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PHCR
Primary Healthcare Reform Project

Quarterly Performance Report

October 1 - December 31, 2008

Primary Healthcare Reform Project

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INTRODUCTION

The Primary Healthcare Reform Project (PHCR), funded by the United States Agency for International Development (USAID) under the TASC2 IQC No. GHS-I-00-03-00031-00 was awarded to Emerging Markets Group, Ltd. (EMG) on September 30, 2005. Subcontractors on the project are IntraHealth International, Overseas Strategic Consulting, Ltd. and American University of Armenia's Center for Health Services Research.

This PHCR Project Quarterly Report describes the project activities and results during the period of October 1 to December 31, 2008. The major project accomplishments that occurred during the report period include the following:

- Completion of renovation and furnishing of 44 and furnishing of 6 target PHC facilities in Zone 3 Stage 1 (Ararat, Aragatsotn, and Armavir regions), as well as furnishing and equipping of 18 clinical training sites in Zone 3 Stage 1;
- Completion of assessment of PHC facilities in Zone 3 Stage 2 (Vayots Dzor and Syunik regions), and selection of 53 PHC facilities for renovation and/or furnishing in 2009. These include 36 PHC facilities for renovation and furnishing, 4 for furnishing, 9 clinical training sites for furnishing and equipping; and 5 PHC facilities of Ararat region for renovation and furnishing;
- Completion of 6.5 month training and graduation of 100 community nurses from Zone 2 - Tavush, Kotayk, and Gegharkunik regions;
- Completion of training of trainers (TOT) course on Management of Cardiovascular Diseases for 16 FM clinical preceptors from Lori, Kotayk, Tavush and Gegharkunik marzes, and 4 cardiologists working at PHC level;
- Approval of the set of PHCR developed 7 pediatric job aids by the Minister of Health Order # 1841-A;
- Minister of Health signed an order on approving (a) OE software package (AGAT), appointing a responsible person for AGAT, and (b) the structure of the MoH committee, which will approve the validated OE data;
- Completion of a TOT course to prepare Quality Coordinators (QCs) for 53 QCs from all marzes of Armenia and Yerevan;
- UK study tour on performance based financing for GOA/MOH and relevant GOA agencies.
- Completion of training on "Financial accounting and Cost accounting" for 108 accountants from Zone 3 Stage 1; and
- Completion of Stage 1 of the Small Grants Program in Zone 3 Stage 1 for community mobilization.

ABBREVIATIONS AND ACRONYMS

AAFP	Armenian Association of Family Physicians
AGAT	Armenian abbreviation for Population Enrollment Health Register
CM	Community Mobilization
COAF	Children of Armenia Fund
ENER	Automated Enrollment and Encounter System
FM	Family Medicine
FN	Family Nursing
FY	Financial Year
HF	Healthcare Finance
HPIU	Health Program Implementation Unit
HSSD	Health and Social Security Department
IMCI	Integrated Management of Childhood Illnesses
LFP	Learning for Performance
MCH	Mother and Child Health
MIS	Management Information Systems
MOH	Ministry of Health
NHA	National Health Accounts
NIH	National Institute of Health
NSS	National Statistical Service
OE	Open Enrollment
OP	Operational Plan
PHC	Primary Healthcare
PHCRS WG	PHC Reporting Streamlining Working Group
PMP	Performance Management Plan
QOC	Quality of Care
SBMC	State Basic Medical College
SHA	State Health Agency
TB	Tuberculosis
TOT	Training of Trainers
UFMC	Unified Family Medicine Curriculum
UFNC	Unified Family Nursing Curriculum
WB	World Bank
WG	Working Group
WHO	World Health Organization
YSMU	Yerevan State Medical University
HSSD	Health and Social Security Departments

A. COMPONENT 1: EXPANSION OF PHC REFORMS

A1. Project effectively communicating with external world, counterparts and USAID (1-4)

- PHCR Bulletin #11 (July-December, 2008) was finalized, published (500 copies) and distributed to Project implementing partners and counterparts, including MOH, Marz authorities, health and social partner organizations and professional associations. It is also being distributed to PHCR target communities. The bulletin is posted on the PHCR website and sent out to more than 120 subscribers through a targeted subscription list. (A1.1)
- On October 10, 2008, PHCR participated in a conference on Fighting Tuberculosis (TB) in Armenia, conducted by International Committee of the Red Cross (ICRC) and Armenia National TB Program. The goal of the conference was to present stakeholders' review of the situation with TB in Armenia, both in prisons and civilian sector. The topics covered were as follows:
 - Implications for National TB Control Program: current status and plans with regards to TB services;
 - Stop TB Strategy and Global Trends in TB Epidemiology;
 - TB control program in prisons: summary of key findings of review and recommendations;
 - 10 Years of ICRC TB support to prisons: achievements;
 - Legislative Approach to TB Control in Armenia.

During the conference PHCR Training Advisor met with Sandra Irbe, Manager of Global Fund Portfolio in Armenia (that is funding the Armenia National TB Program), and discussed issues related to coordination of activities in terms of training of family physicians in TB and development of related public education materials. An agreement was reached to start collaboration with the representatives of Armenia National TB Program.

The workshop will be covered by one of the MoH sponsored TV shows devoted to TB prevention. In that respect, PHCR Public Education (PE) team member Susanna Mkrtchyan, who also participated in the workshop, reached an agreement with the MOH that PHCR PE team will provide technical assistance for development of public education part of the TV show.

- On October 17, 2008, PHCR Nursing Advisor participated at a presentation on Cancer Care in Community conducted by Dr. Seda Boghossian-Tighe, a family physician of Armenian origin, who runs her private FM practice in the UK. The presentation covered cancer screenings, follow up of patients with cancer, and palliative care. Nursing Advisor found the presentation very useful from the point of view of PHCR activities in family nursing - the obtained materials were incorporated into the relevant module of UFNC.
- On October 24-25, 2008, PHCR participated in the annual conference on "Contemporary Issues of Family Medicine" organized by the Armenian Association of Family Physicians (AAFP), the National Institute of Health (NIH), and PHCR. PHCR made the following presentations at the conference:
 - "Recent developments in the process of open enrollment" – Gayane Gharagebakyan, PHCR OE Team Leader, and David Khachatryan, PHCR IT Specialist
 - "Quality Assurance at the PHC level" – Murad Kirakosyan, PHCR QoC Advisor
 - "Independent Family Medicine Practices' models, possible legal and organizational options for creation, state registration procedures, and problems" – Garnik Harutyunyan, PHCR Health Financing Specialist.

In addition, PHCR HF Team assisted SHA in development of a presentation on "Performance Based Financing and Remuneration". The presentation was made by Samvel Kharazyan, Head of Service Procurement and Information Department, who introduced the MOH plans for Nationwide

PBP system structure, including PBP indicators, financing approaches, and reporting “Encounter” form. Mr. Kharazyan expressed his gratitude to the PHCR Project and mentioned that the SHA made calculation of the new 2009 prices for laboratory and instrumental services based on the costing study of laboratory and instrumental services conducted by PHCR. On behalf of the AAFP, copies of “Encounter” form were distributed among participants for their review and feedback. (A1.2, E4.3 and E5.1)

- On October 27-29, 2008, Karine Gabrielyan, Team Leader for PHCR FM and Quality of Care (QoC) component was invited to San Diego, California, to present a paper at the 136th Annual Meeting and Exposition of the American Public Health Association (APHA). Dr. Gabrielyan presented PHCR achievements in creating a new cadre of medical providers in Armenia - community nurses (CN). She presented the CN training content, strategy and methodology used. Results and benefits of nurses’ expanded and improved scope of practice, and their increased functional and financial value to primary health care, as well as pre-training and post-training evaluation results were articulated.

- On November 25, 2008, PHCR participated in a forum dedicated to the implementation of the state-guaranteed free birth assistance system introduction process, organized by the MOH and USAID. The main goal of the event was to initiate a dialogue between national and local level state agencies and civil society organizations on how to increase the public participation to the newly introduced state health-related programs.

PHCR presented the summary of Boston University’s proposal (prepared outside of the scope of work and expense of the project) on Maternity Voucher midterm evaluation to the Minister, and obtained positive feedback. The Minister assigned the MOH Head of Economic and Accounting Department to follow up on the proposal.

