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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D.C. 20523

JAMAICA

PROJECT PAPER

HEALTH MANAGEMENT IMPROVEMENT
(Amendment #1)

Loan Number: 532-U-015/A
532-U-015/B
Project Number: 532-0064/A

LAC/DR/P-302 &
P-078

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AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: A (A = Add, C = Change, D = Delete) — Amendment Number 2 — DOCUMENT CODE 3

2. COUNTRY/ENTITY: Jamaica

3. PROJECT NUMBER: 532-0064

4. BUREAU/OFFICE: LAC — 05

5. PROJECT TITLE (maximum 40 characters): Health Management Improvement Project

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 06 DD 30 YY 88

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4)
A. Initial FY 81 B. Quarter 3 C. Final FY 86

8. COSTS ($000 OR EQUIVALENT $1 =)

A. FUNDING SOURCE	FIRST FY 81 B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total	1,370	1,688	3,058	4,374	7,197	11,571
(Grant)	(--)	(--)	(--)	(793)	(2,224)	(3,017)
(Loan)	(1,370)	(1,688)	(3,058)	(3,581)	(4,973)	(8,554)
Other U.S. 1.						
Other U.S. 2.						
Host Country	--	423	423	--	4,068	4,068
Other Donor(s)						
TOTALS	1,370	2,111	3,481	4,374	11,265	15,639

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	2. Loan	D. OBLIGATIONS TO DATE 1. Grant	2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	2. Loan	F. LIFE OF PROJECT 1. Grant	2. Loan
(1) HE	583B		530	1,017	8,554	2,000	--	3,017	8,554
(2)									
(3)									
(4)									
TOTALS				1,017	8,554	2,000	--	3,017	8,554

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each): 562 | 350 | 580

11. SECONDARY PURPOSE CODE: 383B

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BRW	BUW	TNG	NUTR	EQTY		
B. Amount							

13. PROJECT PURPOSE (maximum 480 characters)

-- Strengthen the ability of the MOH to plan, implement, and evaluate primary health care delivery including nutrition programs.

-- Assist the MOH in assuring that the greatest level of health care is provided to Jamaicans, given the constraints on public and private sector expenditures.

14. SCHEDULED EVALUATIONS
Interim MM YY MM YY
Final MM 03 YY 88

15. SOURCE/ORIGIN OF GOODS AND SERVICES
[V] 000 [V] 941 [V] Local [ ] Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 39 page PP Amendment.) The PP Supplement adds a new component for New Initiatives in Health Finance and Administration and support for the MOH program of rationalization. Mission Controller has reviewed and concurs with the Methods of Implementation and Financing included herein.

Robert Leonard, Mission Controller

17. APPROVED BY
Signature
Title: William R. Joslin, Director, USAID/Jamaica
Date Signed: MM 07 DD 25 YY 86

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
MM DD YY

AID 1330-4 (8-79)

PROJECT AUTHORIZATION

AMENDMENT NUMBER 2

Name of Country: Jamaica

Name of Project: Health Management Improvement

Number of Project: 532-0064

1. Pursuant to section 104 of the Foreign Assistance Act of 1961, as amended, the Health Management Improvement Project for Jamaica was authorized on August 6, 1981. The authorization was amended on September 27, 1982. That authorization is hereby further amended in the first paragraph to read:

> Pursuant to section 104 of the Foreign Assistance Act of 1961, as amended I hereby authorize the Health Management Improvement Project for Jamaica, involving planned obligations of not to exceed Eight Million Five Hundred and Fifty Four Thousand United States Dollars ($8,554,000) in loan funds ("Loan") and Three Million Seventeen Thousand United States Dollars ($3,017,000) in grant funds ("Grant") over a five year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to assist in financing foreign exchange and local currency costs of goods and services for the Project.
>
> The new Project Assistance Completion Date (PACD) is June 30, 1988.

2. The authorization cited above remains in force except as hereby amended.

William R. Joslin
Director
USAID/Jamaica

Date: 7/25/86

Clearances:

OPDS:BCypser
OHNP:JCoury 7/22/86
OPEP:RRobinson
CONT:RLeonard
RLA:TCarter (in draft)
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Drafted:OPDS:DDarby:edt:6/9/86:0347P

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Acronyms and Terms

HC	Host Country
HMIP	Health Management Improvement Project
IQC	Indefinite Quantity Contract
MOH	Ministry of Health
PAHO	Pan-American Health Organization
PHC	Primary Health Care
PIU	Project Implementation Unit
PRICOR	Primary Care Operations Research,an AID centrally funded project
PSA	Procurement Services Agent
VEN List	Vital, Essential and Neccessary Drugs List

I. EXECUTIVE SUMMARY

A. Background

While Jamaica has traditionally enjoyed good health status as compared with most lesser developed countries, it was becoming evident by 1979 that the Primary Health Care (PHC) delivery system was making only minor gains in improving the population's health and that, in fact, much of the system had deteriorated significantly over the previous decade. This was most visibly evident in the physical infrastructure, with most of the PHC Centers in a serious state of disrepair. It was also clear that PHC services to the general population were declining, due to weak management, inadequate supplies, and insufficiently trained staff.

It was in this context that the Health Management Improvement Project (HMIP), with a goal of improving the health status of the Jamaican population, was initially conceived in 1979. A formal Project Agreement with the purpose of strengthening the ability of the Ministry of Health (MOH) to plan and implement PHC services was signed between the Government of Jamaica and USAID in 1981.

In February 1983 the Project was evaluated by four consultants. Many of their findings and recommendations were incorporated into a Project reprogramming exercise that resulted in the Supplementary Revision to the Project in May 1984. In 1986, further decline in the economic conditions have called for another look at HMIP assistance to the Ministry of Health (MOH).

At present, the Ministry of Health is attempting to maintain the good level of health found in Jamaica despite severely limited financial resources. The Ministry is making efforts to determine the most efficient and cost-effective means of delivering needed health services and supplying basic medicines to obtain this goal. The HMIP, through both existing Project funds and the provision of additional funds, is being expanded in relevant areas to assist the MOH in this endeavor.

Specifically, in addition to the earlier framework of rehabilitation and improved management of PHC resources, the revised Project will include a greatly expanded component to review and implement alternative financing options, support for the MOH program of personnel and physical facility "rationalization" and assistance in determining the most cost-effective means for providing a positive impact on national health status. In order to accomodate these new activities, $2 million of grant funds are being added and the Project Assistance Completion Date (PACD) is being extended from March 30, 1987 to June 30, 1988.

B. Summary Project Description

The revised and new activities will be grouped under four components for management purposes. These are described below:

1. Management Systems. Under this component the development of systems for planning, implementing, and evaluating primary health care delivery will be completed by March 1987. This component includes the production of a series of procedural manuals for MOH use covering Ministry-level management, manpower development and personnel utilization, health center and primary care equipment maintenance, MOH motor pool rules and regulations, nutrition surveillance, health information statistics, and supply management. A Drug Information Handbook, Vital, Essential and Necessary Drugs List, and National Formulary will also be produced. The Project Implementation Unit, set up to manage the HMIP through March 1987, has carried out many of these activities.

2. Primary Health Care Field Support. This includes the renovation of 62 health centers, the construction of three health clinics and seven supply depots, and the renovation of the Island Medical Stores. In addition, a small grants fund provides assistance to community groups taking initiatives in identifying and providing solutions to local health problems. At present, these include mainly nutrition and disease vector control projects. Under the expanded Project, in FY 86-87, the HMIP will also provide pharmaceuticals in support of primary care delivery. All activities except the construction of three clinics will be completed by March 1987.

