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**REFORMING THE WELFARE STATE:  
RIGHT, NEED AND DESERT FOR A FAIR ALLOCATION OF  
PUBLIC RESOURCES**

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## **REFORMING THE WELFARE STATE: RIGHT, NEED AND DESERT FOR A FAIR ALLOCATION OF PUBLIC RESOURCES**

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### **SUMMARY**

In this paper we show the consequences of different normative criteria in the way public resources are allocated at the time of reforming our of the welfare states. Among those we analyze the tasks that pursue (i) to guarantee the entitlement to some citizens rights, (ii) to provide social answers to emerged individual needs, (iii) to offset unlucky contingency effects just to those who deserve it by having observed a responsible behavior and (iv) to maximize the total outcome effectiveness given a budget constraint. We observe the effects of each of these criteria on their translation into the allocation of public resources and the different final impacts they provoke on individual welfare. We complement the analysis by showing their implementation in some specific case studies. Our conclusion is that in order to achieve the expected aims of each of those principles some specific countervailing measures are needed. Specific accompanying measures have to be put in place since otherwise the resulting public policies will not achieve the outcomes as pretended.

### **Introduction**

Different contributions have been made to the study of how economic resources, which are limited per se, should be allocated. This applies especially for public resources, whose origin and targets make them a matter of special scrutiny of social responsibility in our welfare states.

Steaming from theories of justice and particularly from some of the ideas that

have guided the political philosophy of the last thirty years, including Rawls's general concept of justice and the theories of Dworkin, Sen and others we want firstly in this paper to establish some clear-cut principles in order to identify what may constitute a fair allocation of resources.

According to Kymlicka (1995), what these theories need to have in common is their equal consideration for everyone, but they certainly differ in the way this equal consideration is granted and therefore in how intervention by the authorities should make them achievable.

For all these reasons, many authors are concerned about the inability of several theories of justice to describe how society resolves actual problems of distributive justice (Young, 1989). More specifically, Chadwick (1994), for instance, in speaking of health policies in the United Kingdom, stresses the operational shortcomings of theories of justice when it comes to solving resource allocation issues. Indeed, according to Sen (1999), there are a series of mutually exclusive principles in order to decide how resources should be allocated in a given society. These principles can be seen in the form 'to each according to X', where 'X' is the guiding principle for the distribution of goods or services. Many authors have tried to establish a list of principles in this respect (Titmuss, 1974; Harvey, 1993; Miller, 1999), but no one of those lists can be considered exhaustive insofar as to explain how resources are allocated and neither directly transferable to resource allocation mechanisms.

The aim of this paper is to establish a typology that will allow us to classify the existing resource allocation mechanisms on the basis of the principles of equality behind them. The article has two parts. The first section establishes a typology of resource allocation that is substantively important in that it explains how welfare resources are allocated. The second part outlines some policy implications from the point of view of design, management and implementation of those mechanisms. Our goal is to show the consequences of identifying the entitlement to some rights, the social answers to individual needs, the compensation from responsible behavior and the allocation with regard to maximize global effectiveness. We identify the effects of each of these criteria on the allocation of public resources and the impacts on individual welfare. In the second section we show that in order to achieve the expected aims of each

of those principles some specific countervailing measures are required. Specific accompanying measures have to be put in place since otherwise the resulting public policies will not achieve the outcomes as pretended. We illustrate this by showing some specific applications (Balaguer, 2014) and we suggest some compensatory measures to accompany their implementation.

## **I.- The principles**

### **Equality principles**

Titmuss (1974) identifies the principles of 'need, contribution and desert' and associates each of them with different models of social policy, in a similar way as authors like Goodin and Ware (1990) and Esping-Andersen (1990) did later. Esping-Andersen shows three welfare regimes that use predominantly three different principles for resource allocation. Thus in Social Democratic regimes the principle of rights-based equality prevails; in Conservative-corporative regime the principle of desert-based equality predominates, and in the Liberal regime it does the need-based principle. Finally a principle on total outcome maximization can be identified too for utility-based resource allocation. This is gaining importance mainly because of its application in areas such as health care (Arnsperger, Van Parijs, 2000).

