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SCF Strengthening
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Health Financing
Fostering Financial Sustainability in Tanzania

Strengthening Capacity in Health Financing in Tanzania

Quarterly Performance Report

October 1– December 31, 2013

January, 2014

An abstract graphic consisting of several overlapping, nested rectangular outlines. The lines are of varying thickness and are arranged in a way that suggests a stepped or layered structure. The lines are black and gray, and they intersect to form a complex, geometric pattern.

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ACRONYMS

COP	Chief of Party
FMR	Financial Management and Reporting
GoT	Government of Tanzania
HFS	Health Financing Strategy
HFU	Health Financing Unit
IR	Intermediate Result
ISC	Inter-ministerial Steering Committee
MBP	Minimum Benefits Package
MOHSW	Ministry of Health and Social Welfare
NHA	National Health Accounts
PER	Public Expenditure Review
PPP	Public Private Partnership
RMNCH	Reproductive Maternal Neonatal and Child Health
SCHF	Strengthening Capacity in Health Financing
SHA	System of Health Accounts
TWGHF	Technical Working Group on Health Financing
TWG	Technical Working Group
USAID	United States Agency for International Development

I. INTRODUCTION

The Strengthening Capacity in Health Financing, Tanzania (SCHFT) project is an 18-month Associate Award working with the Government of Tanzania (GoT) to improve health financing capacity and ensure long-term sustainability of health programs in Tanzania. This Associate Award follows the Health Systems 20/20 leader award that ran from October 2006 to September 2012. The period of performance for this cooperative agreement is September 25, 2012 – March 24, 2014.

The SCHFT team's goal is to enhance GoT capacity to ensure equity, access, and availability of appropriate health services across the country and to make certain that program decisions and the allocation of resources are linked to evidence-based processes. The project works closely with the Ministry of Health and Social Welfare (MOHSW) Health Financing Unit (HFU), health sector development partners and Tanzanian organizations to achieve three Intermediate Results (IRs) and associated components:

- **IR 1: Increased Effectiveness through Health Governance**
Component 1: Develop MOHSW's capacity to provide ongoing management oversight of health financing, specifically by monitoring resource allocation through Public Expenditure Reviews (PER) and National Health Accounts¹ (NHA).
- **IR 2: Improved Planning for Financial Health Services**
Component 2: Assist with completion of the national Health Financing Strategy (HFS).
- **IR 3: Sustainable Operations Capacity**
Component 3: Provide technical assistance to MOHSW to evaluate/assess/model some of the agreed-upon approaches to expanding pooled-risk systems.

¹ All previous NHA estimations completed in Tanzania (for fiscal years 2002-03, 2005-06 and 2009-10) were based on the System of Health Accounts (SHA 1.0) framework developed by the OECD in 2000. In 2011, the OECD, Eurostat and WHO released an updated version of the System of Health Accounts (SHA 2011) framework. The GOT is now using the updated SHA 2011 framework to estimate health expenditures in Tanzania. In accordance, the technical assistance provided by the SCHFT project uses the new SHA 2011 framework. To distinguish the original and updated versions of the SHA framework, we use the acronym NHA/SHA when referring to the updated SHA 2011 methodology.

2. PROJECT ACCOMPLISHMENTS

This report covers the SCHFT project's Quarter 1 in Year 2, from October 1 to December 31, 2013. During this quarter, the project accomplished the following programmatic results:

- Assisted UDSM staff to develop and complete a training module on NHA/SHA that has been incorporated into the UDSM Health Economics Department's curriculum (Activity 1.4);
- Assisted MOHSW in writing Situation Analysis sections of the Tanzania Health Financing Strategy (Activity 2.1).
- Completed and submitted the Minimum Benefits Package (MBP) health financing strategy policy options paper (Activity 2.1);
- Collected additional data and revised the Public-Private Partnership (PPP) health financing strategy policy options paper based on stakeholder feedback (Activity 2.1);
- Submitted a draft of the Financial Management and Reporting (FRM) options paper (Activity 2.1).

Activity 1.4: Develop Capacity of Selected Academic Institution to Incorporate NHA/SHA into Course Curriculum

SCHFT's work with UDSM is an important step towards institutionalizing the production and use of resource-tracking data. The project continued to make progress on Activity 1.4 during Quarter 1, Year 2. Specifically, SCHFT assisted the UDSM Health Economics Department staff to update their syllabus and to develop a training module on NHA/SHA. UDSM management approved the Health Economics Department to use the module, which provides an introduction to health resource tracking, describes the various approaches to health resource tracking (SHA, National AIDS Spending Assessment, PER, and Public Expenditure Tracking Surveys), provides the conceptual overview of SHA, and explains the steps involved for SHA 2011. The Department of Economics is expected to start using the revised health economics teaching curriculum during the second semester of the 2013/14 academic year.

