



FLAGSHIP COURSE ON HEALTH SYSTEMS STRENGTHENING AND SUSTAINABLE FINANCING

SUMMARY REPORT

The first Flagship Course on Health Systems Strengthening and Sustainable Financing was conducted in Kathmandu from 6–15 February 2012. The course was jointly organised by the Ministry of Health and Population, Gesellschaft für Internationale Zusammenarbeit (GIZ), the World Bank and the United States Agency for International Development (USAID).

Focusing on decentralisation and health financing, the course provided intensive, state-of-the-art knowledge and training on options for health sector reform in Nepal.

Dr Thomas Bossert, Director of the International Health Systems Program of the Harvard School of Public Health, and Dr R Paul Shaw, a health economist and programme advisor to the World Bank Institute (WBI), constituted the Flagship faculty.

The course was well attended by a total of 86 participants including policy makers, donors, partners, and other agents of change. Forty-three participants attended from the government sector representing different divisions within the Ministry of Health and Population, such as the Department of Health Services and Department of Ayurveda, as well as the National Planning Commission and Ministry of Finance. The remaining 43 were

from non-government organisations and the private sector, such as Karuna Foundation, Tribhuvan University and the Chitwan School of Medical Sciences, and external development partners, such as AusAid, GIZ, World Bank and the World Health Organization.

The discussion was enriched by participants from other countries including officials from Bangladesh's Ministry of Health and Family Welfare, Cambodia's Council for Agriculture and Rural Development, GIZ Cambodia, GIZ Bangladesh, GIZ Philippines and GIZ Germany.



Course Outline

Introduction: The first course module (two days) introduced participants to the five health sector reform 'control knobs' – financing, payment, organisation, regulation,

and behaviour – and sensitised them to the role played by ethics and politics.

Decentralisation: The second course module examined approaches to decentralisation in Nepal, raising the question “who gets how much say over which functions at the local level?” Sessions within this module explored decentralisation from various perspectives including financing, human resources, management and accountability. A critical question discussed was how decentralisation can contribute to the achievement of the intermediate health system objectives of equity, efficiency, quality and financial soundness.

Participants brainstormed in groups around how Nepal’s health system could be set up in a federal state. For this exercise, working groups were asked to map the current decision space at the different levels of government (central, provincial and district) and to assign preferable decision spaces to these levels of government.



Interestingly, groups differed as to the degree of decision space that should be granted at the provincial level. However, most participants proposed increasing the responsibility at the district and provincial levels and decreasing it at the central level. Importantly, it was agreed that responsibility should not be maximised at the district level

for all functions as this might result in an increase in local corruption. Participants engaged in a lively discussion about the advantages and disadvantages of widening/narrowing decision spaces in the Nepali context, thus outlining a possible scenario for power distribution under a future decentralised health system.

Health Financing: The health financing module covered revenue mobilisation, prepayment and risk pooling, payments to providers and different institutional arrangements for structuring health financing.

Topical issues in the Nepal context were also covered. A session focusing on output based budgeting provided conceptual clarity, but also revealed the challenges that lie ahead in implementing such an approach. The presentation of the findings of a recently conducted review of community based health insurances in Nepal provided a sobering perspective on the financial and technical viability of these schemes.

Over the week, participants discussed in groups a case study especially tailored to the Nepal context. The case presented two options for improving the health financing system. Option A involved gradually improving the current health system without any major structural changes. Option B took a 'Big Bang' approach to restructuring the health system by establishing a social health insurance system. The discussion was guided by a list of questions (see box).

Box 2: Questions for discussion on universal coverage

1. Is Nepal's public health system able to deliver on promises of universal coverage and free care for all?
2. Are services provided by the public and private sectors integrated in the sense that they follow similar standards, similar health performance goals?
3. Which of the three dimensions of WHO's graphic on universal coverage do you think are most important to Nepal? (See Figure 1)
4. Do you think Nepal can raise more money for health? If so, how?
5. Is donor funding relatively consistent, and used to complement and support government funding from general revenue taxes?
6. To what do you think available resources are used in a way that gets value for money? Are out of pocket payments a desirable form of financing?
7. What are the most pressing "qualities" and "access" challenges in Nepal's health system?

After analysing the options, all of the groups came up with a third option – to blend the feasible features of Option A and B. There was general agreement on the establishment of a separate entity to combine the existing vertical programmes of the Ministry of Health and Population together in a single pool and to work as single purchasing agency.

Conclusions

The participants found the information on decentralisation and health financing to be very timely. The Ministry of Health and Population is currently working on a proposed organisational structure under federalism, as well as a health financing policy. Overall, the course was much appreciated, but participants noted the low level of participation by high-level officials from central level of the Ministry of Health and Population.

By the end of the ten-day course the participants were comfortably using the concepts and tools in their discussions, and spoke in a "common language" while

discussing health policy. The secretary of the Ministry of Health and Population, who closed the flagship course, expressed his Ministry's gratitude to the co-organizers and was confident that the participants will use and adapt the concepts and tools in formulating future health policies.

