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HEALTH SYSTEM STRENGTHENING COMPONENT: QUARTERLY REPORT JULY-SEPTEMBER 2014

November 2014

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WARNING

The authors' views expressed in this publication do not necessarily reflect the view of the United States Agency for International Development (USAID) or the United States Government.

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ACRONYMS

AAP	Annual Action Plan
ACA	Association Conseil pour l'Action
AIDS	Acquired Immuno-Deficiency Syndrome
ARD	<i>Agence Régionale de Développement</i> / Regional Development Agency
AWP	Annual Work Plan
BAP	<i>Bureau d'Appui au Projet</i> / Project Support Office
BTC	Belgian Technical Cooperation
CACMU	<i>Cellule d'Appui à la Couverture Maladie Universelle</i> / Support bureau for Universal Health Coverage
CBO	Community-Based Organization
CDD	<i>Comité Départemental de Développement</i> / Departmental Committee for Development
CDS	<i>Comité départemental de suivi</i> / Departmental Monitoring Committee
CIM	<i>Comité d'Initiative Mutualiste</i> / MHO action committee
CONSAS	National consultations on healthcare and social action
COP	Chief of Party
CRDH	Centre de Recherche pour le Développement Humain
CRS	<i>Comité régional de suivi</i> / Regional monitoring committee
CTGP	<i>Comité Technique de Gestion du Projet</i> / Project Management Technical Committee
CTO	<i>Comité Technique Opérationnel du Comité Départemental de Suivi</i> / Operational technical group of the Departmental Monitoring Committee
DAGE	Department of General Administration and Equipment
DF	Direct financing
FG	Guarantee Fund
DHMT	District Health Management Team
DLSI	<i>Division de la Lutte contre le SIDA</i> / AIDS Control Division
DMO	Chief District Medical Officer
DPPD	Multi-year Expenditure Programming Document
DPRS	Department of Planning, Research and Statistics
DSRSE	<i>Direction de la Santé de Reproduction et de la Santé de l'Enfant</i> / Department of Reproductive Health and Child Health
EIPS	<i>Equipe d'Initiative de Politiques de Santé</i> / Health Policy Initiatives Group
FHI	Family Health International
FNSS	<i>Fonds National de la Solidarité dans la Santé</i> / National Solidarity Fund for Healthcare
FY	Fiscal Year
H2S	Health System Strengthening Component
ICP	<i>Infirmier Chef de Poste</i> / Chief nursing officer at health post
ISSA	Innovations et Systèmes de Santé en Afrique
JPR	Joint Portfolio Review
MEF	Ministry of Economy and Finance
MHO	Mutual Health Organization
MIS	Management Information System
MNCH	Maternal, Newborn and Child Health
MOH	Ministry of Health and Social Action
MTEF	Medium Term Expenditure Framework
NGO	Non-Governmental Organization
ONAMS	<i>Office national de la mutualité sociale</i> / National agency for social insurance

ORCAP	<i>Outil de Renforcement des Capacités par l'Auto-évaluation Participatives / Capacity development tool through self-assessment</i>
PBF	Performance-based financing
PLWHA	Person Living With HIV/AIDS
PNA	<i>Pharmacie Nationale d'Approvisionnement / National medical store</i>
PNDS	<i>Programme National de Développement Sanitaire / National Health Development Program</i>
PNFBR	National Program on Performance-Based Financing
RH	Reproductive Health
RHMT	Regional Health Management Team
RMO	Chief Regional Medical Officer
SDP	Service Delivery Point
SRAS	<i>Service régional de l'Action Sociale / Regional bureau for social action</i>
TFP	Technical and Financial Partner
UEMOA	<i>Union Economique et Monétaire Ouest Africaine / West African Economic and Monetary Union</i>
URMS	<i>Union Régionale des Mutuelles de Santé / Regional federation of mutual health organizations</i>
USAID	United States Agency for International Development
WHO	World Health Organization

1 PROJECT OVERVIEW

1.1 SUMMARY

Component name:	Health System Strengthening (HSS)
Project start date and end date:	October 1, 2011 – September 30, 2016
Name of Implementing Partner:	Abt Associates Inc.
Cooperative Agreement number:	AID-685-A-11-00002
Name of AOR:	Babacar Lo
Name of Subcontractors or Consortium members:	Groupe Innovations et Systèmes de Santé en Afrique (Group ISSA) – Association Conseil pour l’Action (ACA) – Centre de Recherche pour le Développement Humain (CRDH) – Family Health International (FHI360) – PATH – Broad Branch Associates
Geographic coverage (per region)	Kolda - Sédiou - Ziguinchor -Louga - Thiès - Diourbel - Kaolack - Kaffrine - Fatick - Dakar (Departments of Pikine and Rufisque only)
Reporting period:	July-September 2014

1.2 PROJECT DESCRIPTION/INTRODUCTION

The Health System Strengthening (H2S) Component is one of five assistance instruments of USAID/Senegal’s 2011-2016 Health Program. The development objective of the Program is an “improved health status of the Senegalese population” and is to be reached through three intermediate results (IR): “Increased use of an integrated package of quality health services” (IR 1); “Improved health seeking and healthy behaviors” (IR 2); and “Improved performance of the health system” (IR 3). The Health System Strengthening Component contributes to achieving these intermediate results in collaboration with four other components of USAID/Senegal’s Health Program: (i) health services improvement, (ii) HIV/AIDS and Tuberculosis, (iii) community health, and (iv) health communication and promotion.

The main objective of the H2S Component is to improve the performance of the decentralized (regional and district levels) public health system supported by effective and efficient policies, planning and budgeting at the central level of the Ministry of Health. The H2S Component will contribute specifically to the realization of Intermediate Result 3 through “an improved management of district and regional health teams” (IR 3.1) and an “improved health system performance through development and implementation of national level policies” (IR 3.2).

The H2S Component is divided into four sub-components focusing on key areas for improving health system performance. The “Management and health systems at regional and district levels” sub-component will contribute to improving the effectiveness and quality of healthcare service delivery through improved health governance at the local level, enhanced capacities of regional and health district management teams, and motivation of staff working at health huts, posts and centers to extend the reach of priority healthcare services supported by performance-based financing (PBF) mechanisms. The “Social financing mechanisms” sub-component will focus on improving access to healthcare for populations in general and vulnerable groups in particular, by reducing financial barriers to healthcare and expanding health coverage through mutual health insurance schemes and the support of government authorities. Finally, sustainable improvements in health

system performance will be ensured with the creation of an enabling environment to support policy development, enhanced resource allocation for the sector, synergy and alignment of interventions with PNDS 2009-2018 priorities through the sub-components “Policies and reforms” and “Coordination of the Health Program”.

The Component intervenes at different levels of the health system. The sub-component “Policies and reforms” focuses on policy dialogue at the central level. The sub-components “Management and health systems at the regional and district levels” and “Social financing mechanisms” intervene at the central, technical and operational levels and activities are conducted in the regions of Dakar (departments of Pikine and Rufisque only), Diourbel, Fatick, Kaffrine, Kaolack, Kolda, Louga, Sédhiou, Thiès and Ziguinchor. The sub-component “Coordination” intervenes at the level of the USAID Health Program.

USAID/Senegal signed a cooperative agreement with Abt Associates to serve as implementing agency of the H2S Component. Abt Associates put up a multi-disciplinary team of Senegalese experts, Senegalese organizations and international sub-contractors with longstanding and valuable experience to implement the H2S Component. In addition to Abt Associates, the H2S team comprises *Groupe Innovations et Systèmes de Santé en Afrique* (Group ISSA), *Association Conseil pour l'Action* (ACA), *Centre de Recherche pour le Développement Humain* (CRDH), Family Health International (FHI), PATH and Broad Branch Associates.

The annual action plan for Year 3 of the H2S Component (October 2013 to September 2014) was developed with a view to seizing opportunities offered by recent policy changes in the health sector environment to improve health system performance by focusing on the practical application of planning, implementation, management and financing instruments developed during the first two years. This report includes seven chapters: a project overview, achievements of the fourth quarter, cross-cutting issues (gender, compliance with environmental regulations and FP legislation), collaboration and participation of stakeholders, lessons learned, key activities planned for the next quarter, and project management and administration.

The Component’s updated table of indicators and its financial report are attached to this report (Attachments 1 and 2).

1.3 KEY RESULTS OF THE QUARTER

- Organization of five (05) workshops to monitor the 2014 AWP of health regions and 14 workshops to monitor AWP of health districts;
- Support for the organization of two training workshops on stock accounting in the medical regions of Dakar and Louga and for the development of a computerized financial management system for medical regions and health districts;
- Effective payment of 2014 first quarter milestones in the six DF regions and second quarter milestones in the Thiès, Sédhiou and Kaolack regions;
- Support for the verification of PBF data for the first half of 2014 and signing of 2014 performance contracts with RMOs and the regional hospitals of Kolda and Kaffrine;
- Support for training on the 5S approach in the health districts of Birkelane and Malem Hoddar;
- Official installation of the national inter-ministerial steering committee on UHC;
- Training in administrative and financial management of 201 administrators of 42 MHOs in the departments of Kaffrine, Kaolack, Kolda, Niour and Rufisque;
- Establishment of sixty three (63) new MHOs during this quarter: Department of Rufisque (2), Department of Mbacké (29), Department of Mbour (20), Department of Goudomp (12) and Department of Ziguinchor (4);

- Support for the enrolment in MHOs of 48,000 beneficiaries of the National program on family welfare grants (PNBSF) as part of UHC efforts;
- Special CRD meetings on FP advocacy held in five regions (Kaolack, Kaffrine, Sédhiou, Fatick and Ziguinchor);
- Finalization of the PNA's 2014-2018 strategic plan (narrative and costing);
- Final report of the PNLN organizational audit is available;
- Draft paper on the reform of health districts;
- Preparation of the Component's 2015 action plan.

I.4 KEY CHALLENGES

Challenge	Proposed solution	Next steps/Measures to be taken	Timeline	Unit in charge
Compliance with Direct Financing implementation timeframe in the six focus regions	Improving monitoring frameworks and tools for direct financing	<ul style="list-style-type: none"> • Signing of implementation letters before the end of December 2014 • DF Steering Committee meetings held 	Q1 – Q2	MOH/USAID
Reducing delays in PBF data transmission and ensuring regularity in the payment of bonuses	Close monitoring of implementation	<ul style="list-style-type: none"> • Enhanced supervision of beneficiaries • Recruitment of a PBF regional adviser at each CRG 	Q1 – Q2	MOH
Continued mobilization of subsidies for MHOs within the context of UHC	Support to regional MHO federations for data collection and preparation of requests for subsidies	<ul style="list-style-type: none"> • Establishment of a harmonized MHO data collection system (tools, procedures) • Supervision of data collection and preparation of requests 	Q1 – Q2 Q1 – Q2	CACMU Social Financing Adviser/National Office in collaboration with the M&E Adviser
Preparation of annual financial reports by medical regions	Provide support for data collection and preparation of the 2014 annual financial report	<ul style="list-style-type: none"> • Request to be submitted 	Q2	DAGE

2 RESULTS OF THE QUARTER

2.1 EXECUTIVE SUMMARY

The Health System Strengthening (H2S) Component is one of five assistance instruments of USAID/Senegal's 2011-2016 Health Program. The main objective of the H2S Component is to improve the performance of the decentralized (regional and district levels) public health system supported by effective and efficient policies, planning and budgeting at the central level of the Ministry of Health. The H2S Component will contribute specifically to the realization of USAID/Senegal Health Program's Intermediate Result 3 through "an improved management of district and regional health teams" (IR 3.1) and an "improved health system performance through development and implementation of national level policies" (IR 3.2).

Progress achieved by the H2S Component during the fourth quarter (July-September 2014) of the Health Program's third year is summarized in subsequent paragraphs for each of its four sub-components: (i) Management and health systems at the local level, (ii) Social financing mechanisms, (iii) National level health policies and systems, and (iv) Coordination and monitoring-evaluation.

The sub-component "Management and health systems at the local level" made progress in strengthening management capacities of medical regions and health districts as well as in implementing direct financing and performance-based financing activities. As part of efforts to strengthen health governance, the Component provided assistance at forums of health sector stakeholders' in the Kaffrine and Kaolack regions this quarter. It provided support for the collection of data on good governance indicators in all of its focus regions except Diourbel where this activity is planned for the next quarter. Several activities were undertaken to strengthen the management capacities of medical regions and health districts. The Component provided support for consolidation of the AWP of the Fatick region and organization of five (05) regional workshops to monitor 2014 AWP of the regions of Diourbel, Dakar, Thiès, Kaolack and Sédhiou, fourteen (14) AWP monitoring workshops at the district level, and coordination meetings in the Dakar, Diourbel, Kaolack, Kolda and Thiès regions. It helped organize two training workshops on stock accounting in the medical regions of Dakar and Louga and monitor stock accounting systems in the medical regions of Ziguinchor and Sédhiou. Also, work continued to design a financial management software for medical regions and health districts with the support of the Component.

