



# HEALTH SYSTEMS 20/20 CARIBBEAN: THIRD QUARTER REPORT

July 2013

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**Submitted to:** René Brathwaite, AOR  
St. John's, Barbados  
United States Agency for International Development

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Abt Associates Inc. | 4550 Montgomery Avenue | Suite 800 North  
| Bethesda, Maryland 20814 | P: 301.347.5000 | F: 301.913.9061  
| [www.healthsystems2020.org](http://www.healthsystems2020.org) | [www.abtassociates.com](http://www.abtassociates.com)

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## **DISCLAIMER**

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# ACRONYMS

<b>AIDS</b>	Acquired Immunodeficiency Syndrome
<b>AOR</b>	Agreement Officer's Representative
<b>CPA</b>	Country Poverty Assessment
<b>CSO</b>	Central Statistics Office
<b>HIV</b>	Human Immunodeficiency Virus
<b>HRSA</b>	Human Resources Services Administration
<b>HS20/20</b>	Health Systems 20/20
<b>MOH</b>	Ministry of Health
<b>MSJMC</b>	Mount Saint John's Medical Center
<b>NHA</b>	National Health Accounts
<b>NHI</b>	National Health Insurance
<b>OECS</b>	Organization of Eastern Caribbean States
<b>PEPFAR</b>	President's Emergency Plan for AIDS Relief
<b>PLHIV</b>	People Living with HIV/AIDS
<b>UHC</b>	Universal Health Care
<b>UNAIDS</b>	Joint United Nations Programme on HIV/AIDS
<b>USAID</b>	United States Agency for International Development
<b>UWI-HEU</b>	HEU, Centre for Health Economics of the University of the West Indies



# I. BACKGROUND

This is the third quarterly report for the Health Systems 20/20 (HS20/20) Caribbean project, reflecting the period from January through March 2013. HS20/20 Caribbean is a 13-month Associate Award under the leader Health Systems 20/20 cooperative agreement, funded by the U.S. Agency for International Development (USAID) and led by Abt Associates. The project continues the technical assistance for health systems strengthening and financial sustainability provided to the islands of the Eastern Caribbean from 2010-2012 under the leader project.

The HS20/20 Caribbean project aims to build improved health financing capacity and leadership to ensure long-term financial sustainability of health and HIV programs in the Eastern Caribbean. Abt has partnered with the HEU, Centre for Health Economics of the University of the West Indies (UWI-HEU) to further develop UWI-HEU's capacity to provide health financing technical assistance in the region.

The project's vision is to build country capacity in core health system components – financing, governance, and operations – enabling health systems to function more sustainably and efficiently while maintaining attention to disease-specific priorities.

The expected outcomes of HS20/20 Caribbean are:

- Increased use of health and HIV expenditure data and unit cost information to inform resource allocation decisions, health sector reforms, financial sustainability planning, and advocacy.
- Strengthened Ministry of Health (MOH) financial management capacity, including the ability to conduct costing analyses and utilize costing data for strategic and operational planning.
- Strengthened regional institutional capacity to provide health financing technical assistance, specifically in National Health Accounts (NHA), and HIV subaccounts.
- Progress toward coverage of HIV/AIDS services by public and private health insurance.

## 2. NARRATIVE SUMMARY OF ACTIVITIES

### 2.1 ANTIGUA AND BARBUDA

During the third quarter, the HS20/20 team completed the analysis and report writing for the Antigua and Barbuda Costing of Service Provision at the Mount St. John's Medical Center in Antigua and Barbuda. The final submitted report, which included an estimate of the cost of inpatient services among people living with HIV (PLHIV), was a collaborative effort between the lead HS 20/20 Caribbean costing specialist and local counterparts from the MOH and Mount St. John's Medical Center (MSJMC.) At the Ministry's and AIDS Secretariat's early request, the process was inclusive and emphasized capacity building to transfer skills, knowledge, tools and templates with the result that the counterparts now have a fuller understanding of the meaning of the report findings and may even repeat this costing exercise in the future on their own.

The study found that in 2012, PLHIV had an average length of stay of 16 days, representing 1.5 percent of all MSJMC inpatient admissions and 4.5 percent of all bed/patient-days for that year. Inpatient care costs for these patients amounted to a total of EC\$1.2 million or US\$456,000, which was 2.5 percent of all MSJMC recurrent costs. The estimated average cost per PLHIV inpatient admission was EC\$14,671 (US\$5,434), implying almost a three-fold higher per-patient cost than the MSJMC inpatient average of EC\$4,893 (US\$1,812).

