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USAID's Strengthening Systems for Better Health Activity



Year Two, Semiannual Progress Report July 16, 2018 – January 15, 2019

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USAID's Strengthening Systems for Better Health Activity is funded under Cooperative Agreement Number: 72036718CA00001. The purpose of the Activity is to assist the Government of Nepal to improve health outcomes, particularly amongst marginalized and disadvantaged groups, through enhancing access to and quality of maternal, child, and reproductive health services, with specific focus on newborn care. The Activity is implemented by Abt Associates, in partnership with Save the Children, Management Support Services and the Karnali Academy of Health Sciences.

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Acronyms

ANC	Antenatal Care
ANM	Auxiliary Nurse Midwife
AWPB	Annual Workplan and Budget
DHIS	District Health Information System
DoHS	Department of Health Services
DQA	Data Quality Assessment
EDP	External Development Partners
eLMIS	Electronic Logistics Management Information System
FPAN	Family Planning Association of Nepal
FY	Fiscal Year
GESI	Gender Equality and Social Inclusion
GHSC-PSM	Global Health and Supply Chain Program-Procurement and Supply Management
GIZ	Gesellschaft für Internationale Zusammenarbeit
HEOC	Health Emergency Operation and Coordination
HFOMC	Health Facility Operational and Management Committees
HMIS	Health Management Information Systems
HSS	Health Systems Strengthening
IHMIS	Integrated Health Management Information System
IMNCI	Integrated Management of Neonatal and Childhood Illnesses
IPM IL	Integrated Pest Management Integration Lab
KAHS	Karnali Academy of Health Sciences
LARC	Long Acting Reversible Contraceptives
LMIS	Logistics Management Information Systems
MASS	Management Support Services
MEL	Monitoring, Evaluation, and Learning
MNCH/FP	Maternal Newborn and Child Health/ Family Planning
MOFAGA	Ministry of Federal Affairs and General Administration
MoHP	Ministry of Health and Population
MoSD	Ministry of Social Development
MSS	Minimum Service Standards
NDHS	Nepal Demographic and Health Survey

NHFS	Nepal Health Facility Survey
NHSS	Nepal Health Sector Strategy
NHSSP	Nepal Health Sector Support Program
NSI	Nick Simons Institute
PACOM	Pacific Command
PAHAL	Promoting Agriculture, Health, and Alternative Livelihoods
PHA	Public Health Analyst
PHCT	Provincial Health Coordination Team
PI	Performance Improvement
PIRS	Performance Indicator Reference Sheet
PPP	Public-Private Partnerships
PPR	Performance Plan and Report
QI	Quality Improvement
RDQA	Routine Data Quality Assessment
RM	Rural Municipality
SBA	Skilled Birth Attendant
SHOPS Plus	Sustaining Health Outcomes through the Private Sector Plus
SIFPO2	Support for International Family Planning Organizations
SMT	Senior Management Team
SSBH	USAID’s Strengthening Systems for Better Health Activity
TA	Technical Assistance
UNICEF	United Nations Children’s Emergency Fund
USAID	United States Agency for International Development
WHO	World Health Organization

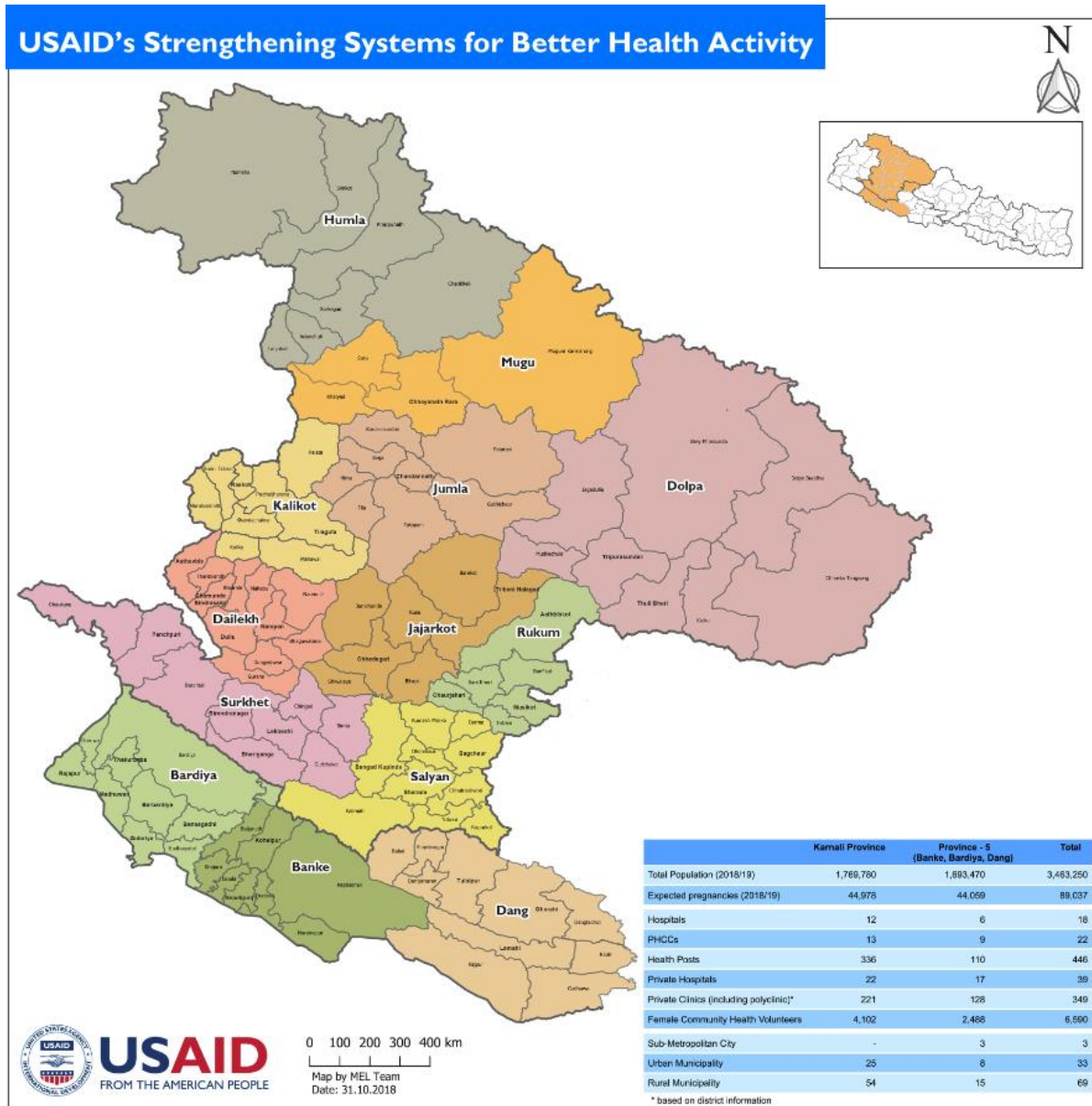
Introduction

The United States Agency for International Development (USAID) awarded the five-year, \$24 million USAID's Strengthening Systems for Better Health Activity to Abt Associates (Abt) in January 2018. To implement the cooperative agreement, Abt is partnering with Save the Children, the Karnali Academy of Health Sciences (KAHS), and Management Support Services (MASS).

