planning Process and the Determination of Priorities:

Planning is a process of rational scientific analysis of a given system to provide a solution (change) which can maximise a certain preference function (objective function).<sup>1)</sup> The preference function is a complex of different desiderata reformulated by the political authority-(dictator, powerful junta or parliament)- it does not materially differ. The arrangement of these desiderata reflect the difference in the weights attached to each desire. On this basis the preference function can be defined as a complex of preliminary priorities reflecting the desiderata of the political power. It also follows that the arrangement of these priorities will basically affect the solution and any change in this arrangement will lead to a different solution. If a proper solution<sup>(2)</sup> is provided and adopted the preliminary priorities will become definite priorities and the adopted solution will be called "The Plan". If the solution is not accepted for any reason a rearrangement of priorities have to take place in order to obtain a new solution. The difference between the two solutions, therefore, reflects the difference between the two preference functions, i.e., patterns of priorities, and can be physically measured as the cost for changing priorities. This leads us to the conclusion that the determination of priorities is by far the most important point of departure in undertaking planning a fact which holds

on both the macro and micro levels. It is a popular belief that the determination of priorities is much more important in developing countries rather than the developed countries to the greater degree of scarce resources of the former. This is true to a certain extent, but as an essential basis for organized activities the determination of priorities is equally important for developing and developed countries even, may be, more important to the latter.

#### "Health" as a Priority in Economic Plans:

"In terms of resources for economic planning nothing can be considered of higher importance than the health of the people." (Third Five Year Plan, Mysore Government India, p. 347.)

"Investment in health promised large dividends in life expectancy and those nations which had prosperous economies and financial capital to spare quickly applied this principle. In areas where there was no surplus capital to invest in the profitable enterprise of health, the vicious cycle of poverty and disease pursued its disastrous course unchecked". (C.E.A. Rowland, "The Cost of Sickness and the Price of Health, "p. 9).

For the purpose of this paper I shall be satisfied with the previous two quotations to illustrate the importance and value expected priority in economic plans. As a preliminary step in the preference function health tends to have a higher

priority than in a definite priority provided by an acceptable  
ration for the whole economy. The main reason for that seems  
be due to the weak qualitative values used in measuring the  
output of health activities and their effect on development.  
The argument may be reduced to the following relationship:

$$H \propto P$$

Here H stands for Health and P stands for Productivity, and  
the simple conclusion may be that investment in Health in-  
creases Productivity and hence accelerates development. The  
argument for and against the previous relationship is not in the  
scope of this paper, but I may say that among the competing  
sectors, in any economy, the health sector, as some others,  
i.e., services in general, is unable to demonstrate a clear-  
cut or even a little bit hazy capital output-ratio and hence  
its priority in planning almost depends on the amount of re-  
sidual resources after satisfying the more productive sector as  
shown by quantitative measurements. Each solution at least has  
to provide minimum health activities which could maintain the  
present production level.

To face reality we must admit that the priority of  
the health sector in the plan is determined on a residual basis (3)  
and in my opinion the most important work which should be undertaken  
by the health sector advocates and supporters is to introduce

more quantitative measurements<sup>ⓧ</sup> for the output of health activities. Such work is basically on the micro level,<sup>ⓧ</sup> i.e., within the health sector itself.

### III. Determination of Priorities within the Health Sector

Nobody can deny that the determination of priorities within the health sector is basically the responsibility of the health people. In this field the solutions provided to tackle the health problems in the form of different health activities usually try to find the most vital health problem which can be attacked with maximum results "i.e., improvement in the general picture of health" at a minimum cost.<sup>ⓧ</sup>

In handling this problem one may be able to use different techniques to reach acceptable solutions. But before going into a discussion of these approaches and techniques one finds himself tempted to point out a basic problem which faces a planner in this area a part from the enormous value judgments used in stating outputs. This problem is the result of the artificial professionally created cleavage between Preventative and Curative health activities. The overlapping nature of activities undertaken under these two artificial categories will certainly create duplication which in simple terms means "uneconomic" use of resources.