Rationale
Local autonomy is not an end, but a means. The aim of decentralization is to increase local authority to implement results-based management and to enforce local accountability for obtaining better service quality and responsiveness, towards ensuring greater equity and improved health outcomes. Other key benefits of decentralization include improved allocative efficiency (as local decision makers have better access to local information compared to the centre), and cost efficiency due to improved cost consciousness at the local level.

Three key forms of decentralization are relevant for the health sector: (i) devolution, where some of the planning and financing functions are shifted to lower levels in the system; (ii) deconcentration, wherein authority and responsibility are transferred from the central ministry to regional/ local offices of the Ministry; and (iii) delegation, wherein authority and responsibility are transferred to organizations not directly controlled by the ministry (e.g. NGOs). Decentralization is an effective way of managing delivery of services which are inherently heterogeneous in nature, such as healthcare, which is closely linked to the demographic and societal characteristics of local communities.

Getting started
Start by carrying out an assessment of the current effectiveness of the decentralization process in the country, in terms of delivering health care with equity, the prevalent legal and institutional frameworks, approach to fiscal decentralization, mechanisms to ensure accountability and available capacity at various levels. This assessment would need to be conducted in the context of the health system’s design and inequities in coverage, access, utilization and outcomes. Decision Space Analysis has been successful in describing and improving decentralized health systems, and could be used for this assessment. It would also be useful to assess and evaluate the structure and functioning of decentralized health systems in other countries to learn from their experience.

Approaches / Steps

1. Legal framework development:
   - Introduce (or re-enact/ re-vitalize) laws that identify the approach to decentralization (e.g. deconcentration, delegation or devolution) in the health sector, including the process involved in implementing the laws/ regulations. Also ensure consistency in legislation.
   - Ensure legislation enshrines relative roles in healthcare delivery and financing at various levels of decentralization.

2. Institutional framework development:
   - Assign functions, responsibilities and resources according to the intended objective for the respective level of government as well as a realistic assessment of the technical and financial capacity at each level. Certain issues in the health sector may be better retained with the centre, e.g. epidemic control.
   - Create/ re-design new administrative units/ centres of responsibility, as required.
   - Assign functions to avoid overlap and mismatch of responsibilities and decision-making authority. M&E frameworks should be developed alongside.
   - Insulate the system from the influence of vested interests and powerful local groups, which may attempt to limit the intended objectives of the decentralization process.

3. Financial framework development:
   - Analyse how local governments finance health expenditures (through own revenues, transfers from central government, or shared revenues) and identify where local finances may need augmentation.
   - Consider approaches to augment government funding where necessary, including through alternate sources of finance such as donors, private sector, CSOs and user charges. Tap these sources based on an assessment of requirement and potential to contribute, and the absorptive capacity at the local level.
Work towards providing budgetary certainty to local units of administration for health expenditure, e.g., by earmarking funds through the inclusion of a specific budgetary line item in the central government finances.

4. ACCOUNTABILITY FRAMEWORK DEVELOPMENT:
- Introduce a monitoring framework to ensure accountability of the local government. Devise feedback mechanisms so that the local governments are not in a position to abuse their power.
- Engage civil society in an oversight role with regards to service delivery quality, accessibility and affordability. This is particularly important for the health sector given it is a public good and core government service to society.

5. CAPACITY DEVELOPMENT:
- Create/enhance capacity at all levels to implement the various frameworks required for efficient and effective decentralization.
- Train government health care workers and civil servants in planning and managerial skills at the decentralized level, and whole system stewardship at the central level.
- Recruit and train health workers to meet shortfalls compromising efficient health service delivery.

6. COMMUNICATION AND COORDINATION:
- Implement efficient coordination and information sharing mechanisms among the various levels of administration and decision-making to ensure information asymmetry does not hamper the effective delivery of health services.

ROLE OF ACTORS
This summary may be of use to local and national governments, policy-makers, healthcare coordinators, healthcare professionals as well as representatives of local communities. The process of decentralizing health delivery systems must be carefully managed to avoid the fragmentation of the health delivery infrastructure. Active participation and feedback by the local administrative units and local community are critical for successful implementation.

TOOLKIT

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<td>Decentralization in health care. European Observatory on Health Systems and Policies Series</td>
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<td>Decentralization process</td>
<td>Integrated health system strengthening: An operational framework. WHO SEARO</td>
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<td>Health system strengthening using primary health care approach. Regional Conference on “Revitalizing Primary Health Care”, WHO SEARO</td>
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<td>Measuring impact of decentralization</td>
<td>Hutchison, Paul L., LaFond, Anne K. Monitoring and evaluation of decentralization reforms in developing country health sectors. Partners for Health ReformPlus</td>
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<td>Health systems assessment approach. USAID, Management Sciences for Health, Quality Assurance Project, Health Systems 2020</td>
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CASE STUDY

Decentralization experience in India
- Health is a state subject in India and the state holds primary responsibility for healthcare delivery. The central government is mainly responsible for development and enforcement of national standards, and sponsoring key programmes. The states are responsible for implementation of the programmes and the provision of infrastructure. The district acts as a link between the state structures and the local health centres, and is responsible for coordinating with states governments for implementation of programmes.

- To further strengthen the decentralized delivery of healthcare in rural areas, the government of India launched the National Rural Health Mission (NRHM) in 2005. NRHM aims to strengthen the health infrastructure at the local and district levels by integrating planning of initiatives related to health, water, sanitation and nutrition. The programme engages Accredited Social Health Activists (ASHA) to act as an interface between the community and the public health system thereby enhancing the effectiveness of the decentralized model.

- Janani Suraksha Yojana (JSY), a key programme under the NRHM, is a safe motherhood intervention aimed at reducing maternal and neo-natal mortality by promoting institutional delivery among pregnant women from low-income households. The programme has an innovative provision for conditional cash incentives for mothers to deliver babies in an accredited health facility, and for ASHAs to encourage institutional delivery.

OPPORTUNITIES TO ENGAGE
Governments at the national and local levels can seek to assess the service quality, responsiveness, efficiency and equity in health outcomes in their healthcare delivery systems and whether the current levels of decentralization of authority and responsibility in their country are working well. They can then take forward any decentralization reform in the health sector, using this summary as a starting point.

RESOURCES

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