



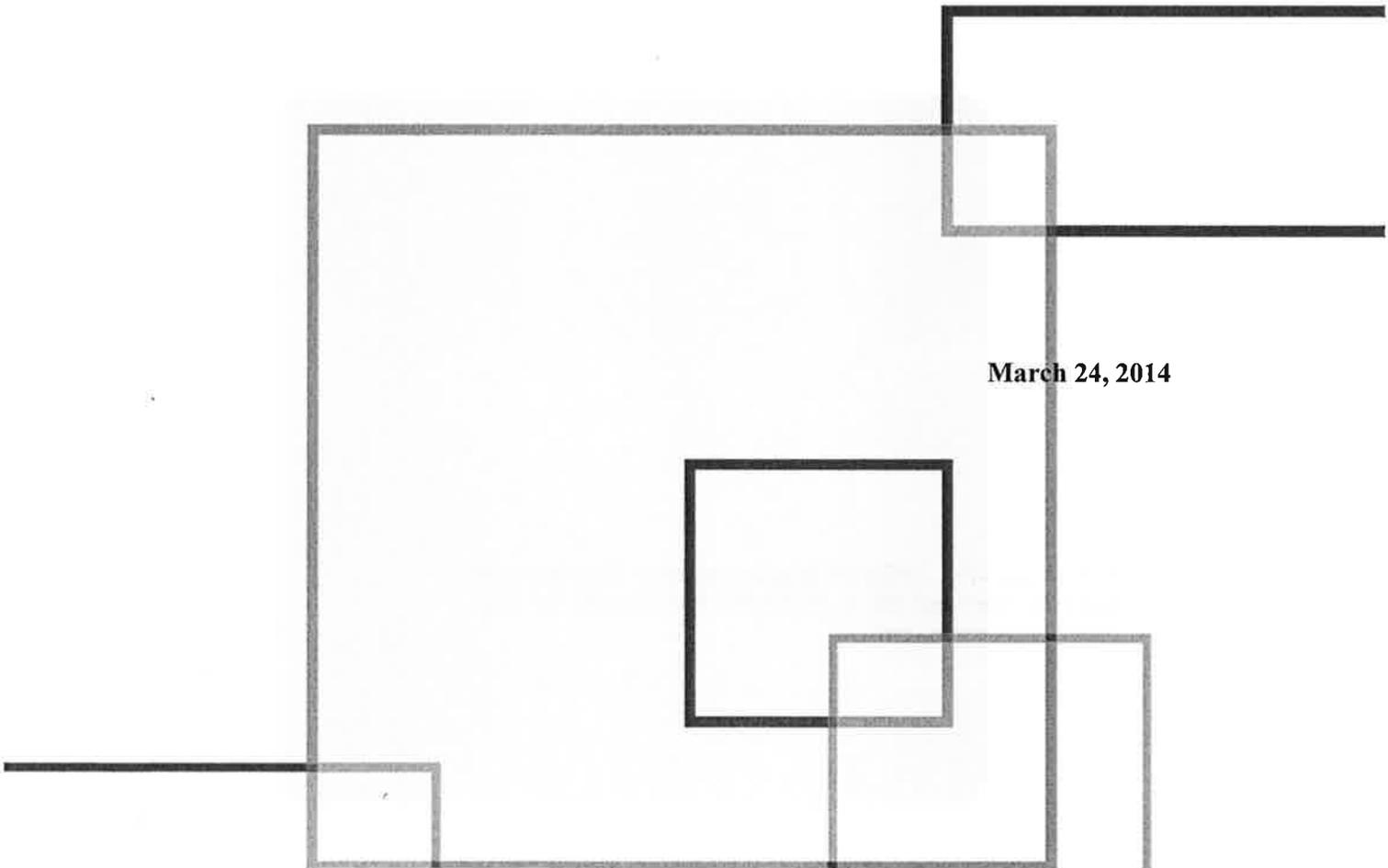
USAID
FROM THE AMERICAN PEOPLE

SCH Strengthening
Capacity in
Health Financing
Fostering Financial Sustainability in Tanzania