- On November 25, 2008, PHCR PE team participated in Peace Corps Development Fair to further promote cooperation between PHCR partners involved in Community Mobilization activities and Peace Corps Volunteers who will be working in Armenian communities.
- On December 09, 2008, PHCR IT team participated at a meeting organized by the Ministry of Economy (MoE), where Ericsson company representatives delivered a presentation demonstrating their experience in developing and building large e-governance systems and databases in different countries.
- On December 12, 2008, the OE Team Leader, together with representatives of other USAID projects working in IT sphere, participated in a meeting with the Head of Visa and Foreigner Registration Department (OVIR), and OVIR IT specialists, and discussed issues related to database management such as the need for persons’ identification, effective ways of data exchange, etc. In addition, PHCR IT team participated in several coordination meetings of USAID projects’ that have large IT systems and databases and shared comments and experiences.
- Per request of Armen Soghoyan, Head of Yerevan Health and Social Security Department (HSSD), PHCR prepared a brief outline of PHCR activities for him to present at a health conference in Rostov, Russia.
- PHCR developed 3 abstracts for the upcoming 2009 Global Health Conference and submitted to IntraHealth headquarters for review.
- “IntraHealth voices” publication published an article about PHCR family physician training and development of training materials and standards.
- As a follow-up to USAID/Mobilizing Action Against Corruption (MAAC) project workshop on Good Governance in Health Sector, PHCR had a meeting facilitated by MAAC STTA Taryn Vian, to identify current PHCR activities which increase transparency and accountability and reduce discretion, and ways to extend those activities, as well as possible additional activities. Based on the discussion and input from team leaders, MAAC STTA developed a document reflecting the abovementioned items.

- Per request from USAID's MAAC project, PE team provided technical support to Kaghni NGO for development of a grant proposal aimed at increasing awareness on healthcare services among the Berd community of Tavush marz. The objective of the proposal was combating corruption in health sector through increasing the public awareness about free of charge medical services and patient rights.
- PHCR supported IREX Armenia in disseminating its booklet supplement related to sexual health in Armenia and posted a corresponding link on its web site. (A1.2)
- PHCR finalized several medical publications which are ready for publishing, including: the Learning for Performance (LFP) Manual; Trainer's Guide and Trainee's Manual on Most Common Childhood Illnesses; and the two-volume UFNC Training Manual. All publications will be published in the next reporting quarter (*see also under section B*).
- PHCR prepared the list of its publications to be submitted to the National Book Chamber of Armenia to receive ISBN codes. Subsequently, PHCR publications will have appropriate official publication coding. (A.1.3)
- On December 10, 2008, USAID Health Team Leader Kimberly Waller, together with PHCR, made a presentation on UK study trip on performance based financing system. The presentation was attended by Paul Holmes, USAID/ Washington, USAID Health Team, PHCR team leaders, and MOH/GOA trip participants. A second roundtable on the UK study tour was held on December 18, 2008, for a wider audience of some 30 participants such as representatives of the World Bank, World Vision, USAID/NOVA project, and USAID/SPSS project. This roundtable also included people from non-health organizations and other USAID projects that had interest in exploring performance based payment system (*see also E4.1*).

A2. Project monitoring system operational (1-4)

- PHCR M&E team completed the follow-up reports on Facility Resource Assessment and Facility/Provider Performance Assessment in Zone 1. The reports are currently being translated. (A2)
- PHCR M&E team finalized baseline reports on Facility Resource Assessment and Facility/Provider Performance Assessment in Zone 3-1. The reports are currently under review by PHCR M&E consultants (A2).
- PHCR prepared the project's Project Management Plan (FY08 results and FY09 targets, first draft). It was reviewed to make sure it was consistent with the last revisions of the PHCR FY09 work plan, and finalized for submission. (A2).
- PHCR drafted the project's FY08 Operational Plan (OP) in a new format to address USAID's new requirements. It was then discussed within PHCR and subsequently refined and submitted to USAID Health Team. Further clarifications were provided to USAID in response to their feedback. (A2).
- PHCR finalized and prepared for publishing English versions of six reports:
 - Baseline Household Health Survey;
 - Baseline Client Satisfaction Survey in Zone 1;
 - Baseline Client Satisfaction Survey in Zone 2;
 - Baseline Facility Resource Assessment in Zone 1;
 - Baseline Facility Resource Assessment in Zone 2; and
 - Baseline Facility/Provider Performance Assessment in Zone 2.

The reports were also translated into Armenian, which are currently being edited. In addition, PHCR developed a list to identify the needed quantities for the publications. (A2, F1, D3).

- HSR and OE IT officer further developed the PHCR MIS system expanding its functions. Currently the MIS system is able also to accumulate information on PHCR commodity delivery and procurement receipts. (A.2.3)

PHCR Family Planning Activities

- PHCR FN Specialist, in preparation for the upcoming FN/CN training of FAP nurses from Zone 3 Stage 1, met with Erebuni Medical College FN chair staff and clinical preceptors covering Reproductive Health module of PHCR FN/CN training, and disseminated information on Family Planning legislative and policy requirements.

A3. PHCR activities on Marz level begun.

See under A4

A4. PHC facilities renovated and equipped through zonal rollout including commitment from relevant authorities to take measures that enhance ownership and sustainability of FAPs (1-5)

- According to developed schedule, PHCR engineering team visited Zone 3 Stage 1 (Armavir, Aragatsotn and Ararat marzes) renovation target facilities, monitored the implemented renovation, and accepted the renovation works. Acceptance of renovation works was documented accordingly.
- On December 11, 2008, PHCR, Aragatsotn HSSD, and Voskehat Community organized an opening ceremony of a newly renovated Voskehat FAP in Aragatsotn region. The medical staff of the FAP and its referral facility, Voskevaz MA, Garegin Sargsyan, Head of Voskehat community, Taniel Poghosyan, Head of Aragatsotn Region HSSD, Naira Beglaryan, Head of MOH International Relations Division, Paul Holmes (USAID/Washington), USAID/Armenia Health Team, and PHCR team were present at the ceremony.

Voskehat FAP was one of 44 FAPs renovated by PHCR in Zone 3 Stage 1. Importantly, Voskehat community and the Community Head had significant input in renovation of the FAP. (A4.1)

- PHCR engineering team with support from a representative of PHCR contractor “Vanadzor Nakhagtsogh”, completed assessment of renovation target facilities, the level of community involvement in Syunik marz and Vayots Dzor marz communities, reviewed the assessment results, additionally re-assessed ten facilities (six in Syunik and four in Vayots Dzor marz), and selected 36 renovation targets in Zone 3 Stage 2. In addition, PHCR will also renovate 5 rural PHC facilities of Ararat marz, reaching a total of 41 rural PHC facilities to be renovated in 2009.

All of the mentioned 41 sites will also be furnished and equipped by PHCR. Additionally, PHCR will furnish four rural PHC facilities and furnish and equip nine clinical training sites in Zone 3 Stage 2. Overall, PHCR will renovate and/or furnish 53 PHC facilities in 2009. (A4.2 and A4.3)

- The PHCR developed poster on waste management describing the rules for proper management of medical waste, was reviewed and finalized by PHCR FM team. PHCR ordered publishing of 1000 copies of the poster that would be distributed among PHC facilities throughout Armenia. (A4.5)
- Within the framework of PHCR activities to provide medical equipment to PHCR target facilities and clinical preceptors, PHCR announced a tender for procurement of medical equipment. Through a competitive bidding process in which PHCR received bids from 14 firms, PHCR selected and signed contracts with two companies - “Delta” and “Armen Pharm”. The following criteria were used in evaluating the bids: documentation, complete offering, medical equipment and supplies specifications and quality, overall impression of quality past performance, delivery time and price. Delivery of equipment is expected to be completed in February, 2009. (A4.5, B2.1)
- As part of its activities to upgrade PHC facilities, PHCR delivered and installed furniture at 68 PHC facilities of Zone 3-1 (Aragatsotn, Armavir and Ararat marzes) including 50 PHCR target sites and 18 clinical training sites. (A4.5)

A5. PHC physical improvements sustained by rational management procedures

- PHCR published maintenance manuals and distributed to all renovated facilities of Zone 3 Stage 1. (A5.1)

A6. Assistance provided for developing supportive policy and regulatory environment for implementation of reforms

Specific results and/or activities are shown under each relevant component.