Activity 2.1: Provide Support to the HFU and ISC in Developing the Health Financing Strategy (HFS)

In Quarter 1 of Year 2, the SCHFT team continued to work collaboratively with the MOHSW and development partners to prepare Tanzania's HFS. MOHSW HFU selected specific members of the Technical Working Group, Health Financing (TWGHF) to begin drafting the HFS. The project COP is among members of this HFS drafting team. Specifically, the SCHFT COP was assigned to write:

HFS Situation Analysis

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- Sections 2.2: Social determinants of health and burden of disease in Tanzania
 - Section 2.3: Health services delivery
 - Section 2.4.5: Governance and stewardship

The COP completed and submitted drafts of each section to MOHSW on December 6, 2013.

Activity 2.2: Assisting the HFU to Develop Alternative Health Financing Proposals

MOHSW envisions that the evidence emerging from options papers that it commissioned will inform the direction and focus of the HFS, including: involvement of the private sector, efficiency in the use of health resources, expanding insurance coverage and ultimately increasing access to health services for the Tanzanian population. MOHSW previously approved for SCHFT to lead the PPP and FMR options papers and to support the MBP paper.

At the end of Year 1, the MOHSW TWGHF provided SCHFT with comments on the draft PPP options paper, which was originally submitted on September 17, 2013. The TWGHF requested the SCHFT team to revise the paper to further address the original TOR. In addition, the TWGHF asked the project to add a section, which was not within the original TOR. The proposed section examines three to five options for expanding health coverage in Tanzania's formal, private corporate sector. The purpose of this additional section was to help MOHSW in their aim to increase resource mobilization and improve the provision of health services so as to increase access to Tanzania's minimum benefit package.

Before writing the new section, the project documented its methodology, which would require additional secondary research. After receiving SCHFT's "addendum to the TOR," which described the methodology in detail, the Ministry decided to include this new content in a different options paper. Thus, per MOHSW TWGHF's instructions on December 6, 2013, the SCHFT team started revising the draft PPP option paper. The revised paper will be submitted at the beginning of Quarter 2 of Year 2.

During this quarter, the project also continued to support MOHSW and the ISC to develop and finalize the MBP options paper. The team presented a final draft of the MBP options paper to the MOHSW on November 13, 2013.

The project also continued to collect data and write the draft FMR paper. The team presented the draft to MOHSW on November 12, 2013. The project expects to finalize the FMR paper at the beginning of the next quarter.

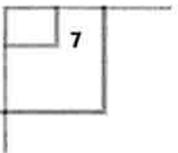
3. PROJECT ADMINISTRATION AND MANAGEMENT

During Quarter 1, Year 2, the SCHFT team continued to ensure effective administration and management of the project operations in Tanzania. Project financial reporting deliverables, including quarterly financial reports and quarterly sub grantees' reports, were submitted on time.

As of December 2013, the project had spent a total of . SCHFT has made three payments, totaling , to the University of Dar es Salaam. This leaves a commitment of . The project has an uncommitted budget balance of \$.

Table 4: Q4 Financial Expenditure Summary

SCHF Tanzania	
Total Obligated Funding:	\$
Less Cumulative expenditures (including accruals) as of December 2013:	(\$)
Less Cumulative Commitments (including accruals) as of December 2013:	\$
Obligated Funding Balance as of December 2013:	\$



4. M&E PERFORMANCE INDICATOR TABLE

Table 5 presents indicators and results from Year One. Table 6 summarizes and reports on results achieved during Quarter 1, Year 2.