In the case of rights-based allocation mechanisms, criteria can be based on age, place of residence or nationality and we used to refer them as universal in the sense that no-one can potentially be left out if 'ex ante' fulfils the required condition. The other mechanisms are discriminatory insofar as they do not allocate resources to all the individuals. Selective mechanisms differ in the criteria they use for assigning goods or services. In needs-based regimes, selection usually accounts people's economic situation in terms of relative need or level of means. In deserve-based mechanisms, criteria for allocating resources are related to people's actions, such as behavioral codes, years worked or social security contributions. Finally, in utility-based mechanisms, criteria adopted for allocating resources are tied to expected utility (maxima effectiveness) derived from those assignments.

**Table 1: Principles, Mechanisms and Allocation Criteria**

PRINCIPLES FOR ALLOCATION CRITERIA	FACTORS FOR ALLOCATION MECHANISMS RELATED TO
Rights	age, residence, nationality...
Need	economic situation, level of income, assets...
Desert	people past actions: years worked, insurance payments, academic records...
Utility	the resulting utility associated with maxima effectiveness, level of resources and capabilities of the recipients, for health, life expectancy...

We can therefore distinguish four principles of equality that give rise to four mechanisms for allocating public resources: whether the allocation is considered (i) an absolute right originating in the citizen, (ii) as a social option, but one subject either to a condition of relative need, (iii) to one of desert or, finally, (iv) to the achievements.

In the rights-based principle, it is felt that all individuals are entitled to receive a given level of resources because they have a certain non transferrable entitlement. ‘You are’ or you ‘are not’ (national, old, resident); and if your ‘are’, you are then entitled. This is the case of the right associated to citizenship or to any other service under universal access. In this case, the limits to the right to receive because of that inalienable condition are self contained and dichotomist (you either have it or you don’t; if you have, in principle there is nothing to object to).

This criterion works at its best when formulated ‘ex ante’, with no moral hazard, where everyone is eligible (covered for the contingency), although in the end not everyone may have been ‘elected’ (in the light of the occurrence or not of the case). In universal health systems, for instance, the case of the right to access to health care in absence of priority setting, illustrates this principle. A protocol on the provision side is activated once the demand is initiated. ENT(otorhinolaryngology) and some simple medical explorations may provide some examples of it, as we will see in our case study.

Under the second principle, resources are only allocated to those with a



contingency needs-related that responds in principle to a condition marked by an objective situation ('ex post', the need either exists or it doesn't) and that is relative (someone can have greater need than others). Not because 'you are' but because 'you have'. Examples of this type of situation are lack of health or the fact of living below a certain income threshold or having insufficient means for a person, family or household to undertake a decent life. In this case, intervention by the authorities is justified in order to cater for the basic needs of these people or those who would not have been able otherwise to satisfy the needs by resort to the market due to lack of means. Non-contributory pensions, the guaranteed minimum income and grants for students in need, among others, are examples of public policies based on this reasoning. In all these cases, the resource must be awarded to the individual in taking into account his relative situation with regard to that of the other members of the community (need test) and the socio-economic situation of the applicants (means test).

In relation to the third case, the merit principle of desert, granting the resource is conditioned by a particular prior individual conduct that legitimates its award. This may consist of a single action, *quid pro quo*, or a continuous effort, either monetary or in kind. Intervention by the authorities is justified to restore certain proportionality between the sort of contribution and the benefits obtained; in this case, the award of the grant is subject to a prior individual screening or to some register scrutiny, but not to an universal entitlement nor to previous capabilities to achieve the expected benefits. Retirement pensions, unemployment benefits and other contributory schemes depending at least partly on the number of years worked and the amounts paid are examples of this reasoning. We will take here as a case-study the reduction in the price of university enrolment for students who have obtained some honors pass the previous academic year.