The Activity is designed to improve health outcomes, particularly for the most marginalized and disadvantaged groups, by improving access to and quality of maternal, child, and reproductive health services, with specific focus on newborn care. The focus is also on strengthening data driven planning and governance of a decentralized health system, which in turn will increase utilization of equitable, accountable, and quality health services. This will be achieved through three outcomes, namely: 1) improved access to and utilization of equitable healthcare services; 2) improved quality of health services in facilities and communities; and 3) improved health systems governance, including within the context of federalism.

The Activity's geographic focus, as outlined in Figure 1, covers a total of 105 municipalities (i.e., 79 municipalities in Karnali Province and 26 municipalities in Province 5 from three districts: Banke, Bardiya, and Dang) from the most disadvantaged part of the country. This focus is based on USAID's geographical selection criteria, and was validated during the joint application development process, allowing USAID to continue to build on current and past investments concentrated in these two provinces, while covering a sizable population with health systems strengthening interventions. The Activity has established a field office in Surkhet, Karnali Province and has deployed 10 multidisciplinary teams that will support activities in both provinces.

Figure 1: USAID’s Strengthening Systems for Better Health Activity’s Geographic Focus – Karnali Province and Province 5: Banke, Bardiya, and Dang



Achievements in Support of Planned Activities by Outcome

USAID’s Strengthening Systems for Better Health Activity’s Year Two Semiannual Progress Report covers the period from July 16, 2018 to January 15, 2019. The Activity team has used this reporting period to fully operationalize the Surkhet provincial office and complete recruitment and deployment of all program and program support positions at the headquarter, provincial, and district levels.

In Quarter Two, the team held a comprehensive orientation program for 36 new staff members, followed by a two-day strategy and team building meeting for all Activity staff. The overall

objective was to create a common understanding of strategies and programmatic approaches; clarify the roles, responsibilities, and accountabilities of all Activity staff members; and share operational policies, regulations, and processes. All recently hired technical and field staff attended the three-day orientation, and a total of 71 people attended the all-staff meeting, including senior representatives from consortium partners MASS, KAHS, and Save the Children.

Building off of the Activity's foundational work of orienting government counterparts to the Activity at national, provincial, and municipal levels, the team has continued to strengthen working relationships with these individuals and institutions in this reporting period as we launched into full Activity implementation. Achievement highlights from this reporting period include:

- design and initiation of comprehensive, participatory Health Systems and Capacity Assessments in municipalities and facilities across all of the Activity's 13 operational districts;
- providing support to the provincial Ministries of Social Development (MoSDs) and Health Directorates to finalize the design for provincial health profiles;
- contributing to review and updating of existing quality improvement (QI) approaches at the federal and provincial levels to align with the new Ministry of Health and Population (MoHP) federal structure;
- support to the newly established Provincial Health Directorate in Karnali Province to compile annual performance data and facilitate the annual health reviews;
- completion of data collection for the Private Sector Mapping; and
- providing intensive technical support to the Karnali Province MoSD in the consultative process of developing and vetting the Provincial Health Policy and Health Act.

In the following sections, we describe these achievements in more detail along with major activities undertaken by the Activity team in support of the interventions and targets planned for the first half of Year Two. These descriptions are organized by Outcomes, Sub-Results and planned Activities. Following this, we describe activities conducted under our four cross-cutting elements (private sector engagement, gender equality and social inclusion (GESI), data-driven and evidence-based programming, and collaboration and synergy). In the next section, we highlight our achievements under Monitoring, Evaluation and Learning (MEL). Finally, we describe our achievements under project management and lay out our considerations related to anticipated future problems and constraints, along with security. Annex 1 includes a matrix that presents the Activity's reporting on indicators that have been identified for quarterly compilation and reporting on a routine basis throughout the life of the project.

1. Outcome 1: Improved Access to and Utilization of Equitable Health Services

During this reporting period, USAID's Strengthening Systems for Better Health Activity team provided support to the Government of Nepal (GoN) stakeholders to identify ways to improve access and utilization of equitable health services. The team provided technical, financial, and logistical assistance to the MoHP at national level, and to the Ministries of Social Development (MoSD) and their Health Directorates at provincial level, to review and develop draft health

policy documents, acts, and guidelines to improve health service delivery and utilization. We present progress and upcoming activities in the following section.

Sub-Result 1.1: Improved Routine Availability of Effective, Quality MNCH/FP Services at the Health Facility/Community Levels, with Special Focus on Newborns

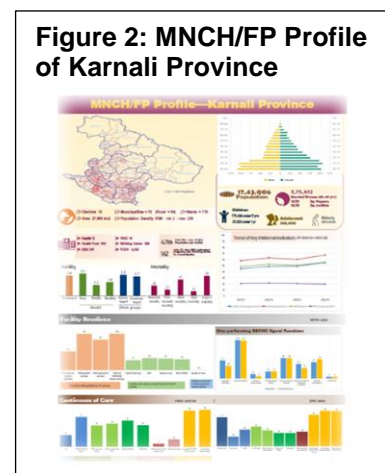
The Activity team is engaged with various stakeholders at federal and the provincial levels to review the availability and use of maternal newborn and child health/ family planning (MNCH/FP) services. During this reporting period, the Activity team initiated the preparation of health profiles to increase local authorities' awareness of their priorities and to monitor their progress both from general and equity-focused perspectives. In Quarter Two, the team developed a draft provincial profile for Karnali Province based on outcomes from the national annual provincial review meeting and initial feedback from the Provincial Health Directorate and MoSD. The team also created a template to guide development of customized technical assistance plans for municipalities, based on the preliminary findings of comprehensive health systems and capacity assessments conducted by the Activity's multidisciplinary teams. The Activity team also completed data collection for the mapping of private sector health entities in both Karnali Province and Province 5, and finalized the approach for the upcoming analysis of social, cultural and economic barriers to accessing MNCH/FP services.

1.1.1 Support the Health Departments of the MoSDs in Karnali Province and Province 5 to prepare a Provincial Health Profile based on data from different sources (e.g., Health Facility Readiness Survey, the Health Management Information System (HMIS), and the Logistics Management Information System (LMIS)).

Provincial health profile. The Activity team worked closely with the Karnali Province Health Directorate during Quarters One and Two to finalize the information needs and indicators for the provincial health profiles. The Activity's Information Systems Specialist developed a draft health profile for Karnali Province based on outcomes from the national annual provincial review meeting and initial feedback from the Provincial Health Directorate and the MoSD. This draft profile has been shared with the Provincial Health Directorate and the MoSD for review and feedback.