Table 5: M&E Performance Indicators, Year One

Activity	Indicator	Data Source	Year One Result
Intermediate Result 1: Increased effectiveness in health governance			
Component 1: Develop capacity to provide ongoing management oversight of health financing in MOHSW, specifically monitoring resource allocation through PERs and NHA			
1.1	1.1: MOHSW formally approves an institutionalization plan for resource tracking and initiates implementation of at least 2 planned activities before the end of project	Institutionalization plan	Draft institutionalization plan developed and submitted to HFU, MOHSW. While the plan has not been formally approved, SCHFT has contributed to institutionalization of resource tracking as outlined in the plan by: harmonizing resource tracking data reporting tools, and working with the UDSM to develop a resource tracking course.
1.2	1.2: MOHSW-led PER completed with support from local technical/academic institution	Draft PER report	SCHFT provided technical assistance to MOHSW HFU on the PER and supported the analysis and report writing PER workshops. The Ministry has adequate internal capacity to conduct PER internally in the future.
1.3	1.3.1: Number of relevant technical staff from MOHSW and local technical institutions trained in NHA, PER, and/or NHA Production Tool (disaggregated by gender)	Project records	16 technical staff trained (7 female, 9 male) on PER and NHA/SHA. <ul style="list-style-type: none"> • 10 participants attended PER data analysis training – 6 (F), 4 (M) • 6 UDSM participants attended NHA/SHA training – 1 (F), 5 (M)
	1.3.2: % of relevant technical staff from MOHSW and local technical institutions that received training in NHA, PER, and/or NHA Production Tool who say they are using new skills on the job and can provide examples (disaggregated by gender)	Project records, Post training assessment	Training was completed at the end of Year One.
1.4	1.4: NHA course content adapted to fit the TZ context and incorporated into the teaching curriculum.	Project records	The UDSM has started to create the content for the existing Health Economics course.

Activity	Indicator	Data Source	Year One Result
Intermediate Result 2: Improved planning for financing health services			
Component 2: Assist with completion of GOT health financing strategy			
2.1	2.1.1: MOHSW drafts HFS document that (1) outlines key system bottlenecks; (2) describes various policy options, including the benefits and risks of each; and (3) explains reasons for selecting the policy(ies) 2.1.2: Evidence that the MOHSW effectively utilized NHA and PER results to inform the development of health policy options, including the development of the HFS	HFS document	Financial Management and Reporting (FMR) paper and Public Private Partnership (PPP) papers submitted to TWGHF. Comments on Minimum Benefits Package (MBP) paper incorporated and resubmitted.
2.2	2.2.2 Number of Terms of Reference (TOR) documents written (with MOHSW) to facilitate the development of policy option papers for the ISC 2.2.1: Number of project-generated policy options papers presented to MOHSW for potential inclusion in HFS 2.2.3: Number of policy options papers that the project played a supportive (i.e. non-lead) role in developing	HFS documentation TOR documents Policy option documents Policy option documents	Matrix comparing existing health financing indicators circulated for reference to all consultants writing policy option papers; recommendations developed for HFS based on PER data. HFS to be developed after completion of options papers. 9 TORs completed successfully. SCHFT submitted and presented inception reports to the MOHSW TWG and were approved to draft the full papers. The PPP and FMR draft papers were completed and submitted to the ISC. Comments are expected from the TWGHF. The project has supported the GIZ team lead to complete the MBP paper, and the final draft was submitted. Comments are expected from the TWGHF.
Intermediate Result 3: Sustainable capacity operations			
Component 3: Provide technical assistance to the MOHSW to evaluate/assess/model some of the agreed upon approaches to expanding pooled risk (group social health insurance) systems			
3.1	3.1 TWG on health financing completes road map for risk pooling initiatives in Tanzania with project support	Road map	MOHSW expressed interest for the SCHFT project to a hold policy analysis workshop that focuses on insurance-related option papers. This will be done once all of the HFS health insurance related option papers are complete.

Table 6: M&E Performance Indicators, Year Two

Acti vity	Indicator	Q1 Target	Q1 Result	Data Source	Frequency
Intermediate Result 1: Increased effectiveness in health governance					
Component 1: Develop capacity to provide ongoing management oversight of health financing in MOHSW, specifically monitoring resource allocation through PERs and NHA					
1.1	1.1a Course content for NHA/SHA component of health economics course completed.	Course content for NHA/SHA component of health economics course finalized.	Training module course on NHA/SHA developed and finalized.	Project Records	Once
1.1	1.1b Draft proposal for new, fully fledged NHA/SHA course completed	Steps initiated to develop a fully-fledged NHA course and curriculum at the University of Dar es Salaam.	Prepared updated syllabus for existing course.	Project Records	Once
1.2	1.2a Number of meetings/workshops held for stakeholders as part of the implementation of MOHSW institutionalization plan	Work with MOHSW to identify PER workshop needs.	Coordinating with MOHSW to organize PER workshop.	Project Records	Once
Intermediate Result 2: Improved planning for financing health services					
Component 2: Assist with completion of GOT health financing strategy					
2.1	2.1a Finalize and submit to the TWGHF PPP and FMR papers	Comments from TWGHF for PPP and FMR papers incorporated into final draft of respective papers	PPP paper being revised based on comments received on October 21, 2013. Additional data collection and literature review is underway. FRM paper being revised based on TWGHF comments received on November 26, 2013. MBP paper finalized.	Project Records	Once
2.1	2.1b. Finalize and submit an additional section (with new scope) to the PPP options paper, as requested by MOHSW HFTWG	Complete literature review, data collection and develop options	SCHFT team developed and submitted a proposal for the additional scope of work for the PPP options paper. MOHSW decided not to move forward with the new section, because they wanted to include it in another options paper.	Project Records	Once
2.2	2.2a SCHFT provides targeted technical assistance in development of the HFS	Support provided to draft HFS. May include: synthesis of options paper findings, outlining key system	SCHFT team drafted four sections of the HFS: the HFS Situation Analysis; Social determinants of health and	HFS Document	Once