A7. Institutionalization of selected project interventions into MOH/GOA supported

- PHCR STTA report on institutionalization is being finalized. It is envisaged to make a presentation to the Minister of Health in February 2009. Progress on institutionalization of specific interventions is reported on under each relevant component.

B. COMPONENT 2: FAMILY MEDICINE

B1. PHC/FM policy improved (1-4)

- In preparation for development of a plan to establish sustainable FM/FN Continuing Medical Education (CME) system, PHCR Training Advisor and FM and QoC Team Leader had several meetings with stakeholder parties, to define development needs and their expectations from PHCR in terms of support. Meetings were held with Dr. Avagyan, Deputy Director of NIH, Samvel Hovhannisyan, Head of NIH FM Chair, and Knarik Arabajyan, Head of MOH Education and Science Division. The meetings discussed the needs for improvement of the CME system. PHCR received information regarding the recent reforms of the undergraduate medical education. Overall, MoH is not willing to reveal any information before the Minister of Health decree on reform in medical education is approved. The Minister's decree that is related to joining the Bologna process also in medical education in Armenia is expected to be issued soon. Armenia is the first in the former Soviet republics that has joined the Bologna process in all areas of education except for medical education. The reform will consist of two stages: the first will be the introduction of bachelor's degree in medicine, and the second stage will be introduction of master's degree - "magistros" - in medicine. The draft decree was prepared by the YSMU and presented to the MoH for approval. MoH has conducted a study to identify positions that could be filled by holders of bachelor's degree. The study showed that there are certain positions available. However, there will be a need for new clear job descriptions that would allow the holders of bachelor's degree to apply for the positions. In connection with this need, MOH may request PHCR support in involving an expert (preferably international) who will help define the level of independence of this category of specialists in making decisions related to patient care and medical interventions, as currently physicians are the ultimate decision-makers in this regard. The expert would also help in defining their scope of work in each area, etc. (in preparation for B1.2)

B2. FM Training Institutions have increased capacity / FM faculties strengthened (1-2).

- PHCR finalized the Armenian translation of the "Learning for Performance" manual, an IntraHealth developed guide for developing training courses in healthcare that includes all stages of instructional design, course development, implementation, and monitoring. The manual was fine-tuned and prepared for publishing, including registration at the Armenian Book Chamber (obtaining ISBN code.) (B2.1)

B3. Family Medicine Curriculum is up-to-date with training modules (1-3).

- PHCR FM team contacted the National Tuberculosis (TB) Program and the WHO country office representative to clarify their plans on TB related activities. According to their plans, development of guidelines on Practical Approach to Lung Health (PAL) is planned for February 2009, and training material implementation in pilot sites is planned for April-November, 2009. A preliminary understanding was reached with the WHO representative to involve PHCR Training Adviser in the working group for package development. PHCR Training Advisor started studying available guidelines on Tuberculosis - obtained national guidelines from the National TB program of

Armenia, and held discussions with representatives of FM Faculties of NIH and YSMU. Further discussion on this issue will be held with USAID. (B3.1)

- The set of seven PHCR developed pediatric job aids was approved by Minister of Health Order # 1841-A, on December 12, 2008. The job aids cover the following topics:
 1. Management of Childhood Iron Deficiency Anemia;
 2. Management of Child Fever in PHC;
 3. Management of Child Acute Upper Respiratory Infections in PHC;
 4. Management of Child Tonsillitis and Pharyngitis in PHC
 5. Management of Community Acquired Pneumonia in Children from 2 to 5 Years Old;
 6. Management of Child Acute Otitis Media;
 7. Management of Diarrhea in Children from 2 to 5 Years Old.

Per MOH request, PHCR designed and published 16 sets of user-friendly and attractive pediatric job aids for distribution to marz HSSD, and relevant FM training institutions, along with the copies of the Minister's order. Before submitting to the MOH for approval, the job aids were carefully revised and edited by PHCR Training Advisor, collaborating with the MOH chief specialist in pediatrics, and practicing physicians and clinical preceptors.

- Throughout the reporting quarter, PHCR Training Advisor worked on and finalized the training package on "Most Common Childhood Illnesses (MCCI)." The package includes the Trainee's Manual, and Trainer's Guide as separate volumes and a CD containing the Manual and the Guide, as well as lectures, PowerPoint presentations, and relevant audio/video materials. The CD was prepared with the support of the YSMU IT specialist. The 2 volumes were prepared for publishing, including registration at the Armenian Book Chamber (obtaining ISBN code.) (B3.3)

B4. FM/FN clinical training sites established/upgraded at Marz level.

For a report on provision of medical equipment, please see Section A4.5 above.

B5. Family medicine providers' performance improved through training and QA activities (1-2).

- After completion of the training-of-trainers course on "Management of Cardiovascular Diseases in Primary Care" for clinical preceptors and cardiologists of Armavir, Aragatsotn and Ararat marzes, PHCR compared the pre- and post test results of participants. The average post-test score amounted to 95 percent vs. the pre-test average score of 40 percent. In Addition, PHCR analyzed the course evaluation by the participants. All participants of the course evaluated the satisfaction from the course as "highest". Participants particularly appreciated the matching of the selected training topics with their practical needs, organization of the course, quality of trainers (highest scores were given to Dr. Pirouzyan, Dr. Jamalyan, Dr. Ter-Voskanyan and Dr. Danielyan) and training materials (more copies were requested).

Almost all participants requested having similar courses in different areas of medicine - particularly in Neurology, Urinary tract infections, Skin diseases, and Child healthcare. The physicians requested similar CVD course to be conducted for them in the form of refresher courses once in every 1-3 years; they also requested similar courses for their colleagues. (B5.2)

B6. Unified Family Nursing Curriculum is up-to-date with EBM-based training materials (1).

- PHCR Nursing Advisor reviewed the updated UFNC training materials submitted by UFNC trainers, and finalized the package. PHCR initiated publishing of 300 copies of the updated UFNC training manuals. (B6.1)

B7. PHC nurses have completed UFNC training and retraining (1-3).

- On October 7, 2008, PHCR FM team held a round table on Family/Community Nursing (FN/CN) final examination format. Participants included the trainers representing the NIH and State Basic Medical College (SBMC), and FN chairs responsible for development of the examination questionnaire and case scenarios. PHCR Nursing Advisor facilitated the discussion. The participants checked the questionnaire and the case scenarios for accuracy word by word and came up with the unified examination format.
- PHCR completed the training of one hundred nurses from Zone 2 (Kotayk, Gegharkunik, and Tavush marzes) rural health posts in FN/CN. The six and one-half month nurse training program objective was to expand the knowledge and clinical skills of nurses and thus improving the quality of healthcare provided to the population. PHCR developed and implemented the training course through the Family Nursing chairs of the NIH and the SBMC. In implementing the training, PHCR also partnered with Jinishian Memorial Foundation, which covered part of the training costs and provided management support in organizing the training. The training and examination of Kotayk marz nurses was held at the NIH in Yerevan; Gegharkunik nurses at Martuni Medical College in Gegharkunik; and Tavush nurses at Ijevan Mother and Child Care Center in Tavush.

Number of trained nurses per marzes are as follows:

- Kotayk marz nurses - 27;
- Gegharkunik marz nurses - 38;
- Tavush marz nurses - 35.

All nurses took a written post-training knowledge test consisting of 100 multiple choice questions, and passed a 3-step oral examination including knowledge assessment, skill demonstration and case scenario analysis. The average scores were as follows:

- Kotayk marz nurses – 91 percent vs. baseline 30 percent (written), and 85 percent of participants scored 8-10 out of 10 possible (oral);
- Gegharkunik marz nurses – 91 percent vs. baseline 35 percent (written), and 84 percent scored 8-10 out of 10 possible (oral);
- Tavush marz nurses - 94 percent vs. baseline 35 percent (written), and all nurses scored 7-10 out of 10 possible (oral).

After the final examinations, PHCR held press events for each marz (see also PE section F.)

The FN training program includes two training courses – Family Nursing Course and Community Nursing Course. The former is based on the Unified Family Nursing Curriculum (UFNC) and is comprised of 35 modules. It focuses on areas such as maternal-child health, reproductive health, TB, as well as prevention, diagnosis and treatment of the most common diseases. The second course includes topics such as nurse management, clinical pharmacy, emergency care and community needs assessment. After successfully passing the final examination, the nurses were officially certified as family nurses and community nurses respectively, at a graduation event organized by PHCR at the NIH, on November 21, 2008.