Similarly, during this reporting period the Activity team prepared profiles targeted at specific services, using data from various routine and secondary sources. These included the profiles on the status of MNCH/FP service delivery and uptake for Karnali Province and Province 5. The Activity team shared these profiles with participants of a meeting to review the draft National Roadmap for Maternal and Newborn Health, held in Butwal in early January 2019 (See Figure 2).

In Quarter Three, the Activity team will continue working with the Health Directorates and MoSDs in Karnali Province and Province 5 to prepare and update the profiles based on information from secondary sources such as DHIS2 and the provincial analysis of the Nepal Demographic and Health Survey 2016 and the National Health Facility Survey 2015, as



well as primary information collected from municipalities. Once the Activity team reviews and finalizes the profiles, they will be disseminated for use by provincial and municipal level counterparts in support of planning, resource allocation, performance monitoring and the like.

Interactive data capture and reporting platform. After collecting all contents and information of province and municipality profiles, the Activity team will engage experts in Abt's Data Science, Surveys and Enabling Technologies Division to design an interactive data capture and reporting platform, which can house the profiles and enable government counterparts to compile and compare data at multiple levels, and generate user-friendly reports.

1.1.2 Develop and finalize customized technical assistance plans to improve service availability and utilization in Karnali Province and Province 5 in coordination with MoSD and other development partners in the Activity operational areas.

In Quarter One, the Activity team engaged in consultations with the MoSD on the preparation of customized technical assistance plans based on the information gathered and analyzed from the health profiles and other sources. The team will combine this data on service delivery performance with the information on health systems and capacity being gathered through the Activity's consultative capacity assessments (described in more detail under Activity 3.1.5) to (a) determine finally what core technical support will be provided across all 105 municipalities to strengthen clinical service provision, enhance functioning of health systems and improve the timeliness, accuracy and use of health information; (b) identify municipalities with the most evident gaps in performance and capacity for enhanced technical assistance (Core+); and (c) tailor the technical assistance plans, within the parameters of the Activity's technical scope, to meet the specific assistance and capacity building needs of each municipality.

The Activity team has identified a preliminary list of basic systems and service delivery interventions to implement across all municipalities, as well as a template to guide Activity staff and municipal level counterparts in development of customized technical assistance plans in each municipality. Both of these tools will be validated with the field teams during a Program Review and Capacity Building workshop planned for February 2019, in light of the initial findings from the nearly 50 health systems and capacity assessments that have been completed thus far. While the "menu" of Core technical support, training, coaching and mentoring interventions will remain the same across all municipalities, interventions will be prioritized in accordance with strengths, weaknesses and gaps in capacity identified during the assessments.

The field teams, with support from national and provincial level technical staff, will initiate development of the customized technical assistance plans during Quarter Three, while simultaneously completing the remainder of the municipal level systems and capacity assessments. In addition, Activity technical staff are systematically gathering information on the functioning of health systems and capacity of responsible counterparts and institutions at provincial level. In February 2019, Activity clinical staff also conducted an assessment of service delivery and human resource capacity at the Surkhet Hospital. Based on the findings of both these exercises, the team will agree with provincial level counterparts on priority areas for Activity technical assistance going forward. This planning will be done in coordination with the GoN planning cycle for FY 2019/20, so we anticipate that discussions and finalization of the plans will take place mainly during Quarter Three and be finalized in conjunction with Activity workplanning for the coming year (by May 2019).

1.1.3 Support the Health Departments of MoSDs in Karnali Province and Province 5 to develop necessary policies focusing on reaching the unreached, referral mechanisms, public-private partnerships, integrated service delivery approach, human resource deployment and management, and extension of services targeting underserved areas and populations.

During the reporting period, the Activity team met MoSD officials and other development partners in Karnali Province and Province 5 to deepen our understanding of the need for assistance in developing province-level health-related priorities, policies, and regulations. Both MoSDs are in the process of creating their respective provincial health policies and health service delivery acts. The Activity team is providing logistic and technical support for successive meetings of stakeholders in Karnali Province to review their draft health policy. Activity provincial staff also helped facilitate the process and approach, including public engagement, for the development of the Provincial Health Act, following endorsement of the policy. The Provincial Team Lead also participated in a workshop called by the MoSD of Province 5 to complete a concept note for developing a provincial Health Service Delivery Act, which is under discussion at the provincial council of ministers. Specifically, he provided suggestions for engaging stakeholders – health sector representatives, civil society and other actors– in the process of developing the health act.

In Quarter Two, the Activity team continue to provide assistance for formulation of new policies and guidelines through supporting joint consultations, compiling feedback, and providing guidance for next steps. Specifically, the Activity’s Provincial Team Lead and Health Systems Strengthening (HSS) Specialist facilitated discussions with the MoSD of Karnali Province to advocate for inclusion of policies that target reaching the unreached population through the expansion of health service delivery points, referral mechanisms, public-private partnerships (PPPs), and human resource for health in the draft provincial health policy and act.

Also in Quarter Two, the MoSD of Province 5 formed a high level policy development committee which is currently working on the development of the Province 5 health policy. The Activity’s Provincial Team Lead, Hom Nath Subedi, is a member of this team.

The Activity’s HSS Technical Officer (based in MoSD, Province 5) provided technical inputs during policy consultations to prepare the Province 5 Health Facility Establishment and Upgrading Act in Quarter Two. To date, the MoSD has submitted the Act to the Province 5 Assembly for endorsement. The Activity’s HSS Technical Officer also held discussions with the Health Directorate, MOSD Province 5 to prepare the draft guideline for the management of an emergency health fund.

In Quarter Three, the Activity team will continue to support the Karnali Province MoSD to finalize health policies and acts through provision of technical and logistic support, including legal reviews. We will also support the dissemination of policies and acts once they are finalized, and follow a similar process in Province 5.

1.1.5 Facilitate the review and development of a detailed human resource mobilization and capacity building plan focusing on availability of services, readiness, and service provider skills to deliver routine and quality MNCH/FP services at health facility and community level. This effort will focus on Skilled Birth Attendant (SBA) training, Facility-based Integrated Management of Newborn and Childhood Illnesses, Level II Sick Newborn Care, LARC

training, staff retention, motivation, and performance-based management system, mobile/visiting health workers for needy areas, and updating job description of staff.

The Activity is approaching the set of interventions largely through the health systems and capacity assessments that are currently underway. These assessments, at both municipal and facility levels, provide in-depth information on planning, deployment, management and skills of health human resources. As described above, the Activity’s multidisciplinary teams initiated the municipal-level health systems and capacity assessments in Quarter Two. Once these assessments are finalized (Quarter Three) the Activity team will compile the findings, and in collaboration with provinces and municipalities, will determine the needs for training and mentoring for existing health service providers. Capacity building and technical assistance for strengthening skills among facility-based service providers will include (but not be limited to) training and follow-on mentoring for Skilled Birth Attendants, essential newborn care and care of the sick newborn, and provision of long acting reversible contraceptives (LARCs). As mentioned above, please refer to activity 3.1.5 for additional details on the health systems and capacity assessments.