Finally, a results-based allocation criterion introduces as a priority the ability of recipients to benefit from those resources in pursuing a total maximum. This is the best guarantee of the effectiveness in resource utilization. The currency of this principle is related to its application in areas like education, health care –in particular in a context of scarce resources (Puyol, 2012; Gonzalez Lopez-Valcarcel & Ortún, 2015)– or even in some mentoring programs as we will see in our specific case study (Newman S Hatton-Yeo A,2008). One example of

applying this principle is the practice of giving priority for certain transplants to people who have not yet reached an advanced age, so that the intervention finds justification in the future utility of this intervention over a more extended life expectancy.

In the next section we explain, firstly, for each of the former principles which are the associated allocation mechanisms, which are the main issues that make them difficult to implement and, secondly, what methodological options can be adopted in order to these operative instruments be fully coherent to the resource allocation mechanisms resulting from the principles of justice already mentioned.

## **II.- The incidence in the allocation of public resources**

### **Entitling individual rights**

In relation to the rights-based principle, the first issue is to establish which among these entitlements encompass –that is, which rights are covered and in which fields. It needs to be made clear the extent they are included in some fuzzy areas such as health care, education, social services, housing or family policies. There is in general considerable confusion as to the extent they may substantively apply. For instance, sometimes they are referred to the entitlement of rights in the Spanish Constitution, like the right to work, to housing or to decent living conditions. In the case of non-discriminate rights (as in the case of the right to vote) according to Pisarello (2009), genuinely fundamental rights are civil and political rights that can be directly and immediately claimed in the Courts deserving the maximum protection foreseen by the law. However, unlike political rights, to claim social rights requires prior legislative development (which is not always the case in Spain). As a result, to award these rights on an individual basis may be another matter. In addition, to be eligible for public programs does not necessarily mean to be finally elected. Universal access is not synonymous of equal utilization. In the case of free access services at the point of delivery like for health or education, recent

analyses for Spain by Abasolo et al (2014), Calero and Gil (2014) and also the OCDE 2014 *Social Policy Stand* have called into question its expected redistributive impact because there are barriers to access that determine their use over and above those rights. These barriers cannot be easily overcome.

*Proposals for some compensatory mechanisms:*

Based on what we have seen so far, at the level of the design of resource allocation mechanisms, in order to guarantee the same right to all individuals some accompanying criteria are needed. With regard to the use of public services it means to put in place some compensatory mechanisms in establishing policies which, as well as guaranteeing these services are actually free at the point of use, are also able to recognize, identify and, in short, work to remove barriers of all types other than prices that can limit effective access.

The *Results Centre of the Catalan Health System Observatory (RCHSO)*<sup>1</sup> for target accomplishment (in terms of explorations, vaccinations, recidivisms, waiting time, waiting list, etc.) is a good example in the field of health care. To monitor health outcomes is more than just to offer public coverage for health care. The *Centre* provides evidence on indicators for effective health care on a monthly basis and play an increasingly important role in benchmarking for health care achievements.

*Research findings in Parc de la Salut del Mar*

We observe those features by applying our research to specific ENT (otorhinolaryngology) services in one of those public hospitals in Barcelona (Parc de Salut del Mar) during the most severe period of the economic downturn (2009-2012). Results evidenced (see Balaguer, 2014 op. cit.) no relevance of the following barriers: legal, geographical, intensity of coverage and administrative restrictions in acceding to ENT. Waiting time factors in healthcare activity are studied according to Donabedian (1972). Interviews to

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<sup>1</sup> The *Results Centre Results Centre of the Catalan Health System Observatory* provides reports on statistics and indicators of health care facilities on a public provision basis either under public production or non-profit contracted out hospital services, with the aim of boosting and improving the decision-making processes according to some benchmarks.

professionals shows that in a setting where comparative results among health care centers are observed, "any reduction in the waiting time and waiting lists is considered a success, while any increase in waiting lists should be analyzed"<sup>2</sup>.