The graduation ceremony was held at the NIH in Yerevan, with more than 160 participants from the regions, as well as representatives from USAID, NIH, and partner donor organizations attending. The ceremony opened with a welcoming speech by Dr. Samvel Hovhannisyanyan, Head of FM chair, NIH. This was followed by speeches from Timothy Alexander, Director of Program Office, USAID; Dr. Derenik Dumanyan, Head of NIH; Dr. Ruzanna Yuzbashyan, Head of MOH PHC department; Dr. Richard Yoder, PHCR Chief of Party; and speeches by local stakeholders, including Dr. Gurgen Davtian, Head of Healthcare Department at Gegharkunik marzpetaran, and Dr. Grigor Nazinyan, Head of Ijevan Mother and Child Health Center. All speakers noted the importance of the training to the primary healthcare sector and thanked USAID and PHCR for their effort in organizing the delivery of the course.

Before training the nurses from Kotayk, Gegharkunik, and Tavush marzes, PHCR had trained 129 nurses from Lori and Shirak marzes in the same curriculum. During the next two years, PHCR envisages training of another 250 nurses - from the marzes of Ararat, Armavir, Aragatsotn, Syunik, and Vayots Dzor, thus covering the whole country. (B7.1)

- PHCR FM team continued working with the Academy for Educational Development (AED) in preparation for upcoming Leadership and Management Training for non-governmental organizations (NGOs) involved in the health sector to upgrade their management and fundraising skills, and Blood Pressure Measurement Skill trainings for nurses from the remote areas of Armenia. The training courses will be fully funded by USAID through the HICD Project, and PHCR will provide technical assistance in preparation for the training.

For the Leadership and Management training, PHCR reviewed the outline of the Work Plan, proposed by Dr. Adam O. Goldstein - the selected facilitator of the Leadership Course. PHCR also provided AED with the names and contact information of the professional associations for AED to send out the participant nomination letters.

For the Blood Pressure Measurement Skill course, PHCR FM team had a meeting with the AED and Armenian Red Cross organization representatives to inform them of the PHCR developed resources in this area. The Red Cross representatives received a copy of the Cardiovascular Diseases training package and instructions on how to use it for their purposes. In addition, PHCR Training Advisor reviewed the training materials submitted by the Armenian Red Cross, as well as provided them with additional resources in this area. (B7.2)

- PHCR started preparation activities for training of FAP nurses from Zone 3 Stage 1 (Aragatsotn, Ararat and Armavir marzes), in Family and Community Nursing (FN/CN). Initially the plan was to complete Zone 3 Stage 1 FAP nurse training and then conduct Zone 3 Stage 2 (Vayots Dzor and Syunik marzes) FAP nurse training. However, because Syunik marz is relatively remote and a joint training may create problems (e.g. in terms of commuting) for nurses, a decision was made to include Vayots Dzor nurses in the upcoming training with Zone 3 Stage 1 FAP nurses.

PHCR Nursing Advisor worked with the NIH, Basic Medical College (BMC) representatives as well as with Heads of Aragatsotn, Ararat, Armavir, and Vayots Dzor HSSDs on issues related to the training format, organization and the list of training participants. In total, based on PHCR nurse selection criteria (1 representative per FAP, age, commitment, baseline knowledge and skills, etc), 144 FAP nurses were nominated for participating in the training: 68 from Aragatsotn, 30 from Ararat, 21 from Armavir, and 25 from Vayots Dzor. Currently PHCR is doing a final review with NIH of the acceptability of nominated FAP nurses. In addition PHCR is finalizing the contract with the NIH and is expected to be signed in January with training to begin in March 2009.

As with previous FAP nurse trainings, PHCR will continue cooperation with Jinishian Memorial Fund (JMF). An agreement has been reached with JMF that they will cover per diems for Aragatsotn FAP nurse trainees. A corresponding Memorandum of Understanding will be signed in late January, 2009. In addition, as in earlier trainings, Armenian Eye Care Project will cover Eye Care module of the FN/CN training. (B7.3)

B8. Establishment of independent FM practices is supported (1-2).

- PHCR HF Specialist worked with the WB HPIU FM team members responsible for FM Independent Practice and, upon their request, drafted and presented recommendations for amendment of the Government Decree #497 on FM Independent Practice. Agreement was reached to continue further coordination/cooperation in drafting proposed recommendations and submitting to the MOH. (B8.1 and B8.2, *also see under E8.1*)

C. COMPONENT 3: OPEN ENROLLMENT

C1. Policies and regulations in place to support open enrollment (1-5)

- Following intensive PHCR and MOH preparatory work including numerous discussions, technical support in drafting, and promotion, on December 08, 2008, the Minister of Health signed an order on: a) approving OE software package (AGAT), b) approving Armen Parsadanyan as responsible person for the AGAT national level database maintenance, and for transferring the validated

national database to the SHA, c) approving the structure of the MoH committee, which will approve the validated OE data, and d) assigning the committee a task to validate the OE data as of December 1, 2008.

Following the Minister decree, PHCR trained Armen Parsadanyan and his staff in AGAT usage and maintenance. (C1.1, C.2.1, C4.1, C4.2, C4.3)

- Throughout the reporting quarter, PHCR continued day-to-day work aimed at advocating for the approval of OE database and IT application decree by the GoA. On October 6, 2008, MOH submitted the draft decree to the GoA for approval. The Head of MoH Legal Department and PHCR HSR and OE team leader met with the representative of GoA Legal Department to discuss issues raised by the Department in relation with the draft GoA and provide necessary explanations. Based on the Department lawyer's comments, some edits were made in the draft decree.

Further, the GoA sent the draft decree to the Central Bank of Armenia (CB) and the Ministry of Economy (MoE), which are the GOA agencies responsible for IT systems development and implementation in the country. The purpose was to obtain their opinion considering the compliance of approaches and solutions for the OE database establishment and operation reflected in the draft decree with the Concept of Integrated Electronic Information System developed by the CB for implementing database systems in healthcare. The MoE feedback was positive in terms of adoption of the decree; however, MoE requested further consideration of the database integration aspects and software product and data standardization. The CB's feedback was also positive about the adoption of the decree, and included a suggestion to ensure identification of physicians and nurses in OE database, through social security card number. The MoH, however, did not accept this comment because the main objective is to identify the patient in the OE database rather than the medical staff. The draft decree together with feedback from CB and MoE was re-submitted to the GOA for approval. The GOA Chief of Staff and heads of relevant departments had discussed the draft decree for further submission to the GOA regular session. However, the submission has been postponed because of a need for more clarifications on why the decree is not requiring the OE data to be transferred exclusively through an electronic network. As a matter of fact, the draft decree does provide the opportunity to use e-networks for transfer of OE data together with other electronic media such as CDs, DVDs, flash cards, etc.

On December 15, 2008, PHCR HSR and OE Tam Leader and the Head of the Legal Department of the MoH met with the specialists of Social Department at the GoA to provide additional clarifications on the issue mentioned above., It was decided also to formally send a letter with the explanations and justifications for further consideration and decree processing, which was done.

Throughout the whole process PHCR HSR and OE Team Leader had numerous discussions and provided explanations to the parties, as well as helped MoH in revising the draft decree. (C1.3)

- In relation with the issue of selecting a policy option for enrollment based financing by the MOH described in PHCR letter to the Minister of Health dated July 21, 2008, PHCR had a meeting with Ara Ter-Grigoryan, Head of SHA, Samvel Kharazyan Head of Department, SHA, Ruzanna Yuzbashyan, Head of MOH PHC Department, and Armen Parsadanyan, who was recently appointed as an Assistant to the Minister of Health responsible for IT. Mr. Ter-Grigoryan suggested the second and the fourth options described in the PHCR developed Policy Options Brief to be presented to the Minister for a decision.

According to Mr. Ter-Grigoryan, the fourth option, which suggests full per capita payment for enrolled population and full PHC service coverage for them while for the non-enrolled population a smaller per capita payment and a limited package of PHC services (that excludes some expensive services such as medications, expensive diagnostic services, visits based on home calls) was discussed with the Minister and selected as the most preferable option. Hence, most probably the MOH will officially follow the fourth policy option in terms of OE based financing. (C1.4.)