1.1.7 Sensitize policy makers, programmers, and service providers on gender equality and social inclusion (GESI) and its importance for equitable service delivery and utilization.

In Quarter One, the Activity team held a coordination meeting with the GESI focal person in the MoHP at federal level to explore areas of collaboration for sensitizing policy makers, programmers, and service providers on GESI at the provincial level. During this meeting, the Activity team agreed to support the MoHP to hold sessions with the Karnali Provincial Health Directorate to help increase their understanding of the importance of equitable service delivery and utilization and approaches. In Quarter One, the Activity team also held discussions with the MoSD and the Health Directorate of Karnali Province to introduce the Activity team’s plan to conduct an analysis of GESI-related barriers to equitable utilization of services in the Activity’s geographic area (please refer to activity 1.2.1).

GESI sensitization workshop. In Quarter Two, the Activity’s Provincial Team Lead and Health Equity Specialist supported the MoHP to conduct a GESI sensitization workshop targeting policy makers, programmers, and service providers from Karnali Province. The Activity team facilitated the two-day workshop held in December 17-18, 2018 in Surkhet in coordination with MoSD Karnali Province, and Save the Children. A total of 45 participants from various provincial ministry sections attended the workshop including from the Health Directorate,

Figure 3: GESI Sensitization Workshop in Karnali Province

Participants identified the following strategies for equitable service delivery and utilization:

- Improve women’s decision-making power to seek health services
- Promote child/women-friendly health facility infrastructure
- Establish a birthing center in each ward
- Incentivize Female Community Health Volunteers by providing financial support
- Promote equity and health sessions targeting youth
- Strengthen referral system
- Eradicate cultural and social norms that hinder women’s health seeking behavior
- Establish social audit system
- Increase accountability of municipality and health facilities
- Ensure availability of FP services
- Establish special facilities that focus on marginalized groups

Directorate of Social Security, Directorate of Education, Labor and Employment, Ministry of Financial Affairs and Planning, representatives from Directorate of State Police, Directorate of Agriculture and Development, and Ministry of Internal Affairs and Law.

The focus of the workshop was to identify programmatic strategies for addressing health inequities for equitable service delivery and utilization (see Figure 3 for a list of the strategies identified). The MoSD and Health Director will consider these strategies when developing the provincial health plan during the annual planning review meeting that will take place in July/August 2019.

During the sensitization workshop, the Activity's Health Equity Specialist and Provincial Team Lead provided feedback on the Social Welfare Policy drafted by the MoSD, Karnali Province.

Upcoming GESI sensitization trainings. The Activity's Health Equity Specialist will conduct a GESI sensitization session for multidisciplinary team members during the team's upcoming Program Review and Capacity Building Workshop in February 2019.

In Quarter Three, the Activity's Health Equity Specialist will support the MoHP, MoSD, and Health Directorate in Province 5 to conduct a GESI sensitization workshop targeting policy makers, planners, and service provider representatives. The focus of the training will be to support mainstreaming GESI into local levels of the health system.

In Quarter Four, based on the findings of the capacity assessments and customized technical assistance plans, the Activity team will sensitize municipal level stakeholders on health equity issues in their areas and the importance for equitable service delivery and utilization. This activity was originally planned for Quarter Three, but has been pushed back due to delays in initiating municipal-level activities. This delay, in turn, was due to the challenges of staffing up and deployment of our field-level multidisciplinary teams.

1.1.8 Coordinate with development partners (e.g., USAID's projects, United Nations agencies, bilateral donors, etc.), to harmonize efforts to improve demand generation for MNCH/FP services including community sensitization on healthy timing and spacing.

In Quarter One, the Activity team held informal consultations and coordination with USAID-supported projects including Suaahara II, Promoting Agriculture Health and Alternative Livelihoods (PAHAL), Breakthrough Action, Family Planning Association of Nepal/Support for International Family Planning Organizations 2 (FPAN/SIFPO2), and Integrated Pest Management Integration Lab (IPM IL) in Surkhet to identify and discuss specific project objectives, implementation modalities, and areas of coordination. The team also met with other development assistance organizations (e.g., Gesellschaft für Internationale Zusammenarbeit (GIZ) and the United Nations Children's Fund [UNICEF]) to discuss the Activity and its approaches.

In Quarter Two, the Activity's provincial and field-based teams coordinated regularly with various development partners including USAID-supported projects Suaahara II, PAHAL, KISAN II, Breakthrough Action, Swachchhata, FPAN/SIFPO2 and IPM IL in area of geographic and technical overlap. Health-related partner representatives from Suaahara II, Breakthrough Action, Swachchhata, Save the Children and the Global Health Supply Chain Program-Procurement and Supply Management (GHSC-PSM) oriented the Activity team on the ways in which they work with the district and possible areas for synergy. Additionally, the Activity's

Deputy Provincial Team Lead participated and contributed to the human centered design workshop organized by the Breakthrough Action Project. The objective of the workshop was to understand how to effectively target health related social and behavioral change communication messages and materials to different audiences. Similarly, in Quarter Two, the Activity's multidisciplinary teams invited development partners to multiple debriefing meetings as a part of their capacity assessment process. These meetings enabled Activity multidisciplinary teams to share preliminary results of the health systems and capacity assessments and to identify areas for further collaboration and complementarity in future technical support to municipalities and facilities. Close collaboration with Activity staff and development partners serves to create an enabling environment that will facilitate future interventions at the local level.

In Quarter Three, Activity provincial staff will meet with development partner representatives from the Provincial Health Coordination Team (PHCT) to continue to share updates regarding issues and challenges and share results obtained from the Activity's health systems and capacity assessments. The Activity team will also schedule a formal meeting with USAID's support partners in Quarter Three once the new health acts and policies are finalized to identify areas of collaboration and ways to harmonize efforts.

1.1.9 Work closely with USAID's GHSC-PSM Project to strengthen procurement and supply chain management systems at province, municipality, and health facility levels.

The Activity team held initial discussions with technical staff from the GHSC-PSM team to explore options for both orienting Activity staff to the Logistics Management Information System (LMIS) and opportunities for collaboration in provision of technical support at provincial and municipal levels to counterpart staff with new responsibilities related to essential medicines procurement and supply. PSM staff provided an overview of the LMIS to all Activity staff during the November 2018 orientation sessions in Kathmandu. At provincial level, we are exploring the possibility of working with PSM to conduct a basic health logistics and procurement system training for municipal health coordinators and health store focal points in all Activity focus districts. In Quarter Three, the PSM team will provide practical training to Activity staff in operation of the electronic LMIS (eLMIS), so that our Health Information Systems Technical Officers will be able to provide technical support for the roll-out of this system across our operational area.

