Editorial

This issue of the Newsletter focuses on recent activities of the Alliance for Health Policy and Systems Research. We provide a summary of the Alliance’s first biennial review, entitled Strengthening Health Systems: The Role and Promise of Policy and Systems Research, which is being prepared for publication and launching at the meetings being held this November in Mexico – FORUM 8 and the Ministerial Summit on Health Research. The Alliance organized a key meeting to develop a strategic approach to capacity building through using HPSR networks. This points towards a future architecture for the Alliance with strong regional collaboration. The Alliance supported a critical meeting between China’s researchers and policy makers to support the 11th five year plan. This meeting is reviewed, highlighting the challenges to provide evidence for policy making. The HPSR activities in WHO’s African Region were reviewed in a recent mission by the Programme Manager, pointing towards greater cooperation and networking. This issue also reports on the international conference on Innovations in Health Financing that launched the Juan Luis Londoño Annual Lecture, named to honour the memory of the outstanding Colombian economist who made important contributions to the design of equitable health financing strategies. Finally, we summarize expenditure trends over the last five years at the Alliance.

Alliance Biennial HPSR Review

Strengthening Health Systems: The Role and Promise of Policy and Systems Research

At the World Summit on Health Research in November 2004, the Alliance will launch its first biennial review of the field of health policy and systems research, entitled Strengthening health systems: The role and promise of policy and systems research. The central concerns of the review are to examine how knowledge of health systems can be increased and applied to improve the health of the worst-off of the world’s people, demonstrate the value of health systems research to all stakeholders, and identify outstanding gaps and challenges. The review was written by a number of distinguished experts under the editorial co-ordination of the Alliance. A summary of the main conclusions follow.

AFRO Meeting: Dr Louis Gomes Sambo, Regional Director-elect (then Director, Programme Management (centre)), opening the meeting, with Dr Miguel Gonzalez-Block, Alliance Manager (left) and Dr Ousmane Diouf, Regional Advisor, Health Systems Research, AFRO (right).
Research priorities and rapid progress towards health targets is greatly hampered by weak, poorly functioning, or in some cases non-existent, health systems. The key questions concern how best to strengthen health systems and make it possible for them to provide much needed care and support in countless communities around the world and also determine what specific types of action are appropriate in which settings. While much is known about the barriers or constraints to greatly increasing (‘scaling up’) health services, remarkably little is known about best how to relax these constraints.

Health systems research emerged as a distinct field with the health sector reforms in the 90s and contributed significantly to our understanding of health systems and policies. When issues can be formulated in clear and empirically verifiable hypotheses then research can play a major role in policy formulation. One of its drawbacks, however, is that it is often a fragmented and highly specialised activity, with researchers in different disciplines often working in isolation.

State of the art in selected fields
Health systems research has contributed to an evolving scientific body of knowledge about health policies and health systems. Particular progress has been achieved in a number of areas, among which the review briefly explored health system equity and the impact of reforms involving user fees, community health insurance and the role of civil society organisations in management reforms.

Equity. Health systems are more likely to be inequitable in the presence of structural inequalities and constraints on resources. Systems with a greater proportion of funding from social sources are more equitable, but the overall picture depends principally on whether equity considerations influence public finance. When designing interventions aimed at meeting the needs of the poor, policy-makers need to understand how people are likely to respond.

User fees. A body of research on user fees has produced clear conclusions on their equity implications. The emphasis of research has now shifted from documenting the impact of formal charges for government services to posing fundamental questions about how incentive systems influence provider and user behaviour and how government intervention can take this into account.

Community health insurance. Some community health insurance schemes have resulted in better access to services and/or improved provider performance. Two important indicators of success are the trust of the community in the management of their funds and the capacity of providers to meet user needs. Expectations regarding these schemes are shifting. They are increasingly regarded as “entry points”, complementing public health financing systems, rather than as self-sufficient insurance pools. Many initiatives have been on a small scale and it will take time and continued support for them to evolve into nationwide schemes.

Management reforms and the role of civil society organizations. The involvement of civil society organizations can improve health system performance, particularly in those instances when they can complement government functions. However, we still do not have a clear idea of what works in different situations and a systematic knowledge of desirable new partnership patterns will only be known when more research is undertaken. Health systems are complex arrangements in which commonly accepted behavioural norms and trust play important roles.

Priority setting in health systems research
Given the close ties between health systems research and the health sector, priority problems need to be identified with a high degree of consensus if the promise of research is to be realized. Priority setting can help mobilize funding for research as an integral part of health and development planning as well as bring into focus those areas which could benefit the most from research. Priorities have to be applied to manage common resource constraints, including funding and access to research instruments and data.