### **The relative need criterion for priority setting**

The need-based principle has better prospects from an operational point of view since is to be defined internally to the public management of the services under the accepted financial constraint. Concerning the substantive dimension of this concept, Doyal and Gough (1991) argue that human beings have 'basic needs', those being defined as 'the abilities to make informed choices about what should be done and how to go about doing it'. This approach has some similarities with Nussbaum (2000) and Sen (1985) who have integrated into 'need' the concept of human capabilities in order to design social policies, or with the Rawlsian idea of 'social primary goods' (Rawls, 1989).

With regard to the logic that guides policy intervention, for some authors, the more an individual 'needs' (at the initial point), the closer this can get to the best possible alternative (point of arrival); for others, put simply, the person with most need of that service at each moment is whoever is worse off at the initial point, whatever the ceiling that can be reached.

A simple interpretation of Rawls does not envisage that any priority is possible other than improving things for whoever is worst off. It doesn't enter into an evaluation of whether the gains of those who would gain with a different allocation would be more or less the same as the losses of potential losers. It doesn't trade-off gains and losses, it's an orthogonal criterion. Rawls doesn't analyze the reasons for the state of need since it does not condition to it the services to be supplied: whose responsibility is, what effort the person affected may have had to avoid it is not relevant. Moral hazard issues are excluded.

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<sup>2</sup> Research undertaken in the hospital above mentioned shows a marked decrease of waiting lists for those services from 66 days in 2010 to 43 days in 2011 and finally 18 days in 2012. In the so called 'guaranteed surgical procedures' (rhinoplasty and tonsillectomy) a maximum waiting period of six months is granted. Results proved a waiting time of 4 months below the average expected for this type of intervention (almost 5 months). The pressures to provide adequate quality in a context of transparency has cushioned the demand increase for those services and effectively reduce waiting lists.

The stereotype of the criterion of need, say applied to situations like approaching death, is the rescue principle: in distributional terms, the rule of rescue would take precedence over all the others<sup>3</sup>.

Also on the road to reinterpreting 'need' for operational purposes, we can find Sen's proposal for the equalization of effective decision-making capacity. This requires subjective positive discrimination with a view to effectively equalize actual opportunities.

### *Proposals for implementing complementary mechanisms*

To be able to transfer the elements of the 'need' debate to the design of operational mechanisms, first of all, from the point of view of resource allocation, it is necessary to have suitable systems of analysis, either in computing relative need or level of means and related causes. Secondly, and whatever the option chosen on what is 'need', regardless of whether we are dealing on the basis of resources, welfare, "capabilities" or opportunities for welfare, the most urgent strategy from the logic of public policies is to adopt a criterion that establishes a threshold above which people are excluded from receiving the service.

Therefore, a compensatory mechanism might consist of some lineal 'packages' of services, with money as the single currency for financial indemnities, once relative 'needs' are scored. They should be weighted according to the actual cost of the interventions and the budget for the total amount of services available. Notice that we neglect here responses other than the public provision for satisfying those 'needs'. As we will discuss later, regarding to final results, from resources allocation in general, we might consider for distributional purposes that part of private supply that also affects outcomes. Out of the public provision this may refer less cost effective treatments -effective but costly and therefore not publicly offered- paid out of pocket just by a segment of population.

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<sup>3</sup> Other interpretations point out that the most needed person criterion is compatible with the meritocracy. It may be perhaps considered a requirement or a priority but not enough to level the playing field since there are random factors exogenous to the effort that, because of this, make the 'maximin' rule unavoidable.