3. Support for the MOH Program of Rationalization. This component will have as a main feature the conversion of six small, rural hospitals to primary care centers. In addition, support for rationalization of personnel is being carried out through the PRICOR Project and technical assistance will be provided to review management and supervision at the field level to determine changes needed as a result of these efforts. The objective of these activities will be that by March 1988, the Ministry of Health will have a system that functions fully on the available GOJ budget.

4. "New Initiatives Component". This component of the revised Project expands on the studies provided under the previous HMIP framework. Alternative financing schemes and private sector participation in management of health service delivery will be further studied and tested for broader implementation. Divestiture of housekeeping and laundry services at three Kingston hospitals will constitute the initial element of this component. Development of a proposed health services organization is also underway. Other activities will be determined with the assistance of two economists scheduled to visit Jamaica in late summer 1986. A plan for implementing these programs through March 1988 will be developed and submitted to USAID by a team of three locally-hired consultants who will manage activities under this component.

As privatization and divestiture get underway, Project funding will be provided in order to renovate the facilities being used in these innovative schemes. This will not only produce better health care, but help the privatization effort succeed and increase its public support.

SUMMARY OF ESTIMATED
PROJECT INPUTS*
(US$'s)

ELEMENT	AID GRANT	AID LOAN	TOTAL AID	GOJ
Technical Assistance	588,585	1,083,000	1,671,585	77,170
Commodities	300,000	3,170,000	3,470,000	439,520
Renovations	1,907,780	3,717,400	5,625,180	566,530
Support Costs	185,000	315,000	500,000	2,956,840
Training	35,635	263,000	298,635	28,270
Inflation**		5,600	5,600	
TOTAL	3,017,000	8,554,000	11,571,000	4,068,330

* Inflation and contingency are included in Project elements.
** Reflects funds already disbursed under this element.

II. PROBLEM, RATIONALE AND STRATEGY

A. Problem

Project Background. The HMIP was developed in the late 1970's to respond to the needs for expansion of primary care services. Included in the Project were a series of reforms to take place in the management of the system and the renovation of over sixty clinics. The Project included the provision of US$2 million in foreign technical assistance and the addition of numerous staff positions to the MOH establishment.

From inception, the Project has experienced numerous delays including a freeze placed by USAID on any new activities in 1982-83 due to noncompliance with AID regulations. Disbursement has been slow and the Project unwieldy due to its size and complexity and the changing economic environment. In May 1984, the Project underwent an initial reprogramming in response to a late 1983 evaluation. This evaluation provided a negative assessment of the MOH's ability to absorb technical assistance due to the lack of counterparts. As a result, the 1984 PP Supplement boosted the complement of MOH positions to be funded under the Project. This was to provide counterpart personnel to carry out activities developed under the proposed technical assistance package.

In November 1984, the Project was the subject of a major audit. In February 1986 the final recommendations of the audit were closed with completion of the second reprogramming effort. The present supplement reflects this effort and defines the new and/or expanded areas of USAID/GOJ cooperation.

Major problems in implementing the HMIP have come about as a result of the current financial realities of the Jamaican economy. The Project was developed in a period when public expenditure was growing in the mid-1970's and redesigned in a period when growth was projected as a result of new economic policies. However, in the period of Project implementation, public expenditure has continued to decline in real terms and debt servicing payments have grown to encompass nearly fifty percent of the GOJ operating budget. Additionally, inflation worldwide in the cost of pharmaceuticals, medical supplies, and equipment combined with extensive devaluation of the Jamaican dollar have severely constrained the ability of the GOJ to procure needed items. During much of the period, USAID grant and loan funds available to the MOH have been limited by MOH budgetary restrictions. As total expenditures are limited, funds needed for expensive foreign technical assistance have had to compete with other MOH expenditures. As a result needed technical assistance has often had to receive a low priority.

The necessity of reducing the number of persons on the MOH payroll has precluded the addition of many of the new positions needed to act as counterparts and to fulfill functions planned under HMIP. Also, salary scales in the public sector have not remained competitive with private sector options, making it difficult to attract qualified candidates to those few new posts which have been authorized.

These problems have made timely attainment of the many Project objectives difficult. However, many activities have taken place through efforts of the MOH and the Project Implementation Unit (PIU). At present, underexpenditure of funds due to the inability to contract technical assistance and hire personnel combined with a more than three-fold devaluation in the Jamaican dollar have resulted in excess funds for expanding activities in more viable areas.

Current Setting. At present, the MOH system of 23 hospitals and more than 300 health clinics is underfinanced for proper service delivery and maintenance. By policy, the GOJ continues to provide access to universal coverage of medical care needs through the public system for token fees or at no cost for the medically indigent. However, in practice, many persons are finding it necessary to procure physician services, pharmaceuticals, and other medical goods from the private sector due to their unavailability in the public system. The poor are disproportionately affected financially; and the indigent are affected disproportionately in terms of health status.

In response to this situation and in view of projections of only small gains in economic growth and an increasing debt burden over the next few years, the Ministry of Health is seeking short-term relief and long-term means of maintaining the health status of Jamaicans. Short-term policies include the rationalization of health services to an optimum for delivery of those services providing the greatest impact on public health. Long-term measures include optimizing cost-effectiveness and efficiency within the system in terms of the goal of maintaining health status and developing more responsive means of generating revenue for the system. This includes efficiencies developed within the system, such as those developed under the original HMIP as well as new alternative methods of financing and administering health service delivery.

In promoting these changes, the Ministry of Health is giving priority to provision of: (1) universal primary care, including immunizations, ante and postnatal care, family planning and child care; (2) medical care to the greatest extent possible for low fees or cost-free for those unable to pay for these services; and (3) equitable access to all persons to the health care system.

B. Rationale

The completion of most of the original HMIP activities will provide the basis for a functioning primary care system. Deterioration of the PHC infrastructure will have been checked and a plan for maintaining buildings and equipment will be implemented. Systems for management of PHC developed and implemented under HMIP will provide for better functioning of the delivery system despite personnel and budgetary constraints. At the central level, streamlining management duties, the development of standard protocols, implementation of more management-responsive accounting systems, and the computerization of financial, statistical, and management supply systems under the Project will provide for a more cost-effective system.

In the short-term, an effective means of reducing costs can be found in efficiencies of scale at the point of service delivery. As secondary care consumes over sixty-five per cent of the health budget, the MOH is seeking efficiencies in hospital service delivery as the most likely venue for savings. Although the number of hospital beds per population is not excessive in Jamaica (16/10,000 as of 1983), the number of public hospitals (23) for the size of the country points to the availability of more efficient configurations. Until last year, there were six hospitals in operation with less than one hundred beds. In order to take advantage of efficiencies, the MOH has developed a program for "rationalizing" the function and quantity of the available human resources and physical infrastructure. In FY 85-86, the functions of many of these hospitals were reduced to cover fewer or no inpatient beds. The staff complement has also been reduced or persons transferred to other institutions. Five of these excess hospitals will be converted to outpatient health clinics with four to six bed maternity centers. PHC facilities will be added to a sixth structure in which services have been greatly reduced. Heavy equipment, such as needed for laundry and food service, and functioning medical equipment not needed for primary care, such as X-Ray machines, will be placed in institutions where the bulk of patients from these converted hospitals will be received.

A financial analysis has yet to be completed to provide accurate figures of the cost-effectiveness of these changes. The relief in the MOH budgets from the removal of services from several of the hospitals was evidenced in the past year. The other result of these changes will be the shifting of the balance between primary care and secondary care to the favor of the former. This impact should bear positively on the general health status of the Jamaican population.