To minimize the impact of delays in the signing of 2014 direct financing Implementation Letters (ILs), a workshop was organized in July 2014 to revise 2014 DF deliverables with the participation of Health Program implementing agencies, beneficiary medical regions, regional bureau coordinators and representatives of regional validation committees (CRV). Deliverables were effectively revised and 2014 direct financing ILs amended during this quarter. Financial monitoring of DF activities was intensified in the Thiès and Kaolack medical regions to assess utilization of management tools. Moreover, the Ministry of Health put in place this August, a Steering Committee in charge of monitoring DF implementation chaired by the Secretary General: hence a single platform for monitoring DF in the regions and FARAs of MOH programs and central departments was established.

The Component continued its support for implementation of activities of the National PBF Program (PNFBR). It assisted the regional management committees (CRGs) of Kolda and Kaffrine to verify PBF data covering the first half of 2014. Furthermore, after two years of PBF implementation in health districts in the Kolda and Kaffrine regions, the Component provided support for the enrolment of EPS and regional health management teams within this region during the current year. Hospitals and RHMTs in the Kaffrine and Kolda regions received their performance contracts, validated and signed by chief regional medical officers: the Minister of Health and Social Action signed the performance contracts of the two hospitals and RHMTs in the two regions. Finally, the Component provided support for training on 5S in the Birkilane and Malem Hodar health districts in

the Kaffrine region. The purpose of this training is to promote a synergy of actions to further enhance the quality of services delivered by health centers and posts, in collaboration with the National PBF Program (PNFBR), the National Program on Quality (PNQ) and the JICA team.

The sub-component “Social financing mechanisms” made some progress in the area of strengthening institutional frameworks, building capacities of stakeholders, extending coverage of mutual health organizations and supporting vulnerable groups. In the context of strengthening the UHC institutional support framework, the Minister of Health and Social Action presided over the official installation of the UHC interministerial steering committee. Furthermore, the Component continued to provide support for the drafting of a bill on universal health coverage in Senegal: the bill is currently being amended to take into account the MOH’s option of putting in place a stronger legal and institutional framework to pilot UHC components for which it is directly responsible (development of MHOs and free healthcare initiatives). Also, the Component continued its training of MHO managers on administrative and financial management during the fourth quarter: a total of 201 managers from 42 MHOs were trained in the departments of Kaffrine, Kaolack, Kolda, Nioro and Rufisque. Finally, the free healthcare initiatives management manual is currently being finalized.

The Component increased efforts to extend health insurance coverage through implementation of the DECAM initiative in ten demonstration departments. Continued support for implementation of the DECAM initiative in the first three pilot departments resulted in a significant increase in the number of MHO members and beneficiaries who had fully paid up their contributions. Furthermore, extension of the DECAM project to the seven new demonstration departments led to the establishment of sixty three (63) new MHOs during this quarter including: two (2) new MHOs in the Department of Rufisque in addition to the other 13 MHOs established this year; twenty nine (29) new MHOs of the thirty one (31) initiatives launched in the Department of Mbacké; twenty (20) new MHOs of the twenty six (26) initiatives launched in the Department of Mbour; twelve (12) new MHO initiatives in the Department of Goudomp and four (4) new MHOs in the Department of Ziguinchor. In the departments of Kaffrine and Fatick, special attention was paid to reorganizing and strengthening the capacities of existing MHOs.

Overall, community-based MHOs in the project area provided coverage to almost three hundred thousand (299,457) individuals by the end of September 2014 and half of these individuals had fully paid up their contributions at the end of the fourth quarter. Forty percent of those up-to-date with their contributions (56,260 people) benefitted from Government partial subsidies in the overall amount of 225,970,500 CFA francs. Seven thousand nine hundred and eight (7,908) poor and vulnerable persons also received coverage through MHOs and among these, 5,956 people received targeted subsidies from the equity fund in the total amount of 41,692,000 CFA francs. The total number of beneficiaries in the first three focus departments reached 74,467 at the end of September, representing 25% of MHO members in the intervention zone. Twenty eight thousand nine hundred and seventy eight (28,978) of them had paid their contributions in full, representing 40% of this population and 21% of beneficiaries in the entire intervention zone.

The Component continued to provide support to MHOs in other intervention zones. It helped organize orientation sessions on UHC and setting up of MHOs for stakeholders in the District of Darou Mousty and provided support for the Gossas MHO to commence its activities. It provided support to monitor MHOs in the Kaolack region as well as in the departments of Pikine, Bambey and Thiès. It assisted regional MHO federations in the Sédhiou, Kolda and Ziguinchor regions to collect quarterly data of MHOs. Finally, the Component provided support to the MHO restructuring process in the Department of Diourbel and in the districts of Thiès and Khombole in collaboration with regional federations and district-level unions.

The Component is currently stepping up support to vulnerable groups and poor people through MHOs within the framework of UHC. It continued to provide support to the “PLWHA project” in Kaolack and its extension in the Ziguinchor and Kolda regions. In Kaolack, efforts focused on adapting the institutional arrangements of the PLWHA support mechanism to the UHC context. Moreover, the Component provided support for the organization of the project steering committee meeting and the inaugural meeting of the regional management

committee in Ziguinchor. It increased its support to existing initiatives providing coverage to other vulnerable groups in the departments of Pikine, Thiès and Diourbel. Also, the Component provided support to the MOH for the enrolment in MHOs of 48,000 beneficiaries of the National program on family welfare grants (PNBSF). All of these initiatives help to increase funding from third parties, including the Government, for the provision of healthcare coverage to poor people by strengthening ties between UHC and social safety net programs.

Progress was also made in the “National level health policies and systems” sub-component. The Component continued its support for implementation of the community health strategic plan. It provided continued assistance to PNA and helped finalize the latter’s 2014-2018 strategic plan and reinforce its information and management system. The Component’s support to strengthen FP advocacy at the regional level was systematized. Hence, technical information meetings were held in all intervention regions except Dakar, special CRD meetings on advocacy were held in five regions (Kaolack, Kaffrine, Sédhiou, Fatick and Ziguinchor), and FP advocacy plans developed in these five regions except Kaolack.

The Component has been assisting the MOH in the conduct of the PNLPA audit exercise since the start of the 2014 fiscal year. Following the in-house validation of the audit report, the next step consists of definitively adopting solutions and the action plan proposed at the workshop attended by MOH central and regional authorities. Furthermore, the Component continued its support to help reform the health district. The draft reform paper was finalized: a major option of this reform is the creation of a departmental service of health and social action. It shall be submitted to the relevant authorities for approval and for appropriate measures to be taken. Lastly, the Component is continuing its support to draft the policy on traditional medicine.

The Component is providing support to the budget planning, budget allocation and expenditure monitoring process. Progress has been slow in transitioning from health sector MTEFs to DPPD as well as in the development of budget allocation criteria. However, in addition to support for the production of the 2013 budget implementation report and the financial reports of the 1st and 2nd quarters of 2014, the Component also helped DAGE prepare the 3rd quarterly report for 2014.

Progress was also made under the sub-component “Coordination and Monitoring/Evaluation” during the fourth quarter of Year 3. The Component organized in Saly from August 4 to 6, 2014 a workshop to monitor the 2014 action plan and prepare that of 2015. During this workshop, implementation of activities contained in the 2014 action plan and difficulties encountered were reviewed as well implementation of the 2014 budget. Priority activities for the fourth quarter and for the 2015 action plan were identified. The Component’s budget for the 2015 action plan and milestones were presented and the schedule of activities prepared.

The Component also brought implementing agencies of the Health Program together to prepare the 2015 integrated action plan. Staff of the various components in charge of monitoring and evaluation thus met and prepared a draft work plan for production of the integrated action plan and proposed terms of reference as well as a program for the 2015 integrated action plan development and validation workshop. COPs met on Tuesday, September 16, 2014 at the Abt offices; they amended the annotated work plan and agreed on a format as well as dates for the conduct of the 2015 integrated action plan development workshop. The Component organized three coordination meetings, produced a bi-weekly update and the third quarterly report. Regional bureaus also organized their quarterly coordination meetings and held weekly coordination meetings to monitor activities.

Activities planned for the next quarter include:

- **Management and health system at the local level**

- Finalization of the data consolidation and validation process on good health governance indicators;
- Supervision of ORCAP activity implementation;
- Support for monitoring 2014 AWP of medical regions and health districts;
- Support to RHMTs for the supervision of health districts;

- Support for production of the 2013 annual financial report of the medical regions of Kaolack, Kolda and Thiès;
- Monitoring of financial management and stock accounting systems in medical regions and health districts;
- Monitoring implementation of Direct Financing in the six focus regions;
- Assistance to supervise PBF in beneficiary health facilities in the Kaffrine region;
- Support for the organization of workshops to reconcile data covering the first half of 2014 and payment of bonuses;
- Organization of the PBF data verification mission for the third quarter of 2014 in Kolda and Kaffrine;
- Support to PBF awareness-raising and training activities in the four new extension regions;
- Documenting the H2S Component's success stories on DF and PBF within the context of preparing the annual report of Year 3.

- **Social financing mechanisms**

- Assistance for the functioning of UHC discussion and exchange platforms at the central and local levels (national steering committee, technical committees, regional and departmental monitoring committees);
- Continued support for enrolment in MHOs of beneficiaries of family welfare grants;
- Continued support for adoption of the UHC bill, in particular establishment of a strong independent framework to shepherd components relating to MHOs and free healthcare initiatives;
- Consolidation of achievements of the DECAM initiative in the ten pilot departments;
- Support for the mobilization of MHO subsidies;
- Support for implementation of the UHC communication plan;
- Building of synergies between H2S, the community health Component and CACMU for UHC implementation;
- Support to the project providing medical and social coverage to vulnerable groups with FHI360 in the Kaolack, Kolda and Ziguinchor regions and its extension to Sédhiou;
- Assistance for implementation of the WB project (component on financing the demand).

- **Policies and reforms**

Activities to be implemented during the next quarter will be confirmed after approval of the H2S Component's FY_2015 action plan by USAID. They will primarily revolve around the organization of a roundtable meeting of TFPs to finance the PNA's strategic plan, FP advocacy, MOH reorganization process in general and health district reform in particular.

- **Coordination / Monitoring and evaluation**

- Meeting of the 2011-2016 Health Program's Steering Committee;
- Production of the annual report and fourth quarterly report for 2014;
- Finalization of the integrated action plan;
- Updating of the database;
- Finalization of the 2015 action plan.

2.2 PROGRESS ON CHALLENGES IDENTIFIED DURING THE PREVIOUS QUARTER

- **Management and health system at the local level**

The delay in signing DF implementation letters was a challenge the Component had to address. The workshop organized in July to revise deliverables made it possible to make the necessary changes and hence avoid overlaps between milestones of the 1st and 2nd quarter. Creation of the DF steering committee and the convening of its first meeting are part of efforts to reorganize the DF monitoring framework at the central level.

The Component continues to address the issue of regularity in the payment of PBF bonuses. Regional bureaus helped CRGs to conduct data verification for the 1st and 2nd quarter of 2014. Furthermore, the Component met in July with the Secretary General of the MOH, to discuss actions to be undertaken for the effective start of PBF in new regions as well as the recruitment of a regional adviser on PBF at each CRG who would be in charge of closely monitoring implementation of all PBF activities and would help lift barriers regarding the payment of bonuses.

- **Social financing mechanisms**

Significant progress was made with the support of the Component to address issues relating to the mobilization of subsidies for MHOs and to put in place functional UHC platforms at the central and local levels. All functional MHOs in pilot departments that had sent in their reimbursement requests received the 50% partial subsidy package whereas targeted subsidies for poor and vulnerable groups are currently being processed for the 49,000 households that receive family welfare grants in all regions with functional MHOs. Furthermore, the inaugural meeting of the UHC national interministerial steering committee was held on October 23, 2014 under the chairmanship of the Minister of Health and Social Action. The H2S Component will continue providing assistance to the MOH for the functioning of this committee and technical groups.

- **Policies and reforms**

In terms of reforming the health district in Senegal, the Component provided support to DGS/MOH in the organization of a national workshop to discuss the document and ensure dialogue between the different stakeholders of this key reform. Regarding the PNL audit, the final report was approved and circulated, and the Component will provide support to implement recommendations therein.