### *Research Findings in the Student Grants case*

Application of the needs-related mechanism can be seen in the case study of the *Finestreta Study Grants* at the Autonomous University of Barcelona. This was an initiative launched to mitigate the effects of unexpected -exogenous- situations (emerging needs) that did worse student's ability to self-finance and then reduce his chances to pursue the university studies. Those grants are allocated to students that had recently experienced some disruptions that did affect their ability to pay university fees and that might influence the academic progress of their studies. Grants were supposed to neutralize the new contingencies, *caeteris paribus* not being conditioned to the previous academic performance. The analysis undertook proved the need to take into account all the existing programs devoted to similar aims. In this case the implementation of a program which allocates resources after long interviews with the potential recipients, did effectively contribute to guarantee coverage for a large number of contingencies as described in the *With the setting-up of Finestreta Study Grants* program, the conception of "self-perceived need" and "expressed need" are added to the system of grants. As a result, the whole categories of need in the Bradshaw's typology are considered<sup>4</sup> and met and this seemed to have led to a more effective need-recovery system.

In this case (see Balaguer 2014, op.cit.), the needs-based mechanism laid on, first, to have an adequate system of analyzing needs and second, to the ability of the mechanism to exclude potential recipients. Results show that this grants program has the same method to analyze needs as other preexisting programs. Concerning the second requirement, discretion allows excluding high income recipients and at the same time including certain caseloads on a more polyhedral basis covering specific needs that fall outside strict economic criterion. In administrative terms, those grants also provide a faster response to

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<sup>4</sup> Bradshaw distinguishes the following categories of need: a) *Normative* need is identified according to a norm or a standard defined by an expert; b) *comparative* need concerns problems which emerge by comparison with others -or with another geographical area- not in need; c) *self perceived* need as felt by people - that is, need from the perspective of the people who have it- and d) *expressed* need as they say they have.

changing needs on the current economic framework. Grants were allocated during 4 periods in a year in accordance with the motivation that are intended to mitigate –unintended and exogenous contingencies. Within that same logic, grants covered the entire academic fees and were intended to avoid any additional cost incurred by the recipient.

### **The desert principle**

In the case of the desert-based principle, Roemer (1985) and others discuss on the subjective and objective reasons that may lead to this need: is the individual responsible for this situation or not? Is it caused by an insurmountable exogenous circumstance, or by a lack of effort? The level of endeavor required is the effort that corresponds to the level (category) which, at least in practice, is observed by all those individuals in similar circumstances as the affected person. In these cases, the public policy has to attempt to neutralize the circumstances, but not the lack of effort on the part of irresponsible, and therefore undeserved citizens.

### *Some compensatory instruments for operational purposes*

In the case of deserved and undeserved need, for implementation purposes, the biggest policy challenge concerns the design of the mechanism itself. In particular first, we need to tackle how to distinguish contributions in terms of efforts and neutralize ‘circumstances’ (in order to identify ‘ex ante’ individual’s deservingness), and second, to define categories that give rise to unequal but ‘acceptable’ differences in rights based on these unequal past efforts (retrospective criteria). We therefore need a method to associate previous efforts with allocation decisions. Some clustering techniques to neutralize exogenous factors out of the individual’s responsibilities and some analysis of standard deviations in the distribution of some other endogenous factors may be of help for that purpose.

### *Research Results for "Becas Colaboracion"*

The Collaboration Fellowship Program (*Becas de Colaboración*) is a grant program for excellent students organized and funded by the Spanish Ministry of Education, Culture and Sports (MECD) which aims to strengthen links between students and their departments through the student's collaboration in these universities. Thanks to this program, students are eligible for some financial assistance and in return, they get support for teaching and research while enhancing their education, their research orientation and their employability. Results obtained by these grants show that stratification takes place using two filters; an "absolute" filter based on outstanding academic results - those minima that students should have obtained to be eligible-, and a second filter that operates once applicants are confronted to the number of available fellowships. In this case, effectiveness depends on the ability of those filters to allocate scarce grants.