In addition to changes in the physical infrastructure, rationalization of services affects two other areas of service delivery. First, personnel changes need to be clearly developed in order to maximize the human resources available for service delivery within the constraints of the budget. A model for efficiently staffing health clinics has been developed through the AID/W sponsored PRICOR project. The model is currently being tested in two districts of Cornwall County. The test model predicts the needed inputs by category of worker to provide specified levels of service delivery. If effective, the model will provide an invaluable tool to the MOH in rationalizing personnel within the primary health care system. A similar model should also be created to respond to needs in the secondary care system.

Second, as changes in the numbers of staff and the configuration of staff within geographic units are occurring and new accounting and administrative systems are being developed at the field level through efforts of the MOH and the Pan American Health Organization (PAHO), there is a need to review management and supervisory systems. Included in this is a review of the separation of primary care and secondary care administration. Different configurations in the structure may provide more cost-effective management. Also, greater integration of primary and secondary care may be to the benefit of preventive health maintenance.

As "rationalization" is a term for optimizing the health impact of too few resources, "new initiatives" refers to the program of seeking out additional resources for the provision and/or expansion of services. With the realization that the GOJ is unable to universally fulfill the demand for health care and that maintenance of current health status seems doubtful with the financial constraints in this period, the GOJ has come to a period when public policy may be a main tool in stimulating service delivery. Many of the issues concerning the social need for and the productivity of investment in health care must be reviewed in light of overall national expenditure. Additionally, issues of equity and access must be addressed in formulating new policies to encourage the growth of alternative sectors. The limitation of resources throughout the system necessitates review of the productivity of both public and private expenditure in the field. If possible, changes in policy which will result in increased output of these investments in terms of national health status must be developed.

C. Strategy

USAID inputs into the more efficient functioning of the primary care system are well-defined in other documents including the Supplementary Revision of May 1984 and the HMIP Budget of FY 86-87 (see Annex A). Activities under the components remain much the same with the exception of those greatly reduced in scale due to the unavailability of large amounts of GOJ budget authority for U.S. technical assistance. The program of major and minor renovations, construction of supply depots, and provision of equipment and commodities is the same. Also, the Project Implementation Unit of twelve temporarily hired persons will continue management of the Project through March 1987. In addition, renovations of Island Medical Stores is underway.

Some of the excess funds available due to the scaling down of activities and the large devaluation of the Jamaican dollar in the course of the Project are being used to finance the foreign exchange costs of pharmaceuticals funded in the GOJ FY 86-87 budget. It is projected that the GOJ will develop other means of overcoming any financial shortfalls in future years.

The Rationalization Program is already being implemented by the MOH. Funding under HMIP will be used to make physical changes to the infrastructure in order to provide the necessary configuration for provision of primary care services in buildings previously housing secondary care services. In addition, the newly converted centers will be equipped to provide preventive and outpatient curative PHC services.

Any excess funding available in the Project, due to possible future devaluation of the Jamaican dollar or overestimation of the costs of converting the initial five hospitals and providing PHC facilities in a sixth, will be used to provide minimal improvements to the receiving institutions where inpatient capacity is overwhelmed. Additionally, technical assistance to extend the rationalization to other areas of the system will be provided under HMIP grant funds.

USAID inputs under the new initiatives component will provide funds for a three person secretariat for component implementation, to be located in the Office of the Chief of Finance at the MOH. These persons will manage a program of technical and capital inputs to achieve goals developed under the leadership of the Minister of Health and his advisory group, the Ogle Committee. A plan for implementing the various activities will be developed jointly between USAID and the MOH in conjunction with technical assistance to be provided by AID through nonproject funds in August 1986. This plan will cover a 21 month period and provide an outline for expenditure of AID and GOJ funds committed under this component. Possible expenditures are outlined in Section III, Project Description and appear in the Component Budgets on pages 20-23.

Ideas being developed for implementation under this component include:

1. Review of a parish-wide, prepaid health scheme designed for cost-recovery of nonpublic budget expenditures;

2. Review of other means of collecting funds for capitalization of the health sector such as a universal social insurance scheme; and

3. Implementation on a trial basis of alternative methods of administration of facilities.

The initial endeavor will be the divestiture of housekeeping and porter services in three Kingston hospitals to private sector enterprises. Other activities might include the leasing of public facilities to private concerns or the hiring of hospital administrators to manage a facility on a cost accounting or performance budgeting basis.

III. PROJECT DESCRIPTION

A. Project Goal and Purpose

The Project goal continues to be to improve the health and nutritional status of the Jamaican population by improving the efficiency, effectiveness and equity of the public health care delivery system.

The purpose of the Project, to be achieved over a seven year implementation period, is twofold. The Project is designed to strengthen the ability of the MOH to plan, implement and evaluate primary health care delivery including nutrition programs. This will be accomplished through many of the planned inputs and outputs which are well underway within the current Project framework and will be completed by March 1987.

Additionally, the Project has as a purpose to assist the MOH in assuring that the greatest level of health is provided to Jamaicans given the constraints on public and private sector expenditures. The Project has been expanded in these areas partially in response to a November 1984 audit of the Project, but for the most part as a result of the severe financial constraints faced by the MOH in the current economic climate.

The focus of the new components, for which this Project Paper Supplement has been developed, will be placed on activities which make delivery of health services more cost effective and efficient. This will include review of current policy and policy changes affecting public and private sector participation and the proportion of primary care expenditures in relation to those for secondary health care.

B. Activities to Date

The Project has attempted to address the problems of the PHC system through an integrated package of technical assistance, training, commodities, and renovation and construction of buildings. The Project has thus far focussed on the following components:

- Management Services
- Primary Health Care Field Support
- Facilities Development, Equipment and Administrative Services
- Maintenance and Minor Renovation
- Supply Management
- Health Information System
- Manpower Development and Training
- Nutrition

Management Services. The Government of Jamaica has established a temporary Project Implementation Unit, directed by the Government of Jamaica Project Manager. Working with and through the various component staffs, the PIU schedules and coordinates the Ministry's implementation of this Project.

The Project has assisted the Ministry in upgrading PHC management support systems including the introduction of standardized procedures manuals. The Project has funded four new positions that will become a part of the MOH establishment after March 1987, provided commodities including two word processors, and supported technical workshops, training and group review meetings held in conjunction with redesign of PHC management systems.

Primary Health Care Field Support. Primary Health Care Field Support has been strengthened through the Project. The salaries of two administrative officers assigned to the MOH have been funded and the MOH is employing an additional thirteen parish level administrators to support field level primary health care. These will be retained by the MOH after March 1987. Nine vehicles have been provided for use at parish level in order to improve logistics and supervision and a small grants program for community health projects has been instituted.

Facilities Development, Equipment and Administrative Services. Under this component, basic primary health care equipment has been provided to PHC centers, and other equipment and commodities to support the extended primary health and nutrition activities is being supplied. A printing facility has been established in the Training Media Center renovated under the Project, and funds have been provided for installation, local technical assistance, and maintenance costs of the press. This facility is being used for most Ministry printing needs in support of the PHC system. A procurement officer has also been funded through this component.

Maintenance and Minor Renovations. The Project has provided substantial assistance under this component. Parish Artisans, Area Superintendants, and Regional Maintenance Center personnel are being trained, activated, and supported to carry out routine and specialized facility and equipment maintenance. This support includes tools, equipment, and vehicles. Dental equipment and other specialized maintenance will be contracted to the private sector by the MOH.

Additionally, as a part of this component, the Project planned to fund the minor renovation of 62 health centers. Fourteen of these have already been completed.

Supply Management. Under this component, the Project has supplied technical assistance in the areas of supply system analysis and redesign, national drug formulary design and manuals on drug information. Supply management training is being provided for MOH staff. Pharmaceuticals in support of PHC, two supply trucks, a micro-computer system, and medical supplies are also being provided. It is anticipated that by March 1987, an effective PHC supply management system will be in operation.