- **Coordination**

An up-to-date database. September 2014 data is currently being entered and that of preceding months has been verified and the necessary corrections made. However, information gaps were identified and should be addressed based on activity reports received.

2.3 ACHIEVEMENTS OF THE QUARTER PER SUB-COMPONENT

2.3.1 KEY RESULTS PER SUB-COMPONENT

2.3.1.1 MANAGEMENT AND HEALTH SYSTEM AT THE LOCAL LEVEL

- **GOVERNANCE AND LEADERSHIP**

The platform for consultations among healthcare stakeholders in the Kaffrine and Kaolack regions met during this quarter. The status of implementation of activities in their respective action plans was discussed and strategies for improvement proposed.

The three regional bureaus provided support for the collection of data on good governance indicators in all focus regions except Diourbel where this activity is scheduled for the next quarter. Data collection forms were indeed placed in SDPs so DHMTs and RHMTs could collect and analyze data on good governance indicators.

- **CAPACITIES OF MEDICAL REGIONS AND HEALTH DISTRICTS IN PLANNING, MANAGEMENT AND MONITORING**

ORCAP implementation. A slowdown was noted in activities this quarter at the regional level. Missions to monitor implementation were postponed to the next quarter. Using resources earmarked for the development of the 2014 ORCAP plan, the Kaolack medical region was able to plan ORCAP activities for 2015 based on the 2015 AWP approved in June in accordance with the new UMOA guidelines on the DPPD. Development of the 2014 ORCAP plan mid-year was no longer relevant.

Support to consolidate and monitor regional AWP. During this quarter, the Kaolack regional bureau provided support for consolidation of the Fatick region's AWP. Also, five (05) workshops to monitor the 2014 AWP of health regions were held in Diourbel, Dakar, Thiès, Kaolack and Sédhiou and 14 workshops to monitor AWP of health districts. During these workshops, implementation of AWP were discussed on the basis of output indicators, the implementation level of AWP activities scheduled for the 2nd quarter of 2014 assessed, implemented activities that were not included in AWP presented, constraints identified and activities for the 3rd quarter of 2014 planned. They were attended by local government councilors, regional federations of MHOs, RHMT/DHMTs, EPS' and partners.

Regional coordination meetings. The H2S Component provided support during this quarter to organize coordination meetings in the Dakar, Diourbel, Kaolack, Kolda and Thiès regions. Implementation of certain programs was discussed during these meetings and activities of the various responsibility centers in the medical region monitored. Maternal and child health activities were discussed as well as related indicators such as the rate of home delivery, children who are fully vaccinated and essential newborn care. Discussions were also held on the availability of tracer drugs in SDPs and on Universal Health Coverage.

Monthly coordination meetings were organized in the health districts of Birkelane, Dioffior and Guinguinéo. In Birkelane, the method for calculating and source for collecting PBF indicators were discussed and guidelines provided on how to share PBF bonuses. In Dioffior, providers and the DHMT were given guidance on good health governance indicators and on the data collection schedule. In the health district of Guinguinéo, performances of the expanded program on immunization were analyzed, the JSE campaign evaluated and a review of data collection on MIS and malaria conducted.

Support for the supervision of health districts by RHMTs. The medical region of Louga received financial and technical support from the Thiès regional bureau to organize a supervision mission to districts. The level of performance of the 8 districts of the region in the implementation of activities relating to UHC, malaria control and management of the Ebola outbreak was assessed during this activity. With regard to DF implementation, MOH priority programs were monitored in nine (9) districts and 160 SDPs in the Thiès region by the RHMT and DHMTs. The Kolda regional bureau provided the Kolda medical region with support in September to conduct a supervision visit to the Vélingara health district. Tools for collecting data and report writing as well as the filing system in place were verified during this visit.

Enhancing accounting and financial management systems of medical regions and health districts. Within the framework of strengthening management capacities of medical regions and health districts, activities for this quarter focused on:

- **Training of stock managers of medical regions and health districts.** Two training workshops on stock accounting were organized in the medical regions of Dakar and Louga. These workshops were moderated by the Management Adviser at the Thiès regional bureau in collaboration with staff from the DMTA of the Ministry of Finance and the stock manager at DAGE/MOH. The capacities of medical regions and health districts in the management of assets belonging to the central Government, local governments and public institutions were strengthened. Training centered on: (i) the study of regulations governing stock accounting, (ii) the role of the various actors in assets management, (iii) application of different assets management tools, and (iv) development of an action plan to enhance assets management. In addition to training stock

managers, the workshops were also an opportunity to provide orientation for hospital directors, DMOs and heads of departments.

- **Monitoring financial management and stock accounting systems in medical regions and health districts.** Financial monitoring of DF activities in the Thiès and Kaolack medical regions allowed an assessment of how management tools were being utilized. Management advisers helped users correctly record financial transactions relating to 2013 DF activities. In Kaolack, a second draft of the 2013 financial report was produced after additional information on activities financed by technical and financial partners was gathered. Monitoring of stock accounting systems was continued in the medical regions of Ziguinchor and Sédhiou with the support of the Component. Managers of responsibility centers in the two regions finalized inventory lists for each service and established baseline situations with regard to stock accounting for each responsibility center. Assets were hence codified in compliance with prevailing standards; journal entry nr. 1 or the entry log was filled in and the document filing system organized.
- **Development of an accounting software for medical regions and health districts.** Development of a computerized financial management system for medical regions and health district is currently on-going. Observations were received on the first version of the software developed by the consultant and recommendations made, the use of ACCESS in particular.

• **DIRECT FINANCING IMPLEMENTATION.**

The late signing of contracts as well as observations and reservations of certain agencies delayed the execution of implementation letters. This delay resulted in an overlap between deliverables of the 1st and 2nd quarters. A workshop was hence organized in July 2014 to revise 2014 DF deliverables with the participation of CAs, regional bureaus of the program, medical regions and representatives of CRVs. It provided an opportunity to review implementation of activities during the first half of 2014 in the six beneficiary regions. Difficulties encountered were identified and solutions proposed. Supervision missions were conducted by CRVs with regard to 2014 first quarter milestones and responsibility centers in DF regions received their payments.

For the second quarter, only three (3) of the six (6) regions, i.e. Kaolack, Thiès and Sédhiou, have to date held their CRV meetings under the chairmanship of the respective governors and received wire transfers from agencies in payment of milestones reached, after validation of deliverables.

Furthermore, the Ministry of Health put in place this August, a Steering Committee in charge of monitoring DF implementation, chaired by the Secretary General. The meeting of this committee provided an opportunity to assess results obtained, share lessons learned and put forward recommendations to enhance DF implementation in the regions as well as implementation of FARAs signed with MOH programs and central departments. It shall also be noted that the Component provides support to ensure a proper functioning of CRVs and the organization of quarterly meetings to monitor DF implementation.

• **PERFORMANCE-BASED FINANCING MECHANISMS**

As in previous quarters, the Component's support has enabled the National PBF program (PNFBR) to carry on conducting its activities, particularly verification of data relating to the first half of 2014, collection of baseline data, training of staff at the Kaffrine and Kolda hospitals, and training on 5S in health districts within the Kaffrine region.

Data verification system. As part of implementing the PBF cycle, the Component assisted the CRGs of Kolda and Kaffrine in the verification of PBF data for the first half of 2014. HSS advisers in the Kaolack and Kolda regional bureaus took part in this activity. Performance data of thirty six (36) delivery points and seven (07) DHMTs was verified in the Kaffrine and Kolda regions. Teams comprising CRG members and H2S advisers at regional bureaus, with support from MOH central departments, verified indicators and filled out the quality checklist. Findings were shared with providers in the presence of health committee members. The list of

households to be surveyed was produced for each verified indicator and submitted to CBOs in charge of the verification process through the CRG chairperson. However, some constraints were noted including the lack of re-training of CRG members on new indicators introduced this year, a breakdown in the information systems of facilities (logbooks missing or incorrectly filled in, lack of a filing system...).

Enrolment of hospitals in PBF. Following two years of Performance Based Financing (PBF) implementation in health districts within the Kolda and Kaffrine regions, the EPS' of these regions will be enrolled this year. Development of PBF indicators for the EPS' has been completed and a team from the DGS (including the DES and PNFBR) has collected baseline data for selected indicators. The H2S Component, in an effort to enable EPS' to have all the necessary information and tools for a proper implementation of the PBF mechanism, provided support to PNFBR for the organization of a training session on PBF from August 5 to 9, 2014 at the Hotel Relais in Kaolack. Presentations were made to staff of these two hospitals on the definition of PBF concepts and the different stages in the PBF cycle followed by practical assignments on how to calculate targets, an annual PBF budget and how to fill out the performance report and payment request. This workshop was also an opportunity to present and validate baseline data and provide information on hospital staff hence allowing the PNFBR to prepare performance contracts, which were signed by the directors attending the workshop.

Along with hospitals, RHMTs in the Kaffrine and Kolda regions also received their performance contracts, which were also validated and signed by chief regional medical officers. The Minister of Health and Social Action later signed the performance contracts of the two hospitals and RHMTs in the Kaffrine and Kolda regions.

Synergy among interventions of TFPs: training on 5S in PBF districts in the Kaffrine region. The Ministry of Health and Social Action (MOH), in collaboration with JICA, launched the 5S-KAISEN-TQM approach on improving the quality of services based on the participation of staff that take into account and organize their work environment hence contributing to total quality management and improved healthcare service delivery. In the MOH's performance-based financing project supported by USAID, incentivized frameworks are established to motivate healthcare workers to invest themselves in enhancing the quality of healthcare: the quality score of services is a key indicator for measuring performance levels of health facilities. In order to promote synergy of interventions and therefore further enhance the quality of services delivered at health centers and posts, the National PBF Program (PNFBR), in collaboration with the National Quality Program (PNQ) and JICA, has commenced training of PBF beneficiaries on the 5S approach with the support of the Health System Strengthening (H2S) Component financed by USAID. Meetings were in fact organized from the beginning of this year between the JICA team and the H2S Component to see how best to operationalize the 5S approach in districts within the two PBF pilot regions. The first training sessions organized with the support of the Component were conducted in the Kaffrine region at the Birkelane and Malem Hodar health centers. Prior to these sessions, training was conducted at the Kougheul health center with the support of the Belgian Technical Cooperation.

Training is attended by members of the district health team, all staff members of the health center, the health committee and the population including local government officials, youth and women's associations. Staff of selected units, under the coordination of trainers, applied the 5S approach and prepared their 5S operational plan based on the findings of the evaluation. Twenty five percent of the Birkelane health center's budget for PBF bonuses was earmarked for the operation of the facility and utilized in the context of the 5S approach for repairs on equipment and renovation of the premises of relevant units. At the end of 6 days of training and hands-on work, recommendations for health districts and the medical region were proposed and the next stages identified, in particular the establishment of a 5S committee in each health district.

Start-up assistance for the World Bank health and nutrition project. Pending the effective start of this project, the H2S Component conducted a certain number of activities that will provide a more solid foundation for extension to the four new regions:

- *Meeting with the Secretary General of the MOH, Chair of the PBF steering committee.* In July, the H2S Component prepared a technical note on PBF for the Chair of the Steering Committee providing him

with an update on the status of implementation, overall performances achieved by health facilities as well as major risks which may impede extension of the PBF experience. The Secretary General welcomed the Abt team accompanied by the AOR of the USAID Health Office and they discussed certain obstacles and corrective actions proposed.

- With the enrolment of four new regions in 2014, the number of beneficiaries, currently at 123, will double. It is therefore necessary for the PNFBR to be reinforced with additional human resources and that solutions are found to keep up the motivation of its members.
- Inadequacies in the accountability of CRGs with regard to decision-making and activity implementation at the local level prolong time limits set for the various stages of the PBF cycle. Based on the experiences of the Kaffrine and Kolda regions, it is essential for CRGs to have a regional PBF adviser, who will devote 100% of their time to closely monitor implementation of all activities in the region. This adviser will endeavor to reduce delays observed in the transmission of data and payment of PBF bonuses.
- In addition to the shortage of qualified staff, instability of staffing has also been noted in facilities involved in PBF due to frequent transfers of healthcare providers. Many health posts are hence managed by contract-based staff or community-based skilled workers whose contracts may at any moment not be renewed. The Program should work with RMOs to assess the staffing situation and submit its findings to the relevant authorities.
- Other equally important implementation issues should also be discussed and solutions found. These include: (i) stock-outs of certain drugs and supplies (vitamin A, ORS), (ii) limited functioning of the PBF website due to the unavailability of the government IT developer and poor internet connection (website is hosted by ADIE), and (iii) the lack of accompanying measures.
- ***Meeting in preparation of awareness-raising activities in new regions.*** It was decided during this meeting that the PNFBR will prepare letters to be signed by the SG and sent to the governors of the four regions along with a technical note and proposed dates, after consultation with RMOs. This awareness-raising tour will be conducted by the PNFBR accompanied by its partners such as WB and Abt/USAID. The Program informed of the recruitment of a consulting firm, *Institut Population et Développement en Santé de la Reproduction* (IPDSR), to conduct a PBF impact assessment as well as the on-going selection of independent NGOs to conduct verifications.

