

Better Health Systems Strategies that Work

Exploring the impact of Health Systems 20/20 worldwide

Institutionalizing National Health Accounts Pays Off

TRACKING RESOURCES FOR HEALTH

As health systems grow in complexity, so does health financing, and policymakers need reliable resource tracking tools to ensure that finite health funds go to where they are needed most. Increasingly, low- and middle-income governments use National Health Accounts (NHA) to understand their country's health spending – where the money comes from, who decides how it is spent, and where and what types of health services are being purchased.

The NHA methodology captures past health spending by the country's public sector, private sector (firms, insurance companies, households, nonprofit organizations), and international partners (NGOs and donors). It also tracks the flow of funds from one part of the health system to another over a defined period of time, usually one year. NHA summarizes that information in tables that showcase different flows, for example, from health care providers to specific services and products delivered. In addition, NHA subaccounts track spending within priority areas, such as HIV/AIDS and malaria.

Although the NHA methodology has been used since the 1990s in developing countries, its “institutionalization” – making NHA a routine and active component of a country's health system, and using NHA findings – is still constrained by country technical capacity and ownership (World Bank 2010). As a result, NHA institutionalization is a priority for many developing country governments as well as USAID, the World Bank, and other partners. It has been an ongoing goal for Health Systems 20/20 in our collaboration with more than a dozen countries on 19 NHA estimations.



“ Now that we have disseminated the DRC's first NHA report, partners and stakeholders in the health sector are beginning to see the value of the NHA results. They appreciated the level of detail on health spending related to specific health accounts, such as child health, reproductive health, and HIV/AIDS.”

Gérard Eloko, Director of the National Health Accounts Program,
Ministry of Health, Democratic Republic of Congo.

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WHAT DOES INSTITUTIONALIZATION ENTAIL?

The complexity of the traditional NHA methodology in terms of data collection, documentation, analysis, and presentation demands technical expertise to ensure the reliability of a single year's findings and the comparability of findings over multiple years. This complexity makes many low-income countries reliant on foreign technical assistance and financing to do NHA estimations.

To boost ownership of the NHA, Health Systems 20/20 has worked with countries to facilitate both the production and use of NHA data by: building capacity at regional institutions to conduct NHA; promoting the inclusion of household expenditure questions into major household surveys; and supporting countries to integrate resource tracking into existing health information systems and processes.

In addition, Health Systems 20/20 supports countries to establish NHA "institutional homes" within the appropriate ministry, encourages countries to dedicate a portion of the national budget to fund NHA estimations, trains and supports NHA technical teams, and incorporates a health financing and resource tracking curricula into university graduate programs. Institutionalization should also include being able to present NHA findings in ways that policymakers can readily understand and use to make wise health care spending decisions. Our NHA Production Tool streamlines and simplifies the estimation process.

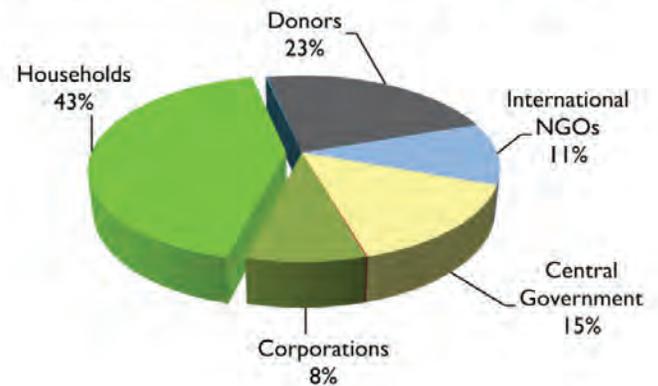
THREE DIFFERENT PHASES OF INSTITUTIONALIZATION

The **Democratic Republic of Congo** recently released the results of its first NHA estimation. Health Systems 20/20 partnered with the Ministry of Health to conduct this first NHA, an important first step in the institutionalization process. The exposure to the NHA methodology combined with the production of useful data foster both ownership and demand for this tool. In this instance, the results show that the greatest portion of health spending comes from household out-of-pocket expenditures (Figure 1). DRC's per capita GDP is only \$104 (World Bank 2011). Further, total Health Expenditure (THE) per capita is essentially US\$13 each year, which is far less than one WHO estimate of US\$38 per capita per year to provide a very basic package of essential health services.

"The data of health spending in 2008 and 2009 send a clear message to the government and other stakeholders to substantially increase their contribution to the health sector to improve the health of the population and reduce the financial burden borne by households," says Mr. Gérard Eloko, Director of the National Health Accounts Program.

Kenya has produced four NHAs, with Health Systems 20/20 supporting the 2005/06 and 2009/10 estimations. These multiple rounds allow for important comparisons of health financing over time. The most recent findings, released in November 2011, show that the health sector continues to be predominantly financed by private sector sources, including households.