Health Information System. The Health Information System is a vital link in the improved management of the PHC system. The Project has financed technical assistance for the development of the Health Information Unit as an effective institution. The conceptual design and implementation of a comprehensive health information system has been accomplished. Technical assistance has been provided for the design, testing, and refinement of the PHC information system including standardized data and patient care records. Training for field staff data collection, processing and use has also been provided. Commodities, including the printing of data and record forms using the Project-financed printing press, have also been provided.

Manpower Development and Training. This component has received a variety of support from the Project. Local and U.S. technical assistance has contributed to the development of a manpower inventory system, a redesign of the MOH personnel management system and the development of an in-service training capability to support primary health care. Ten additional personnel are being supported by the MOH in their Training Branch. The Training Branch and Parish Training Officers are receiving Project assistance in carrying out plans for training, development of training materials, conduct of central and field level training, transportation including vehicles and support costs. As mentioned under the Facilities Development Component, the Project has also renovated a building which houses national level training activities and a learning resources center which contains the MOH technical library.

Nutrition. The Project has assisted the Ministry of Health to improve management of its Nutrition program, including nutrition surveillance and more effective interventions. Technical assistance in nutrition program management as well as the streamlining of the Nutrition Surveillance System has been provided for the Nutrition and Dietetics Division. Materials for anemia screening and treatment and scales for nutrition surveillance have also been provided.

C. Revised Project Components

For Project management purposes and to emphasize new priorities, activities remaining under the original components and the new activities will be grouped under four headings described below. Under this PP Supplement, budgets and an implementation plan have been developed for these components for the period August 1986 - June 1988. Evaluation of the Project will still be conducted using the objectives of the 1984 Supplement as modified herein and the benchmarks for new activities developed in the logframe (Attachment A).

1. Management Systems Development

The HMIP was developed mainly to address the critical management needs at the Ministry level of the PHC program. Under the Project, more effective systems for various PHC support activities are being developed and implemented. These systems assist the MOH in more effectively utilizing limited resources for the provision of PHC services.

Systems included under this component are Transportation Management, Manpower Development, Health Center Maintenance, Health Information Statistics, Nutrition Surveillance and Supply Management.

These procedural systems and other topics, such as time management, will be institutionalized in the form of a series of MOH manuals. The format for these and a system of manual development and updating has already been established by the Project Implementation Unit (PIU).

Inputs into this component include funding of the PIU, technical assistance, commodities, and training. Funding for the Project Implementation Unit (PIU) includes personal emoluments, office furniture and equipment, vehicle expenses, and other costs of the Unit. The PIU provides the managerial framework for the Project, and under the direction of the Permanent Secretary for Health, holds responsibility for Project implementation. All lines of authority/responsibility remain the same as currently stated under the Project until dissolution of the Unit in March 1987.

Technical assistance, in addition to consultants already funded, will be provided in health information statistics, financial management and library development. Local technical assistance is currently developing the Drug Handbook and the VEN List.

Commodities procured or being procured include the printing press equipment, tools for maintenance artisans, office furniture and equipment, and vehicles. In addition to this range of items, computer hardware and software will be acquired for Supply Management, Health Information Statistics, and Financial Management. Office supplies needed to support systems development and implementation are also being provided. The building housing the Learning Resources Center was renovated earlier under the Project. Training in support of the new systems is being financed.

All inputs under this component will be provided prior to March 1987.

2. <u>Primary Health Care Field Support</u>

Primary Health Care Field Support consists of three activities directed at improvement of service delivery at the field level. These are: (a) Community Projects; (b) Renovation; and (c) Pharmaceutical Procurement.

A series of Community Projects have been developed to elicit community support and assistance in defining and correcting health problems at the community level. Projects thus far approved include areas of nutrition, communicable disease vector control, sanitation and hygiene, and community health education. Communities participating in this activity or developing proposals for submission to the MOH are learning to define health problems and work towards their solution.

The program of major and minor renovations is designed to upgrade the existing PHC facilities. Sixty-two health centers will have received minor repairs/renovations by March 1987. In addition, security, air-conditioning, and refrigeration at Island Medical Stores will have been upgraded and seven regional depots for PHC drugs and supplies will be built.

Three major renovations in the Project, however, will not be completed by that date. All three will be under construction and due for completion by October 1987.

Completion of these activities and the installation of equipment and furniture procured under the Project will leave a physically functioning, island-wide network of Primary Health Care Centers.

Pharmaceutical procurement is in support of the delivery of primary care services. The procurement, valued at US$1 million, is to assist the program through the period FY 86-87 as the GOJ looks for alternate solutions to the continuing problem of lack of foreign exchange. The GOJ has in recent years moved to procurement of generic drugs and use of efficient buying sources, such as the Pan-American Health Organization, for immunization supplies. Further gains can be made in these areas. The MOH has already received additional impetus to lower the costs of procurement from the GOJ annual drug budget.

3. Support for the MOH Program of Rationalization

Three areas for rationalization will be reviewed under this component. These are the rationalization of personnel, field-level management, and health infrastructure. Activities begin in FY 1986 and will continue through March 1988.

Efficient and effective utilization of PHC personnel is currently being studied through an AID/Washington sponsored PRICOR study. The model developed under the grant is being field tested in Cornwall County and should be completed by October 1986. The HMIP will assist in broader implementation of this model.

As the numbers of MOH personnel are reduced and the participation of parish councils in the provision of health related services is decreased, and yet at the same time requirements for field level management of health care increase, the lines of authority and specific management duties of field personnel will need to be reviewed. Technical assistance will be provided to complete this management review. This will include assessment of the needs developing for integration of PHC and tertiary care management. From this, changes and a plan for making alternatives for more efficient functions of field level management will be developed. The plan will include organization charts and detailed job descriptions for management responsibilities.

Additionally, regional accounting systems will be implemented utilizing twelve micro-computers located in hospitals island-wide. Technical assistance and training will be provided to implement this computerized local accounting system, which has been developed with PAHO assistance in Cornwall County. Implementation of this system will be a consideration in the development of the field level management structure described above.

Rationalization of the health infrastructure includes review of both primary and tertiary care settings. Plans for the conversion of six MOH hospitals to Type III health centers are included in the FY 86-87 budget for HMIP. This activity will consist of renovation/construction and commodity procurement to enable these centers to function as Type III primary care centers.

4. New Initiatives in Health Finance and Administration

The purpose of assistance under the New Initiatives Component is to provide resources under grant funding for the Ministry of Health to review and implement various long-term policy options for the financing of the improvement and expansion of health services.

Over the past several years, the MOH and the GOJ have initiated efforts in the area of health finance. Under the direction of the Prime Minister, a group of public and

private sector individuals were brought together to review various options available for collecting additional funds in support of health services. This group, known as the Ogle Committee, developed a paper outlining and critiquing four options. The paper covered the following:

1. Establishment of a mandatory National Health Insurance Scheme;
2. Private management of public facilities;
3. Development of a health maintenance organization; and
4. Development of a national health lottery.

Additionally, through the efforts of Project Hope and USAID, two seminars have been held to discuss issues associated with each of the above. And teams of experts from the U.S. have prepared feasibility assessments for the divestiture of hospital support services in the major Kingston hospitals and for development in Trelawny Parish of an arrangement similar to the HMO concept.

One constraint to analysis of the issues and implementation of changes has been the time available to MOH staff for these activities. Through the New Initiatives component a three-person secretariat will be hired to coordinate activities in this area. This team - a research assistant, an administrative assistant, and an executive secretary - will be placed under the office of the Chief of Finance, MOH. Their duties will encompass the development and implementation of a strategy for systematic review and selection of various options available to the GOJ in alternative methods of financing health care. They will liaise with the Ogle Committee, UWI, USAID, the World Bank, and other donors. Additionally, they will coordinate all technical assistance in the area of health finance for the MOH.