Some developing countries feel, rightly, that an internationally agreed knowledge base does not necessarily address their national priorities. Country-level priority setting is a necessary first step in identifying solid and legitimate priorities at the global level, although there will be “inherently global problems” that merit priority setting in their own right. Needless to say, health systems research has to be informed by broader agendas in economic and social development at national and global levels, and demonstrate how it can contribute to and compete for funding.

Getting Research into Policy and Practice (GRIPP)
Much can be done to increase the use of evidence by decision makers at all levels. Analysis of successes and failures provides a framework for systematically enhancing the use of evidence in the process. Key GRIPP elements include:

- improving the capacity of decision-makers to recognize the benefits, and identifying and using research information to strengthen health policies and practices;
- identifying and updating research priorities with participation from all key stakeholders, using adequate information input and criteria founded on accepted principles, and aligning financial and human resources to address the priority agenda;
- producing good quality, timely and credible research outputs for the identified priority agenda, including realistic recommendations that reflect understanding of the policy context and constraints, and synthesizing research into evidence that can support decision-making;
- communicating evidence appropriate to audience needs, using advocacy strategies including mobilizing the influence of networks and key stakeholders to convey critical evidence to decision-makers;
- recognizing the pressures and elements that influence policymaking, and being opportunistic and enterprising in inserting evidence into decision-making processes.
Health systems research capacity
Research capacity has to be strengthened as an integral part of the health system. This demands an innovative and comprehensive re-thinking about how health systems research can be accelerated and strengthened. Five challenges are put forward for the health systems research community to consider:

1. Health systems research in all its aspects, including capacity strengthening, must become a more integral part of national health system development—for example, contributing strongly to on-going evidence-based health system planning.

2. Health systems research must become more visible within the current movement for strengthening national health research systems.

3. A broader and more comprehensive view of institutional research capacity strengthening is needed.

4. More innovative applications of the knowledge management revolution should be considered.

5. The health systems research community should challenge itself to explore problem-oriented alliances with other disciplinary and topic-oriented groups who share the same concerns of strengthening health systems.

“Making it happen”
In his acceptance speech on his appointment as the new Director-General of the World Health Organization, JW Lee said, “now is the time to make it happen where it matters, by turning scientific knowledge into effective action for people's health”. A strong and imaginative renewal of efforts to strengthen capacity to produce and use health systems research can—and should—“make it happen”. A scale-up of health systems research is on the horizon but a greater commitment from the funding, research and policy-making communities is needed before the promises of such research will become apparent and translate into changes in health systems around the world.

Towards a new strategic approach to develop capacity through regional networks in the field of HPSR

The Alliance has been supporting capacity development through regional networks in the field of health policy and systems research. Responding to a mandate from its Board, an external assessment of this collaboration was undertaken together with a consultation on future prospects. The consultation was held from 24 to 26 May with the participation of the coordinators of 4 collaborating networks and 5 networks working independently. This assessment and consultation led to the proposal for a new strategic approach to develop research capacity through regional and global networking.

The assessment revealed important differences among the networks in thematic focus and activities, geographic scope and coverage, structure and organization, membership, access to information and communication technologies (ICT) and resources. The networks identified access to funding and the lack of core support for coordination as the most important factors affecting their sustainability and viability. The opportunities of partnership with the Alliance were valued as a means to ensure continuity and as a conduit to greater visibility, awareness and access to global HPSR information. It was suggested that acting as a 'network of networks' is a core role for the Alliance around which other global functions could take place.

The assessment also indicated that strengthening collaboration must begin by ensuring fluid and timely exchanges of information and closer cooperation among the networks and the Alliance. This involves re-defining the notion of partnership, scaling-up targeted support, ensuring a greater concentration of activities, reinforcing structures and organization, identifying common ground, adopting a brokering role, using ICT better and setting up monitoring and evaluation mechanisms.

The proposed strategic approach gives a central role to capacity building in collaborating with HPSR networks. This implies re-valuing the strategic importance of networks to carry out the Alliance mission, including greater delegation and decentralization of activities, consultation on priorities, focus on core activities and adapting budget allocations accordingly. It presupposes deliberate efforts by networks to enhance partnership practices, mechanisms and systems to achieve common goals. It suggests further focusing the Alliance objectives, strategies and activities in making use of and supporting networking opportunities with the greatest comparative advantage and multiplier potential.