Results analyzed during the academic years 2011-2012 and 2012-2013 show a trade-off between merit assessment and ease of allocation procedures<sup>5</sup>. In particular, in a context of economic crisis, the second filter which not depends on marks obtained but only on the relative position of results achieved by different candidates is increasingly important in the allocation of fellowships. Benchmarking and tournament procedures may be necessary to accompany the implementation strategy for desert in absence of enough objective information on the candidates for prioritization.

### **The maximization of utility principle**

The three principles above mentioned lack the evaluation of the effectiveness in the utilization of resources –that is, the impact they have for both individual and aggregate welfare improvement. Thus if we want, say, to maximize health and

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<sup>5</sup> According to that system and using for the 2012-2013 academic year some candidates with great marks (ie: mark of 11,49 in Law and Social Sciences) do not receive fellowships in a discipline with a high demand while others recipients could receive it even with a worst qualification in a discipline with lower applicants (ie: 11,04 in Technical Studies, or 11,23 in Health and Experimental Studies).



life expectancy, reduce unnecessarily early and medically avoidable death or increase the years of life gained free of disability, the most basic common sense would refuse to devote resources to the person who, despite showing the highest need, can only benefit minimally from the available resources, or to anyone who ex-ante deserves the resources but who in their concomitant application generates the poorest results.

But the ability to 'maximand' benefits from resources can indeed give rise to some complications: in health care for instance, there are treatments that prolong life but with very poor quality, or only to a certain degree in particular cases, but absolutely very little collectively with regard to total life expectancy, such as treating terminal cases; or which by their nature have a longer-lasting impact for young people than for old one. But if we are serious about maximizing health, no doubt that priority setting based on cost effectiveness needs to be implemented. However to maximize health outcomes may not be the single goal of a health system.

#### *Proposals for complementary mechanisms*

Again some compensatory mechanisms need to be put in place for this restricted maximization exercise. Let's see the case of health care. A year of life gained adjusted by quality, being the most accepted outcome measure ('a QALY' is a QALY'), may receive different weights in practice according to who is the main beneficiary ('a QALY' is not a QALY'). This is why some authors propose certain restrictions for this social 'maximand'. This is the case of the 'fair innings' approach, a sort of aliquots for each individual as a sort of universal entitlement which once exceeded make for lower priority, or below which the opportunity cost plays no part. A second compensatory mechanism if we are concerned with final outcomes (health improvements) may be required too. In this scenario the public sector provides the cost-effective treatment, but there is a portion of the population that is able to access to the effective, but less cost effective treatments through paying the price in the private sector, while population who cannot afford to cover the cost of the treatment does not receive it.

On the first issue, when trying to allocate resources public health systems usually use the rule of the cost-effectiveness threshold to determine which services should be provided. This rule consists in theoretically ranking the available treatments or instruments according to their cost-effectiveness ratios. Once the relevance of treatments has been established, the public sector finances them according to that ranking until the closed public budget has been exhausted. The ratio of the last treatment included in the package of public health services determines the cost-effectiveness ratio new treatments should have in order to be included into public services package<sup>6</sup>. Using this method it is ensured that the flat health gains of the population covered by this system are maximized. However, on the second issue, health systems within countries have much more complex structures than the described before. There is usually both a public and a private sector, whose interactions can have huge equity and social utility implications and therefore should be taken into account when designing eligibility and provision of public health services. In this sense, a copayment that enlarges the public package which follows the income gradient of the users can be welfare enhancing from a social stand. Out of health care some other fields have to do with social services as in the case study examined below.

### *Research results for the "Mes Grans" Program*

Intergenerational support program "Més Grans" is a mentoring pilot initiative which consists of the exchange of solidarity between dozen senior people over 55 years old living in the north of Catalonia with low-income families with children from 3 to 10 years who live in these regions. These exchanges take the form of mentoring activities where the senior people help the families and especially the children of these families to carry out certain activities; in return,