1.1.10 Work closely with Regional/Provincial Health Training Centers to strengthen existing training sites for SBAs, Facility-based Integrated Management of Neonatal and Childhood Illness (IMNCI), Level II sick newborn care unit, long acting reversible contraceptives, voluntary surgical contraception, and other MNCH/FP trainings, and effectively utilize these sites for upcoming trainings.

During the reporting period, the Activity team has explored options with the Surkhet Provincial Health Training Center and Hospital for strengthening this training site. During these discussions, the team met with focal persons in the hospital, as well as the provincial training focal person, Mr. Nod Narayan Chaudhary, Chief of the Surkhet Provincial Health Training Center to explore the current capacity of the training center to organize SBA and IMNCI training.

The Activity team has received approval from the hospital team (Medical Superintendent, Nursing in-charge, Administrative officer) to conduct an overall assessment of the hospital's

service delivery and training capacity, to include the appropriateness, quality and safety of care in delivery and newborn care practices. The Activity team finalized the tool to assess hospital capacity and will conduct an assessment of both the hospital and the training site in February 2019.

As the Surkhet Provincial Hospital is currently the training site for SBA and IMNCI, and it is planned to be the training site for intrauterine contraceptive device/implants and mid-level practicum training in the near future, the Activity will use this site to include upcoming FP trainings.

While the Activity will support certain classroom training required for providers to be authorized to increase their scope of practice, major emphasis will be placed on continual post-training mentoring of service providers in their place of posting. During Quarter Three, our Senior Technical Advisor will lead development and finalization of the Activity's systematic approach to clinical mentoring, in line with the mentoring guidelines currently being finalized by the Family Welfare Division of the DoHS. The team will provide more detail in the Activity workplan for Year Three on our strategy for working with provinces and local governments to develop a cadre of clinical mentors from among provincial and municipal health staff to gradually take on this important intervention over the life of the Activity.

During this operational year, the Activity team will limit strengthening of training sites to Karnali Province and will explore needs and opportunities for similar assistance in Province 5 next year. In addition, the Activity team will also engage and support both Karnali Province and Province 5 to prepare a strategic training plan for SBA and LARCs.

1.1.11 Support Health Departments of MoSD in Karnali Province and Province 5 to ensure functionality of Provincial HEOC, in coordination with WHO and other stakeholders.

In Quarter One, the Activity's Provincial Team Lead organized a coordination meeting with the Provincial Health Emergency Operation and Coordination (HEOC) team from the World Health Organization (WHO), based within Provincial Health Directorate. During this meeting, participants discussed issues surrounding the functionality of HEOC and the role of partners working at the provincial level and agreed to organize a formal meeting together with MoSD to develop a concrete plan for next steps.

In Quarter Two, the Activity's Provincial Team Lead met again with the WHO HEOC team to discuss the status of partner support to the victims of the Kalikot fire incident which took place in early December 2018. Similarly, the Activity's provincial team advocated to include one agenda item regarding HEOC in the third PHCT meeting which was held on January 4, 2019. During this meeting, participants agreed to collect a list of the available support materials/logistics from each partner to place in the HEOC provincial site to enable them to respond effectively to future disasters.

In Quarter Three, the Activity team will organize a coordination meeting with HEOC and MoSD to agree on the process of preparing an emergency plan for the province and selected municipalities.

1.1.13 Engage private sector (private hospitals, poly-clinics, teaching hospitals) to expand MNCH/FP service delivery outlets and to establish mechanisms to ensure improved service utilization by poor and marginalized populations.

In Quarter Two, the Activity team carried out a mapping of the situation with regard to private health service providers (hospitals, clinics and pharmacies/medicine shops) across the Activity area of geographic focus (please refer to activity 4.1.2). The Activity's Private Sector Specialist and Activity team will finalize the report of this mapping exercise by mid-March 2019. Based on these findings and the findings of the Activity's analysis of barriers to accessing MNCH/FP services (activity 1.2.1), the Activity team will finalize its own strategy for engaging the private health sector. The team will also provide technical support to the Karnali Province MoSD and Health Directorate to develop a provincial policy in support of public-private partnerships to help ensure that quality of critical MNS/FP services being provided through the private sector and to expand availability of these services to populations that are currently not being reached.

Sub-Result 1.2: Increased Utilization of Services by Addressing Social, Cultural, and Financial Barriers

In this reporting period, the Activity team began analyzing data from existing sources to better understand barriers to seeking health services and developed the methodology and tools to carry out a barrier analysis in Karnali Province.

1.2.1 Finalize and disseminate barrier analysis of MNCH/FP service utilization in Karnali Province using data from different sources including gender analysis, social cultural analysis.

In Quarter One, the Activity's Health Equity Specialist prepared a concept note to guide design of an analysis of social, cultural, economic and geographic barriers to utilization of MNCH/FP services in Karnali Province and Province 5. The team used data from sources including the Nepal Demographic and Health Survey (NDHS) 2016 for Karnali Province and shared it with stakeholders to reflect on what is known and what needs to be explored further. According to the NDHS 2016, the use of antenatal care (ANC) services from skilled providers was lowest in Karnali Province (73 percent); the proportion of deliveries taking place at health facilities was only 36 percent; only 39 percent of women residing in the province received postnatal care; and 45 percent of women did not discuss FP with a health worker, female community health volunteer, or at a health facility.

The Activity's upcoming barrier analysis will further explore both demand side and supply side barriers, including service availability and health worker behavior, and cultural and social norms, including how the decision making power of women impacts their ability to seek health services. The results of this study will enable the Activity, key counterparts and other local stakeholders to better understand critical barriers and to develop more nuanced, strategic and locally appropriate solutions to address them.

In Quarter Two, the Health Equity Specialist coordinated with experts from Abt Associates' home office to finalize the research protocol for the analysis to ensure it aligns with Nepal's National Health Research Council guidelines and regulations governing research in the country. The Activity team has finalized the methodology and tools for the analysis (focus group discussions and key informant interviews) and finalized the scope of work for a firm or consulting group to take on the study. After vetting and validation of the research plan by the Karnali Province and Province 5 Health Directorates, data collection will be initiated in Quarter Three, and the team anticipates sharing the findings of the analysis in Quarter Four, in time to incorporate them into workplanning for Activity Year Three.

1.2.2 Support the Health Department of the MoSD in Karnali Province and Province 5 to prepare processes for the annual review of health systems focusing on use of MIS data, performance management, gender-friendly/user friendly services and approach to target activities to poor and marginalized communities and populations.

In Quarter One, the Activity’s MEL team in Kathmandu participated in the national meeting at the Department of Health Services’ (DoHS) HMIS Unit to plan the process for annual review meetings to be conducted at the national, provincial, and district level. The MEL team also supported the DoHS HMIS Unit to finalize the annual review templates and guidelines.