The new approach builds on five strategic directions:
1. strengthening the networks' performance
2. establishing enhanced partnerships
3. seeking funding sources and cooperation
4. enhancing networking and communications, and
5. exploring future prospects and opportunities

Two main complementary courses of action are suggested. First, maintaining targeted support to key networks to achieve a greater focus on capacity building. This would require the existence of key networks in strategic regions and large countries. The second course of action is to explore and support the formation of a Consortium of HPSR networks as a key arm of the Alliance. Its purpose would be to strengthen horizontal collaboration in promoting the generation, dissemination and use of knowledge for enhancing health systems performance.

The proposed plan for collaboration builds on the collective view that the Alliance with close network collaboration has great potential for breaking barriers, learning from experiences across regions and building a coalition of key HPSR players to advance shared goals in a highly complex global HPSR environment.
CHINA HEALTH POLICY RESEARCH FORUM:
New Development Concept and Health Strategy

The Ministry of Health of the Peoples Republic of China organized on 20-21 May 2004 the Health Policy Research Forum: New Development Concept and Health Strategy. WHO’s China Country Office, the Special Programme for Research and Training in Tropical Diseases (TDR) and the Alliance supported this activity. The purpose of the Forum was to discuss policy research input into China’s 11th Five Year Plan, taking into consideration the findings from projects recently supported by TDR and the Alliance.

Dr. Jiefu Huang, Vice-Minister of Health, served as the honorary Chair of the Forum and over 25 City and Provincial Health Directors participated, together with a similar number of national health policy research experts and representatives of international agencies.

The following five broad topics were covered through reviews of research results and session discussions:

A. Globalization and macroeconomic trends. Effect on and challenges for health with respect to, e.g., role of government in economy and public service provision, transition from planned to socialist market economy, rapid economic development, increased participation in the global production processes, the ongoing and expected future massive migration, urbanization, industrialization, labour market and health, social and economic inequality, and inter-linkages between health and other sectors

B. Economic reform and health care financing. Implications for equity and access to health services for the poor, experiences with new innovative approaches to health finance, targeted benefits for the poor, national health accounts, etc.

C. Organization and delivery of public health programmes. Financing and management of health programmes, services subsidies, linkages with the three-tier health care system, and moves to integrate vertical programmes within general services.

D. Payment mechanisms, staff incentives and ownership models. Influence of cost recovery, alternative payment mechanisms, privatization, and marketing of health service on staff incentives and behaviours, cost structures and levels, and on health system performance in general.

E. National policies – local implementation strategies. Roles and effects of national policy making versus the local reality, strategy formulation and implementation, including the multi-layered policy and administrative structure and its implications for health system organization and performance, impact of different accountability measures, etc.

Vice Minister Jiefu Huang emphasized the importance of placing greater demand on health within the 11th Five Year Plan, particularly to place people at the centre of development and to develop evidence-based policies. SARS and avian flu provided many challenges for health system development that should be addressed through appropriate strategies. Health insurance is limited, health care costs are rapidly increasing and there is an irrational distribution of resources. There is a need for reforming of the medical and public health systems. Rapid economic growth is placing great social and psychological pressures that should be addressed. International cooperation, in particular by WHO, World Bank, UNDP and the Alliance is important to face these challenges. The Forum can support the development of a broad based consensus.

Henk Bekedam, WHO Country representative, stressed the urban rural disparities and the massive migration to urban areas. Estimates suggest this will displace up to 300 million people in the next 20 years. It is important to strengthen social security to ensure stable and equitable growth. The problems of the countryside should be addressed, in particular those faced by small scale farmers.

Provincial and city health directors identified the following points for discussion and further research on the basis of the evidence presented:

Globalization and macroeconomic trends
- Government health expenditures are decreasing in relative terms, from 3% in the 80s to less than 1% today
- Economic growth is placing strains on the health system
- Policy should take advantage of economic growth to ensure welfare

Economic reform and health care financing
- The problem is not the availability of resources, but their misallocation
- There is a hospital building spree that should be tempered with input-output studies to ensure their affordability. Staffing and access are not guaranteed
● Rural medical insurance schemes (CMS) are being serviced by high-cost urban hospitals
● Consumers are being asked to pay twice for services, through taxes and through fees

National policies – local implementation strategies

● Legal and institutional frameworks should be implemented to ensure the accountability of health providers.
● Government and market responsibilities need to be defined, as equity will not be brought about by the market. While international experts stress equity, provincial directors are focused on hospital problems. Equity should be the top priority.
● China has great aspirations but in some areas may lack clear policy objectives. Policies are occasionally formulated without a clear strategic framework.
● Rural and urban stakeholders have conflicting stakes in the health system. The population is currently segregated into urban and rural sectors, hampering the growth of health insurance in spite the fact that 50% of hospital services are provided to the rural population.
● Planning should be oriented to welfare, not to the bureaucracy. Two-tier planning (national, provincial) should be consolidated in provinces. For this, capacity needs to be strengthened at that level.
● There is a need to move from building buildings to building systems to ensure benefits. Health policy should take a Hippocratic oath of doing no harm, and hopefully some good.
● More attention should be paid to the needs of village doctors.