Participation at the third symposium on HSR in Cape Town. The national PBF adviser took part in the 3rd Global Symposium on Health Systems Research (HSR Symposium) held from September 29 to October 3, 2014 in Cape Town, South Africa. The evaluation study on the PBF process in Senegal was accepted as a poster presentation at the HSR Symposium. After validation by the PNFBR, preliminary findings were summarized and the poster presented with the support of the Bethesda team. This poster hence provided an opportunity to share and discuss the PBF project in Senegal, and we also used the opportunity to further raise the profile of Abt/Associates' work in Senegal and exchange experiences with other countries and organizations present.

2.3.1.2 SOCIAL FINANCING MECHANISMS

Support to the MOH under the “Social financing mechanisms” sub-component continued during this quarter through three intervention areas: support frameworks for social financing mechanisms; management capacities of MHOs and MHO networks; and protection of vulnerable groups.

- **ESTABLISHMENT OF AN INCENTIVIZED SUPPORT FRAMEWORK FOR SOCIAL FINANCING MECHANISMS**

In order to achieve this result, the Component is assisting the MOH in the establishment of an appropriate institutional framework to pilot UHC implementation, strengthen regulations and build the technical capacities of stakeholders.

Institutional and financial support framework. The Minister of Health and Social Action presided over the official launch of the UHC interministerial steering committee. The ceremony was held on Thursday October 23, 2014 at the hotel **Terrou-Bi** and was attended by directors and heads of national MOH services, representatives of locally-elected officials, representatives of relevant technical ministries, social security institutions, mutual organizations, civil society, the union of farmers' organizations, decentralized administrative authorities (governors of regions) and technical and financial partners of the health sector. Monitoring committees established at both the regional and departmental levels (CRS and CDS) play the same role each within their respective areas. Committee members endeavored to work towards achieving the 75% rate of coverage, set by the Head of State, by 2017. Effective establishment of this national platform and management frameworks at the local level will contribute to ensuring better coordination of interventions for implementation of UHC policies, in collaboration with technical and financial partners and decision-makers.

During the fourth quarter, partial subsidies were extended to the departments of Saint-Louis (Region of Saint-Louis) and Kébémér (Region of Louga) in the amount of 6,650,000 CFA francs representing 50% of annual premium payments for 1,900 beneficiaries in two functional MHOs who had paid their premiums in full. A total of 77 MHOs established in twelve out of the fourteen DECAM initiative pilot departments received partial subsidies in the amount of 225,970,500 CFA francs for 56,260 beneficiaries who had paid their premiums in full.

During the previous quarter, 5,956 poor and vulnerable persons in the Diourbel, Fatick, Kaffrine and Kaolack regions benefitted from targeted subsidies in the amount of 41,692,000 CFA francs for their enrolment in MHOs. In an effort to extend these targeted subsidies to other categories of poor and vulnerable groups, the Component provided the MOH (CACMU and DGAS) with support to enroll beneficiaries of family welfare grants in MHOs through the organization of a national workshop to define eligibility criteria as well as regional and departmental workshops to discuss the targeting strategy. The enrolment process is currently being finalized and should involve **48,000 households**, which already benefit from the national family welfare grant program (PNBSF), comprising approximately **384,000 beneficiaries**. This is an important step forward in strengthening the interface between UHC and other social safety net programs.

Strengthening regulations. The process of adopting a law on universal health coverage in Senegal is underway. The draft was presented to a select committee for technical approval during a workshop supported by the Component and is currently being amended to take into account the MOH's option of putting in place a stronger legal and institutional framework to pilot UHC components for which it is directly responsible (development of MHOs and free healthcare initiatives).

Strengthening of technical capacities of stakeholders. Production of the manual on the management of free healthcare initiatives is currently being finalized. The technical validation workshop, postponed as a result of the Ebola outbreak, will be organized in November. All of these policy instruments will represent major steps towards ensuring universal health coverage in Senegal.

- **EXTENSION OF HEALTH INSURANCE COVERAGE THROUGH MHO NETWORKS**

To progress towards the milestone "MHOs are functional in all local government units within the 10 focus departments", the Component, through the Kaolack, Kolda and Thiès regional bureaus, provided support to consolidate implementation of the DECAM initiative in the first three pilot departments of Kaolack, Kolda and Louga, extend the initiative to the seven new focus departments, and continued its assistance to networks in its other intervention zones.

DECAM implementation in the 3 pilot departments of Kaolack, Kolda and Louga. Continued support for implementation of the DECAM initiative in the first three pilot departments resulted in a significant increase in the number of MHO members and beneficiaries. The twenty one (21) MHOs in the Department of Louga receiving support from the Thiès regional bureau continued implementation of their awareness-raising plans to significantly increase the number of beneficiaries that have paid their premiums in full. The regional bureau also provided support to monitor MHOs in the department, in collaboration with the health districts of Louga, Koki, Sakal and Keur M Sarr. It provided technical support for the organization of a board meeting of the departmental federation thus facilitating preparation of requests for general subsidies. The social action department also received support from the regional bureau to prepare the list of beneficiaries of family welfare grants per local government unit for enrolment in MHOs. In the Department of Louga, figures rose from **13,434** beneficiaries that had paid their premiums in full in June 2014 to 19,862 in September 2014.

The Kaolack regional bureau helped the 14 MHOs in the pilot department of Kaolack to implement action plans for the recruitment of members and for premium collection. It also supervised the signing of agreements between the Kaolack regional hospital and regional federations of MHOs in Fatick and Kaolack for integration of the additional package of services. The problem of access to generic drugs at the hospital was resolved with the payment of a deposit of one million by the regional MHO federation of Kaolack. Training of key hospital staff on mutual health insurance is planned as an accompanying measure for an effective implementation of the contract. The Kaolack regional bureau also provided support for the organization of the CDS' quarterly meeting. It was noted during the presentation of implemented activities at this meeting that there are delays in setting up the technical management unit, implementing the UHC communication plan as well as continuing difficulties in contractual relations between MHOs and healthcare providers. The presence of DMOs and locally-elected officials contributed to sorting out some differences especially the billing of MHOs for healthcare provided to children aged less than 5 years.

The Kolda regional bureau helped the departmental federation of MHOs in Kolda to conduct post-training supervision regarding the administrative and financial management of 7 MHOs that received subsidies. The purpose of this activity was to assess the level of functionality and management of MHOs and umbrella organizations. It was hence found that governing bodies of some MHOs were not meeting on a regular basis, management tools were not being properly utilized and certain health posts were overcharging for their services. The regional bureau also provided support to the regional federation of MHOs in Kolda to organize its first board meeting. During this meeting, information was provided on members and beneficiaries of MHOs in the Department, the management of subsidies was discussed and a six-month action plan prepared.

Extension of the DECAM initiative to 7 new pilot departments. With the continued support of the regional bureaus of Kaolack, Kolda and Louga, significant progress was made in firmly establishing the DECAM initiative in new extension departments. The MHOs of Rufisque Est and Bambilor in the Department of Rufisque held their constitutive general assembly meetings bringing the total number of MHOs in twelve local government units to fifteen. Similar to the first thirteen (13) MHOs, they also received training in management and a supply of management tools (registers and membership booklets). The Thiès regional bureau provided support for the departmental federation to organize a board meeting in order to prepare requests for general subsidies as well as the list of beneficiaries of the family welfare grant per local government, in collaboration with social action services. The communication plan was implemented with the broadcasting of eight (8) radio programs, infomercials in Wolof and Pulaar, and manufacture of two banners. With the completion of the MHO setting up/restructuring process in the Department of Rufisque, the number of persons covered by MHOs and who had paid their premiums in full rose from 1,800 to 8,858.

In the Department of Mbour, the pool of trainers led by the medical region's focal point provided support for the organization of sixteen (16) workshops to assess recruitment plans as well as the organization of constitutive general assembly meetings for twenty MHOs of the twenty six (26) initiatives launched. As a result, the number of beneficiaries with premiums paid in full increased from 2,753 to 5,844.

In the Department of Mbacké, the technical committee, with the assistance of the Thiès regional bureau, organized eight (8) training sessions on the setting up process of an MHO. These sessions were attended by

124 participants from 8 MHOs in the District of Mbacké. The committee also supervised the organization of workshops to assess and prepare draft statutes for 31 MHOs and the convening of constitutive general assembly meetings for 29 of the 31 initiatives launched. Establishment of these twenty nine MHOs resulted in the enrolment of 7,587 families in the Department of Mbacké. These MHOs are currently collecting premiums as well as data on beneficiaries, under the supervision of the CDS.

The Kolda regional bureau, in collaboration with the regional federations of Sédhiou and Ziguinchor, helped organize constitutive general assembly meetings for twelve (12) new MHO initiatives in the Department of Goudomp and four (4) in Ziguinchor. These meetings were presided over by the *sous-préfets* of these localities and attended by local political authorities. The regional bureau also provided support to the regional federation of MHOs in Sédhiou to monitor premium collection activities of MHOs in the extension department of Goudomp through awareness-raising campaigns targeting associations of cashew farmers and women's groups with the support of the *Badienu Gox*. The Kolda regional bureau assisted the regional federation of MHOs in Ziguinchor in the preparation and convening of the general assembly meeting to merge five MHOs in the Commune of Ziguinchor, in collaboration with the NGO Pacte, ORCAV and the health district of Ziguinchor. The strategy of recruiting members through neighborhood councils proved to be effective as premiums were collected from over 1,000 beneficiaries in the Commune, in addition to the 1,000 indigents already enrolled by the City of Ziguinchor.

The Kaolack regional bureau continued to provide support for implementation of the DECAM initiative in the departments of Fatick and Kaffrine, in partnership with World Vision. Five MHOs receiving subsidies from the Government attended training sessions on administrative and financial management in Kaffrine and training workshops for restructuring committees of the MHOs of Tattaguine and Niakhar in Fatick were conducted by the CTO and GRAIM. Furthermore, as part of efforts to ensure the professional management of MHOs, the Department of Kaolack was selected as a pilot site for the establishment of a Geographical Information System (GIS) for MHOs, with the support of a consultant recruited by the Component. A database has been developed and a template for entering data prepared. Two representatives of each of the 14 MHOs were provided orientation on the ARVIEW 32 BITS program and on how to record data. The next stages include finalization and installation of the database at MHOs, organization of a capacity-building workshop on the database and monitoring of data entries. The regional federation of Kaolack, in collaboration with the NGO APROFES, organized a religious conference during the month of Ramadan on the theme "Islam and mutual health insurance" in an effort to further promote MHOs and encourage women to join.

Training sessions for MHO administrators on the administrative and financial manual commenced during the previous quarter in the Department of Rufisque were continued this quarter in the departments of Kaffrine, Kaolack, Kolda and Nioro. Subsequent to the three sessions organized in the Department of Rufisque during the third quarter, a fourth refresher session attended by 22 administrators from two MHOs in Rufisque and three MHOs in Pikine was held in August 2014. The Kolda regional bureau helped organize two training sessions on administrative and financial management for 62 administrators of 14 MHOs in the Department of Kolda from July 21-24 and August 19-22, 2014. The Kaolack regional bureau provided support for the concomittant organization of four training sessions on administrative and financial management in the departments of Kaolack, Kaffrine and Nioro for 117 administrators (including 41 women) from 26 MHOs. These sessions are part of efforts to further ensure a professional management of MHOs.

Support in other intervention zones of the Component. The Thiès regional bureau provided support to the health district of Darou Mousty in the Louga region to organize orientation sessions for stakeholders (PCR, ASCOM, ICP and DHMT) on UHC and on the setting up process of an MHO. In the Dakar region, the regional bureau helped organize the general assembly meeting of the Keur Massar MHO and assisted the departmental federation to monitor MHOs in Pikine, in collaboration with the Pikine health district's focal point. In the Diourbel region, the regional bureau provided support for the quarterly monitoring of MHOs in Bambey and organization of a workshop to develop a restructuring plan for MHOs in the Department of Diourbel. In the Thiès region, support was primarily provided to the regional federation, district networks and the districts of Thiès and Khombole to monitor MHOs in the districts of Thiès, Popenguine and Mbour and to organize workshops for discussions on the reorganization of MHOs in the districts of Thiès and Khombole.