Strengthening Capacity in Health Financing in Tanzania

Quarterly Performance Report

January 1– March 24, 2014



March 24, 2014

Cooperative Agreement No.: AID-GHS-A-00-06-00010-00 Abt HS 20/20

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United States Agency for International Development,

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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
HFTWG	Health Financing Technical Working Group
TWG	Technical Working Group
USAID	United States Agency for International Development

I. INTRODUCTION

The Strengthening Capacity in Health Financing, Tanzania (SCHFT) project was 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 followed the Health Systems 20/20 leader award that ran from October 2006 to September 2012. The period of performance for this cooperative agreement was September 25, 2012 – March 24, 2014.

The SCHFT team's goal was 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 worked 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 final quarter, from January 1 to March 24, 2014. During this quarter, the project accomplished the following programmatic results:

- Assisted MOHSW to conduct Public Expenditure Review (PER) data analysis and report writing (Activity 1.2);
- Completed and submitted the Public-Private Partnership (PPP) health financing strategy (HFS) policy options paper based on stakeholder feedback (Activity 2.1);
- Completed and submitted the Financial Management and Reporting (FRM) options paper (Activity 2.1).

Completed project close-out procedures/activities and requirements

ACTIVITY 1.2: PROVIDED SUPPORT TO MOHSW TO CONDUCT PER DATA ANALYSIS AND REPORT WRITING

During this quarter, the SCHFT project completed its deliverables to achieve its objective to build the HFU's capacity to conduct the PER internally with minimal assistance from external consultants. SCHFT trained MOHSW and continued to build their capacity to analyze the field data and write the draft PER report. The GoT has been implementing the PER on a routine basis, but only with external technical assistance. During the SCHFT project, there has been a substantial decrease in the level of external technical assistance provided: the Ministry is leading the PER, while the project provides quality assurance.

ACTIVITY 2.1: COMPLETED THE PPP HEALTH FINANCING OPTIONS PAPER

The SCHFT project successfully completed the PPP options paper, which will provide important input into the HFS. During the quarter, the SCHFT team addressed the HFTWG's comments on the draft document. After submitting a final draft, the MOHSW solicited further comments from the TWG, and none was received. The paper is now final.

The PPP paper observed that despite a favorable private sector policy environment in the health sector, implementation of PPP policies and strategies faces a number of challenges that have constrained the potential for public private collaboration in health care provision. To address these challenges, the paper proposes options to improve implementation of policies aimed at enhancing private sector contributions to health care. For example, establishing and strengthening institutions and processes for PPP dialogue, involving the PMO-RALG in key MOHSW initiatives, strengthening the capacity of the MOHSW PPP unit and PPP-TWG, focusing efforts to improve communication of PPP strategies and priorities to all levels of the health system, co-location of private practice in public facilities and contracting-out or fostering the use of service level agreements (SLAs).

ACTIVITY 2.1: COMPLETED THE FRM HEALTH FINANCING OPTIONS PAPER

The SCHFT project successfully completed the FMR options paper during this quarter. The project addressed comments received from the HFTWG. Further comments were solicited from the MOHSW, but none were received and the paper is considered to be final. The FMR paper made several recommendations for improving value for money through stronger public financial management especially in areas of: management of development funds; planning and budgeting; accountability and timely availability of funds in the health system; and human resource capacity. Each of the options recommended in the paper aim to maximize value for money and will contribute to long-term improvements in health care delivery through better use of financial resources.

3. PROJECT ADMINISTRATION AND MANAGEMENT

During Year 2, Quarter 2, the SCHFT team continued to ensure effective administration and management of the project operations in Tanzania. The project submitted financial reporting deliverables, including quarterly financial reports and quarterly sub grantees’ reports, on time. All project financial obligations were met and the team carried out project closeout.