### 2.2 DOMINICA

In April 2013 the project received approval from the National Human Research Ethics Committee of the Dominica MOH to conduct the national household health expenditure survey and PLHIV health expenditure survey in Dominica. These surveys would assist in calculating the household health expenditure components of the general NHA and the HIV subaccounts estimations. Subcontractor UWI-HEU made arrangements to initiate pre-testing of the survey instruments in early May, and contacted the Dominica Central Statistics Office to facilitate this process.

Unfortunately, the Dominica Central Statistics Office (CSO) indicated on May 21, 2013 that the research approval that had previously been granted by the MOH could not be considered final given that the CSO was not included in the approval process. The CSO, upon reviewing the survey instruments, did approve the implementation of the PLHIV survey. However, the CSO determined that the general household survey is subject to Dominica's Census and Statistics Act of 1986. This Act stipulates that participation in all nationally-representative surveys is mandatory, and those who refuse to participate are liable for a fine and/or prison time. The project was instructed to remove all reference to "voluntary participation" from the survey's consent script and informed that allowing subjects to refuse to participate would be contrary to Dominica's law.

As with all U.S. government-funded research, the U.S. Code of Federal Regulations (45 CFR 46) requires that participants in federally-funded research give their informed consent to participate, and indicates that research participation is voluntary. Abt's Institutional Review Board also noted that the project could not remove the "voluntary participation" language from the informed consent script on the household survey. As such, the HS20/20 Caribbean faced a legal impasse at the end of the third quarter

and was not able to proceed with the Dominica household survey. Dominica's Ministry of Health is currently appealing to the CSO in an attempt to exempt the household survey from the Act, to allow respondents to voluntarily participate in the survey, but the issue has not yet been resolved.

Concurrently, HS20/20 Caribbean is pursuing the option of using secondary data, such as data from the 2008-9 Dominica Country Poverty Assessment (CPA), as an alternate source of estimated household health expenditures. The project is supporting the Dominica MOH in requesting the raw data set from the CSO, and will assess its appropriateness as a proxy source of information for the NHA.

## 2.3 GRENADA

As described in the second quarter report, HS20/20 worked with the MOH in Grenada to revise the scope of work for activities in Grenada to better align the project's efforts with the new administration's priorities. The new scope, as agreed by the project's AOR and the MOH, is to conduct a costing of services at the General Hospital, which will serve immediate needs in facility management and also further support the implementation of the national health insurance scheme in the medium term. In the third quarter the project finalized the design of the costing study, which included an ingredients-based costing of a set of 5 priority conditions (including HIV) at the island's General Hospital and a top-down costing of the General Hospital facility overall. The MOH organized a local costing team to assist project staff. The HS20/20 team also applied for and received an exemption from research ethics review by the Abt Internal Review Board for this study. In June, the HS20/20 costing team traveled to Grenada to collect the needed financial, service delivery, and patient data for the costing. This included extracting data from 350 medical records. The MOH was very interested in costing-related capacity building and requested additional training from the project.

The team is still collecting a few remaining pieces of data and has begun cleaning the data for analysis. The team expects to complete the analysis by the end of August and is currently discussing with the MOH dates for a dissemination workshop and costing training sometime in September.

## 2.4 SAINT LUCIA

In Saint Lucia, HS20/20 has been assisting the MOH in preparing for the proposed Universal Health Care (UHC) program and their need for information on the costs of services that might be covered by the program. The project team agreed to work with Saint Lucia's MOH to prepare a "road map" for collecting these data. After finalizing the scope of the activity with the MOH in the second quarter, the team traveled to Saint Lucia in early April to review currently available data and develop guidelines for conducting a future costing exercise. The HS20/20 team met with key staff who have information about health service utilization and financial data on the services that might be covered by the UHC program. They evaluated the availability of data that would be useful for costing studies, the feasibility of different types of analysis given the available data, and the types of cost questions relevant to the discussion around designing the UHC package. HS20/20 and the MOH held a workshop with the St. Lucia Health Financing Committee, a group recently assembled by the MOH to oversee the costing analysis, to determine the priorities for the costing and discuss the contents of the "road map" guidance document. After getting feedback from the Health Financing Committee, HS20/20 completed the guidance document entitled *Health Service Delivery Costing and other Economic Analyses* and submitted the report to the MOH in June. The document included guidance for the design of an essential health package, options for different types of costing studies, the types of data that such studies will produce as inputs for the decision-making process, and direct guidance on conducting service delivery costing analyses. The report will complement other studies published by the MOH in 2013 that outline a method for defining the UHC package.