USAID inputs will provide salary and employee benefits for this team. GOJ funds will provide office space and equipment and access to microcomputers and photocopying as needed.

In the first few months of being convened as a secretariat, the group will develop, for USAID approval, a detailed plan for use of Project funds under this component. Funds have been allocated by Project element between training, technical assistance, commodities, and renovation. However, further analysis is needed before well-defined policy objectives can be developed. Decisions will need to be made at various levels after further review in respect to areas including public/private mix, user fees, and/or establishment of a national health insurance scheme.

USAID funds will be used in formulating and implementing policies that represent real solutions to the on-going financial constraints within the health system. The end result will be oriented toward a better and more efficiently operating health care system. Provision of a total range of services at little or no cost to those least likely to be able to procure services for themselves will continue to be emphasized.

Technical assistance in financial management will be provided to determine the cost-effectiveness of further changes in the health infrastructure. A small amount of additional funds will be provided to assist in renovations and commodity procurements as needed.

D. Implementation Plan

1. Project Management

The New Initiatives Component will be managed by a secretariat under the MOH Chief of Finance. This will consist of an administrative assistant, a research assistant, and an executive secretary. The Secretariat will liaise with the Ogle Committee on a regular basis and with other MOH, GOJ, and private sector groups as needed. All other components will be managed by the current PIU through March 1987. Subsequently, the construction advisor position and an administrative assistant for HMIP management will be placed in the MOH with the New Initiatives Secretariat. The GOJ will supply office space, furniture, transportation, and equipment for this group.

The administrative assistant for Project management will interact with other offices such as accounting and budgeting and assure proper auditing and reporting of Project funds. The PIU will assist in developing procedures and reporting formats for this transition prior to March 1987. The PIU is also responsible for training financial management counterparts in AID procedures prior to transition.

Biweekly meetings with appropriate MOH and USAID officials will be instituted with formation of the Secretariat. After March 1987, written reports on Project Implementation will be submitted and reviewed by a Committee chaired by the Minister of Health each month. Current reporting and meeting requirements of the PIU will remain in effect through March 30, 1987.

All Project activities will be developed with a planned Project Assistance Completion Date of June 30, 1988.

2. Methods of Implementation and Financing

As implemented under the original Project, USAID payments will be made to the GOJ on a cost reimbursable basis. No advances will be made by USAID to the GOJ. Reimbursements are for local currency costs of goods and services included in the approved Project budget. Expenditures will be reported and documented to USAID by the MOH on monthly financial reports in form and substance acceptable to A.I.D. Foreign exchange costs of eligible goods procured by host country institutions will generally be financed under direct letters of commitment or by using a PSA under IQC financing.

Local technical assistance provided to the MOH, including both long term staff and short term consultants, will be funded under host country contracts. Foreign short-term technical assistance will be procured using an AID direct contract. All local commodity procurements will be the responsibility of the MOH and will be handled on a reimbursement basis. Renovation activities will be funded through host country contracts using A.I.D. approved procedures. Overseas training under the Project will be accomplished by means of PIO/P's, enabling key personnel to attend short term courses or conferences overseas. Local training will include in-house and on-the-job training conducted either through the MOH or under host country contracts and will be handled on a reimbursement basis. Assessments and evaluations will be obtained by means of an A.I.D. direct contract.

During Project implementation, when selecting firms to provide the required technical assistance and applicable commodities, due consideration will be given to Gray Amendment firms and individuals. To date, various Gray Amendment firms have provided U.S. technical assistance under the Project.

It has been determined that the MOH has adequate capacity and capability to carry out these financial implementation activities. This assessment is based on a financial audit of the Project conducted in November 1984, as well as the Mission's experience with the MOH in implementation of the Project to date.

Methods of Implementation and Financing

Input	Method of Implementation	Method of Financing	Approx. Amount (US$000)
1. TA			1,672
-Local	HC Contract	HC Reimbursement	
-Foreign	AID Direct Contract	Direct Payment	
2. Commodities			3,470
-Local	HC Procurement	HC Reimbursement	
-Overseas	PSA/IQC	Direct Reimbursement	
3. Training			174
-Local	HC Procurement	HC Reimbursement	
-Overseas	PIO/P	Direct Payment	
4. Renovations	HC Contract	HC Reimbursement	5,755
5. Support Costs	HC Procurement	HC Reimbursement	500
TOTAL			11,571

E. Evaluation Plan

The Project will be jointly assessed by the MOH and USAID in March 1987 in order to determine if the Project is meeting the objectives of this PP Supplement. It will encompass an overall review of the PHC system in Jamaica and determine the impact of the HMIP inputs on its functioning.

This will include a separate review of the "New Initiatives" component in order to review the effectiveness of USAID inputs in assisting the GOJ to develop and implement alternative policies of health administration and finance. This review will provide guidelines for future implementation of remaining Project activities. Pilot projects and sub-projects of this component will be examined as needed.

A final evaluation will be scheduled for March 1988. Technical consultants will provide an overview of progress to that point in achieving MOH defined health goals within an economically viable and functioning health system. Recommendations for areas of expanded implementation will also be a part of this evaluation.

IV. COMPONENT BUDGETS

Following is a budget breakdown, by major Project Component, for those activities to be financed during the period August 1986 through June 1988 under the Supplement. Estimated expenditures through July 1986 are expected to be $3.1 million.

COMPONENT 1
MANAGEMENT SYSTEMS DEVELOPMENT
(US$)

	AID GRANT	AID LOAN	AID TOTAL	GOJ	TOTAL AID+GOJ
T.A.					
- Management Services Unit	120,000	12,000	132,000	18,200	150,200
- Facilities Development Equipment and Administrative Support		14,500	14,500		14,500
- Supply Management		22,200	22,200		22,200
- Health Information System	36,360		36,360	28,000	64,360
- Manpower Development and Training				29,100	29,100
- HMIP Evaluation	50,000		50,000		50,000
COMMODITIES					
- Furniture, Equipment and Supplies		35,080	35,080	57,435	92,515
- Computer Equipment		151,500	151,500	7,500	159,000
- Vehicles		156,625	156,625		156,625
- Procedures Manual		45,620	45,620		45,620
- Radio Equipment		36,360	36,360		36,360
- Printing Press Supplies		18,180	18,180	9,100	27,280
- Nutrition Study Supplies		43,000	43,000		43,000
SUPPORT COSTS (Includes local support staff, vehicle maintenance and operations costs)		218,805	218,805	213,540	432,345
TRAINING					
- Overseas	15,635		15,635		15,635
- Local		48,745	48,745	1,455	50,200
TOTAL	221,995	802,615	1,024,610	364,330	1,338,940

COMPONENT II
PRIMARY HEALTH CARE FIELD SUPPORT
(US$)

	AID GRANT	AID LOAN	AID TOTAL	GOJ	TOTAL AID+GOJ
T.A. Local					
- Construction Advisor (26 P.M.)		32,000	32,000		32,000
COMMODITIES					
- PHC Equipment		110,000	110,000		110,000
- Pharmaceuticals in support of PHC		1,110,000	1,110,000		1,110,000
RENOVATION					
- Major Renovations (3)		1,040,000	1,040,000	25,000	1,065,000
- Minor Renovations (48)		1,290,000	1,290,000	200,000	1,490,000
- Supply Depots (7)		190,000	190,000		190,000
- IMS Upgrading		126,000	126,000	13,000	139,000
SUPPORT COSTS					
- Building and PHC Equipment, Maintenance (Minor repairs to Health Centers)				140,000	140,000
- Dental Equipment Maintenance				20,000	20,000
TOTAL		3,898,000	3,898,000	398,000	4,296,000