In Quarter Two, Activity provincial staff facilitated and provided logistics support for one-day, district level annual review and compilation meetings in nine out of the ten districts of Karnali Province, in preparation for the Provincial Annual Review Meeting, scheduled for November 2018. The team was not able to provide this assistance in Jajarkot, as the District Health Office was not fully functional at that time and available personal in the district were not able to organize the meeting in the timeframe mandated by the provincial government. The Activity’s multidisciplinary teams had not yet been deployed at this time, and we were not able to manage direct assistance for this activity in Jajarkot. The team provided similar technical support for preparation of annual review data in all three districts of Province 5. The Activity team actively supported the Karnali Province Health Directorate in planning and preparation for the Provincial Annual Review Meeting, including development of the templates for data collection and revision for municipal, district, and provincial levels. Together with the provincial government health team, the Activity team reviewed and finalized the draft guidelines for the district review process, and facilitated the district level data review and compilation meetings as described above.

Participating and supporting this process gave the team additional insight into the working modalities of district teams and health workers, and the current status of the shift to the federal structure in Nepal. This insight helped the Activity team to plan and advocate for other interventions such as training on DHIS2 and the electronic Logistics Management Information System (eLMIS; refer to 4.3.2 for additional details), and preparation of health profiles.

In Quarter Three, the MEL Specialist and Health Information System Specialist will provide support to the Karnali Province Health Directorate to finalize their annual report.

1.2.3 Support the Health Department of MoSD in Karnali Province to review existing health financing mechanisms and to develop a strategy to scale up and ensure functionality of those mechanism (e.g., insurance, free newborn care, Aama Program) to address financial barriers.

As part of the support to development of the Health Policy and Health Act in Karnali Province during Quarter Two, the Activity team advocated for inclusion of the existing and potential new financial incentive and health financing measures in the draft policy and act. These programs include the Aama transportation incentive for institutional deliveries, the Free Newborn Care program and the social health insurance initiative. It will be important for the policy to allow for enhancement of these programs at local level by municipalities that elect to provide “top ups” to the amounts currently mandated in these federal programs, in addition to generation and use of local financial resources for enhancing health service delivery and reach.

In Quarter Three, the team will support the Karnali Province MoSD to conduct a rapid review of existing financial schemes being implemented in the province and also support the Ministry to develop an appropriate strategy to scale up and ensure the functionality of those mechanisms once the health policies and acts are finalized.

1.2.7 Promote use of technology (e.g., mobile apps, toll free numbers, push SMS, information hotline) to communicate MNCH/FP targeted information to focused groups (including adolescent and youths) with low knowledge and service utilization.

Activities under this intervention are not scheduled to begin until Quarter Three in the Activity's Year Two Workplan. However, in Quarter Two, the Activity's Information Specialist reviewed existing literature on the use of mobile applications to improve health system performance, and prepared a matrix with the following information: project name, technical and implementing partners, years of interventions, objectives of the mobile application, major interventions, and major outcomes of the interventions. The Information Specialist will share this matrix with the MoSD and Provincial Health Directorate in Quarter Three to discuss the most relevant mobile applications for Karnali Province.

2. Outcome 2: Improved Quality of Health Services at the Facility and Community Levels

During this reporting period, the Activity team provided support at federal and sub-national levels to refine and streamline QI and performance improvement (PI) approaches. The team has also worked in collaboration with MoHP and the Nick Simons Institute (NSI) to contribute to the process of developing minimum service standards (MSS) for the Health Post level. As the Activity's multidisciplinary teams finalize the health systems and capacity assessment process, they are identifying critical gaps in the delivery of quality health services that will be addressed while developing customized technical assistance plans in Quarter Three.

Sub-Result 2.1: Quality Approaches Further Developed, Strengthened, and Institutionalized

In this reporting period, the team reviewed existing QI approaches at the federal and provincial level and is involved in a multi-partner effort to update the structure of QI committees at the provincial and municipal levels to align them with the new MoHP federal structure. The team held discussions with the MoHP at federal level and with the Provincial MoSD to explore and plan for possible rollout of MSS for the Health Post level. The team also facilitated consultations at the national, provincial, and local levels to harmonize QI efforts and to institutionalize structures and systems.

2.1.1 Support further refining and streamlining of QI/PI approaches, processes, and tools, harmonizing approaches used by different partners.

In Quarter One, the Activity team held discussions with the MoSD and development partners (e.g., UNICEF, WHO, and GIZ) to support the refinement and streamlining of QI/PI approaches. The team participated in and facilitated group exercises organized by the QI Working Group to review existing QI/PI approaches as part of the joint United Nations mission led by UNICEF and WHO. The Activity team has also contributed to the process, led by the MoHP, to develop the MSS for the Health Post level. Our Deputy Chief of Party participated in workshops, reviewed

the draft version of the Health Post MSS, and provided input. This work is being continued by the Activity's Senior Technical Advisor.

In Quarter Two, the team held discussions with the MoHP at federal level and the provincial MoSD to explore and plan for possible rollout of MSS for the Health Post level. The Activity team is also exploring the possibility of rolling out the MSS for the routine assessment of quality of care, focusing on the gaps identified by hospital assessment which will be conducted in Karnali Province in Quarter Three.

2.1.2 Support development of provincial QI/PI committee (or incorporate such functions into existing entity); clarify working modalities; provide coaching and mentoring.

In Quarter One, the Activity team engaged the Karnali Province Health Directorate and selected resource persons from the Provincial Hospital, Surkhet to orient them on the Activity's focus in Year Two. The team discussed the Activity's planned support of QI/PI approaches at the hospital and health facility level, the need for active, functional QI/PI committees, and their potential terms of reference and linkages with other committees governing health systems. The team arranged for three resource persons from the Provincial Hospital, Surkhet to participate in national-level training on point-of-care continuous QI processes. In Quarter Two, these trained individuals led other hospital staff through a quality-focused self-assessment on MNCH care and prepared an action plan to address quality issues identified during the self-assessment.

The Activity's MNCH/FP Specialist facilitated a series of meetings with the Provincial MoSD in Karnali Province related to QI/PI in Quarter Two. He also participated in a coordination meeting with the Provincial MoSD to discuss national and provincial QI/PI guidelines and to sensitize stakeholders on the importance of a provincial QI/PI committee. The MNCH/FP Specialist emphasized that quality is strongly associated with safety, value for money, people-centered care, high performance, and best practice. He also highlighted the importance of that QI team meet regularly to review performance data, identify areas in need of improvement, and carry out and monitor improvement efforts.

In Quarter Three, the Activity team will support the MoSD to form a provincial/municipal level QI/PI committee to provide oversight quality of MNCH/FP services. We will also mentor members of these new committees on their roles and responsibilities.

2.1.3 Support formation of QI/PI committees at municipality level; provide coaching and mentoring on QI/PI functions, including use of data to track performance, identify issues requiring attention, and follow-up of action plans.

The Activity team is currently engaged with federal and provincial authorities on this matter as discussed in activity 2.1.1 and 2.1.2. In Quarter Three, the Activity team will mobilize the Activity's MNCH/FP and HSS Technical Officers to initiate similar processes with the municipal authorities. The ongoing Health Systems and Capacity Assessments also include questions on QI/PI committee at municipal and health facility level. Assessment results will guide next steps on formation of committees, and the provision of coaching and mentoring to municipal authorities and health facility staff for this function. Further progress on this activity will be reported in upcoming quarterly reports.