The Kolda regional bureau assisted regional MHO federations in Sédhiou, Kolda and Ziguinchor to collect quarterly data from member MHOs. Shortcomings identified in data entry, archiving and filing were presented to the federations for corrective measures to be taken.

The Kolda regional bureau participated in the mission organized by the medical region to supervise MHOs in the Kaolack region in the context of direct financing activities. This mission led to a better understanding of difficulties relating to the implementation of agreements between providers and MHOs. The findings of the mission were shared with district health management teams and prompted the chief district medical officer of Kaolack to sign a circular prohibiting the billing of MHOs for healthcare services provided to children aged less than 5 years. He also supported efforts to commence activities of the Gossas MHO by facilitating the signing of agreements with healthcare providers and the supply of office materials and management tools (membership booklets, registers, ledgers...).

- **INCREASED ACCESS TO HEALTHCARE FOR VULNERABLE GROUPS**

As in previous quarters, the Component continued to provide support to the “PLWHA project” in Kaolack and its extension to the Ziguinchor and Kolda regions. The Kaolack regional bureau thus took part in activities of the national steering committee expanded to include stakeholders involved in implementing CMV+ in Kaolack. Discussions with stakeholders focused on the revision of agreement protocols between the management unit and the regional federation on the one hand and between the MFI and the management unit on the other. Difficulties with regard to the manner in which services and contributions are managed and especially the low rate of membership were also discussed. In the new UHC context, a modification of coverage rates of the different types of benefits (basic package, complementary package, FGS) and user fees is planned. In a bid to increase membership, funds initially earmarked by FHI360 for evaluation purposes are now planned to be utilized to subsidize membership fees and premium payments of PLWHA. Furthermore, enrolment of family welfare grant recipients in MHOs will help increase PLWHA membership: the strategy for identifying PLWHAs among family welfare grant recipients will be an asset to CMV+. The Kaolack regional bureau also provided institutional support to the project management unit in the form of office supplies and management tools. It supported the awareness-raising tour conducted by the regional federation of MHOs to public and private institutions (Salins and Chamber of Commerce) with the aim of diversifying FGS support partners. The Kolda regional bureau provided support for the organization of the project’s steering committee meeting and the inaugural meeting of the regional management committee in Ziguinchor.

Regional bureaus reinforced their support to other initiatives relating to the protection of vulnerable groups. The Thiès regional bureau monitored coverage of children and poor people through the MHO Yombal Fajju ak Wer and that for Koranic school children in Thiès as well as the MHO “Al Birou wa Takhwa” of Guediawaye-Pikine. In the Diourbel region, it participated in the enrolment process of 1,142 beneficiaries of the equity fund of the former PAMAS project in MHOs in coordination with the MOH within the framework of targeted subsidies. A total of 2,414 vulnerable persons had coverage through MHOs in regions covered by the Thiès regional bureau during this fourth quarter of 2014.

Finally, in addition to the start of targeted subsidies for poor and vulnerable groups, the Government of Senegal is pursuing implementation of free healthcare initiatives, particularly for children aged less than 5 years. Consequently, between October 2013 and June 2014, the MOH has transferred a total of 1,132,000,000 CFA francs to medical regions for reimbursement of eligible services under this initiative. Approximately 1,043,925 children under 5 years have benefitted from healthcare services from the start of this initiative as follows: consultations: 666,237; vaccinations: 318,771; hospitalizations: 58 917.

2.3.1.3 POLICIES AND REFORMS

- **DEVELOPMENT, IMPLEMENTATION AND MONITORING OF POLICIES**

Community health. The community health strategic plan was produced with the technical and financial support of the Component. The Component also participated in the proceedings of the select committee that

was in charge of drafting the final version of the plan. A workshop, chaired by the Minister of Health and Social Action and financed by the Community Health Component, was organized to discuss the final strategic plan. The DGS established a committee, of which Abt-H2S is a member, in charge of monitoring implementation of the said plan.

Drug policy. The final version of the PNA's 2014-2018 strategic plan including the narrative and detailed budget is available. This document was prepared by PNA with the assistance of Abt H2S. The Component will continue to provide support during the technical and political validation process of this document as well as during its implementation. This final version of the strategic plan includes: (i) a narrative portion which provides an update on the situation taking into consideration internal and external factors, (ii) a portion identifying key projects based on the objectives of the plan, a detailed budget per project as well as the financing plan, as recommended at the workshop held at Terrou-Bi during the second quarter under the chairmanship of the Secretary General of the MOH.

The component, through PATH, also continued to help reinforce the PNA's information and management system. Activities undertaken in this area during the period under review include: creation of a new inventory database and payroll system, programming of depreciation calculations based on the established structure, programming of links with accounting and/or business management, backing-up of the database, verification of settings and modelling of the accounting system. Pharmacists and accountants at the PNA and PRAs attended a training session on the new software GESCOMP during the fourth quarter. Efforts deployed to strengthen the PNA's information system have begun to bear fruit: (i) the ability for the PNA to quantify medicine needs at the country level has improved ensuring a better monitoring of actual stock levels and needs of the eleven (11) PRAs, (ii) the traceability of medicines has improved, (iii) delivery timeframes have been reduced, and (iv) the coding system of common reference frameworks and the security of commodities have been enhanced as batches and expiry dates are under control.

Repositioning family planning. The Component, through Group ISSA, continues to provide the MOH with support to strengthen FP advocacy at the regional level. The strategy jointly adopted by the Component and DSRSE is to continue with: (i) the organization of a technical meeting in preparation of a special CRD on FP with the objective of conducting a thorough assessment of the situation in the region with regard to FP, and identifying barriers that could be lifted through advocacy, (ii) the organization of a special CRD on FP chaired by the Governor of the region, and (iii) the development of a regional advocacy plan based on the outcome of the special CRD. The situation is as follows at the end of the fourth quarter: all regions in the intervention zone, except Dakar, have held their technical information meetings, five (05) have organized their special CRDs on advocacy (Kaolack, Kaffrine, Sédhiou, Fatick and Ziguinchor) and draft FP advocacy plans are currently available in all of these regions except Kaolack.

Support to the MOH reorganization process. The Component has been assisting the MOH in the conduct of the PNLN audit exercise from the start of the 2014 fiscal year. The third deliverable under this activity was submitted to the MOH at the end of the fourth quarter. This report was jointly presented by the consulting firm Advise and the PNLN Coordinator to the audit Steering Committee which approved the report. The next step consists of definitively adopting solutions and the action plan proposed at a workshop to be attended by MOH officials from central and regional levels.

The second initiative supported by the Component in relation to the reorganization of the MOH is the reform of the health district. The Committee in charge of this reform has met on several occasions following the workshop held from March 18 to 20, 2014 to discuss operationalization of the policy paper developed in this regard. The draft reform document was thus finalized. It shall very soon be submitted to the relevant authorities for approval and for appropriate measures to be taken. The key option of this reform is the creation of a health and social action service at the departmental level. These services are planned to be the focal point for DHMTs and this should automatically apply in departments where administrative units correspond to that of the district. Discussions are still on-going for departments with two (2) health districts.

Development of the policy paper on traditional medicine is the third policy initiative supported by the Component. Assistance is provided to the working group established in this regard pursuant to circular n° 014935/MSAS/DGS/DLM/DMT dated December 18, 2013 signed by the Minister. The scope of work specifies the operating modalities of the working group, whose objective is to produce a draft of the national policy on traditional medicine. The terms of reference of the consultant to be recruited for this purpose were revised following an inconclusive request for proposals. Another request will be published as soon as amendments made are approved. The workshop during which this approval exercise will be conducted has already been scheduled.

- **BUDGET ALLOCATION AND EXPENDITURE MONITORING**

Planning and budget. The Component decided, in collaboration with the Planning Division of DPRS, that funds initially earmarked for support to the health sector MTEF process will now be utilized for support to the DPPD process, which is now the medium-term planning framework. However, no requests were received in this regard during the previous quarter.

Budget allocation criteria. H2S has repeatedly informed the DAGE of its readiness to help develop budget allocation criteria to no avail. Besides, this activity is also included in the risk mitigation plan prepared subsequent to the USAID-World Bank joint assessment of the DAGE's capacities.

Budget implementation reports. In addition to support for the production of the 2013 budget implementation report and financial reports of the 1st and 2nd quarters of 2014, the Component also helped the DAGE prepare the 3rd quarterly report for 2014.

2.3.1.4 COORDINATION / MONITORING AND EVALUATION

- **COORDINATION**

Inter-agency Coordination. During the fourth quarter of Year 3, key inter-agency coordination activities involved monitoring implementation of direct financing activities and development of the 2015 integrated action plan. The first meeting of COPs this quarter held on Tuesday July 8, 2014, discussed payment requests for the first DF milestone, the workshop to revise DF deliverables planned from July 14 to 16, and preparation of the 2015 integrated action plan. Agencies then participated in the national workshop on the revision of direct financing deliverables effectively held in Mbour from July 14 to 16, 2014 and then met to prepare for the meeting of the direct financing steering committee held on October 21 as well as the workshop on the determination of 2015 DF milestones and deliverables planned in November 2014.

Following the July 8, 2014 meeting of COPs which ruled out the recruitment of a consultant for the development of the 2015 integrated action plan, staff of the various components in charge of monitoring and evaluation met and prepared a draft work plan and proposed terms of reference and a draft program for the 2015 integrated action plan development and validation workshop. COPs met on Tuesday September 16, 2014 at the Abt offices to amend the annotated work plan and agreed on a format as well as dates for the conduct of the 2015 integrated action plan development workshop. Scheduled in October at Somone, the workshop will only be attended by members of the select committee, whereas COPs will meet at the Abt offices to validate the document.

Coordination meetings of regional bureaus. Regional bureaus organized their quarterly coordination meetings this quarter. The Thiès regional bureau reviewed activities conducted during the third quarter and planned remaining activities to be conducted up to September 2014 for the five components in the regional bureau's five intervention regions. This meeting also discussed the Ebola outbreak and measures to be taken by regional bureau staff, the various contracting procedures initiated by components with medical regions/health districts, CBOs and community radios, and other initiatives. DF implementation was also assessed and

difficulties being encountered were discussed. Recommendations were made to enhance implementation of activities supported by the five components in the Dakar, Diourbel, Louga, Saint Louis and Thiès regions. The Kaolack bureau met on October 14 and 15, 2014 to review implementation of recommendations made at the previous meeting, discuss activity reports of components, fourth quarter action plans, assess the training session on the gender approach, commence preparations for the next meeting (scheduling) and issue recommendations to the various stakeholders. The key recommendation addressed to the Component is to conduct an assessment of support being provided to MHOs in order to identify strengths, weaknesses and future prospects. A recommendation was made to all CAs and USAID to improve the condition of the regional bureau's motor pool.

Monitoring of the 2014 action plan and development of the 2015 action plan. The Component organized from August 4 to 6, 2014 in Saly, a workshop during which implementation of activities contained in the 2014 action plan, constraints and budget execution were assessed, priority activities for the fourth quarter identified and related budgets revised. The total budget for the Component's 2015 action plan was also presented as well as milestones, and activities were identified and costed. This workshop was attended by staff from the national office, regional bureau coordinators, HSS and HF advisers, various MOH departments (DAGE, DPRS, DGS, DGAS, DSRSE), CACMU, PNFBR, the Community Health Unit, USAID and the Component's portfolio manager. Following this workshop, regional bureaus met with medical regions to identify DF activities and provide the Component with the necessary information to prepare DF budget forecasts per region. This information was attached to the 2015 action plan submitted on September 1 to USAID. The Component then took part in the workshop organized by USAID on September 24 and 25, 2014 on the presentation of 2015 action plans.

- **MONITORING AND EVALUATION**

The Component organized three coordination meetings this quarter, produced a bi-weekly update as well as its third quarterly report. Regional bureaus organized their quarterly coordination meetings and also held weekly monitoring meetings.

Coordination meetings of the Component. The first coordination meeting of the Component for this quarter was held on Wednesday July 23, 2014, the second on Wednesday August 20, 2014, and the third on Thursday September 11, 2014. The second meeting focused primarily on the 2015 action plan and the integrated action plan. Other meetings discussed activities implemented or monitored by national advisers and sub-contractors. Issues discussed during these meetings include follow-up of the direct financing workshop held from July 14 to 16, 2014, the April-June 2014 quarterly report, the 2015 Annual Action Plan development workshop and the visit of the Component's portfolio manager, signing of new DF contracts and payment of the first two milestones, PBF evaluation and the DECAM project.