COMPONENT III
SUPPORT FOR MOH PROGRAM OF RATIONALIZATION
(US$)

	AID GRANT	AID LOAN	AID TOTAL	GOJ	TOTAL AID+GOJ
T.A. U.S. AND LOCAL					
- Cost-effectiveness of hospital rationalization (1 P.M.)	16,000		16,000		16,000
- Streamline field level mgt. (2 P.M.)	32,000		32,000		32,000
- HMIP Admin. Asst. (14pm)	10,000		10,000		10,000
- Final Evaluation	35,000		35,000		35,000
COMMODITIES					
- PHC Equipment		300,000	300,000		300,000
RENOVATIONS					
- 6 hospitals conv. to health centers	927,780	546,920	1,474,700	80,000	1,554,700
SUPPORT COSTS					
TOTAL	1,020,780	846,920	1,867,700	80,000	1,947,700

COMPONENT IV
NEW INITIATIVES FOR ALTERNATIVE HEALTH
FINANCING AND ADMINISTRATION
(US$)

	AID GRANT	AID LOAN	AID TOTAL	GOJ	TOTAL AID+GOJ
T.A. LOCAL					
- Admin. Asst. (21 P.M.)	20,000		20,000		20,000
- Research Asst. (21 P.M.)	24,000		24,000		24,000
- Exec. Secretary (21P.M.)	12,000		12,000		12,000
- Develop HMO Concept (3 P.M.)	9,000		9,000		9,000
- HMO Admin. Asst. (21 P.M.)	20,000		20,000		20,000
- Other	16,000		16,000		16,000
T.A. US					
- Initial priv. sector review (1 P.M.)	16,000		16,000		16,000
- Develop HMO concept (3 P.M.)	48,000		48,000		48,000
RENOVATIONS					
- Health facilities turned over to Private Sector Management	1,000,000		1,000,000	150,000	1,150,000
COMMODITIES					
- Health facility equipment	300,000		300,000		300,000
- Office equipment and supplies for Secretariat				1,000	1,000
SUPPORT COSTS					
- Vehicle Operation (for Sect.)				1,000	1,000
- Vehicle maintenance (for Sect.)				1,500	1,500
- Divestiture contract Initial Costs	100,000		100,000		100,000
- Divestiture Contract				1,800,000	1,800,000
- Studies/Surveys Field Costs	85,000		85,000		85,000
TOTAL	1,650,000		1,650,000	1,953,500	3,603,500

PROJECT DESIGN SUMMARY: LOGICAL FRAMEWORK (Revised)

Title and Number: HEALTH MANAGEMENT IMPROVEMENT (532-0064)
Date of Revision: June 30, 1986
Life of Project: From FY 81 to FY 87
Total U.S. Funding: $11,571,000

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTION
Program Goal	Measures of Goal Achievement:		
To contribute to an improvement in the health and nutritional status of the Jamaican people.	National and regional health indices stable or improving: --Life expectancy at birth (1985): 72.0 total, 69.9 male, 74.1 female. --Live births per thousand population (1985): 26. --Infant deaths in first year of life per thousand live births (1985): 18. --Lower incidence of childhood and maternal illness and mortality. --People per physician (1979): 2,832 --Higher school attendance.	Health Information Statistics, vital statistics; demographic statistics; school attendance records.	
Project Purpose	EOPS		
1. To strengthen the ability of the MOH to plan, implement, and evaluate primary health care and nutrition programs.	Functioning PHC system with adequate resources allotted: --62 Health Centers renovated. --Supply/distribution management improvements. --Equipment maintenance improvements. --Sector analyses completed.	Qualitative evaluation; GOJ Budget; health center statistics.	
2. Assist MOH in determining most cost-effective and efficient means of maximizing health status on available resources.	--Alternative methods of financing and administering the health system implemented with better quality/ greater number of services being provided on same GOJ expenditure. --Hospital and PHC systems working effectively on available budgets as a result of "rationalization" process.	Review of GOJ budgets, MOH expenditures, hospital and health center records; outside evaluation.	Political commitment on part of GOJ and political feasibility of enacting policy changes.

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PROJECT DESIGN SUMMARY: LOGICAL FRAMEWORK (Revised)

Title and Number: HEALTH MANAGEMENT IMPROVEMENT (532-0064)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTION
6. Physically functioning PHC system in Middlesex and Surrey Counties.	Health Centers repaired and PHC services placed in six buildings previously housing secondary care institutions.	Field visits; A&E reports	GOJ will continue ongoing maintenance of centers not scheduled for renovation.
7. Cost-savings and/or improved services through divestiture of hospital support services at three Kingston Hospitals.	Contracts for services signed and in place, with quality controls, at cost less than or equal to previous GOJ expenditure.	Review of contract; review of financial data and service reports.	GOJ retains commitment to allow contractors to function independently.
8. Cost savings and/or improved delivery of health care services through use of private sector in services administration.	Contract for management on private or parastatal basis of health facility or portion thereof.	Review of contract, financial data, administrative plan, and service reports; also consumer survey.	GOJ finds policy change politically feasible.
9. Increased investment of private sector resources in health service delivery.	Functioning Health Service Organization (pre-paid scheme) in operation.	HSO records; consumer survey.	GOJ finds policy change politically feasible; community can be identified where economically viable.
10. Financial management of MOH more efficient and provides needed data to make cost-effective policy changes and budget decisions.	Functioning cost-accounting system.	Records and data produced.	

PROJECT DESIGN SUMMARY: LOGICAL FRAMEWORK (Revised)

Title and Number: HEALTH MANAGEMENT IMPROVEMENT (532-0064)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTION
11. PHC personnel utilized in most efficient configurations.	Implementation of PRICOR-type model.	Qualitative evaluation	MOH is able to make personnel changes/commitments to enact plan.
12. Computerized regional health information systems providing needed budgetary and expenditure data for PHC and hospital systems.	12 regional centers staffed and equipped; providing reports to main office.	Review of reports.	
13. PHC printery producing all needed PHC documentation for MOH in timely and cost-effective manner.	Printery established, manager hired, materials being produced.	Site visit, review of records, review of materials.	
14. Increased capability of MOH to plan, develop, and implement training programs.	Annual training plans; conduct of training sessions.	Site visits, review of plan, receipts.	
15. Greater community participation in identifying and remedying health problems.	Implementation of series of community health development projects under auspices of local government or parish health officer, improved health status in communities receiving motivation from health workers.	Review approved proposals; receipts for expenditures under these activities; health statistics (immunization or malnutrition rates).	

PROJECT DESIGN SUMMARY: LOGICAL FRAMEWORK (Revised)

Title and Number: HEALTH MANAGEMENT IMPROVEMENT (532-0064)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTION
Inputs			
1. Technical Assistance Local and U.S.	Development of mgt. systems, VEN List, Drug Information Handbook, National Formulary, Health Information System, Nutrition Surveillance Manual, Maintenance Plan, Supply Management System; implementation of HIS and supply Mgt. System, cost-accounting, regional health care accounting offices, new initiatives in health finance, manpower review, registrar study, and annual training plans.	Review of reports or products of T.A.	Availability of qualified personnel. Availability of funds in GOJ budget to procure costly technical assistance.
2. Commodities - PHC equipment, vehicles office equipment, health center equipment, computer systems, pharmaceuticals and medical supplies, printery equipment.	Items in place and in use as projected.	Receipts, bills of lading, claims and reimbursement; site visits, interviews.	Necessary items available and provided on timely basis under AID and GOJ procurement rules.
3. Renovation	52 health centers receiving minor renovations; 3 major renovations; 5 supply depots constructed; IMS renovated, air conditioned, chill room space provided, and made secure from theft; PHC services put in place in six converted hospitals; major renovation of facilities used in new initiatives endeavor.	Site visits; A&E reports; receipts.	