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<sup>6</sup> Thus in the case of utility-based mechanisms, the main object is to provide services and resources to people they can be useful to in the future. This calls for the existence of prospective criteria and sophisticated evidence-based assessment mechanisms (criteria of cost-benefit, cost-effectiveness, cost-utility...). Current debate in the United Kingdom on the launching of the National Institute for Health and Care Excellence (NICE) has despite numerous criticisms helped to prioritize the allocation of resources in certain areas of the health sector and generate debate on these allocations and this has led many countries, among them Canada and Scotland, to adopt similar methodologies, in some cases improving certain aspects.

thanks to the project, mentors people occupy their free time and improve their relationships. This program could be seen as an example of utility-based mechanism in the sense that all individuals are better off without making at least one individual worse off (Pareto efficiency). In that sense, the efficiency of this program depends on the accuracy of the assessment tools and its ability to measure the utility (impacts) by various means. For this reason, throughout the project, this variable was estimated by the following different factors: 1) utility as a proxy of satisfaction for the decision to continue to participate in the project by participants, 2) utility as an increase in the "wellbeing perceived", and 3) utility for public officers as the ability to test and "experience new forms of intervention"<sup>7</sup>. Adequate choice of participants –*mentoring pairs*- is a key aspect for an effective resource allocation.<sup>8</sup>

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<sup>7</sup> This were the raw data: utility as a proxy of satisfaction for the decision to continue to participate in the project by participants: 8 of 12 families decided to be involved in the project; utility as an increase in the "wellbeing perceived": 50% of families and 85% of mentors perceived and increase of wellbeing results that have been complemented with Rosenberg tests and utility for public officers.

<sup>8</sup> *Mentoring* are chosen "affinity between seniors and families" in the case of the Regional Council of Alt Empordà and "proximity and probability to fit the profiles of those who were preparing "in the case of Regional Council of la Selva.

## Summary of the results

Equality notion	Policy target	Requirements to guarantee the effectiveness in the allocation of resources	Main results
<b>Right</b>	✓To guarantee the universal access under conditions of effective equality.	✓Non existence of entry barriers to accede to the services. ✓Free access of the services at the point of the utilization.	✓Reduction of the waiting time and of the waiting lists.
<b>Need</b>	✓Provide resources for the most needed individuals and/or with the lowest financial capability.	✓To adequate the systems of the analysis to the needs and means test. ✓To exclude sectors with high incomes.	✓To correct and complement the deficiencies of the other financial sources of support given a <i>polyedric</i> notion of need and accounting 100% of the fees. ✓Answer different typologies of the Bradshaw needs.
<b>Utility</b>	✓Provide services and resources for those with the highest capability to raise utility.	✓Resources devoted to those with higher capability to generate future benefits (prospective criteria). ✓Tools and mechanisms of evaluation (cost/benefit; cost effectiveness and cost utility analysis).	✓Mentoring on the basis of: -the affinity between families and senior. -matching and closing the gap among individuals profiles. ✓ Define utility in terms of -satisfaction (willing to continue into the program) -sense of improvement according to the Rosemberg test. ✓increase in the social support according to the improvements in the Duke test. ✓improvements in the 'experimentation' policies, plus achieving more

			complementarities in social services.
<b>Deserving</b>	✓ Searching the proportionality between resources and contributions in a wide sense.	✓ Existence of different categories and segments. ✓ Different unequal rights based on desert / unequal efforts from the past.	✓ Filtering different sources to screen deserving beneficiaries. ✓ Relative filters conditioning absolute ones, distorting the main deserving targets.

*Source: Own elaboration from the results obtained in the case studies.*

## Conclusions

In order to make the underlying principles of what could be called fair allocations robust, transparent and consistent, it will always be necessary to identify which of the principles prevail and how coherently they are in each application, both over time, if desired, and out of the different specific cases. This may be considered whatever financial circumstances occur, whether of spending cuts or increases in funds. Because the literature on the philosophy of justice tends to show the many aspects of these criteria, even then in the development of the regulations and in the implementation of allocations despite being justified, the most basic links otherwise would vanish.