Organization and delivery of public health programmes

● The government should play a dominant role in the health system, emphasizing public health.
● Important efforts are under way to improve the provincial centres for disease control. However, more attention should be given to consolidating them on a national scale.
● SARS has stimulated evidence-based policy making and investing in stronger Centres for Disease Control at provincial level.
● Sometimes it seems that politicians only express concerns about health when problems arise. This needs further attention.

Payment mechanisms, staff incentives and ownership models

● Risk has been transferred to hospitals, with insurance schemes delaying or defaulting on payments.
● The government should purchase services from private hospitals to ensure their viability and coverage.
● A third party payer organization could be a solution to current problems. Research is required with piloting in one province.
● The government needs to support hospitals and insurance schemes to ensure proper management. Selling hospitals does not mean selling responsibilities.

Research policy

● Existing evidence suggests that China spends less on research than other countries with comparable or even lower per capita income.
● There is a need to increase research and analysis at provincial level, including departments of health economics. Pilot projects should be encouraged, leading to greater evidence.
● Research on rural medical schemes in China is a global public good, as much research has been done of international value, particularly given the scarce amount of research that has been undertaken in other countries on rural insurance.
● Alliance research has been of significance at local and provincial level but has not played a role in national policy making given the small scale of projects.
● DFID is supporting a health policy unit within the MoH with up to £8 million. The World Bank is also supporting a major health sector study that will review existing evidence and commission new projects.

Conclusions and Next Steps

The meeting led to the pooling and review of a wide range of literature. It helped to disseminate this to high-level national and provincial-level officers and to place recent TDR and Alliance research support into perspective. High-level health officials expressed great interest in the issue of using research for policy. The Alliance and TDR were able to make an important contribution with a relatively small investment thanks to their co-ordination and collaboration with WHO’s country Office and partners in China. This effort will be taken forward at the highest policy levels to strengthen research capacity.

Given the renewed interest by large donors on health policy analysis in China and their impending work on knowledge generation and synthesis, the Alliance role would be more appropriate in developing networking and institutional capacity, particularly at the provincial level. There is ample room to support advocacy and research to policy processes through priority setting and development of capacity in research to policy processes.
Alliance Mission to WHO's Regional Office for Africa

The Alliance Manager was invited to WHO/AFRO from 7 to 11 June 2004 to explore options for continued and strengthened collaboration between AFRO's Health Research Systems Programme (HSR) and the Alliance. HSR is now implementing a new phase in its development to strengthen regional capacity, promote research and ensure the utilization of research in health system development. In this context, challenges in HPSR and areas for possible AFRO/Alliance collaboration were explored, including priority setting, research funding, dissemination and utilization, research capacity strengthening and networking.

Challenges for health systems development. The growing emphasis on strengthening health systems presents both challenges and opportunities. The focus on health systems shifts attention to different perspectives and indicators than those familiar to programme managers. Capacity has to be built to analyze programmes according to health system factors such as human resources, stewardship and financing. Concrete benefits have to be demonstrated in service delivery if strategies to strengthen health systems are to succeed. Health systems research can play a useful role in developing capacity in this direction by helping to identify the linkages between health programmes and cross-cutting health systems dimensions.

Research and policy analysis within AFRO. The regional office is involved in a number of research and policy analysis projects at country and international levels and in collaboration with ministries of health and research institutions. Much of the research has been funded by AFRO, although donors are also involved and there are a number of projects waiting for funding. Useful lessons have been documented on the impact of research. Projects being undertaken or under preparation including the following:

- Health economics, including costing studies, economic evaluation, health outcome measurement and choice analysis, macroeconomics and health and performance assessment
- Technical support to countries on the role of health in development policies and programmes such as Poverty Reduction Strategy Papers (PRSPs)
- Support in the follow-up to the Commission on Macroeconomics and Health
- Futures studies as the basis of sound, long-term planning
- Access of women to services, particularly to prevention of mother to child transmission of HIV (PMTCT)
- Priority setting on service delivery aspects of PMTCT
- Voluntary HIV testing in enhancing access to maternal care
- The use of research as a management tool
- Decentralization policy processes
- Utilization of the World Health Survey for policy making
- Development of a Regional Health Observatory

Networking. Many of the HPSR activities are undertaken with trained researchers and policy analysts. Some 20 AFRO country offices are staffed with Health Economics Officers and with Officers supporting the Managerial Process for National Health Development (MPNs). AFRO has also supported health policy analyst posts within ministries of health. These officers, analysts and researchers could be supported through networking strategies to constitute a vibrant policy analysis community. Such networks could be charged with undertaking advocacy and capacity strengthening activities among their members, particularly to promote research utilization.