- On December 17, 2008, the first meeting of the MoH committee established for approval of OE data was held. It was chaired by the First Deputy to the Minister of Health Hayk Darbinyan, with

participation of Committee members Ara Ter-Grigoryan, Head of SHA, Ruzanna Yuzbashyan, Head of MOH PHC Department, Armen Parsadanyan, MOH responsible person for OE national level database, and PHCR HSR and OE team leader Gayane Gharagebakyan, and PHCR IT Specialist David Khachatryan. The following issues were raised by Ara Ter-Grigoryan needing final decision to move on with OE based financing:

1. Authorizing therapists in rural areas to enroll children and pediatricians to enroll adults;
2. Defining the number of non-enrolled population for lower level per-capita financing;
3. Deciding on cases when the physician did not achieve minimum level of enrollment established by the normative;
4. Deciding whether the patient can receive PHC services right after enrollment or transfer, or after OE data validation.

Outcomes of the meeting include the following. For issues number 1 and 2, the meeting participants agreed with Ara Ter-Grigoryan. For issue number 3, no decision was made, and Ruzanna Yuzbashyan was assigned to propose recommendations. For issue number 4, the decision was that patients can receive PHC services right after enrollment but the funding will be allocated only for the period after validation; the idea of retrospective payment for newly enrolled persons was rejected by the Committee chairperson. (C1.1 and C1.4)

- On December 26, 2008, the MOH Committee initiated another meeting chaired by the First Deputy to the Minister of Health, Hayk Darbinyan and with participation of almost the full list of Committee members including heads of marz HSSDs, and PHCR HSR and OE team leader. The meeting raised several issues related to organization of PHC services and OE implementation such as:
 - Pediatricians and therapists trained as FPs continuing working and being paid as pediatricians and therapists. Mr. Ara Ter-Grigoryan, Head of SHA, suggested requiring heads of PHC facilities pay the trained FPs according to FP rates, which are somewhat higher than rates for pediatricians and therapists. If the suggestion is approved by the MOH, it will be reflected in SHA contracts with PHC facilities.
 - Lack of relevant medical equipment (e.g. ophthalmoscopes) for FPs to provide a certain volume of specialized services. The meeting acknowledged existence of this problem and the need to solve it in order to allow for widening the scope of FP work, particularly in urban polyclinics..
 - Heads of HSSDs were tasked as of December 29, 2008 to provide information on statistical number of total population residing in their communities to allow calculation of the number of enrolled and non-enrolled population. In January 2009, SHA is going to sign contracts with PHC facilities based on OE electronic data, in particular, the number of enrolled population structured by defined age and gender groups. The Deputy Minister also emphasized the importance of expedient adoption of the GOA decree on OE database and IT application. (C1.1 and C1.4)

C2. OE and other selected health information and reporting systems upgraded (1-3)

- PHCR continued supporting establishment of OE vertical reporting system. In particular, PHCR OE team prepared eleven hard copies of the report on electronic (entered) data representing numbers and percentages of population enrollment per marz and per facility, and together with double registration cleaning guide, provided it to the MOH. The MOH then sent these to all Marzpets, together with the accompanying letter from the Minister of Health. To expedite the implementation of OE reporting system, the letter from the Minister also included a request to all Marzpets to undertake measures for intensifying the data entry at the PHC facilities in their marzes. (C.2.1)
- PHCR OE team supported marz and Yerevan city health authorities in collection of OE data in electronic format from all marzes and Yerevan, as of December 01, 2008. The data was entered into the national level database. Updated reports on population enrollment numbers were generated. (C.2.1)

- PHCR IT team designed OE data reports reflecting age and gender groups grouped by facilities and marzes, and reports reflecting age and gender groups further grouped by physicians, FAPs, and cities/villages. Additionally, format and structure of OE reports were edited and finalized based on discussions with SHA and MOH representatives, and the report forms are ready for data generation from the OE database. Designing of OE data report forms that can be accessed by the user through internet browser system will be continued in the next reporting quarter. (C2.1 and C2.2)
- Open enrollment (OE) team participated in a meeting at Gegharkunik marzpetaran, with Deputy Marzpet and all heads of marz PHC facilities to discuss the issues regarding OE implementation in Gegharkunik marz. Issues were discussed case by case, and PHC managers received strict assignment from the Deputy marzpet to improve and speed up the OE data entry process. It is worth noting that following the meeting the pace of OE data entry process noticeably increased.
- PHCR OE team installed OE automated information system in three computers of the Perinatology and Gynecology Institute allowing them to register their enrolled population. In addition, Institute staff and operators were trained in using the OE system.
- PHCR developed regional OE database system user manual, thus completing the set of OE user manuals consisting of manuals for PHC provider level user, regional level user, and national level user.
- PHCR officially transferred the OE software package together with the complete set of user manuals for PHC provider level user, regional level user, and national level user to the MOH.
- Per decision of the Minister of Health, OE national level database including data from all PHC facilities was installed in the server at the MOH and a limited number of selected MOH staff was granted access to the OE reports and data. For that purpose PHCR signed a new transfer agreement with the MOH and transferred the national level database server and the workstation located at the NIH to the MOH. In addition, Mr. Armen Parsadyan, MOH IT person, was appointed by the Minister of Health as Assistant to the Minister of Health for IT who will be responsible for the national level OE database maintenance and operation.
- PHCR, together with MoH and Yerevan Municipality worked towards preparation of piloting e-communication between the MoH, Yerevan Municipality and Yerevan based polyclinics for electronic transfer of OE data. The pilot project was presented by the MoH to Yerevan Municipality and had received preliminary approval. The MoH is envisaging using 2 additional servers requested from USAID for the pilot project which will enable the operation of the network. With PHCR support, the list of specifications for the servers was finalized and USAID approval obtained for the procurement.
- The OE computer equipment initially allocated to Akunk FAP (based on the optimization plan, Akunk FAP should have become an ambulatory, but it did not happen) in Gegharkunik marz was transferred to Vardadzor MA, which is a newly established medical ambulatory in the same marz. (C2.1)
- OE team extracted the lists of double registration cases of individuals and passport numbers for Yerevan city, from the national level OE database, and shared it with Yerevan Health and Social Security Department (HSSD), per their request. (C.2.3)
- PHCR OE team organized a small-scale individual training for Yerevan HSSD operator on the use of the upgraded version of OE regional software application, as Yerevan HSSD operator was absent during the training for OE regional database operators organized by PHCR in the beginning of September. (C.2.3)

C3. Integrated and automated encounter system and OE system developed (includes performance based payment indicators), with implementation to follow adoption of enrollment based financing (1-8).

- For the purpose of development and implementation of ENER (the computerized enrollment and encounter system), the MOH, SHA, and PHCR had a series of meetings to finalize the ENER

implementation schedule based on PHCR's proposed two options for the implementation schedule. According to the schedule agreed to with SHA, in January 2009, PHCR will release the request for proposals for selecting a software development company that will develop ENER software. Earlier PHCR had already announced the upcoming tender to collect letters of interest from potential bidders.

According to the schedule, technical work and training of ENER operators will be completed during 2009. Use of automated ENER system is planned to be launched starting 2010. In addition, the implementation of performance based financing is scheduled during 2010 and the first payment will be made to PHC providers in 2011 based on 2010 achievements on performance indicators.

- PHCR STTA Charlie Burge and PHCR IT Specialist David Khachatryan, together with MOH and SHA, are drafting a TOR for ENER software development, in particular the design of database structure of the encounter reporting part and SHA database structure. For that purpose several meetings were held with Samvel Kharazyan, Head of Department at SHA. (C3.1 and C3.2)

C4. Institutionalization of OE system into GOA/MOH supported (1-4).