3.1 FINANCIAL ACTIVITIES

As of March 28, 2014, the project had invoiced a total of . Abt will submit invoices for additional expenses incurred within the agreement’s period of performance that ended March 24, 2014 such as final vendor invoices, NICRA adjustments recently approved by USAID, administrative labor costs for close out activities, etc.

Table 4: Q2 Financial Expenditure Summary

SCHF Tanzania	
Total Obligated Funding:	
Less Cumulative expenditures as of March 24:	
Less Cumulative Commitments (including accruals) as of March 24:	
Obligated Funding Balance as of March 24:	

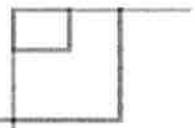
3.2 PROJECT CLOSE OUT

Abt has almost completed all close out activities, in accordance with the close out plan submitted in the approved SCHFT Year 2 work plan.

On March 1, 2014, Abt submitted its proposed property disposition plan. On March 11, 2014, Abt received USAID’s disposition instructions for federally owned property acquired under the award. By the end of project, all government property had been disposed of in accordance with USAID disposition instructions and an After Action Report shall be included in the final report.

Abt formally closed the Tanzania office on March 21, 2014. Staff were terminated and paid final salaries, severance and other dues in accordance with local labor law. Abt SCHFT bank accounts have been closed. All relevant project documents have been sent to home office. The University of Dar Es Salaam sub grant has been completed, fully paid and closed.

Over the next 90 days, Abt shall be processing final vendor expenses and other similar financial actions and shall issue its final invoices and quarterly report (SF 425).



4. MONITORING AND EVALUATION (M&E)

Table 5 presents indicators and results from both Years 1 and 2. It also provides guidance on next steps for what could be done beyond the life of the project.

Table 5: M&E Performance Indicators

Activity	Indicator	Data Source	End of Project Result	Explanation/Next Steps
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				
Year One Indicators				
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. The ministry now has a 5-year resource institutionalization plan. SCHFT has contributed to institutionalization of resource tracking as outlined in the plan by: (1) harmonizing resource tracking data reporting tools, and (2) working with the UDSM to develop a resource tracking course.	To implement the resource tracking institutionalization plan, the MOHSW will need to continue building capacity at the national and LGAs' levels, and harmonizing various resource tracking tools currently in use. In addition, further donor support may be required to support the ministry's e-Health plan to ensure routine data is analyzed, disseminated and used for decision-making.
1.2	1.2: MOHSW-led PER completed with support from local technical/academic institution	PER report	The SCHFT project 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.	The MOHSW does not require further support in conducting PER. However, as discussed in Section 4 above, PER and other resource tracking tools need to be harmonized to reduce duplication and improve efficiency.

Activity	Indicator	Data Source	End of Project Result	Explanation/Next Steps
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 UDMSM participants attended NHA/SHA training – 1 (F), 5 (M) 	Capacity building within the MOHSW and UDMSM contributed to resource tracking institutionalization by building internal resources.
	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. On average, prior to the training the UDMSM staff reported their resource tracking skills at 2.0/5.0. After the training, they rated their skills as 4.5/5.0. Skills include use of SHA data, understanding the SHA 2011 methodology, knowledge of the key stages of the SHA process and use of the production tool.	The new skills acquired by UDMSM staff will be used to train the next generation of health economists in the semester that begins in May 2014. PER skills have been used by the MOHSW HFU to conduct the 2013 PER whose data analysis and report preparation is underway.
1.4	1.4: NHA course content adapted to fit the TZ context and incorporated into the teaching curriculum.	Project records	The UDMSM has completed development of a resource tracking module and its contents have been incorporated into the existing Health Economics course.	The resource tracking module will enable new University professors who were not participants in the training to learn the material. The module aims to institutionalize the course within the department.
Year Two Indicators				
1.1	Course content for NHA/SHA component of health economics course completed.	Project records	UDMSM resource tracking course will be delivered in March 2014.	After the course is complete, the UDMSM intends to assess whether the department should a) continue to provide the same course b) develop a full-fledged resource tracking course or c) develop a resource tracking night course geared for professionals.
1.2	Number of meetings/workshops held for stakeholders as part of the implementation of MoHSW institutionalization plan.	Project records	The SCHFT project provided two PER workshops for MOHSW. The first workshop focused on	After the report writing workshop, the MOHSW plans to disseminate the FY2013 PER