Recommendations. The mission made it possible to identify a number of areas in which the Alliance and AFRO could strengthen their collaboration. These include decentralizing Alliance research support, development of an HPSR agenda for Africa, and developing and supporting sub-regional HPSR networks for Lusophone countries and for Francophone and Anglophone countries in West Africa.
Innovations in Health Financing

International Conference and Launching of the Juan Luis Londoño Annual Lecture

Summary contributed by the Mexican Health Foundation

Which are the most successful experiences in equitable and sustainable health systems financing around the world? This question was discussed on 20 and 21 April 2004 at an international conference organized in Mexico City to honor the memory of the late Juan Luis Londoño de la Cuesta. Juan Luis Londoño was an outstanding Colombian economist and innovator of equitable financing who tragically died on 6 February 2003 while on duty as Ministry of Social Protection of Colombia. Among his major achievements were the design and implementation of the current Colombian social security system, which is based on solidarity and a public/private mix in the delivery of services. The meeting included the participation of the ministries of health of Chile, Colombia, and Mexico, as well as important researchers and academicians from the Americas, Asia and Europe, and representatives of international agencies and the social and services sectors. Juan Luis Londoño supported Alliance activities on several occasions.

The most important conclusions of the conference were the following:

- The use of insurance as a financing mechanism provides financial protection and a fair financing method for the population by reducing the risk for households of catastrophic expenditures.
- Every reform and health financing experience is unique and different from one country to another. However, a major goal is to guarantee the right blend of market mechanisms and social and cultural mechanisms in order to achieve a fair and equitable financial distribution.
- The financial basis should be efficiency, equity and regulation. Efficiency in turn should be sustained by a) the collection of funds, b) risk pooling and c) contracting.
- Some of the criteria that should be considered in the evaluation of alternatives of health systems financing are: adequate coverage of needs, efficiency in the budget allocation and the overall system, accountability, equity in financing and political and social acceptability.
- The challenge for health sector reform lies in the design of mechanisms to align financing with the achievement of the system’s objectives.
- Aspects such as the cost of transactions, corruption, the nonfulfilment of payments, and the inefficiency of the health sector are important limitations to the financing of the system.

The Juan Luis Londoño Chair was created to promote the development of research areas in Latin American in the fields of health systems and services, health and the economy, health financing and social protection, and health systems reforms, to foster a new generation of ideas that contribute to a better health in the region. The Chair will be offered yearly to a Colombian academician and/or professional and will include a 15-day stay at the National Institute of Public Health in Cuernavaca, Mexico.

For further information about the Conference and the Chair please refer to:
http://conferencias.salud.gob.mx/ingles/index_ingles.html or to www.funsalud.org.mx
### Expenditure Trends in Five Years of the Alliance for Health Policy and Systems Research

On 1 November 2004, the Alliance celebrates five years of operations through its secretariat in WHO. Activities are now being externally evaluated and a full report is forthcoming. However, funding figures are telling of Alliance trends. Total expenditure for the period will have been US$ 7.08 million. Of this, 72% was devoted to activities and the reminder to governance and administration. Tasks have shifted in emphasis following Board directives. Monitoring and publicizing HPSR, strengthening demand for HPSR, and particularly capacity strengthening have been given attention over knowledge generation (see the figure). Within knowledge generation, strategic research has been favoured over applied research.

A total of 42 countries received 192 research and workshop grants; 15 countries were in Africa, and these received 41% of the grants. Almost half of total funding (49%) was allocated to low income countries (LIC), while the other half was shared about equally by upper middle income countries (UMIC) and lower middle income countries (LMIC). A greater share of investment was allocated to LICs relative to health expenditure. However, relative to population, the Alliance spent twice as much in UMICs than in LICs. These latter figures suggest the influence of higher demand for funding on the part of UMICs. Nonetheless, LICs were able to compete for a higher share of resources than would be expected relative to their income.