- PHCR OE team continued discussions with the MOH on transferring the OE system IT maintenance service to the MOH and PHC facilities. In the past, PHCR was contracting Harmony to provide that service to PHC facilities. However, the PHCR contract with Harmony ended in December 2008 and there is a need to setup sustaining mechanisms that would keep IT maintenance service in place for the OE system without PHCR. The issue was also presented to the Minister of Health. One of the possible temporary solutions discussed was to continue using the services provided by Harmony through a contract with the MoH. Another option is for the PHC providers to directly contract with Harmony for IT maintenance support based on a rate structure centrally negotiated by the MOH or Marzpetarans. In the next reporting quarter PHCR will continue working with the MOH to finalize a solution for the issue. (C4.4)

D. COMPONENT 4: QUALITY OF CARE

D1. State-of-the-art Quality Improvement methodologies in use, including:

- **Train and implement QA tools and procedures approved by the GoA.**
- **Capacity building for QA implementation and institutionalization. (1-9).**

- After intensive day-to-day work with the MOH and regional HSSDs including numerous working meetings and discussions, as well as revisions and fine-tuning, the MOH approved the complete set of PHCR developed QA documents - QA package and Implementation Plan (Minister of Health Order #1661-A, November 18th, 2008), and QA Training Guide and the list of selected QCs (Minister of Health Order #1570-A.) These regulations create an official basis for implementation of QA throughout Armenia, and illustrate MOH acknowledgement of the importance of QA implementation. (D1.1, D2.2).
- In the reporting quarter, PHCR QoC team, in collaboration with marz HSSDs, and the MOH, finalized the list of Quality Coordinators (QCs) from all marzes, and the facilities that they will be assigned to, taking into account a variety of factors such as commuting, to manage and support the implementation of Quality Assurance (QA) initiative throughout Armenia. The list of QCs was approved by Minister of Health Order #1570-A. Currently PHCR is finalizing draft contract template to be used for contracting QCs early next year (see also below.) (D1.2)
- PHCR conducted a large-scale training-of-trainers (TOT) course for 53 QCs divided into three groups from all marzes, and from Yerevan. This training was the first major initiative under Stage 1 of QA implementation in Armenia. The training course provided the QCs with sufficient knowledge and skills to prepare other PHC facility representatives to implement the QA package with its different tools. The course duration was 25 hours (4 days); major topics of the course included:

- Quality in Primary Health Care: overview;
- Implementing Quality Assurance – Role of Quality Improvement Board;
- PHC Quality Indicators;
- Self-Assessment of Quality in PHC facilities;
- Problem solving process: Root Cause Analysis; Fishbone Diagram; Classifying and
- Prioritizing Problems;
- Developing Action Plan for Quality Assurance in PHC Facilities;
- Traditional versus Supportive Supervision;
- Roles/Responsibilities of Quality Coordinators and Effective Communication skills;
- Applying Tools in PHC facilities;
- Preparation for implementation of Stage-1 training of PHC facilities

The comparison of pre- and post-training test results revealed an average increase of participants' knowledge by almost 25 percent (from pre-test 53 percent to post-test 78 percent.)

Importantly, the course was attended by three representatives of Family Medicine Chairs of the National Institute of Health and Yerevan State Medical University, which was aimed at institutionalization of the QA training course into the continuous medical education program thus ensuring its use and sustainability.

After completion of the TOT, the trainees received certificates (signed by MOH First Deputy Minister Hayk Darbinyan and PHCR COP Richard Yoder), QA packages, as well as the book by QA specialist Dr. Avedis Donabedian, who is of Armenian origin, and a brooch with an inscription saying "Quality First."

As the second step under Stage 1 of QA implementation, the 53 QCs will train PHC representatives of approximately 138 larger PHC facilities (those with three or more PHC physicians) in 2009, to introduce and master use of the quality assurance strategy, quality indicators, various QA tools and the overall problem-solving approach at their facility. PHCR QoC team is also developing a reporting form for QCs to be used in PHC representative training, and the third initiative under Stage 1 – supportive visits of QCs to PHC facilities of their assignment. Following the PHC facility trainings the QCs will provide on-going support at facility level: they will conduct supportive visits to PHC facilities to support facility staff to implement QA tools and resolve quality gaps. Later on, when facilities gain adequate experience of routine use of QA tools and techniques, QCs will provide technical assistance in monitoring and evaluation of QA progress in the facilities. (D1.2 and D2.3)

- PHCR provided input to a study conducted by the WHO/Armenia in collaboration with the MOH, on PHC QoC assurance system in Armenia at three levels: PHC provider level, facility manager level, and national level. PHCR FM Team Leader completed the study questionnaire designed for national level study and submitted to the MOH. After analyzing the study data the WHO/Armenia is planning to organize a stakeholder meeting. (D1.9)
- PHCR FM Team Leader and QoC Advisor had a meeting with NOVA QA team – Gohar Panajyan and Karine Bagdasarova. PHCR learned about and discussed the summarized results of NOVA's QA activities in five target hospitals, and provided an update on the recent developments of PHCR QA program. (D1.9).

D2. Institutionalization of QA into GOA/MOH supported (1-4).

- *For D2.2 and D2.3 please see under D1.*

D3. Client satisfaction with quality of care monitored (1-2).

- PHCR M&E team finalized the report on Zone 1 follow-up Client Satisfaction Survey and passed it for review of PHCR M&E consultants. (D3)

- PHCR M&E team completed the report on baseline Zone 3-1 Client Satisfaction Survey. (D3)

E. COMPONENT 5: HEALTHCARE FINANCE.

E1. NHA data collected, analyzed and reports developed with PHCR assistance (1-4).

- HF Team provided support to the NHA WG in compilation of data on 2007 health expenditures of international donors, humanitarian aid and benevolent programs as well as in registration of these activities into the PHCR developed NHA accounting system, which is based on AS-Accountant commercial software product. Incorporated expenditures data were transferred into the NHA matrices under the “Rest of the World” category. In addition, PHCR HF team assisted NHA WG with application of PHCR-developed NHA methodology also in accounting of state expenditures data.

Per request of the head of WB Health Program Implementation Unit (HPIU) Sergey Khachatryan, PHCR made a presentation on the project-developed (i) NHA accounting system as an alternative methodology to existing approaches of NHA development, and (ii) Model for NHA trends analysis (programmed in MS Excel based Visual Basic for applications.) The Head of HPIU praised the work that has been accomplished and found it important to present the developed methodology to the International experts supporting countries in development of their NHAs.

HF team updated questionnaires for 2008 Household Health Expenditures Survey and Survey of Healthcare Facilities’ Expenditures, to be conducted by the HPIU in 2009. (E1.1)

- In preparation for building SHA capacity in maintaining and application of PHCR developed NHA accounting system, the Project sent a letter to the Head of SHA to recommend persons to undergo the planned training on the use of “AS-accountant” software. Samvel Kharazyan, Head of Service Procurement and Information Department, and Arsen Davtyan, Head of Economic and Financial Flow Management Department at the SHA were assigned. The training is planned to start in March, 2009. (E1.3)
- PHCR continued producing and publishing selected reports, studies, and guides for public consumption. In November, 2008, PHCR published a study on “How Great is the Burden of Household Health Expenditure in Armenia”. By this study, PHCR supported the MOH in revealing the extent to which the goal of financial accessibility to healthcare services is being met in Armenia, where the gaps are, and options for reducing the gaps. The paper also provides estimates on households’ catastrophic health expenditures, and raises questions that should be addressed by the Government when planning for health care funding in the long run. The study’s primary authors are Professor Frank Feeley of Boston University, Dr. Lusine Aydinyan, PHCR HF Team Leader, Kelly McCoy of Boston University, and Garnik Harutyunyan, PHCR HF Specialist. Other PHCR team members also contributed to the publication. To produce the study, PHCR collaborated with NHA WG, as well as NSS of Armenia. The study was published in Armenian and English (100 and 200 copies respectively), and distributed to PHCR counterparts, stakeholders, and international organizations. The study is also available on the PHCR web site (www.phcr.am).

E2. Institutionalization of National Health Accounts by GOA/MOH/SHA supported (1-4).

- PHCR local STTA, Saro Tsaturyan, is finalizing a report focusing on costs of institutionalizing selected PHCR activities into the Government of RA, including institutionalization of NHA. (E2.1-4, also see under A7.1)

E3. Cost and prices of services are determined

Planned to begin in July 2009.

E4. Performance based payment (PBP) system established (1-3)

- In order to learn from international experiences in implementing performance-based financing systems, PHCR provided technical support to the USAID Human and Institutional Capacity Development Project (HICD) implemented by AED, in developing and organizing a study tour to the UK's National Health Service (NHS) for representatives of MOH/GOA stakeholder agencies, on November 10-14, 2008. The study tour group was hosted by RIPA International, which was competitively selected by HICD to host and manage the study tour. Participants included Ara Ter-Grigoryan, Head of MOH State Health Agency (SHA), Samvel Kharazyan, Head of SHA Health Services Procurement and Information Department, Ruzanna Yuzbashyan, Head of MOH PHC Department, Armen Karapetyan, Head of MOH Economic and Accounting Department, Armen Soghoian, Head of Yerevan Health and Social Security Department, Naira Davtyan, Senior Healthcare Specialist of Ministry of Finance Budget Planning and Fund Flow Department, as well as USAID Health Team Leader Kimberly Waller, and PHCR team including COP Richard Yoder, DCOP John Vartanian, Healthcare Finance Team Leader Lusine Aydinyan, and Quality of Care Advisor Murad Kirakosyan.