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PROJECT DESIGN SUMMARY: LOGICAL FRAMEWORK (Revised)

Title and Number: HEALTH MANAGEMENT IMPROVEMENT (532-0064)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTION
4. Support Costs Salaries Community Projects, office equipment, vehicle upkeep and fuel, travel.	Project effectively implemented and administered by Project Implementation Unit; 24 community projects approved and implemented.	Site visits; qualitative evaluation; 1984 audit.	
5. Training Local and U.S.	Training plan implemented, staff positions filled with qualified trainers, GOJ budget allocated for needed courses.	Review training plan and evaluate accomplishments	

HEALTH MANAGEMENT IMPROVEMENT PROJECT - GOJ BUDGET FOR FINANCIAL YEAR 1986/87
(in Jamaican Dollars)

SUMMARY STATEMENT

LINE ITEM	GOJ	USAID	TOTAL
Project Implementation Unit	600,000	0	600,000
Management Services Unit	199,337	3,342,900	3,542,237
Primary Health Care Field Support	194,802	1,327,865	1,522,667
Facilities Development Equipment and Administrative Support	248,000	4,424,518	4,672,518
Maintenance and Minor Renovation	1,738,750	11,823,402	13,562,152
Supply Management	76,500	1,190,503	1,267,003
Health Information System	362,942	365,000	727,942
Manpower Development and Training	202,000	354,081	556,081
Nutrition	2,900	132,500	135,400
TOTAL	3,625,231	22,960,769	26,586,000

PROJECT DESIGN SUMMARY: LOGICAL FRAMEWORK (Revised)

Title and Number: HEALTH MANAGEMENT IMPROVEMENT (532-0064)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTION
Outputs			
1. Series of procedural manuals for management and administration of PHC system.	Manuals produced, distributed and in use.	Review and observation.	
2. Health Information Statistics system developed and providing timely information.	Reports being generated and distributed. Managers using information. National and regional information on health status and service delivery available.	Field visits, receipt of reports, interviews.	
3. Maintenance unit operating and maintenance plan for health centers and PHC equipment in place.	Maintenance plan in place in centers and equipment being serviced in a timely manner.	Review of plan; observation and field visits; GOJ budget.	GOJ continues to budget for maintenance at end of Project.
4. Nutrition surveillance system in place.	Manual produced and in use by field personnel; referral system in place.	Review of manual; field visits; nutrition statistics.	
5. Supply management system functioning in the PHC system island-wide with minimal loss.	Manual produced; infrastructure developed; ordering and distribution system developed.	Review of manual and infrastructure; site visits; IMS in operation with adequate cooling and storage security in place; review of inventory documentation.	

HEALTH MANAGEMENT IMPROVEMENT PROJECT - GOJ BUDGET FOR FINANCIAL YEAR 1986/87
(in Jamaican Dollars)

LINE ITEM	NO.	DESCRIPTION	GOJ	USAID	TOTAL
COMPONENT: PROJECT IMPLEMENTATION UNIT					
Commodities					
-Furniture, Equipment, Supplies		To coordinate and facilitate all Project activities	22,000		22,000
Support Costs					
-Personal Emoluments and Travel Allowances			270,000		270,000
-Vehicle Operating Cost			66,000		66,000
-Rental/Utilities and Overhead			242,000		242,000
SUBTOTAL			600,000		600,000
COMPONENT: MANAGEMENT SERVICES UNIT					
Technical Assistance					
-New Initiative Study/Alternative Financing	5	Cleaning KPH at time of divestment Refinement of Trelawny Study Additional Studies	100,000	2,000,000	2,100,000
-Financial Analyst	3	To assist Director of Finance to upgrade the finance and accounting studies		495,000	495,000
-Cost Accountant	3			165,000	165,000
-Computer Planner	3	To advise recomputerization in Ministry of Health		66,000	66,000
Commodities					
-Computer, Word Processor, Software	3	To update management procedures at at Ministry Headquarters	16,500	338,400	354,900
-Dictating Machines	3		1,400	27,500	28,900
-Supplies and Equipment	3		40,000		40,000
-Procedures Manuals	3	Production for MOH Procedural Manuals		251,000	251,000
Support Costs					
-Services Contract for Word Processing Equipment	3		41,437		41,437
SUBTOTAL			199,337	3,342,900	3,542,237
COMPONENT: PRIMARY HEALTH CARE FIELD SUPPORT					
Commodities					
-Radio Equipment	4	To improve communication between Health Centres, the Parish Health Department and the Hospital		200,000	200,000
-Dictating Machine	2	Development and implementarion of procedures to upgrade the mgmt. of the MCH Unit at Headquarters		6,938	6,938
-Office Equipment and Supplies	1		19,802		19,802
Support Costs					
-Community Projects	3	Development and implementation of Community Projects and Communicable Deasease Control Projects		1,120,927	1,120,927
-Vehicle Operating Costs	5		175,000		175,000
SUBTOTAL			194,802	1,327,865	1,522,667

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HEALTH MANAGEMENT IMPROVEMENT PROJECT - GOJ BUDGET FOR FINANCIAL YEAR 1986/87
(in Jamaican Dollars)

LINE ITEM	NO.	DESCRIPTION	GOJ	USAID	TOTAL
COMPONENT: FACILITIES DEVELOPMENT EQUIPMENT AND ADMINISTRATIVE SUPPORT					
Renovation					
-Health Centre Major Renovation	1	Renovation of Denham Town and St. Jago Health Centres; preliminary work for Gayle	100,000	3,503,442	3,603,442
-Parish Supply Depots	2	Preliminary work for Supply Depots		50,000	50,000
Technical Assistance					
-Construction Advisor	1			80,003	80,003
Commodities					
-PHC Equipment	3	Health Centre Equipment		600,449	600,449
-Printing Press & Supplies	5	Cutter for printery Paper plates, ink etc.	50,000	100,000	150,000
-Vehicles	4	Passenger vehicle for B.H.E.		90,624	90,624
-Office Furniture & Partitioning	6		32,000		32,000
Support Costs					
-Service Contracts	6	Typewriters supplied by HMIP	20,000		20,000
-Servicing Printing Press	5		30,000		30,000
-Vehicle Operating Cost	4		16,000		16,000
SUBTOTAL			248,000	4,424,518	4,672,518
COMPONENT: MAINTENANCE AND MINOR RENOVATION					
Commodities					
-Vehicles (8)	3	Pick-up for Parish Artisans		422,400	422,400
-Office Equipment and Supplies	2	To supply area offices		5,000	5,000
Support Costs					
-Vehicle Operating Costs	3		100,000		100,000
-Building Maintenance	4	Minor repairs to health centres	332,000		332,000
-Dental Equipment Maintenance	8		66,750		66,750
-Workshop KPH	6	Installation of esternal goods lift	120,000		120,000
-IMS REnovation	2		70,000	695,002	765,002
Minor Renovation					
-Rationalization	8	Renovation and Equipment for 5 rationalized health centres	450,000	5,201,000	5,651,000
-Health Centres	7	47 Health Centre minor renovations	600,000	5,500,000	6,100,000
SUBTOTAL			1,738,750	11,823,402	13,562,152

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HEALTH MANAGEMENT IMPROVEMENT PROJECT - GOJ BUDGET FOR FINANCIAL YEAR 1986/87
(in Jamaican Dollars)

