Innovation in Funding Primary Health Care

Purpose: Information
Submitted by: ADB
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Core Primary Care Functions

- **PEOPLE’S FIRST CONTACT**: Serves as the entry point into the health care system, and the first source of care for most health needs.
- **PEOPLE-CENTERED**: Organized around the health needs and expectations of people rather than diseases.
- **COMPREHENSIVE**: Delivers a broad spectrum of preventative, promotive, curative and palliative care.
- **CONTINUOUS**: Connects people with trusted providers who address their ongoing health needs throughout their lives.
- **COORDINATED**: Manages care across levels of the health system, referring patients to specialists as needed and effectively following up to ensure improvement.
- **ACCESSIBLE**: Offered within people’s communities, at a price they can afford.
History

Primary Health Care (PHC) has been the center of the global health agenda in the past.
The Role of Primary Health Care in Universal Health Coverage

Strong PHC systems are essential to achieving universal, equitable, and integrated health services.
Trends in PHC

• A shift towards disease-oriented vertical programming
• Immense successes: the Global Fund to fight HIV, TB and Malaria has saved 22 million lives

• Unacceptable gaps remain: Every day there are 16,000 deaths among children under 5, and 830 women die preventable deaths related to pregnancy and childbirth
Innovative Partnership to Increase Health Financing - Challenges

- Fragment health financing
- Unpredictable health sector budgets
- Fragmented revenue sources for the health sector
- Budget allocations are separate from policy objectives and planning
- In-year budget adjustments by the MOF that take place outside of the formal priority-setting process
Cross-sector collaboration between Health and Finance - PNG Example

- Alignment of funding flow – health function grants directed to Provincial Health Authorities instead of provincial treasuries
- Collaboration at provincial level for service delivery planning – public and private sectors, service providers and financier
- Digital health information system (eNHIS) which gathers facility data and creates reports for planning, decision making and strengthening monitoring
- Transfer of best practice in management from private sector to support implementation
PFM challenges for health financing and strategic purchasing

- Unpredictable health sector budget ceilings
- Fragmented revenue sources for the health sector (not reflected in consolidated health budget)
- Budget allocations are separate from policy objectives and planning
- In-year budget adjustments by the ministry of finance that take place outside of the formal priority-setting process
- Budget classification by inputs rather than by programs or services
- Diverging budget classification
- Fragmented input budgets (e.g., salaries/commodities/capital); donors
- Fragmented revenue streams (e.g., insurance schemes)
- Provider-based budgets
- Fiscal decentralization
- Pooling across time (carry-over budgets)
- Budgeting by health facility and inputs rather than by services
- Different purchasing arrangements and accounting for different revenue streams
- Lack of provider autonomy to respond to incentives created by strategic purchasing
- Obstacles to contracting the private sector
- Government procurement rules that limit flexibility
- Delays in release of funds
- Poor information systems and monitoring capacity
New Partnerships created

• ADB and The Global Fund signed MOU 2017 for co-financing and to improve coordination of in-country activities and financing for malaria, TB, and HIV/AIDS programs and related health system strengthening needs.
• To ensure that the MoU serves the countries’ best interest, a detailed project pipeline including innovative financing modalities are developed:

- Loan buy down
- Joint and parallel co-financing
- Regional fund
In a short period of time, ADB was able to leverage $134.5m with $52.5 ADF health security grants and develop the pipeline in 7 countries.

1. Bhutan
2. Sri Lanka
3. Viet Nam
4. Samoa
5. Tuvalu
6. Tonga
7. Vanuatu

ADF HSG Grant criteria include:

- Well-defined targeting of unmet health security needs and priorities aligned with national and regional plans
- Target priorities that require larger-scale or longer-term investments
- Support innovations for health system strengthening
- Demonstrate sustainability, including government ownership and commitment (e.g., policy, budget, institutional set-ups)
Investment case for the Health Sector

a. A systematic diagnosis of service delivery bottlenecks and achievements to potentially scale to achieve national priority results to inform the development of the investment cases

b. Best practices and evidence-based interventions to improve the frontline of service delivery development and the implementation of investment cases with a focus on strategic use of performance information and evidence for decision-making, drawing from a number of country studies and examples

c. Engage in the review of M&E and results framework to contribute to the development and implementation of the investment cases