The main objectives of the study tour were to become acquainted with UK NHS structure and functions. This included primary care trusts (PCTs); contracting system; quality and outcome framework (QOF), scaling procedures and link with finance; general practice (GP) remuneration system, GP performance inspection and regulation approaches; QOF Monitoring and Evaluation; IT system; as well as to gain insight on implementation steps, evaluation results, challenges and system risks; data collection, processing and analysis. During the study tour the group visited several organizations such as Department of Health, British Medical Association, Healthcare Commission, National Institute for Health and Clinical Excellence (NICE), regional PCT, and also a high-profile GP. Results of the study tour observations and lessons learned were summarized and the group came up with a list of possible activities to be considered for application to Armenia. Examples include the following:

- development of a vision/model for what Armenia's health system may look like over long run (10-20 years);
- revision of quality indicators to reflect inputs/processes to the outcomes, rather than only outcomes;
- refining of PBP approaches such as frequency of payment bonuses, verification of data;
- building capacity of Marz Health Departments to facilitate bottom-up program planning, budgeting, and monitoring – from facility to marz to national level;
- more flexible contracting and financing mechanisms taking into account local conditions and needs;
- identification/development of national bodies for setting clinical standards, establishing evidence based treatment guidelines, regulation, auditing, etc.

Following the trip, PHCR, together with USAID Health Team, held two roundtables on observations and lessons learned with participation of Government representatives (MOH, Yerevan Municipality Health Department), donor agencies, donor projects, and NGOs such as World Vision. (E4.1 and E4.2)

- HF Team had a discussion with the MOH Immunization Program Coordinator, Gayane Sahakyan, on immunization indicators and their targets. An agreement was reached to link with financing the indicator on “full immunization coverage among child population at 24 month of age”, since the performance on the second indicator reported by the MOH/Sanitary and Epidemiological Inspection (“full immunization coverage among child population at 12 month of age”) is rather high (90 percent).
- PHCR updated the work plan for SHA/MOH implementation of the integrated/computerized Enrollment and Encounter system, and the performance based payment system, and sent to stakeholders from MOH/SHA for final agreement. The plan includes the detailed activities,

implementation timeline, and responsible agencies carrying out the activity. The work plan is built around three milestones:

- During 2009, develop computerized system, including testing and training;
- In January 2010, begin collecting data and using computerized system;
- In January 2011, begin performance based payment incentive system with the first payment made in March/April 2011 based on 2010 data. (E4.2)

E5. PHC facility reporting system streamlined (1-2)

- HF team studied the medical ambulatory card (for adults and for children) structure and content to consider the findings in the development of encounter flow paths. On October 15, 2008, PHCR HF, OE, and FM teams, PHCR STTA Charlie Burge, and Samvel Kharazyan, representative of SHA, held a meeting to discuss issues related to encounter information flow. The Encounter information flow chart was developed, agreed among parties, and incorporated into the guide for filling out the Encounter form.

HF Team refined the Encounter form and its annexes related to the PHC services, diseases classification and purpose of the contact with the health services (ICD-10). Pre-test of the Encounter form, its annexes and the guide for filling out the Encounter form was performed in a sample of PHC facilities selected by the PHC Reporting Streamlining Working Group (PHCRS WG) on the basis of criteria - such as a former ASTP project pilot site, rural ambulatory, urban pediatric and adult polyclinics. The list of facilities, which voluntarily agreed to participate in the pre-test, is the following:

- Vanadzor PC#4 (Lori Marz);
- Jrashen MA (Lori Marz);
- Haytagh MA (Armavir Marz);
- Armenia Medical Center (Yerevan);
- Yerevan PC#15.

Nineteen assigned physicians from the selected facilities were requested to complete Encounter forms for all medical cases during the period of November 10-28, 2008, as well as to develop a list of issues, comments, and recommendations, and encountered obstacles. Therapists, pediatricians, and family physicians from the sample facilities underwent short training by the PHCR HF Team on filling out the Encounter form and its annexes. In addition, HF Team provided follow up consultations by phone or visiting individual physicians.

PHCR HF Team reviewed 387 completed Encounter forms, analyzed pre-test results (*report is available*) and made a presentation at the PHCRS WG meeting held on December 22, 2008. With the support of PHCR, PHCRS WG, at the subsequent meeting held on December 26, 2008, refined the Encounter form and its annexes, based on the test results.

With the purpose of estimating (i) the number of Encounter forms to be filled at different activity levels, and (ii) the number of Encounter forms to be filled for the visit vs. for the complete case, HF Team performed additional analysis of the Encounter forms obtained from the pilot sites, as well as requested statistical information (number of visits differentiated per type of the visit) from PHC facilities. The results showed that (i) one time visits are more frequent at the ambulatory level; for this reason the average number of visits occurring for a single case at the ambulatory level is 2 as compared to 2.5 in the case of polyclinics; (ii) if the Encounter form is filled out for each case instead of every visit the workload related to filling out the form will be reduced by 20 percent in case of ambulatories, and by 40 percent in case of large polyclinics. PHC Streamlining WG conclusion is to apply “case/encounter” approach that will:

- reduce the burden of data collection at the PHC facility;
- assess appropriateness of provided services within the treatment of a case;
- assess physician’s service/drug prescribing practices that can be used for standards development;
- define the volume of health care services and make cost projections.

In addition, this approach at the PHC facility level will contribute to better patient management resulting in strengthening of physicians' responsibility to provide follow up care to patients, since they need to report on the output of the case (what was observed in the pretest).

In case of chronic conditions, required ongoing care, the WG decided to include in the guide for filling out the Encounter form more fully articulated instructions and examples on how multiple visits are need to be merged into a case and reported. More emphasis will be placed on that matter also in the planned trainings on use of the Encounter form. (E5.1 and E5.2)

E6. Financial management systems and computer equipment are in place at targeted facilities.

Completed

- PHCR implemented automated accounting system in 7 PHCR target facilities of Zone 3 Stage 1 (Ararat, Armavir, Aragatsotn). These included VKF Banavan, Taperakan MA (Ararat marz), Tsaghkahovit MC, Voskevaz MA, Karbi MA (Aragatsotn marz), and Vagharshapat PC, Shahumyan MA (Armavir marz), and were selected based on predefined criteria. The list of the PHC facilities was agreed with the Marz Health Departments. Chief accountants from these facilities underwent PHCR organized 40-hour training on "Financial Accounting and Cost Accounting", and 22-hour training on the use of "AS Accountant" software package. Facilities were provided with computer equipment, the accounting software package and the guide for using the automated accounting system.

In addition, PHCR HF Team performs on-going monitoring of 40 PHC facilities, where the automated accounting system is implemented to evaluate the extent to which automated accounting system features are utilized and how the system is maintained. (E6.1)

E7. Facility staff trained in sound management, financial accounting and governance practices (1-3).

Completed

- From September 16 to November 4, 2008, PHCR conducted a training course on "Financial accounting and Cost accounting" for four groups of accountants from nearly all PHC facilities of Armavir, Aragatsotn and Ararat regions, as well as specialists from Aragatsotn regional Health and Social Security Department (HSSD), totaling 108 participants. Participants of the training received a set of specialized accounting literature consisting of three-volume Accounting Manual, and book on Accounting System of Armenia. In addition they were provided with a set of handouts including the PHCR-developed PHC Facility Accounting Policy, PHC Chart of Accounts, and the Guide on Typical PHC Accounting Transactions. In addition, after the trainings were completed, PHCR provided the training participants (through TM Audit) with one month of free consultation on accounting issues. The training participants have actively used this opportunity.

