Meeting summary

WHO’s Department of Health Systems Governance and Financing convened representatives from national health and finance ministries and other relevant government bodies, partner agencies, foundations, initiatives and civil society organizations, to discuss priorities and opportunities for enhancing productive engagement between finance and health authorities to enable countries to sustain progress towards universal health coverage (UHC).

Day one summary

Day one: Alignment between public financial management and health financing systems from finance and health perspectives, as well as instruments to facilitate dialog and implement output-oriented reforms.

Day one began with Eduardo Gonzalez Pier, ex-Deputy Minister of Health in Mexico, sharing lessons from Mexico’s experience in making fundamental reforms to its health system; trust between the Ministry of Health and Ministry of Finance was central to ensuring progress on the Seguro Popular reform agenda. Whilst universal affiliation to a health coverage scheme was rapidly achieved, the inadequate response from providers to both increased funding, and greater autonomy over its use, was a major challenge with health outcomes changing little in the short to medium term despite increased clinical activity.

The second session focused on issues of alignment between health financing systems and the public finance management environment within which they function. The perspectives of both finance and health were given, with Nigeria and Argentina country examples presented about how changes were made in practice. A key message was that real change in service delivery performance may well be possible within input-based funding; also, whilst pooling is a critical function, the litmus test is whether funds flow to where they are most need rather than necessarily merging fund pools. Ensuring a common understanding of the key issues, ensuring clear nomenclature, and strengthening accountability are all part of building trust as the foundation real dialogue.

In the afternoon, some clear messages were made by the IMF, including the importance of ensuring that all public (including external) funding is on-budget, or at a minimum clearly accounted for in government accounts, for the efficient allocation of resources. Given the fungibility of funds, it is not possible to put a fence around certain funding streams even when structures to attempt this are put in place. The need for costing, prioritization, and projections were also stressed. Indonesia, Peru and Ghana shared perspectives, with issues of the different understanding and perception between health and finance authorities raised as often hindering good dialogue and communication.
In the final session updates on the development of regional networks which bring together health and finance officials were shared, together with a new diagnostic tool to identify in concrete terms where problems arise in terms of the misalignment of public finance systems and attempts to improve efficient spending in the health sector.

Day two summary

Day two: Mechanisms to inform progress on sustainability and transition planning, both related to declines in external assistance and to the mobilization, allocation, use and management of domestic resources.

Day two started with a discussion of sustainability and transition, with a particular focus on efficiency. Analysis was presented showing the limited applicability of many global health spending targets for country decision making, and the wide variation in what countries achieve in terms of service coverage and financial protection at very low levels of public spending on health. In summary, the issue of transition needs to focus on system-level efficiency as much as on raising domestic revenues.

A diagnostic approach to assessing efficiency across health programmes, illustrated by a pilot study in Estonia, was presented. Thinking of efficiency at the system level rather than the level of individual health programmes or schemes, is fundamental to this approach. The study revealed significant inefficiencies in terms of duplication of functions, for example in procurement processes and the delivery of services. A lack of coherent strategic planning distorted accountability lines across different programmes and institutions. The analysis illustrated the clear need for a streamlined architecture across health system programmes.

Sustainable health financing was the focus of a panel discussion with perspectives from HIV/AIDS, RMNCH, NCDs, and immunization programmes, as well as countries (South Africa, Tanzania) and funding agencies (GAVI, BMZ and DFID). There was an acknowledgement that health programmes can create a new dynamic across a health system, often with negative effects. Furthermore, the longer-term agenda of improving health system efficiency needs to be married with the frequent expectation of producing results in the short term, especially with external funding. South Africa shared its plans to integrate its HIV programme with the proposed national health insurance scheme. GIZ and DFID emphasized the importance of donor coordination and health programme harmonization, for example through the IHP+ approach.

Following group work, a session on earmarking revenues for health reviewed both theory and practice, with advantages and disadvantages highlighted. The experience of tobacco taxation was presented, the primary aim being reducing tobacco consumption, although significant revenues may also be raised, and often earmarked for health; the Philippines is a particularly interesting example. The need to focus on how earmarking affects overall levels of public revenues for health, and also how these funds are actually allocated and used in practice, were raised as important considerations.
Day three summary

Day three: Explore experience with the use of fiscal space for health analysis to inform health financing policy dialog. To ensure that the discussions and follow-on work will reflect country needs, several representatives of national health and finance ministries are expected to participate.

The final day began with feedback from group discussions on sustainability, transition, health programmes, and health financing. Perspectives on both revenue generation and expenditure efficiency were presented and again a number of common themes emerged. First, the need for one overarching sector strategic framework was highlighted to ensure a consistent focus across the sector. This led to the second point, that the efficient allocation and spending of resources will improve as a result, and is critical to both achieving health sector objectives, and to improve dialogue with Ministries of Finance. Thirdly, it was agreed that transition planning, with respect to reductions in external funding, needs to begin several years before the process is initiated; following IHP+ principles is also important.

Other issues raised include (i) the frequent disconnect between overall health planning and budgeting processes and service outputs, as well as overlapping mandates of public institutions; (ii) advantages and disadvantages of off-budget and on-budget issues; and (iii) the importance of consolidating external funds with the government budget process – there are cases where despite improvements, development partners have not always used domestic budgetary channels.

A review of existing fiscal space for health studies was then presented, with a discussion of its interpretation and use. The importance of placing financing for health in the context of a country's overall macro-fiscal environment was highlighted. The review stressed the importance of embedding such analyses within the budgeting process and explicitly incorporating political economy considerations. In this way the policy relevance of fiscal space can be improved. Representatives from Ghana, Peru and Indonesia shared their perspectives on the use and relevance of fiscal space for health analyses in their own countries. Discussions in this session focused on the importance of overall government fiscal space and as well as efficiency as a potential source of fiscal space.

Group discussions were then held to identify areas of consensus and priority areas for future work, particularly on the topics of sustainability, fiscal space, dialog between health and finance authorities, and alignment of public financial management and health financing systems. The meeting concluded with a plenary session to report back from the group discussions and summarise the key points of agreement that emerged from the meeting in taking this agenda forward. A report will be prepared and made public to provide a detailed description of these points, as well as the overall meeting.