

## **Terms of reference: Free care from a PFM perspective: design and implementation of reimbursement mechanisms**

### **Study rationale**

User fees were removed from the mid-2010s in a set of francophone African countries, specifically for children under five and pregnant women (which consist of more than 50% of service use at PHC level). This resulted in a loss of resources for facilities, as user fees were previously used to fund drugs, salary top-ups and petty cash. In several countries, MOH initiated the development of a reimbursement mechanism entitled to transfer budget funds to facilities. However, many countries faced several challenges in making this intervention effective. Several issues arise, in terms of funds availability, payment design, funding flows and facility access to public funds, verification.

### **Study objectives**

The study aims at documenting the experience of introducing facility reimbursement mechanism in a sample of francophone African countries and providing implementation recommendations to countries considering this mechanism as part of their health financing reforms.

The study will specifically focus on analyzing the engineering and output of facility reimbursement mechanism following user fee removal in a sample of francophone countries (Burkina Faso, Burundi, Niger, Senegal).

### **Guiding questions for analysis:**

- Was it initiated by a development partner, a political opportunity, or part of a national strategy from the onset? Were there discussions between MoH and MoF prior to implementation?
- Who are the participating / empanelled providers? Public and/or private? Which level of facilities (health centers, hospitals...) and health workers (community workers, midwives, nurses...)?
- How funds have been made available? How has the mobilization of new resources been planned/allocated?
- How have budgets been modified? Specific line?
- How have funds been planned to be transferred (and was a channel distinct from other potential payments set up for the transfer of the funds)? Through which intermediate if any?
- Have funds been effectively transferred? To what accounts? In a timely manner? Were they sufficient to cover for the cost of services according to facilities?
- How have payment methods been designed/refined? Do they differ at different levels of provision and how? Has it been an opportunity to move towards more strategic purchasing for PHC services?
- Is there a monitoring and financial follow-up (risk management) to evaluate future needs from previous expenditures? Who is doing it? With what capacity? Is there a reflection on modification of payment amounts and methods?
- What were the payments supposed to be covering (services, transport & food allowance, small equipment...)? Did they effectively cover those items?
- Have facilities been allowed/able to access/use funds directly? Have rules for utilization been modified? What relation with district/higher level in resource use?
- What justification / information to be provided for payment? What level of (de)materialization? What controls / verification by MoH / MoF prior to payment?
- Have reimbursements been incentivizing (willingly or not) the provision of certain services over other services?

- How have verification systems been introduced? On which basis (quantitative and/or qualitative)? Through whom? What does the verification entail (counterchecking against existing records? Patients surveys? Etc.)? What are the consequences of verification on payments?
- Overall, is quality assessed or is there any link between quality scores and reimbursements?
- Were any links established between free care reimbursement policies and potential PBF strategies? With Social Health Insurance funds?
- Issues: delays in payment? Which bottlenecks in funds' disbursement (to describe the chain from invoicing to payment and identify bottlenecks)? No funds? Not enough? No strategic purchasing? Return to user fees? Overcrowding of services? Waiting period for patients?
- Benefits: where it worked, what have been the key conditions for success? PFM revisions? Integration of policy intervention in broader package of reforms? Links with other payment mechanisms? Role of external funding?, harmonization of payment channels etc

#### **Expected outputs**

- Country summary (4): analyzing country mechanisms design and implementation issues: a 10-15 pager;
- Synthesis (1): summarizing key lessons and recommendations for studied countries and the region: 30-40 pager.

#### **Methods:**

- Desk review
- Key Informant Interviews
- Data assessment: central & facility level.
- Facility visits (limited sample).

**Country sample:** Burkina Faso, Burundi, Niger, Senegal.

**Team:** WHO country offices, regional and sub-regional levels, as well as HQ will be involved in the study process, in close collaboration with MOH counterparts. Local and international consultants will be hired for country analysis.

Focal persons:

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#### **Study timeline:**

- August 2019 (desk review)
- September 2019: country missions
- End October 2019: review of country summaries
- December/January 2020: definition of synthesis paper
- March 2020: review of synthesis paper.