At the end of the training sessions PHCR conducted trainees' pre- and post- knowledge assessment. Results revealed an increase in trainee knowledge of an average of 44 percent. Participants of the training also completed training program evaluation questionnaires and provided their feedback on organization and delivery of the training course. The overwhelming majority of the participants evaluated the training as excellent, particularly in terms of the learning/training methodology used and qualification of trainers. After completion of the training course the trainees were awarded with certificates. The decision to train accountants of all PHC facilities was based on written requests from regional authorities, which reflects the attitude towards the quality of PHCR-organized training courses. Since 2006, PHCR has already trained 222 accountants and HSSD representatives of Lori, Shirak, Kotayk, Gegharkunik, Tavush, Armavir, Aragatsotn and Ararat regions, and Yerevan. In 2009 and 2010, PHCR will continue activities aimed at strengthening financial management systems in PHC facilities of Syunik and Vayots Dzor marzes. (E7.2)

E8. Management support to Independent Family Medicine Practices is provided (1-2).

- PHCR HF team continued supporting potential founders of independent FM practices. The team provided consultancy to, and developed a financial plan for, a group of Noyemberyan Polyclinic PHC physicians (the founder is one of the family physicians - Narine Hovhanessyan), who would like to establish a group practice. The plan was further updated based on factual PHC data.

PHCR HF Team provided technical assistance to two family physicians in their initiative to create independent practices by assisting in the practice registration procedure and by drafting an IFMP Establishment Contract for them.

The Minister of Health approved the application for establishment of an IFMP by the potential founder Sona Torozyan (Jrvej 5 Medical Unit). Ms. Torozyan expressed her gratitude to PHCR HF and FM teams for support; PHCR had provided consultancy and developed a financial plan for this potential IFMP. (E8.1 and B8.1)

E9. Assessed readiness of GoA (MoH) to move towards new health insurance schemes (1).

Completed

- PHCR STTA Rich Feeley conducted a thorough review of available reports on health insurance in Armenia (WHO 2006 report on Options for Voluntary Health Insurance in Armenia; WB/HPIU 2005 Concept Paper on Development of Voluntary Health Insurance in RA), met with key stakeholders, and assessed readiness of GoA to move towards new health insurance schemes (Trip Report is available.) The Consultant suggested to first conduct an “equity and affordability analysis” based on the planned 2008 households’ health expenditure survey during Year 04 of the project. If this analysis shows no major improvement in 2006 measures of affordability, if decision makers agree that there is an “affordability gap”, and GOA officials agreed that mandatory or social health insurance could be considered to fill the gap, then it would make sense for PHCR to offer support towards another insurance study in Year 05.

F. COMPONENT 6: PUBLIC EDUCATION

F1. Baseline established to measure impact of public education interventions (1-2).

- The report on KAP survey in Zone 1 was finalized and is under review by PHCR M&E consultants (F1).
- The report on KAP survey in Zone 3 (baseline data) is nearing completion (F1).

F2. Health-literacy and health-seeking behavior is improved (1-9).

- PHCR PE team conducted an NGO midterm workshop devoted to their community mobilization (CM) activity midterm reports. Eleven representatives from 10 NGOs reported on their CM activities in 50 communities of Armavir, Ararat and Aragatsotn marzes.
- From October 6, 2008, PHCR PE team started monitoring and final evaluation of Community Health Committee (CHC) capacity building trainings in PHCR target communities of Aragatsotn, Armavir and Ararat marzes. For the purpose of final evaluation, PHCR PE team developed the trip schedule and guidelines for conducting focus group discussions in the communities. The final evaluation and awarding of certificates was conducted in 50 communities of Aragatsotn, Armavir and Ararat marzes during the period of November 14 through November 27, 2008. NGOs submitted their final reports to PHCR by the end of November, 2008.

- On December 9, 2008, PE team conducted a round table discussion of CHC trainings. Eleven representatives from 10 NGOs and a representative from the MoH participated in the roundtable. NGOs shared their experience and lessons learned. On December 18, 2008, PHCR completed Zone 3-1, Stage 1 small grants program. (F2.1)
- PHCR developed and published 200 copies of PHCR Calendar 2009 and distributed to healthcare stakeholders and PHCR counterparts. For 2009, smoking cessation, particularly as it affects children and infants, was chosen as a priority topic for the Calendar. PHCR PE team led the development process, and finalized the design and the message, which says: “Let’s protect our children’s right to live in an environment free of cigarette hazard.” The Calendar also has a no-smoking sign on the back of each page, which will help promote a non-smoking environment wherever the Calendar is placed. (F2.3 and F2.5)
- PHCR completed Zone 2 CHC health training pre- and post-test questionnaire data entry, and started data analysis. The analysis is scheduled to be completed by March 2009. The analysis report will help PHCR measure the CHC training effectiveness and refine, if needed, health training modules before Zone 3-1 Stage 2 CHC training. (input to F2.4)
- In the scope of PHCR work plan activity to promote MCH through developing a series of activities (modules, leaflets, etc) related to second hand smoking, PHCR PE team started development of a new training module on second hand smoking that will be included in CHC health training manual. For that purpose the team studied related activities of other donor organizations. In particular, PE team had a meeting with representatives of Children of Armenia Fund (COAF), and studied existing public health print materials (leaflets, brochures) with the main focus on second hand smoking. Development of the training module on second hand smoking is planned to be completed by March 2009. (F2.5)
- On October 30-31, 2008, at the request of IREX Armenia, PHCR PE team conducted an interactive training course for 15 journalists from different regions of Armenia on Safe Sexual Behavior. The training was based on PHCR developed “Safe Sexual Behavior” training module for Community Health Committee training, which was adapted for specific needs of journalists. During the training PHCR Health Training Advisor answered specialized medical questions of journalists. After completion of the training course PHCR received requests for further cooperation and similar training courses in the future. (F2.9)

F3. Knowledge, attitudes and practices of population improved on OE and other relevant PHC initiatives (1-3)

Scheduled to begin next quarter.

F4. Public is aware of the service packages which are provided in primary care (1-2)

- PHCR PE team worked closely with Ruslana Gevorgyan, Press Secretary to the Minister of Health, to identify area of further cooperation with the MoH, in particular referring to health related TV programs sponsored by the MOH. An initial agreement was reached that the topics to be covered in the period of November 2008 through May 2009 by TV channels in the programs sponsored by the MOH will include:
 - PHC reforms and services;
 - Mother and Child Care;
 - Tuberculosis prevention;
 - Diabetes prevention;
 - Smoking cessation;
 - Safe Sexual Behavior.

In this respect, in November 2008, PE team provided technical support for development of MoH sponsored TV program on Diabetes prevention and management, devoted to Diabetes International Day. PHCR Health Education Specialist Susanna Mkrtchyan, as a guest of the program, covered CHC health training activities implemented in PHCR target communities through selected NGOs,

and presented the content of Diabetes leaflet developed in collaboration with the MoH. Throughout the production process, PHCR PE team worked closely with Ruslana Gevorgyan, and Shushan Hunanyan, PR Assistant, MoH. The program was broadcast 5 times on Ar TV and Kentron TV channels. (F4.2)

F5. Journalists are trained and deliver media in healthcare reform issues (1-2).

- PHCR PE team organized Press events devoted to completion of FN/CN training by 100 Zone 2 FAP nurses. The events took place on October 16 at the NIH (for Kotayk marz nurses), on October 22, at Martuni Medical College (for Gegharkunik marz nurses), and on October 31, at Ijevan Mother and Child Health Center (for Tavush marz nurses.) The team delivered power point presentations and handouts to journalists. The invited journalists interviewed Susanna Onanyan, PHCR FM Nursing Advisor, PHCR; Samvel Hovhannisyan, Head of FM department, NIH and two community nurses from each marz. Based on the footage, TV programs were developed by Kotayk marzpetaran media department, Gegharkunik marz local “Zangak” TV, and a local TV channel of Tavush marz. The programs were then broadcasted through the local media channels. (F5.2)

F6. Grants to NGOs result in community health action and primary care initiatives (1-2).

Scheduled to begin next quarter.

F7. Grants to NGOs result in community health action and primary care initiatives (1-4).

- In the scope of PHCR activities to institutionalize PE initiatives into GOA/MOH, PHCR PE team had series of discussions with MOH representatives (Ruslana Gevorgyan, Press Secretary, Ruzanna Yuzbashyan, Head of PHC Department, and Shushan Hunanyan, PR Assistant).. Subsequently, a general understanding was reached on the scope of work for PHCR technical assistance to develop generic methods and guidelines for designing and implementing national and local public health education activities, as well as building capacity of selected MOH staff who will lead MOH public health and outreach activities after PHCR project ends. (F7.1 and F7.3)