## **2.5 ST. KITTS AND NEVIS**

In 2012, HS20/20 conducted an initial phase of NHA estimation in St. Kitts and Nevis collecting health expenditure data on from government, donors, and major employers. During the first two quarters, the HS20/20 team led by UWI-HEU prepared to implement the final data collection phase of the NHA estimation -- the household health expenditure survey. In the third quarter, UWI-HEU recruited and trained local data collectors and supervisors, and conducted the nationally-representative household health expenditure survey and a small survey of health expenditures by PLHIV. The household survey gathered data from 631 households and 25 PLHIV registered with the National AIDS Program. UWI-HEU entered and cleaned both datasets and submitted them to Abt for data quality assurance. In the fourth quarter, HS20/20 will complete the analysis of the household and PLHIV surveys, generating estimates of household and PLHIV out-of-pocket spending for the NHA estimation and writing up a comprehensive summary of the findings for the final report.

## **2.6 ST. VINCENT AND THE GRENADINES**

Following consultations with the AOR, the HS20/20 Caribbean team agreed to cancel the planned NHA estimation activity in St. Vincent and reprogram the allocated funding. The USAID/Barbados team and HS20/20 Caribbean project management agreed that given the lack of responsiveness from the MOH, HS20/20 Caribbean assistance in support of NHA would not be fruitful. NHA activities require extensive local support; without MOH involvement, the activity would be impossible to implement. This change was noted in a revised work plan in the third quarter, approved by the AOR.

## **2.7 OTHER REGIONAL ACTIVITIES**

### **2.7.1 CARIBBEAN MEETING ON STRATEGIC HIV INVESTMENT AND SUSTAINABLE FINANCING**

On May 28-29<sup>th</sup>, Dr. Elaine Baruwa traveled on behalf of HS20/20 Caribbean to the PEPFAR- and UNAIDS-sponsored Caribbean Meeting on Strategic HIV Investment and Sustainable Financing. Dr. Baruwa presented a summary of PEPFAR's health financing-related work in the Caribbean and also led discussions with country teams from Haiti and Trinidad and Tobago that are in the process of completing their HIV Investment Frameworks. The HS20/20 team also worked with PEPFAR and UNAIDS to provide input on the agenda for the event. The meeting objective was to discuss HIV investments and the sustainability of the HIV responses in the Caribbean region, given the decline in donor funding, global economic challenges, and partially achieved HIV response targets.

### **2.7.2 SUPPORTING OTHER REGIONAL INITIATIVES**

The U.S. Health Resources Services Administration (HRSA), a PEPFAR partner agency, expressed interest in supporting a Caribbean session of the Harvard Flagship Course on Health Systems Strengthening and Sustainable Financing. At HRSA's request, the HS20/20 Caribbean project provided background on the region for the Harvard School of Public Health professors leading the course and input into the course's Caribbean-specific agenda. In April, the HS20/20 team held a teleconference these professors to offer advice on working with Caribbean country counterparts and the types of health systems strengthening requests the countries have previously expressed. HS20/20 also connected the School of Public Health to UWI-HEU counterparts to further assist with implementing the training.

### 3. CHALLENGES

A few challenges should be briefly highlighted here:

1. After difficulties finalizing activities in St. Vincent and the Grenadines, the project team revised and resubmitted the work plan to reflect the reallocation of funds from St. Vincent in early April. Communications difficulties with the Ministry of Health in St. Vincent and the Grenadines made it impossible to proceed with the planned NHA activity there. Per conversations with the AOR, this funding has been reallocated to other activities within the project, as detailed in the revised project work plan submitted and approved in early April.
2. Because of the need to reprogram funds from St. Vincent and complete additional activities elsewhere, the project has requested a three month no-cost extension to the period of performance of the project through December 31, 2013 and is awaiting approval.
3. The project continues to face challenges in collecting and documenting the required 5% cost share contribution. Some specific approaches to cost share identified during the proposal phase are no longer feasible. The scope of work in St. Vincent and the Grenadines was originally identified as the primary source of cost share given expected co-funding from the European Union. As the project will no longer be working in St. Vincent, this cost share is unavailable. The project has requested the cost share requirement be decreased given the extenuating circumstances. The team has continued to identify other opportunities for cost share but has had challenges getting proper documentation from counterparts in a timely manner. Unconfirmed sources of potential cost share include the co-sponsored UNAIDS workshop and the PAHO-funded National Health Insurance Pre-Feasibility Study in Grenada that built the foundation for HS20/20's costing work there. The project has received verbal confirmation that UNAIDS and the Grenada MOH will share documentation for these contributions, but has yet to receive appropriate documentation.
4. As noted above, the project team is facing a possible cancellation of the household survey in Dominica. Although the project has already received local approval for the survey from the MOH, the CSO has blocked implementation and refused to give approval pending removal of language on the voluntary nature of the survey. If the CSO's interpretation of Dominican law is confirmed and if the project must remove the informed consent language from the survey instrument in order to comply with Dominican law, then the project will have to cancel the survey as this would not be compliant with US regulations (45 CFR 46) that require the USG-funded research projects to request informed consent from all research participants, and to allow individuals to choose not to participate in research. The cancellation of the survey will likely require further reallocation of program funds and may require another change to the work plan. The team is still trying to reach an agreement with the MOH and CSO. The project team has set a firm deadline of July 26, 2013 to determine if the activity will be canceled to allow sufficient time to reprogram funds. The team is also exploring other data sources that could be used to complete the NHA estimation.