Whatever the case, the previous criteria can be modulated and even overlap each other, so that despite existing difficulties this could be the best option in setting policy proposals. This implies sequentially to arrange rights and rank the ability to benefit from exercising them. But straying from criteria that factor results into the allocation of public resources, this leaves us facing unknown worlds for which glimpsing consensus may be counter-intuitive and therefore complicated. As regards the principle based on final outcomes, the task does not look simple either, but it seems to have more arguments behind it to justify it, in particular as citizens better than actual beneficiaries and from the veil of ignorance.

We believe that priority setting in public policy is needed in order to define the strategies for each of those interventions in different areas of a well reformed welfare state. In addition, once adopted the criteria, compensatory mechanisms

are required in implementing their full operational strategies. None of the reviewed principles may by itself achieve the equity goal it pursues if public policy does not accompany its implementation by neutralizing exogenous coetaneous factors. At this regard, case studies show some key factors for the success of programs included in this paper.

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**Annex 1: Principles of equality, welfare regimes, public policies and mechanisms**

<b>Principles</b>	<b>Welfare regimes</b>	<b>Public policies</b>	<b>Mechanisms</b>
<b>Rights</b>	Social democrat	Inclusive (Palme-Korpi 1998, Sainsbury, 2006), non-selective, comprehensive (West. Nikolai,2013),	Universal
<b>Need</b>	Liberal	Focused (Palme-Korpi, 1998)	Selective based on tests for income, means and assets
<b>Utility</b>	Non equivalence	Based on utility or reciprocity <sup>9</sup> (Larssen, 2005,2008)	Selective based on 'ex-post' conduct
<b>Desert</b>	Corporatist	Stratified/segmented (West, Nikolai, 2013).	Selective based on 'ex-ante' conduct

Source: the authors, from the sources cited in the table

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9 Reciprocity here is understood as the fact of having previously contributed to obtaining a resource, as an element that legitimates subsequently obtaining a resource (Larssen, 2005)

Entry barriers	
B.1) / Gratuity at the point of use	<p>In the case of ENT services, does not pay for any services and in any case it is a problem that must be solved before (cash-management Hospital )</p> <p>The Royal Decree 1192/2012 establishes State for groups that do not have public health coverage on a payment mechanism for receiving health services or signing an agreement with healing those economic repercussions in health care provision; It is a system of private health insurance for all those who do not have this coverage; Catalonia, gratuity is guaranteed by CatSalut.</p>
B.1) Legal barriers	<p>Those legally excluded from health coverage Despite government reforms since 2003 have left 180,000 people out of health coverage, the Catalan Health Plan 2011- 2015 has established a procedure to continue enjoying coverage public by the CatSalut</p>
<p>B.2) Geographical barriers</p> <ul style="list-style-type: none"> <li>- Distance in km from the nearest health care centre</li> <li>-Distance in km from the nearest hospital</li> <li>-Time distance from the nearest health care centre</li> <li>- Time distance from the nearest hospital</li> </ul>	<ul style="list-style-type: none"> <li>-98% inhabitants have the closest health center at less than 10 kilometers away from home</li> <li>- 97% of the population has an acute inpatient facility less than thirty kilometers away from home</li> <li>-97% of inhabitants have a health center in less than 10 minutes away from home</li> <li>-87% of the inhabitants have a skilled care center in less than 30 minutes (mental health, social care, etc.). (Health Plan of Catalonia, 2011-2015)</li> </ul>
B.3) barriers in services covered	<p>New services included: screening and early diagnosis of neonatal hearing loss</p>
B.4) Times barriers (Waiting lists)	<p>Evolution of Surgical Pathology waiting lists: Waiting lists bordering 6 months in guaranteed procedures. n-A Health ENT Park del Mar, the surgical waiting lists for interventions Tonsillectomy is 4 months, with data from December 2012-when for the whole regions, average waiting list for such interventions is 4.88 months (almost 5 months).Significant decrease in the average waiting days in clinical activity.</p>

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