Bi-weekly updates. During this quarter, one bi-weekly update was submitted to USAID discussing the training of PBF beneficiaries on the 5S approach organized by the national PBF program (PNFBR) with the support of the Component and in collaboration with the national program on quality (PNQ) and the JICA team.

Activity report. The third quarterly report of Year 3 was prepared and progress made towards reaching milestones was highlighted as well as actions undertaken to meet challenges.

Updating of the project's database. Data relating to the months of June, July and August were entered and verified this quarter.

2.3.2 REVIEW PER SUB-COMPONENT OF IMPLEMENTATION STATUS OF THE ANNUAL WORK PLAN

• MANAGEMENT AND HEALTH SYSTEM AT THE LOCAL LEVEL

As in previous quarters, delays were noted in the area of health governance, specifically with regard to the preparation of job descriptions for members of regional and district health management teams. Only two of ten consultation platforms met during the fourth quarter. Revision of the training manual on health governance and development of the leadership training guide are still pending. With the support of regional bureaus, DHMTs and RHMTs collected and analyzed data on good governance indicators in all health districts covered by the Component except those in the Diourbel region. Capacities in planning, management and monitoring at the regional and health district levels continued to be strengthened. Regional and district workshops to monitor implementation of the 2014 AWP were organized as well as regional coordination meetings. Support provided by the Component for the supervision of health districts by RHMTs facilitated assessment of performances of districts and results of MOH priority programs at the operational level. Training of stock managers, monitoring financial management and stock accounting systems of medical regions and health districts, and development of an accounting software for medical regions and health districts will contribute to improving the accounting and financial management of these health facilities.

The enabling environment created by the determination of regional bureaus to strengthen planning and management capacities of medical regions and health districts continues to have a positive effect on the implementation of the direct financing mechanism. The latter's financing plan, based on resources of Health Program components, however had a negative impact because agencies were expecting a wider coverage of their specific activities in return. This led to a blockage and hence delayed the signing of 2014 direct financing implementation letters (ILs) to June. Subsequent to the signing of ILs, an amendment had to be made during this quarter to readjust the schedule of deliverables and hence facilitate implementation of activities over the rest of the year. Finally, DF milestones for the first quarter of 2014 were paid for the six intervention regions and those for the second quarter are currently under validation.

In addition to the implementation of activities under the PBF cycle, a preliminary report on the evaluation of the process is currently being finalized. During this quarter, RHMTs and hospitals in the two regions of Kaffrine and Kolda signed their first performance contracts with the Minister of Health. Training on the 5S approach for the seven PBF health districts commenced at the health centers of Birkelane and Malem Hoddar.

• SOCIAL FINANCING MECHANISMS

At the end of the fourth quarter of the "Health Systems Strengthening" Component's third implementation year, it can be said that milestones under the sub-component "Social financing mechanisms" were reached overall. Pursuit of the process to adopt a law on UHC and the recent official launch of the national UHC interministerial committee, with the support of the Component, are significant steps towards establishing a regulatory and institutional support framework for social insurance schemes adapted to UEMOA regulations. Further, the effectiveness of Government subsidies to MHOs since the second quarter of Year 3 and their extension to two new regions during this quarter, contributes to introducing new health financing mechanisms based on a combination of Government and household prepayment systems through MHOs, pending the establishment of CAPSU. Government partial subsidies to MHOs were extended to the departments of Saint-Louis (Region of Saint-Louis) and Kébémér (Region of Louga) bringing the total number of recipient MHOs to 77. These results largely exceed the target of 50 MHOs for this year. This subsidy allowed MHOs in departments concerned to put in place a risk-pooling mechanism to share large risks. The mechanism is managed by the regional MHO federation pending the establishment of departmental federations, currently underway in zones covered by the Component.

With the completion of the MHO establishment/restructuring process in the departments of Rufisque, Goudomp and Ziguinchor, all local government units in these departments now have functional MHOs. In the four other new focus departments where the process is still on-going, 20 new MHOs have been set up in the Department of Mbour of the 26 initiatives launched and 29 new MHOs in the Department of Mbacké of the 31 initiatives launched this year. Remaining initiatives in these two departments and on-going initiatives in the departments of Kaffrine and Fatick have scheduled their constitutive general assembly meetings in November 2014; in this way, the milestone “*MHOs are functional in all local government units within the 10 focus departments*” will be reached with a slight carry over to the fourth implementation year.

The PLWHA project has been effectively extended to the regions of Kolda and Ziguinchor and its implementation is continuing in the pilot region of Kaolack with the support of the Component. Other initiatives to provide healthcare coverage for vulnerable groups through MHOs are being conducted in some of the Component’s intervention regions. In addition to the mobilization of targeted subsidies for the enrolment in 25 MHOs of **5,956** poor and vulnerable persons in the Diourbel, Fatick, Kaolack and Kaffrine regions, the Component is also providing the MOH (CACMU and DGAS) with support to enroll beneficiaries of family welfare grants in MHOs. This initiative targeting all functional MHOs countrywide will largely contribute to reaching the milestone “*Health insurance coverage, through MHOs, is effectively provided to vulnerable groups in at least forty (40) MHOs*”.

- **POLICIES AND REFORMS**

Activities planned for the fourth quarter were fully implemented. It shall simply be specified that the final report of the PNL audit that has already been presented to and approved by the Steering Committee should be more widely disseminated within the Ministry prior to implementing the proposed action plan on corrective measures to be taken. Also, preparations for the roundtable of TFPs to mobilize resources for the financing of the PNA’s 2014-2018 strategic plan have commenced and the detailed budget and financing plan are available. The effectiveness of the approach utilized to ensure greater implication of regions in FP advocacy is worth noting. Ownership of the process by the highest regional authorities was helpful in meeting the challenge of ensuring an active participation of all local stakeholders.

- **COORDINATION / MONITORING AND EVALUATION**

During the fourth quarter of Year 3, establishment of a record keeping system at regional bureaus, orientation sessions on success stories for staff of the Component, drafting and dissemination of success stories and joint semi-annual supervision of regional bureaus were not conducted. Success stories will be prepared during the next quarter along with the annual report. Establishment of a record keeping system at regional bureaus will be rescheduled to Year 4. Training on how to write success stories no longer appears to serve a purpose as documentation in this regard was shared by head office.

2.3.3 CHALLENGES, OPPORTUNITIES AND PERSPECTIVES PER SUB-COMPONENT

- **MANAGEMENT AND HEALTH SYSTEM AT THE LOCAL LEVEL**

Challenges under this sub-component will include stabilizing the direct financing and performance-based financing pilot experiments. USAID's decision to entrust direct financing implementation to the H2S Component from 2015 should facilitate validation of milestones and signing of implementation letters for Year 3 with the six medical regions before the end of December 2014. Establishment of the Steering committee, chaired by the SG/MOH, will strengthen the monitoring framework at the central level. PBF challenges relate to delays in the transmission of quarterly performance reports and payment requests as well as the effective start of PBF implementation in the four regions supported by the World Bank.

- **SOCIAL FINANCING MECHANISMS**

The Component will continue its support to the MOH to ensure functioning of platforms for discussions and exchanges on UHC at the central and local levels (which the Component helped set up) in compliance with recommendations made at the review of the health component of USAID/Senegal's development program. Moreover, it will continue monitoring the regularity of subsidies to MHOs and extension of targeted subsidies to recipients of family welfare grants during the first quarter of the project's fourth implementation year.

- **POLICIES AND REFORMS**

There are two major challenges for the first quarter of FY2015. The first is initiating the mid-term evaluation of the PNDS. The Component will assist the MOH in the recruitment process of a consulting firm and payment of consultant fees. Other TFPs such as LuxDev and BTC will also provide financial contributions to this activity. The findings of this evaluation are expected to provide the MOH with factual and relevant information to review the PNDS and hence improve sector performance. The second challenge is the organization of a roundtable meeting of TFPs to finance the PNA's strategic plan. PNA intends to set up an organizing committee to prepare for this activity and has requested support from Abt-H2S.

- **COORDINATION / MONITORING AND EVALUATION**

The challenge of convening inter-agency meetings on a rotational basis every three months and ensuring inter-agency working groups of the Health Program are functional still remains. A refocusing of working groups was proposed during the workshop on the presentation of action plans of components. Stabilization of MHO data also remains a challenge. Regular monitoring of MHOs is necessary and monitoring the use of subsidies is an opportunity that regional bureaus should seize to gain better control of MHO data.

3 CROSS-CUTTING ISSUES

3.1 GENDER MAINSTREAMING

Gender mainstreaming is addressed in the Component's interventions from two angles: taking full account of the specific needs of women or men when determining benefits packages of financing mechanisms supported by the Component, and empowering women and men in the health sector through their participation in the implementation of interventions supported by the Component and their representation in decision-making bodies of new organizations established with the support of the Component.

Granting of partial and targeted subsidies and their progressive extension allowed 77 MHOs established in 12 of the 14 focus departments to offer the DECAM initiative's benefits package (basic and complementary packages). This package includes services that take into account the healthcare needs of men and women (CPC, reproductive health, family planning, diagnostic tests, generics and brand name drugs). Moreover, commencement of targeted subsidizing in four regions and the enrolment of family welfare grant recipients will facilitate financial access to healthcare for all vulnerable groups.

The significant level of participation of women in the various implementation phases of the DECAM initiative noted during the previous quarter was enhanced: they represent between 39% and 44% of MHO administrators trained in administrative and financial management in the departments of Kaolack, Kaffrine and Nioro. In MHOs within the departments of Kolda, Ziguinchor and Sédhiou, women represent between 51% and 53% of beneficiaries that have made their premium payments in full. These figures will increase with the enrolment of family welfare grant recipients, for which women are the main gateways. Women are increasingly appointed to decision-making positions in newly established MHOs (chair, treasurer, secretary general, oversight committee).

A draft of the H2S Component's "gender" strategy is available and will be submitted to USAID as soon as it is finalized.

3.2 ENVIRONMENTAL COMPLIANCE

Prior to the approval of our contract, the Initial Environmental Evaluation of USAID/Senegal's Health Program was approved by Bureau Environmental Officers in Washington D.C. It was determined that all intermediate results of the Program qualified for categorical exclusion with the exception of those concerning the supply of nets and residual spraying – in which the Component is not involved. The H2S Component is drafting an environmental compliance strategy to be submitted to USAID upon finalization.

3.3 COMPLIANCE WITH FAMILY PLANNING LEGISLATION AND POLICY REQUIREMENTS

During this quarter, the H2S Component did not initiate specific actions that required compliance with FP policy requirements. The H2S Component is drafting a strategy for compliance with family planning policy requirements to be submitted to USAID upon finalization.

4 STAKEHOLDER PARTICIPATION AND INVOLVEMENT

- **Management and health system at the local level**

Several stakeholders at the central, regional and local levels are involved in view of the nature of activities carried out under this sub-component. Activities relating to capacity-strengthening in planning, management and monitoring at the regional and health district levels are identified and supported in collaboration with the DPRS, DAGE/MOH, CTB and LuxDev. They are jointly implemented with medical regions and health districts, local government units and stakeholders in the health sector, and with the collaboration of other Health Program components through regional bureaus. Direct financing activities are jointly implemented with other components of the Health Program, medical regions and health districts. The regional committee in charge of validating direct financing milestones comprises, in each region, the governor, regional services, regional development agencies and representatives of local civil society. Performance-based financing activities are implemented with the Performance-Based Financing National Program of the General Directorate for Health. At the regional level, these activities require the participation of medical regions, regional services and representatives of local civil society, who are all members of the PBF regional management committee. At the local level, PBF activities are implemented in collaboration with health districts, health centers and posts, local government units and health committees as well as CBOs involved in the verification process. The World Bank has constantly been involved in the PBF steering committee, which also comprises central MOH services, the MEF, representatives of locally-elected officials and other technical and financial partners. The involvement of the World Bank and the MEF is currently being reinforced with the establishment of the Bank's health and nutrition project. During this quarter, the Component also worked with JICA to assist the PNFBR in the training of health districts on the 5S approach.