LINE ITEM	NO.	DESCRIPTION	GOJ	USAID	TOTAL
COMPONENT: SUPPLY MANAGEMENT					
Technical Assistance Local	8	National Formulary		122,100	122,100
	8	Drug Information Handbook			
Commodities					
-IMS Equipment & Supplies	3			153,505	153,505
-Vehicles	3	2 refrigerated vans		348,403	348,403
		1 delivery van			
-Copper Sulphate, Iron Folate	6	For use in health centres		236,495	236,495
-Computer	3	For Island Medical Stores	16,500	330,000	346,500
Support Costs					
-Vehicle Operating Costs	3	5 vehicles	60,000		60,000
		- 2 trucks			
		- 2 refrigerated vans			
		- 1 delivery van			
SUBTOTAL			76,500	1,190,503	1,267,003
COMPONENT: HEALTH INFORMATION SYSTEM					
Technical Assistance US				200,000	200,000
Technical Assistance Local					
-Library Development	8	Removal of Library from Henriques Building and upgrading it. Learning Resources Centre in Flamingo Complex	154,000		154,000
Commodities					
-Office Equipment & Supplies	3	For M.C.S.R.	692		692
-Forms and Manuals	5	For Patient Care Records and M.C.S.R.	200,000		200,000
-Computer	1	Mini-computer for H.I.U.	8,250	165,000	173,250
SUBTOTAL			362,942	365,000	727,942
COMPONENT: MANPOWER DEVELOPMENT AND TRAINING					
Technical Assistance Local			160,000		160,000
Training					
-In-Country	4	Training as identified in Master Training Plan		268,081	268,081
-US	4	Micro-computer applications	8,000	86,000	94,000
		-Mrs. L. Brown			
		-Mrs. E. Bloomfield			
Support Costs					
-Utilities Training Centre	1		18,000		18,000
-Vehicle Operating Costs	1		16,000		16,000
SUBTOTAL			202,000	354,081	556,081

HEALTH MANAGEMENT IMPROVEMENT PROJECT - GOJ BUDGET FOR FINANCIAL YEAR 1986/87
(in Jamaican Dollars)

LINE ITEM	NO.	DESCRIPTION	GOJ	USAID	TOTAL
COMPONENT: NUTRITION					
Commodities -Nutrition Education		Stationery etc. to support the development of the nutrition and Diebetic Surveillance Manuals. Nutrition Education	2,900	106,200	109,100
Support Costs -Anaemia Screening	3	Two studies -Anaemia in pregnant women -Household food consumption		26,300	26,300
SUBTOTAL			2,900	132,500	135,400

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Implementation Schedule

ACTIVITY / Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18	20	21	22	23	ASSUMPTIONS
1. Rationalization:																								
a. Personnel at field level - PRICOR trial																								
b. Management of Field level - T.A. (2 P.M.)																								
- PIU dev's Scope of Work and Contract		X	X	X	X	X	X																	
- Report Submitted																								
c. Facilities - T.A., Renovation, Commodities																								C. Current A&E consultants to be used Construction Advisor position retained until end of const. components.
1. For 5 hospitals to health centers under PIU																								
- contracts for preliminary A&E work	X	X																						
- Tender documents app'd & tendered		X	X																					
- Contracts committe, cabinet, USAID app'ts				X	X																			
- Work begins, *ends						X	X	X	X	X	X	*												
2. T.A. in financial management in review further rationalization (1 P.M.)																								
- SOW and contract developed by PIU	X	X	X																					
- Report submitted				*																				
- Contracts for preliminary A&E work				X	X																			
- Tender doc's app'd & tendered						X	X	X																
- Contracts committee, cabinet, USAID approval									X	X														
- Work beings, *ends																								
3. Commodities - procured by PIU/ Arrive *	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X						3. Ordered prior to March '87 MOH properly inventories items arriving after March 31,1986
d. TA for Cost-accounting and hospital micro-comp. accounting.		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X						

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Implementation Schedule

ACTIVITY / Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18	20	21	22	23	ASSUMPTIONS
2. New Initiatives																								
a. Secretariat (Research Asst., Admin. Asst., Exec. Secretary)																								
- SOW/contracts developed, positions adv./hired	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X				
b. T.A. to review p.s. financial contribution (1 P.M.)																								
- SOW/contract developed (PIO/T) by PIU	X	X	X	X																				
- Report submitted *to 2.a.				*																				
c. Report submitted by PD&S funded TA for future directions*				*																				
d. T.A., studies, surveys managed by 2.a. above as needed according to 2.b. and 2.c.					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X				
e. Further study of HMO idea in new area under Ogle Com.																								e. T.A. locally available.
- SOW and contract developed w/ PIU assistance					X	X	X	X																
- Report submitted*								*																
f. T.A. to fully develop HMO proposal, if feasible																								
- SOW and contract (PIO/T) developed by 2.a.									X	X														
- HMO underdesign, report submitted * to 2.a.											X	X	X	*										
- Renovation underway under PIU															X	X	X	X	X	X				- renovation contracts app'd prior to March '87
- Commodities procured by PIU/ arrive															X	X	X	X	X	X				
g. Additional proposal(s) developed under mgt. of 2.a.					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X				

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Implementation Schedule

ACTIVITY / Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18	20	21	22	23	ASSUMPTIONS
3. Development of Mgt. Systems																								
- Systems developed, T.A. needed	X	X	X	X	X	X	X	X																3. MOH will accurately inventory ascommodities arriving after 3/31/87
- Computer equipment ordered by PIU/arrives installed*	X	X	X	X	X	X	X	X																
- Other PHC overseas & local commodities ordered by PIU prior to 1/31/86	X	X	X	X	X	X	X																	
- Training local and overseas, in support of systems developed	X	X	X	X	X	X	X	X																
4. Applied PHC under PIU																								
- Community Projects and Nutrition Education	X	X	X	X	X	X	X	X																
- Procurement of Pharmaceuticals: AID paperwork/arrival	X	X	X	X	X	X	X	X																
5. Renovations under PIU/Construction Adv.																								5. MOH takes resposibility for needed accounting and reports after March 1987.
- Minor renovations: complete*	X	X	X	X	X	X	X	*																
- IMS Security & Refrigeration: complete*	X	X	X	X	X	X	X	X	X	*														
- Supply Depots: tender doc's/ contracts/completed*	X	X	X	X	X	X	X	X	X	*														
- Major renovations: a. Denham Town: Cab. app'l/completed* b. St. Jago: cab app'l/completed c. Gayle: tender doc's/app'ls/ completed	X	X	X	X	X	X	X	X	X	X	X	X	X	X	*									

Implementation Schedule

ACTIVITY / Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18	20	21	22	23	ASSUMPTIONS
6. HMIP Transition to MOH Mgt.																								
- Construction Adv. position moved to 2.a., extended 1 yr.								X	X	X	X	X	X	X	X	X	X	X	X	X				6. Renovation activities continue through March '88
- PIU developes reporting formats/ trains MOH personnel financial reporting reimbursement requests, inventories						X	X	X																
- PIU develops HMIP FY '87-88 budget					X	X	X	X																
- 2.a. with assistance of construction advisor and PIU develops FY '87-88 implementation plan for USAID approval before 3/31/87					X	X	X	X																

Environmental Concerns

The additional Project activities included in this Project Paper Supplement which are related to the minor renovations of existing health facilities as part of the Ministry of Health's rationalization and divestiture programs do not require the preparation of an Initial Environmental Examination (IEE). This has been determined in view of the consideration that the Health Management Improvement Project (532-0064), including the activities described in the Project Paper Supplement, qualifies as a categorical exclusion under 22 CFR Part 16 Section 216.2 (c) viii, for which an IEE is not generally required.