Activity	Indicator	Data Source	End of Project Result	Explanation/Next Steps
			data entry for the FY2013 PER (10M; 8 F) and the second focused on report writing (1M; 5 F).	results.
Intermediate Result 2: Improved planning for financing health services				
Component 2: Assist with completion of GOT health financing strategy				
Year One Indicators				
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)	HFS document	Draft FMR, PPP and MBP options papers completed and submitted to MOHSW for input into the HFS.	During year one, the project received detailed comments on each of the drafts submitted.
	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 documentation	Matrix comparing existing health financing indicators circulated for reference to all consultants writing HFS policy option papers.	Since the HFS is not yet complete, the project cannot determine the extent to which NHA and PER data are used.
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	TOR documents	9 TORs completed successfully.	ToRs were used by various consultants who led or contributed to the HFS options papers.
	2.2.1: Number of project-generated policy options papers presented to MOHSW for potential inclusion in HFS	Policy option documents	SCHFT project successfully led and completed FMR and PPP options papers for potential inclusion in the HFS.	Synthesis of the option papers for potential inclusion into the HFS has begun and will continue beyond the life of the project.
Year Two Indicators				
2.1	Finalize and submit to the TWGHF PPP and FMR papers	Project records	As previously mentioned (indicator 2.2.1) the SCHFT project successfully led and completed FMR and PPP options papers for potential	Due to the participatory nature of the development of Tanzania's HFS, the strategy was not completed by the end of the project.

Activity	Indicator	Data Source	End of Project Result	Explanation/Next Steps
2.2	SCHFT provides targeted technical assistance in development of the HFS	HFS document	inclusion in the HFS. The SCHFT project contributed to four sections of the HFS. The SCHFT CoP was a member of the HFS writing team.	The development of the HFS is still underway.
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				
Year One Indicators				
3.1	Number of health insurance related policy options papers that the project played a supportive (i.e. non-lead) role in developing.	Project records	The project has supported the GIZ team lead to complete the MBP paper, and the final draft was submitted.	At the end of year one, the project was waiting for comments from the HF TWG.
Year Two Indicators				
3.1	Number of health insurance related policy options papers that the project played a supportive (i.e. non-lead) role in developing.	Project records	The SCHFT project obtained comments from the HF TWG and worked with GIZ team to finalize the MPB paper.	Final MBP paper was submitted to the HF TWG.

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

The project team met its objectives and targets this quarter. The final versions of the PPP and FMR papers were submitted in this quarter of the project.

The project worked with the MOHSW HFU to organize two PER workshop that were completed successfully this quarter. Therefore, there are no objectives or targets that were not met.

6. LESSONS LEARNED

Throughout the life of the project and into the last quarter, SCHFT worked intensively with UDSM and the MOHSW to build capacity in NHA and PER. UDSM will be rolling out the new resource tracking module during the month of April 2014. During this time, the project will not be providing technical assistance (since the project will have ended). The first time that the UDSM professors deliver this module presents a unique opportunity to identify areas where more support could be provided to the university as they deliver future courses. It would have been helpful if the project could have followed up on-the-ground to complete dry runs with the UDSM professors.

7. BEST PRACTICES/CREATIVE IMPLEMENTATION

During this quarter, the SCHFT project continued to work at the central government level to facilitate the production of resource tracking data. However, experience in other countries demonstrates that for resource tracking data to be used once it is produced, policy relevant results need to be disseminated to decentralized levels of government and civil society. Disseminating relevant resource tracking related information will lead to more demand for such data.