Acti vity	Indicator	Q1 Target	Q1 Result	Data Source	Frequency
Intermediate Result 3: Sustainable capacity operations					
Component 3: Provide technical assistance to the MOHSW to evaluate/assess/model some of the agreed upon approaches to expanding pooled risk (group social health insurance) systems					
3.1	3.1a Project contributes to MOHSW and TWGHF policy analysis workshop.	Work with MOHSW to contribute to workshop agenda and priorities.	SCHFT project is coordinating with MOHSW to organize workshop.	Project records	Once
		bottlenecks, reviewing and select policy options.	burden of disease in Tanzania; Health services delivery; and Governance/stewardship.		

5. REASONS GOALS, OBJECTIVE AND/OR TARGETS WERE NOT MET

The project team met its objectives and targets this quarter. However, it is important to note that while the SCHFT project completed and submitted the draft PPP and FMR options papers as scheduled, the team was delayed in finalizing these drafts because the TWGHF provided its feedback to the project later than expected. The final drafts of the PPP and FMR papers will therefore be submitted later than expected, at the beginning of Quarter 2, Year 2 of the project.

As mentioned under Activity 2.2, the project was asked by MOHSW TWGHF to add an additional section to the draft PPP options paper, which was not included in the original TOR. However, later the TWGHF decided that it would not be necessary for SCHFT to complete this additional section.

Lastly, the project is currently working with the MOHSW HFU to organize a PER workshop and an HFS writing workshop. The workshops are currently planned for February, 2014. However, a new Minister of Health was recently appointed. He is in the process of gathering information from the MOHSW TWGHF and the ISC on the health financing activities at the Ministry. Therefore, there is a chance that the Ministry's timeline for these workshops may be delayed and this has been communicated to USAID/Tanzania. If the workshops are postponed, then the project may need a no-cost extension to complete these final deliverables. SCHFT will work closely with both the MOHSW and USAID/Tanzania to ensure open communication channels as these events are being planned so that any delays are quickly shared, and an alternative plan can be developed including a possible no cost extension.

6. LESSONS LEARNED

While UDSM was preparing the course module, the SCHFT team provided both written feedback to the University, as well as follow up with regular phone calls. While this process of sending written comments on several drafts was helpful, SCHFT found that the phone conversations were much more beneficial and substantive. These conversations allowed the team to better discuss the technical content and walk through changes with the UDSM in detail to ensure that the feedback was understood.

7. BEST PRACTICES/CREATIVE IMPLEMENTATION

The UDSM completed the resource tracking module, one of their main deliverables. The design of the subcontract was key to the success of the resource tracking work with UDSM. Deliverables were planned so that UDSM staff could devote sufficient time to the NHA/SHA training and then develop a course module. The deliverables also allowed for deep reflection and critical thinking so that the content from the training could be reinforced, as evidenced by the high level of detail provided by UDSM in the module they submitted to the project, as well as the communication between SCHFT and UDSM to clarify any information that was misunderstood.

8. PLANS FOR NEXT QUARTER

The SCHFT project has the following plans for Quarter 2, year 2:

Assist UDSM to lay the foundations for long term stand-alone resource tracking course. (Activity 1.4): Following the successful incorporation of resource tracking course module in the UDSM curriculum in Quarter 1, Year 2 of the project; the project will work with UDSM economics professors to lay foundations for a long term stand-alone resource tracking course.

Assist the HFU to Develop Alternative Health Financing Proposals (Activity 2.2): The SCHFT project will continue to revise and finalize the PPP and FMR options papers as discussed with the MOHSW and TWGHF.

Work with MOHSW to hold a policy workshop on health financing option papers as input towards drafting the Health Financing Strategy (Activity 3.1). Following discussions among the project, USAID and the MOHSW, the SCHFT team will work with MOHSW to host a workshop synthesizing the policy options papers.

Undertake SCHFT project close-out activities. The project will work closely with USAID and the MOHSW to complete all activities, and close the project office.