2.1.4 Provide coaching and mentoring support to hospital managers and health facility in-charges and other staff on QI/PI functions and processes. Support use and increased uptake

of QI approaches and tools to improve the efficiency and effectiveness of facility management and achieve better health outcomes.

The preliminary results of the Activity's multidisciplinary teams' capacity assessments in various health facilities across 13 districts across Karnali Province and Province 5 illustrate that QI/PI committees have been formed in most of the health facilities, but are not currently functional. Specifically, assessments indicated that these committees did not organize regular meetings or systematically address issues of quality identified by facility staff or clients. During debriefing meetings with health facility staff, the MNCH/FP technical officers emphasized to facility staff the importance of functional QI/PI committees and the importance of using data to create evidence-based planning which can contribute to developing tailored action plans. In Quarter Three, the Activity team will provide coaching and mentoring to hospital managers and health facility in-charges on QI/PI functions to improve understanding and use of data on service quality and outcomes to take action to address quality of care issues that have direct implications for health outcomes. Our approaches to generating and making use of data on service delivery and quality at facility level are intended to encourage ownership of any gaps identified, as well as the solutions implemented to address gaps in the quality of care. We will work with both municipalities and facilities to address quality in a systematic, routine manner and recognize and reward improvements during periodic municipal health review meetings. Keeping the process simple and promoting ways to acknowledge successes will encourage sustainability of QI systems beyond the life of the Activity.

2.1.5 Engage private sector providers (in hospitals, clinics, medicine shops) to improve case-documentation, and reporting into HMIS where appropriate.

In Quarter Two, the Activity's Private Sector Specialist reviewed the government's HMIS data to determine the current status of the number of private health facilities currently reporting into the HMIS and providing case documentation in Karnali Province and Province 5. The data on case documentation shows, for example, that only two private hospitals (one in Karnali Province and one in Province 5) are reporting cases of neonatal death in the HMIS system.

On December 20, 2018, the Private Sector Specialist conducted a meeting with focal persons at the Provincial Health Directorate, Surkhet, to discuss opportunities and possible strategies for improving case-documentation and reporting to the HMIS from the private health sector. The focal persons noted that the Provincial Health Directorate had trained and oriented private sector providers operating in Surkhet on HMIS 9.5, but had not conducted similar training at municipality level due to budget constraints. The Provincial Health Directorate team suggested that the Activity could provide financial support for HMIS training and demonstrations in district headquarters for private sector providers from surrounding municipalities, as the Province has the technical capacity to provide this training, but currently lacks the resources. The Activity will consider this request while developing the private sector engagement strategy during Quarter Three. The findings of the Activity's mapping and situational analysis of the private health sector will also help to inform both the Activity team and the Provincial Health Directorate on next steps in relation to HMIS and the private sector. (See activity 4.1).

2.1.6 Establish criteria and procedures for discretionary QI funds for use at municipality and health facility levels.

The intention behind this activity is to make available modest amounts of QI/PI funds to facilities, along with clear criteria and procedures for use, for selected instances where local government resources are not immediately available to address an important constraint to quality. During Quarter One, the Activity team drafted operational details for this activity - criteria for selection of facilities and proposed expenditures, the decision-making process, required documentation, and financial and administrative arrangements. In discussions with USAID's Agreement Officer and Agreement Officer's Representative, it was determined that the administrative burden of handing over funds to local government entities – both for USAID and for the Activity – would be too high to go forward with the plans as conceived. Rather, the Activity will shift to an “in-kind grants” program. This will serve the same purpose of providing small, yet essential, inputs to facilities for quality improvement. These inputs will be provided as a “match” for local government and community efforts to make quality improvements in facilities. During Quarter Three, the team will finalize procedures for this activity, in the form of an “In-Kind Grants Manual,” for final approval by USAID.

Sub-Result 2.2: Quality Services Delivered by Facilities and Providers in the Public and Private Sectors

In this reporting period, the Activity team reviewed the quality of care delivered by health facilities and provinces from the public and private sectors using existing sources including the National Health Facility Survey (2015). The Activity team gathered additional information on basic amenities, provider capacity and availability of essential medicines and supplies through the mapping of private sector facilities and the health systems and capacity assessments. The Activity team also supported and participated in a workshop to gather stakeholder input for the new National Roadmap to Improve Maternal and Newborn Health in Nepal (2019 – 2030). This meeting brought together representatives from Karnali Province, Province 5, and Gandaki Province to provide feedback on the draft document, from the perspective of health managers and service providers with direct responsibility for implementing the mandates contained in the new strategy. The Activity team anticipates that the Maternal and Newborn Health Roadmap will be endorsed by the MoHP during Quarter Three. Going forward, the Activity team will work with provincial and municipal governments to help ensure that the Roadmap's mandates and guidelines concerning provision of quality maternal and newborn care services are incorporated into plans and budgets for the coming fiscal year. At provincial level, we will provide technical support to the Health Directorates and health sections of the MoSDs to tailor the recommendations and guidelines contained in the Roadmap to the specific conditions, needs and priorities of both Karnali Province and Province 5, as appropriate.

2.2.1 Work with technical working groups at national level supporting the Department of Health Services (DoHS) to update MNCH/FP clinical guidelines, standards, and tools, to include minimum standards for service readiness, content, and process of care for small and sick newborns.

In Quarter One, the Activity team participated in a technical and operational review of existing MNCH/FP clinical guidelines, standards, and tools, and the need for possible revision of guidelines in light of new health structures, roles and responsibilities in the federal context. The Activity team was also engaged in the development of the MSS for Health Posts and explored collaboration with NSI to implement the MSS for hospitals in Karnali Province. In Quarter Two, as part of its collaboration with USAID's Maternal and Child Survival Program (MCSP), the

team finalized plans for engaging in field activities targeting inpatient care for small and sick newborns in early 2019. Lessons learned from ongoing MCSP research in this technical area will be used to scale up quality care for sick newborns across the Activity's targeted geographic area.

Also in Quarter Two, the Activity team provided financial and organizational support for a provincial consultative meeting on Nepal's new National Roadmap to Improve Maternal and Newborn Health Roadmap (2019 – 2030). The meeting was held in Butwal and brought together representatives from Karnali Province, Province 5, and Gandaki Province to discuss a draft of the Roadmap document and provide inputs from the provincial and local perspective. Dr. Sudha Sharma, one of the experts tasked with developing the roadmap, shared key findings from the review of the current status of maternal and newborn health programming, emphasized Nepal's major achievements, and proposed key recommendations towards improving maternal healthcare. The workshop sparked discussion amongst the participants on such issues as the current shortage of skilled human resources in the health sector; the potential for deploying community-based roving nurses; strengthening pre-service education and reducing absenteeism; undertaking strategic contextual planning at local levels; linkages and collaboration between the health and non-health sectors; quantity versus quality at health service at delivery points; and strengthening referral systems. The participants actively shared their views and emphasized that ensuring provision of regular, quality maternal and newborn health services was particularly challenging in the current changing context of Nepal's health sector.