- **Social financing mechanisms**

As in the previous quarter, several stakeholders were mobilized for UHC-related activities supported by the Component during this quarter. Continued collaboration with certain MOH units such as DAGE, CACMU and DGAS has helped to boost mobilization of partial and targeted subsidies. Extending targeted subsidies to family welfare grant recipients allowed effective collaboration between the MOH and the General Delegation for Social Protection, facilitated by the Component. CDS', composed of representatives of local stakeholders, held their quarterly meetings to monitor UHC implementation at the departmental level. Improvements were made in cost-sharing agreements signed between the Component and World Vision in the departments of Kaffrine and Fatick. Implementation of the communication plan commenced with the joint support of the Component, Lux-Dev and UNICEF. Groups of trainers established with the support of the Component continued to roll out the DECAM initiative in new extension departments with the active collaboration of local government units and health districts. Lastly, the PLWHA support project is jointly implemented with the Health Program's HIV/AIDS and Tuberculosis Component and the DLSI at the central level, medical regions, the governor, PLWHA associations, regional MHO federations, micro-finance institutions and service providers. Installation of the UHC interministerial steering committee and establishment of regional monitoring committees will help strengthen collaboration between stakeholders for UHC implementation.

- **Policies and reforms**

The Component has continuously made use of comparative advantages offered by sub-contractors (Group ISSA and PATH) in relevant areas and ensured follow-up of activities relating to policies and reforms. At the PNA, PATH helped finalize the 2014-2018 strategic plan (narrative portion and costing). Group ISSA also assisted the DGS in writing the draft paper on the reform of health districts. H2S collaborates with other sub-components, especially to provide the MOH with assistance in the areas of community health, family planning and reform of the health system, health districts in particular.

- **Coordination**

Coordination activities are conducted in collaboration with other components of the Health Program at the central, regional and local levels. In this regard, components work with MOH central services, other ministries and technical and financial partners through the Program's Steering Committee. All coordination activities at the regional and health district levels are jointly carried out with other components through regional advisers of components at the Health Program's regional bureaus.

5 LESSONS LEARNED

- **Strengthening the capacities of medical regions and health districts in planning, management and monitoring**

A computerized management system of health centers and medical regions contributes not only to enhancing health governance through transparency in the management of revenue generated from the sale of tickets and medicines, but also helps increase revenue and improve the information system.

- **Performance-based financing**

Inadequacies in the accountability of CRGs in decision-making and activity implementation at the local level prolong time limits set for the various stages of the PBF cycle.

- **Direct financing**

DF provides an opportunity to introduce technological innovations in the health system. The framework for activity planning, monitoring and coordination of health districts and the medical region is currently being reinforced in pilot regions.

- **Social financing mechanisms**

The Government of Senegal's decision to adopt a law on UHC and the effective installation of UHC management bodies are significant steps towards creating a favorable legal and institutional environment for UHC. The satisfactory level of progress in the implementation of the UHC policy in general and the DECAM initiative in particular is attributable to the commitment of administrative authorities (governors, préfets, sous-préfets) and the mobilization of key community-based stakeholders. The Government's effective contribution in the financing of MHO premium payments has provided MHOs with greater credibility and could be an incentive for populations to enroll in MHOs. Development of local leadership through training by the pool of trainers has increased the confidence of populations and prompted their participation in the DECAM initiative. Finally, enrolment of family welfare grant recipients in MHOs will strengthen relations between the UHC and other social safety net programs.

- **Policies and reforms**

Ownership of health policies by healthcare workers will certainly depend on the expected impact that policies will have on system performance as well as material benefits that workers expect to derive from these. The outcome of the process could be delayed if there is the slightest risk that part of the personnel will lose its benefits. The reform of the health district is a perfect illustration.

6 KEY ACTIVITIES PLANNED FOR NEXT QUARTER PER SUB-COMPONENT INCLUDING UPCOMING EVENTS

- **Management and health system at the local level**

- Finalization of the data consolidation and validation process on good health governance indicators;
- Supervision of ORCAP activity implementation;
- Support for monitoring 2014 AWP's of medical regions and health districts;
- Support to RHMTs for the supervision of health districts;
- Support for production of the 2013 annual financial report of the medical regions of Kaolack, Kolda and Thiès;
- Monitoring of financial management and stock accounting systems in medical regions and health districts;
- Monitoring implementation of Direct Financing in the six focus regions;
- Assistance to supervise PBF in beneficiary health facilities in the Kaffrine region;
- Support for the organization of workshops to reconcile data covering the first half of 2014 and payment of bonuses;
- Organization of the PBF data verification mission for the third quarter of 2014 in Kolda and Kaffrine;
- Support to PBF awareness-raising and training activities in the four new extension regions;
- Documenting of the H2S Component's success stories on DF and PBF within the context of preparing the annual report of Year 3.

- **Social financing mechanisms**

- Assistance for the functioning of UHC discussion and exchange platforms at the central and local levels (national steering committee, technical committees, regional and departmental monitoring committees);
- Continued support for the enrolment in MHOs of beneficiaries of family welfare grants;
- Continued support for adoption of the UHC bill, in particular the establishment of a strong independent framework to shepherd components relating to MHOs and free healthcare initiatives;
- Consolidation of achievements of the DECAM initiative in the ten pilot departments;
- Support for the mobilization of MHO subsidies;
- Support for implementation of the UHC communication plan;
- Building of synergies between H2S, the community health Component and CACMU for UHC implementation;
- Support to the project providing medical and social coverage to vulnerable groups with FHI360 in the Kaolack, Kolda and Ziguinchor regions and its extension to Sédhiou;
- Assistance for implementation of the WB project, the component on financing the demand.

- **Policies and reforms**

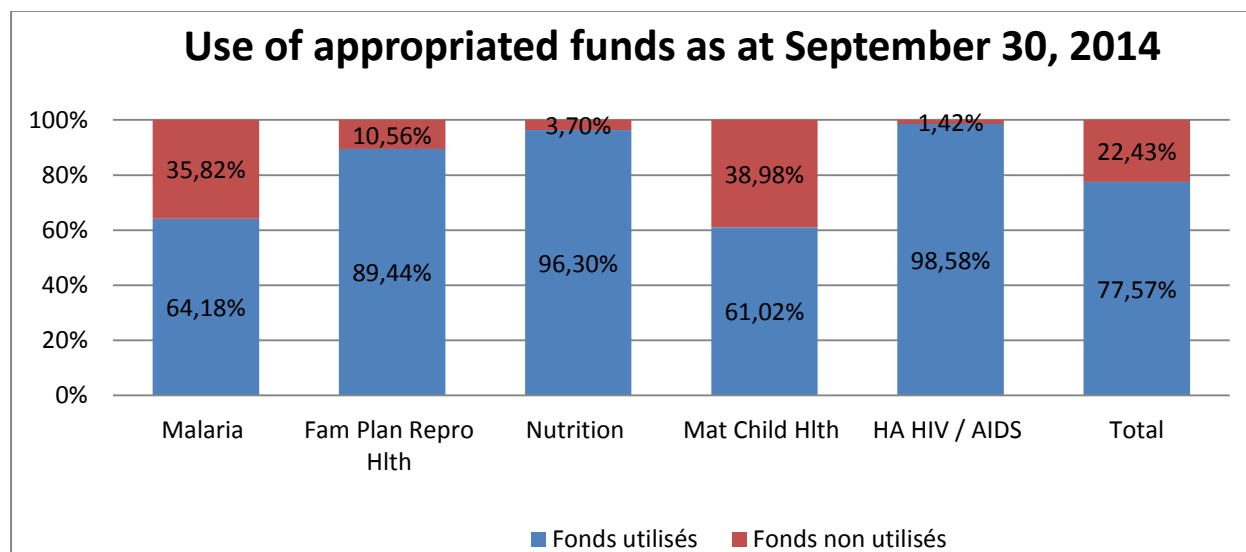
Activities to be implemented during the next quarter will be confirmed after approval of the H2S Component's FY_2015 action plan by USAID. They will primarily revolve around the organization of a roundtable meeting of TFPs to finance the PNA's strategic plan, FP advocacy, MOH reorganization process in general and health district reform in particular.

- **Coordination / Monitoring and evaluation**

- Meeting of the 2011-2016 Health Program's Steering Committee;
- Production of the annual report and fourth quarterly report for 2014;
- Finalization of the integrated action plan;
- Updating of the database;
- Finalization of the 2015 action plan.

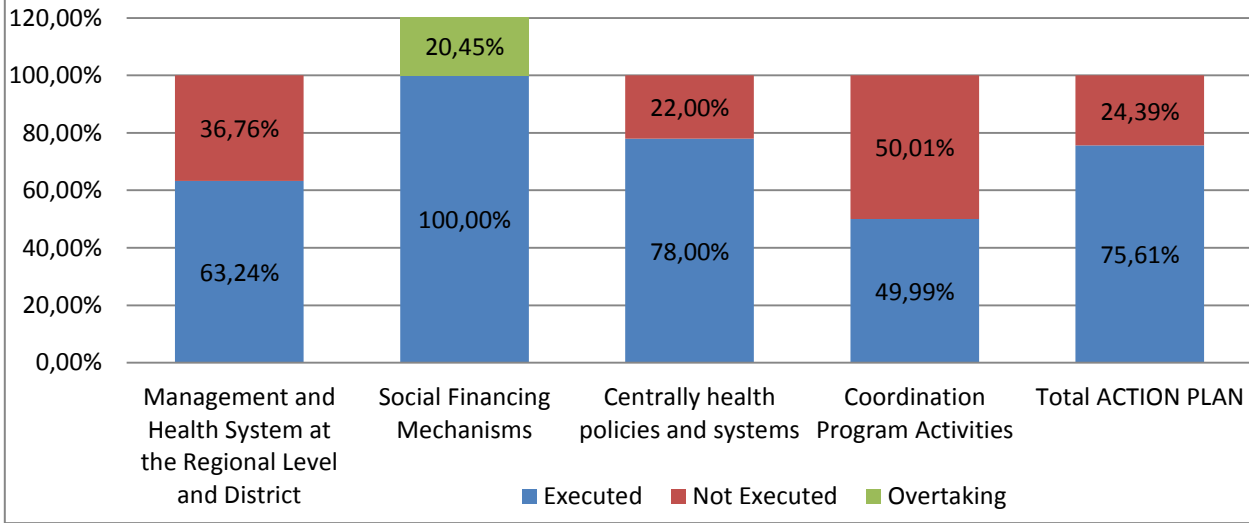
7 MANAGEMENT AND ADMINISTRATIVE ISSUES

Total expenditures of the H2S Component at the end of September 2014 were US\$ 14,061,133.22 out of a total budget of US\$ 18,127,514.33 i.e. an overall execution rate of 77.57%. This is reflected across all financing sources also rated at almost 80% in terms of spending.



The financial execution rate of the H2S Component's action plan is 75.61%: representing an increase of 30.29 points in comparison to the last quarter. This increase is echoed in all activity areas, particularly the social financing mechanisms sub-component, which reached a financial execution rate of 120.45%. Financial execution rates of sub-components relating to management and health system and health policies and reform also increased significantly. This rate effectively increased by over 30 points for these two sub-components but is still contained by (i) delays in the payment of bonuses, (ii) non implementation health sector MTEFs at the regional level, and (iii) low implementation of activities in support of the FP action plan.

Financial implementation rate of action plan



ATTACHMENT I: PROGRESS ON THE ACTION PLAN/INDICATORS

TABLE 2: INDICATOR TABLE

#	Indicator	Disaggregated by	FY13	FY14					Performance FY14	Observations
				FY14 Target	Status Q1	Status Q2	Status Q3	Status Year3		
1	Proportion of health districts where the functions of DMO and those of the chief medical officer at the health center are separated	Region	31%	100%	NA	NA	NA	ND	Data was collected during this quarter and will be presented next quarter.	
2	Proportion of Service Delivery Points (SDP) that have displayed the cost of medicines and services	district	63%	95%	NA	NA	NA	ND		
3	Proportion of health districts with a technical execution rate of AWP _s ≥ 80% ¹	Region	22,9	100%	NA	NA	NA	35,9%	56,7%	Thirty nine health districts provided data for the two years. Health districts with rates higher or equal to 80% were 14 in number in 2013 compared to 8 in 2012. Among health districts that reached an 80% rate, the highest performances were recorded in Médina Yoro Foulah, Tiadiaye, Goudomp, Ziguinchor and Joal. They progressed between 106 and 60%. The highest rates were recorded in Guinguinéo (100%), MYF (95%), Goudomp (85%), Tivaoune (84%) and Ziguinchor (84%).

¹ Execution rates calculated during the year refer to the previous year, however 2012 rates were provided in 2014. The average rate given in the table concerns the 35 health districts for which 2012 and 2013 data is available.