FIGURE 1: HEALTH FINANCING SOURCES IN DRC, 2008



The increasing level of stakeholder buy-in and demand for NHA results highlight the importance of including relevant health program managers in the NHA process when there are subaccounts. Managers understand their specific programs and can assist in communicating their needs to policymakers. For instance, with program managers' input, the 65-page 2009/10 NHA final report was distilled into four brochure-style policy briefs that highlight specific recommendations for improving maternal and child health, repositioning family planning, raising public commitment to the health sector, and eliminating barriers to tuberculosis services.

To build capacity for sustained NHA production and use, Health Systems 20/20 worked with the University of Nairobi in 2011 to design a course on resource tracking. This course has expanded into a Master of Health Economics program, which will begin in May 2012. After placing an advertisement in the *Daily Nation* newspaper, the university received 30 applications to the program during the first two weeks of registration. The Ministry of Health's Department of Planning views this program as a first step toward its long-term vision of subcontracting the NHA production process to the university.

In Asia, Health Systems 20/20 partnered with Vietnam's Ministry of Health and the **Vietnam** Administration for HIV/AIDS Control (VAAC) to pilot the harmonization of NHA and the HIV/AIDS Program Sustainability Analysis Tool (HAPSAT) in 2010-2011. In contrast to NHA's retrospective orientation, a HAPSAT identifies future financial and human resource needs to implement a national HIV strategy. This pilot project demonstrated benefits in terms of data collection efficiency, added analytical depth, and increased opportunities for stakeholder collaboration.

By estimating the financial resources available and those required to scale up the VAAC's HIV prevention service targets, the joint analysis revealed a gap between anticipated available funding and projected costs, beginning in 2011 and growing through 2015. VAAC used the findings to inform the new national HIV strategy, outlining several approaches to reduce this gap, such as gradually increasing domestic financing of the HIV program, expanding the national health insurance package to cover HIV/AIDS (with a target of 80 percent of ART being covered by insurance by 2020), and increasing the role for the private sector in HIV service provision.

Owning – and Using – the Data

“Through the use of the **NHA Production Tool** we will be able to easily analyze and interpret data on health spending in general as well as for specific areas, such as reproductive health, HIV/AIDS, and other diseases,” explains Gérard Eloko, Director of National Health Accounts, Ministry of Health, Health Systems 20/20's partner in the DRC.

Health Systems 20/20 developed the NHA Production Tool, desktop software that provides step-by-step directions to guide country teams through an NHA estimation by streamlining data collection and analysis as well as simplifying data management and visualization. It significantly reduces the time, cost, and external assistance needed to produce NHA.

“With the current method, we have to spend a lot of time manipulating the data in Excel, but with the Production Tool, once the analysis is completed, the final tables are automatically generated. The tool will also allow us to more easily check for errors and validate data with stakeholders. This tool no doubt will be very essential, very useful for us in the Democratic Republic of Congo.”



GLOBAL DRIVERS FOR INSTITUTIONALIZATION

Strengthening resource tracking systems calls for efforts at both the national and global levels to put in place the necessary systems to ensure health expenditure data are readily accessible and widely used. Countries will increasingly look for ways to integrate data collection into existing HIS while regional and global institutions will work toward strengthening south-south sharing of data and technical expertise. This will require broad, and collaborative, participation from the main types of stakeholder groups – political stakeholders (policymakers, coordinating bodies) to drive the process and technical stakeholders (technical experts and institutions) to implement it. At this time of global economic uncertainty, health systems need to improve their efficiency to provide more services with fewer resources. By institutionalizing NHA, owning the results, and acting on them, governments can make smart decisions to improve the health outcomes in their countries.



Looking Ahead

In more than 50 countries, Health Systems 20/20 has partnered with governments and local organizations to build better health systems. We recognize that each country's story is unique. Our staff combines expertise and flexibility to craft solutions that strengthen individual health systems and eliminate barriers to the use of priority health services, such as for HIV/AIDS, tuberculosis, reproductive health, and maternal and child health care.

Strengthening health systems is a process, not an outcome. Since 2006, Health Systems 20/20 has worked hand-in-hand with our partners to cultivate and grow the next generation of health leaders in their countries. While each country will progress at its own pace, depending on its health care needs, resources, and leadership, our goal remains the same everywhere – healthier men, women, and children.

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About the Better Health Systems: Strategies that Work Series

The Better Health Systems briefs explore Health System's 20/20 strategies and tools, why they work, and how they contribute to better health systems. Collectively, the series will distill valuable lessons learned in an effort to share the project's wisdom with our partners and colleagues. For more information, please visit www.healthsystems2020.org.

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About Health Systems 20/20

Health Systems 20/20 is USAID's flagship project for strengthening health systems worldwide. By supporting countries to improve their health financing, governance, operations, and institutional capacities, Health Systems 20/20 helps eliminate barriers to the delivery and use of priority health care, such as HIV/AIDS services, tuberculosis treatment, reproductive health services, and maternal and child health care.

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