

Technical Consultation Workshop on Primary Healthcare Financing Reform in Ethiopia

August 16 – 18, 2023, Addis Ababa, Ethiopia

The Ministry of Health of Ethiopia, alongside the Ethiopian Health Insurance Service, collaborated with The World Bank, The Global Financing Facility, and the WHO to host a workshop on Primary Healthcare (PHC) Financing Reform in Ethiopia from August 16th to 18th, 2023. Throughout the workshop, discussions revolved around four main themes: PHC financing landscape, strategic purchasing, aligning purchasing with health benefits package implementation, and governance and Public Financial Management (PFM) arrangements.

Key recommendations emerged from each theme:

- 1. Resource Mobilisation:** recommendations focused on the need to increase resources for health, improving collaboration with the Ministry of Finance and regional governments, and protecting PHC spending within health budgets.
 - Actions focused on improving budget formulation and execution to maximise value from funding, reducing regional inequalities in health funding, and developing an evidence base to support advocacy and funding mobilisation.
- 2. Strategic Purchasing/blended provider payments:** recommendations centred on the need to develop a coherent blended payment system, with capitation as the base payment modality for services, and a *limited* set of performance payments to address some of capitation's deficits.
 - Action points included testing design of a blended payment system through pilots, ensuring adequate systems are in place for monitoring implementation of the blended payment system, and ensuring that resources are pooled so the payment modalities are properly funded.
- 3. Benefits package implementation:** recommendations included continuing a pathway towards a unified benefits package, institutionalising a HTA unit for future revisions of the package, and strengthening EHIS as a purchaser over time to allow more resources to be channelled through it under strategic purchasing.
 - Action points included finalising the *integrated* revision process for the exempted service and insurance benefits packages, progressing the HTA roadmap for HTA institutionalisation, and capacitating EHIS as a purchaser through activities such as digitalisation of reporting.
- 4. Governance and PFM arrangements:** key recommendations included the need to establish an ad-hoc committee with responsibility to oversee the action plan developed from the workshop, developing a PHC financing reform institutional roadmap towards a

harmonised purchasing arrangement, and the importance of engaging federal and regional leaders to gain endorsement for reforms.

- Actions focused on establishing the ad hoc committee, using existing studies and further analysis to inform roadmap design, developing communication strategies to engage federal and regional leaders, and building PFM capacity.