## 4. MONITORING AND EVALUATION

The table below represents the HS20/20 Caribbean Project's performance management plan as revised and approved in April 2013.

No.	Indicators	Target (Country)	Source	Progress to Date	Frequency	Assumptions
1	# of countries where full National Health Accounts (NHA) estimation has been completed	2 (St. Kitts and Nevis, Dominica)	NHA reports	0 In progress	end of project	Consistent participation of government and private sector officials
2	# of countries where HIV subaccounts completed	2 (St. Kitts and Nevis, Dominica)	NHA reports	0 In progress	end of project	Consistent participation of government and private sector officials
3	# of tools, templates, and mechanisms developed and delivered for improved counterpart financial management	2 (Antigua, St. Lucia)	project reports	2 (Antigua, St. Lucia)	quarterly and end of project	
4	# of countries with unit costs for HIV clinical services estimated	2 (Antigua, Grenada)	project reports, strategic plans	1 (Antigua)	end of project	
5	# of Ministry of Health (MOH) staff trained in costing and/or use of cost data	10 (Antigua, Grenada)	project reports, attendance lists	11 (Antigua)	quarterly and end of project	Training leads to increased capacity for financial management.
6	# of economists at regional institutions with strengthened capacity to provide health financing technical assistance	3	project reports, interviews with regional institution staff	2	end of project	Key staff at UWI-HEU will be able to lead National Health Accounts and HIV subaccounts estimations independently.
7	# of regional events or meetings at which the project disseminates findings or contributes to regional policy discussions	3	project reports	3 (OECS Health Minister's meeting; Trinidad costing training; UNAIDS/PEPFAR HIV Sustainability meeting )	quarterly and end of project	Participating in such events magnifies the impact of USAID's investments and contributes to knowledge translation.

## 5. SUCCESS STORY

### GRENADA: ASSISTING THE MINISTRY TO MOVE TOWARDS NATIONAL HEALTH INSURANCE

Grenada, like many other Caribbean countries, has prioritized ensuring access to basic health services for its citizens and has been exploring a national health insurance (NHI) scheme as a financing mechanism that can support sustainable access. An NHI scheme was outlined in the country's National Strategic Plan in 2006 to reduce the financial burden of health services to its citizens, but until recently little progress had been achieved in realizing this goal. In fact, the WHO estimated that in 2009 out-of-pocket spending accounted for 48 percent of total health spending in Grenada, a higher ratio than any other country in the Caribbean.<sup>1</sup>

For every country, not just Grenada, the path to implementing NHI schemes is complicated, long, and risky. A good deal of research and engagement with citizens, businesses, and other sectors needs to occur to make the scheme successful. At the same time shifts in political administrations or policy focus can often sideline investments in NHI.

As the Health Systems 20/20 project began working in Grenada in 2010, the government was putting renewed emphasis on NHI. In early 2011, the Committee for National Health Insurance was re-commissioned and began meeting monthly to prepare a position paper on NHI. The Committee engaged the Centre for Health Economics of the University of the West Indies to conduct a pre-feasibility study in 2012, assessing the country's ability to implement NHI and the financial sustainability of such a scheme. HS20/20 conducted a Health Systems and Private Sector Assessment in 2011-12 and noted many areas that still needed discussion before the process could move forward. Despite a change in political administration in early 2013, the strong relationship that the HS20/20 Caribbean team built with its Grenadian counterparts allowed for a frank and honest discussion of how best to use the project's scarce resources to move the NHI development process forward. The team and MOH jointly decided to implement a costing study of the country's main General Hospital as well estimating the costs of a set of priority conditions, including HIV, that would likely be included in a future insurance benefits package. These data will inform the design of the benefits package and help project the costs of the future NHI scheme. They can also be used immediately for better hospital and HIV program management.

As the costing activity has gotten underway, the Ministry has made the exercise part of its strategy to communicate the value of NHI to its citizens as its results will demonstrate the true costs of delivering health care. The team is working with a locally-established Costing Committee, and will provide additional training on costing methods to interested government representatives. The Ministry's strong engagement throughout the process is a positive sign that Grenada will reach its goal of having a sustainable NHI program in the future.

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<sup>1</sup> Comparable ratios of out-of-pocket spending in other Caribbean countries in 2009 were: Haiti (47 percent), St. Vincent and the Grenadines (43 percent), St. Kitts and Nevis (38 percent), St. Lucia (32 percent), Dominica (30 percent), and Antigua and Barbuda (22 percent).