#	Indicator	Disaggregated by	FY13	FY14					Performance FY14	Observations
				FY14 Target	Status Q1	Status Q2	Status Q3	Status Year3		
4	Number of medical regions that have organized a high quality JPR	-	100%	100%	NA	NA	100%	100%	-	All regions organized their JPRs prior to the national JPR with the support of the Component or other partners. The situation is 100% satisfactory.
5	Proportion of verification reports received by CRGs	-	100%	100%	100%	0%	100%	100%	-	Reports were prepared after each verification mission. The situation is 100% satisfactory.
6A	Number of reimbursement requests received by the national PBF program (BAP)	-	100%	100%	24.8% (76/306)	24.8%	62.4% (191/306)	100% (306/306)	-	During the first two quarters, only 38 beneficiaries had signed their contracts. The 77 other beneficiaries signed their contracts in July 2014 bringing the total number of beneficiaries to 115.
6B	Proportion of payment requests submitted to the Component	-	100%	100%	0%	24,8%	62,4%	100%	-	
6C	Number of payments received by beneficiaries that have signed PBF performance contracts	-	45	306	0	76	191	306	-	
7	Number of health districts involved in performance-based financing	-	7	16	7	7	7	7	43,8%	The Component plans to accompany the World Bank for extension to other districts; however the WB project is yet to commence.
8	Number of MHOs that received public subsidies following the establishment of mechanisms by the government	Region	-	50	0	64	75	77		Subsidies (partial and targeted) are now available in 2014 for all functional MHOs. The 64 MHOs in the first 3 focus departments were the first to receive subsidies. Subsidies were extended to other focus departments as and when the required documents were

#	Indicator	Disaggregated by	FY13	FY14					Performance FY14	Observations
				FY14 Target	Status Q1	Status Q2	Status Q3	Status Year3		
										submitted. Of the 77 recipient MHOs at the end of the year, 25 also received targeted subsidies for poor and vulnerable groups.
9	Number of beneficiaries covered by community-based MHOs	Region	336739	660000	295884	281224	273108	299457	-	The slight decrease in comparison to Year 2 is a result of clean-up operations conducted by some MHOs in connection with the preparation of subsidy request documents. Nonetheless, new MHOs established with the support of the Component have commenced their membership recruitment campaigns and the number of beneficiaries should considerably increase especially in light of subsidies.
10	Number of vulnerable persons covered through MHOs with the support of a third-party payer	Region	55204	66000	10650	6361	3235	7908		These figures have dropped considerably because NGOs such as World Vision have stopped subsidizing school children and other vulnerable persons. 5,644 of these vulnerable persons benefitted from government subsidies. A sharp increase is expected in the coming months with the enrolment in MHOs of families receiving family welfare grants.

#	Indicator	Disaggregated by	FY13	FY14					Performance FY14	Observations
				FY14 Target	Status Q1	Status Q2	Status Q3	Status Year3		
11	Number of policy papers approved and regulatory acts adopted for the implementation of policy initiatives developed by the EIPS	-	2	≥ 1	0	1	1	2	-	Validation of the PNA's strategic plan and the community health policy paper (health district reform document is available but is yet to be validated).
12	Health sector budget as a percentage of the national budget	-	10,7%	15,0%	-	-	-	ND	1,3%	Data will be available from March 2015.
13	Deadline for production of the performance report of the health sector MTEF for year n-1 is met (May)		Yes	Yes	-	-	Yes	Yes		The report was produced in May as scheduled.
14	Amount allocated (in CFA francs) to districts and medical regions by Program components through the direct financing mechanism		496950592 CFA franc	1000000000 CFA franc	-	0	999990715		-	2014 implementation letters were signed in June for six regions. During the fourth quarter, the six regions reached the first milestone and Thiès, Sédhiou and Kaolack reached the second.
15	Amount allocated (in CFA francs) to districts, medical regions and EPS' by Program components through the PBF mechanism for the payment of bonuses		23564521 FCFA	320000000 FCFA	0	12236409 FCFA	22540177 FCFA	97034051 FCFA	30,3%	During the first two quarters, only 38 beneficiaries had signed their contracts and received bonus payments. The 77 other beneficiaries signed their contracts in July 2014. Total bonus payments in the fourth quarter amounted to 62,257,465 CFA francs.

#	Indicator	Disaggregated by	FY13	FY14					Performance FY14	Observations
				FY14 Target	Status Q1	Status Q2	Status Q3	Status Year3		
16	Proportion of progress reports of the Component prepared within the required time-limit	-	100%	100%	100%	100%	100%	100%		All reports were submitted on time but only nine (9) bi-weekly updates were produced.

ATTACHMENT 2: FINANCIAL REPORT OF THE COMPONENT

Annual action plan of the Health System Strengthening Component		Quarter 4				Cumulative total for current FY	Balance for current FY	% of annual budget spent
Line of action	BUDGET CFA F	July-14	Aug-14	Sept-14	Total for quarter			
Sub-Component A: Management and health system at regional and district levels								
Job descriptions of RHMT and DHMT members available in 10 regions	720 000	-	-	-	-	-	720 000	0,00%
Consultation frameworks (Health-TFP-Local government unit and other health sector stakeholders) are functional in ten (10) regions	3 000 000	-	-	8 125	8 125	340 000	2 660 000	11,33%
Stakeholders at medical regions and health districts are trained on governance and leadership in ten (10) regions	36 456 500	305 500	-	1 640 200	1 945 700	6 080 160	30 376 340	16,68%
ORCAP tool is effectively utilized in all intervention regions	14 640 000	-	-	1 001 725	1 001 725	9 419 945	5 220 055	64,34%
Support provided to ten (10) medical regions for the development of AWP	78 649 000	5 864 380	3 731 495	186 000	9 781 875	44 748 364	33 900 636	56,90%
Annual joint portfolio reviews are held in all focus regions	25 789 000	420 425	2 898 800	456 550	3 775 775	9 838 394	15 950 606	38,15%
The training guide on administrative and financial management as well as the accounting software for regional and district teams are adapted	44 678 200	2 244 750	627 100	151 700	3 023 550	14 163 515	30 514 685	31,70%

Annual action plan of the Health System Strengthening Component		Quarter 4				Cumulative total for current FY	Balance for current FY	% of annual budget spent
Line of action	BUDGET CFA F	July-14	Aug-14	Sept-14	Total for quarter			
Annual financial reports are prepared by the medical region and districts in 3 regions (Kolda, Thies and Kaolack)	-	-	-	-	-	-	-	
Implementation letters are signed with six (6) medical regions	19 810 190	31 942 792	4 034 620	17 049 668	46 304 640	122 043 905	(102 233 715)	616,07%
Evaluation of the PBF pilot project is conducted	22 045 600	4 343 988	2 656 800	1 253 000	8 253 788	25 905 045	(3 859 445)	117,51%
PBF extension strategy is adopted by the MOH	8 463 000	-	-	-	-	255 000	8 208 000	3,01%
PBF mechanisms are implemented in at least twenty (20) health districts with contributions from financing sources other than USAID	149 759 000	26 481 550	10 388 620	5 860 315	42 730 485	136 083 103	13 675 897	90,87%
The financing mechanism of the PBF extension phase is institutionalized	62 500 000	809 000	-	-	809 000	31 343 649	31 156 351	50,15%
Incentives for PBF project beneficiaries are paid on time	320 000 000	-	62 367 465	-	62 367 465	97 144 346	222 855 654	30,36%
TOTAL SUB-COMPONENT A: Management and health system at regional and district levels	786 510 490	72 412 385	86 704 900	27 607 283	186 724 568	497 365 426	289 145 064	63,24%
Sub-Component B: Social financing mechanisms								
A UHC institutional support framework is established	18 500 000	667 600	225 800	-	893 400	18 621 041	(121 041)	100,65%
The National healthcare	3 000 000	-	-	-	-	-	3 000 000	0,00%

Annual action plan of the Health System Strengthening Component		Quarter 4				Cumulative total for current FY	Balance for current FY	% of annual budget spent
Line of action	BUDGET CFA F	July-14	Aug-14	Sept-14	Total for quarter			
solidarity fund/CAPSU is functional								
Approximately fifty (50) MHOs at least receive subsidies for the expansion of their benefits packages through the national solidarity fund for healthcare or any other equivalent subsidization system	1 000 000	-	-	-	-	3 299 444	(2 299 444)	329,94%
MHOs are operational in all local government units in nine (9) focus departments	139 603 000	19 350 590	12 931 875	26 817 498	59 099 963	204 365 094	(64 762 094)	146,39%
A risk-pooling mechanism is developed to share large risks and professionalize risk-management in each of the ten (10) focus departments	13 116 150	485 500	887 400	5 716 600	7 089 500	15 030 050	(1 913 900)	114,59%
Partnerships established between MHOs and micro-finance institutions in focus departments	2 500 000	-	-	-	-	-	2 500 000	0,00%
MHOs and MHO networks in the entire intervention zone of the Component are functional	23 303 000	1 946 650	1 893 000	6 596 125	10 435 775	26 314 450	(3 011 450)	112,92%
PLWHA support project is extended to three (3) regions	19 150 000	-	134 200	121 600	255 800	5 117 470	14 032 530	26,72%

Annual action plan of the Health System Strengthening Component		Quarter 4				Cumulative total for current FY	Balance for current FY	% of annual budget spent
Line of action	BUDGET CFA F	July-14	Aug-14	Sept-14	Total for quarter			
Health insurance, through MHOs, is effectively provided to vulnerable groups in at least forty (40) MHOs	8 973 000	93 500	345 000	1 595 590	2 034 090	3 247 090	5 725 910	36,19%
TOTAL SUB-COMPONENT B: Social financing mechanisms	229 145 150	22 543 840	16 417 275	40 847 413	79 808 528	275 994 639	(46 849 489)	120,45%
Sub-component C: National level health policies and systems								
At least one (1) policy initiative for health system strengthening is supported	40 300 000	2 939 672	9 068 781	257 850	12 266 303	57 704 641	(17 404 641)	143,19%
Implementation of the community health policy is supported	11 000 000	184 000	-	-	184 000	7 378 880	3 621 120	67,08%
A PNA strategic development plan is prepared and implemented	70 000 000	-	2 850 000	17 778 437	20 628 437	51 979 004	18 020 996	74,26%
At least one (1) policy initiative in the maternal and newborn health, family planning, child health, malaria, HIV/AIDS and tuberculosis areas is supported	73 500 000	18 433 350	5 199 150	4 812 990	28 445 490	41 729 568	31 770 432	56,77%
Regional health sector MTEFs are established in 10 regions	32 000 000	-	-	-	-	-	32 000 000	0,00%
The 2014-2016 health sector MTEF is prepared within the required time-limit	7 950 000	-	-	-	-	3 739 000	4 211 000	47,03%

Annual action plan of the Health System Strengthening Component		Quarter 4				Cumulative total for current FY	Balance for current FY	% of annual budget spent
Line of action	BUDGET CFA F	July-14	Aug-14	Sept-14	Total for quarter			
The performance report of the 2013 health sector MTEF is delivered within the required time-limit	4 350 000	-	-	7 335 900	7 335 900	11 232 400	(6 882 400)	258,22%
The 2015 draft budget based on allocation criteria defined by DAGE/MOH is prepared	-	-	-	-	-	4 464 803	(4 464 803)	
The annual financial report of DAGE is prepared within the required time-limit	1 500 000	1 442 500	80 500	-	1 523 000	9 435 386	(7 935 386)	629,03%
TOTAL SUB-COMPONENT C: National level health policies and systems	240 600 000	22 999 522	17 198 431	30 185 177	70 383 130	187 663 682	52 936 318	78,00%
Activity area D: Coordination								
The Health Program's Steering Committee meetings are held as scheduled	1 250 000	-	-	-	-	1 282 000	(32 000)	102,56%
Four technical group reports are prepared and validated	735 000	-	-	-	-	-	735 000	0,00%
At least two inter-agency technical group reports are effectively applied by USAID implementing agencies	2 940 000	-	-	-	-	-	2 940 000	0,00%
Action plan of the Component is developed and monitored	28 223 300	-	480 540	5 830 000	6 310 540	18 462 215	9 761 085	65,41%
Periodic reports are prepared (quarterly reports and annual report)	6 769 600	-	272 111	24 000	296 111	1 970 251	4 799 349	29,10%

Annual action plan of the Health System Strengthening Component		Quarter 4				Cumulative total for current FY	Balance for current FY	% of annual budget spent
Line of action	BUDGET CFA F	July-14	Aug-14	Sept-14	Total for quarter			
Four (4) success stories are produced	3 800 000	-	-	-	-	140 000	3 660 000	3,68%
TOTAL ACTIVITY AREA D: COORDINATION	43 717 900	-	752 651	5 854 000	6 606 651	21 854 466	21 863 434	49,99%
Total Action Plan	1 299 973 540	117 955 747	121 073 257	104 493 873	343 522 877	982 878 213	317 095 327	75,61%