Participants are incorporating inputs from the workshop into a revised draft of the Roadmap. Further consultations in other provinces and at federal level will support the MoHP to finalize the roadmap to improve maternal and newborn health in Nepal. In Quarter Three, the Activity team will support the Family Welfare Division of DoHS to roll out the clinical guidelines and standards in Karnali and Province 5.

2.2.2 Support referral hospital-based clinical managers, municipality managers, and health facility in- charges and others to define detailed case-management and communications procedures. This will include linkages to transport providers to ensure continuity of care for cases requiring transfer to hospital level and from hospital back to primary level for follow-up care.

In Quarter Two, the Activity's provincial team conducted a coordination meeting with MoSD health committee members to discuss the need to strengthen the referral and care coordination systems in health facilities in Karnali Province. The Provincial Health Directorate is in the process of developing a referral guideline, and the team provided inputs to the draft guideline to ensure inclusion of transport linkages, detailed case-management instructions, and communication procedures.

Figure 4: Remarks from the Secretary of MoSD, Gandaki Province, during Maternal and Newborn Care Roadmap Meeting



In Quarter Three, the Activity team will provide technical support to the Health Directorate to finalize the referral guidelines for Karnali Province.

2.2.3 Ensure availability of national clinical standards documents and other normative national guidelines for content and process of care, at health facility level, as appropriate.

In Quarter Two, during the Activity’s institutional capacity assessments, the team identified gaps in the availability of national clinical standard documents and other guidelines at service delivery points. The Activity team has completed the collection of existing electronic and hard copies of MNCH/FP clinical guidelines, standards, and tools. After the initial health systems and capacity assessment process is completed, the team will provide relevant documents according to the gaps identified in specific health facilities and work with the provincial and municipal health teams to make sure that there is a process in place for receipt and dissemination of updated operational policies, guidelines and clinical job aides.

2.2.4 Conduct coaching, mentoring, and on-site training on best practices in clinical quality of care.

Activity-sponsored coaching, mentoring and training will be fully launched during Quarters Three and Four, as the systems and capacity assessments are completed and the multidisciplinary teams finalize developments of customized technical assistance plans in collaboration with municipality and facility staff. Throughout the course of conducting the health system and capacity assessments, the Activity team’s technical officers conducted debriefings with local stakeholders, elected representatives, and health coordinators. These debriefings offered critical opportunities to share information and challenges – and sometimes led to immediate outcomes. While planned mentoring sessions have not been initiated, the Activity’s technical officers did have numerous opportunities to conduct spontaneous mentoring and coaching sessions and offer other support as appropriate (see Figure 5).

Figure 5: Multidisciplinary teams lend a hand to improve quality services during assessments

Tripurakot Health Post is located in Tripurasundari Municipality in Dolpa-- one of the most remote districts in Nepal. During the Activity’s systems and capacity assessment process, the multidisciplinary team noted that the delivery bed needed to be held together by three people during labor and delivery. The team worked with the health post to find spare parts and fix the bed, allowing the back to raise up and down. The health post staff and the Activity team realized that even simple, limited technical support is very important to delivering quality health services.

“Till now, there has been no one to assess this health facility and services provided by this institution in this detail. We are very happy to know where we are and what things need to improve... If we can receive similar kind of support in future I’m sure we can change our health facility within a short period of time.”

Rudra Kulal, Auxiliary Nurse-Midwife, Tripurakot Health Post

On February 17-23, the Activity will conduct an all-staff review meeting to discuss the initial phase of the health systems and capacity assessments, to include major gaps related to MNCH/FP in health facilities) As part of the review meeting, the Activity team will deliver technical skill development sessions for the Activity’s multidisciplinary team technical officers to enhance their ability to provide technical assistance to municipalities and facilities. As part of this capacity building for Activity clinical staff, the MNCH/FP Specialist and the Senior Technical Advisor will conduct a brief refresher course on various evidence-based practices and best practices, by engaging the experts from KAHS and Surkhet Provincial Hospitals in

MNCH/FP (e.g., uterine balloon tamponade for post-partum hemorrhage and proper skills on newborn resuscitation). It is expected that they will transfer these skills to the health facility workers at different municipalities which will also enable on-site peer to peer learning for capacity development.

3. Outcome 3: Improved Health Systems Governance in the Context of Federalism

Activities under Outcome 3 are designed to help strengthen systems, management-related functions and capacity to ensure availability of basic services and promote good governance in relation to the health sector. During the reporting period, the Activity's technical team supported the newly established Provincial Health Directorate in Karnali Province to undertake their initial tasks related to implementing planning and budget allocation and preparing for annual health reviews. The team continued to provide policy and planning support for the Karnali Province and Province 5 MoSDs and municipalities across both provinces. As mentioned in previous sections, the Activity deployed its 10 multidisciplinary field teams to their assigned geographic areas during Quarter Two. The first major intervention that these teams of technical officers are undertaking is implementation of the Activity's comprehensive, consultative Health Systems and Capacity Assessments. With hands-on support from Activity technical specialists, by the end of the reporting period, the teams had completed assessments of the health systems functioning and management and clinical capacity in 25 municipalities and 91 health facilities (2 – 4 facilities per municipality). The teams also conducted an abbreviated version of the assessment with 13 district level health offices (now Provincial Health Offices). At the time of this writing, the teams have completed the assessments in 48 municipalities with a total of 187 health facilities.

Sub-Result 3.1: Improved Governance and Accountability at Subnational Levels

3.1.1 Provide ongoing technical and managerial support to health teams in the MoSD of Karnali Province and Province 5 to assist with development of systems, procedures, and capacity for oversight of health issues in the respective provinces.

As described under Outcome One, the Activity's provincial team provided technical and logistic support to facilitate annual health review and planning meetings for 36 municipalities across nine districts in the Activity's geographic areas. (During the coming year, this assistance will be provided across a much greater number of municipalities. The Activity's multidisciplinary teams are now in place and will be able to work directly with municipalities and the Provincial Health Offices at district level to review their health performance data, take action to address areas of underperformance and prepare for the Provincial Annual Health Review process.) The team members also provided technical support to prepare the Annual Health Report for Karnali Province and Province 5. The team supported the District Health Office team and Provincial Health Office team to analyze this information to identify gaps and priorities and to develop recommendations for the federal, provincial and municipal governments to address these gaps.

In Quarter Three, the Activity's provincial and multidisciplinary teams will follow up with district and municipalities on recommendations and plans and advocate to province and municipal governments to incorporate those recommendations in the upcoming Annual

Workplan and Budget (AWPB). The Activity's provincial team will also continue to support the upcoming semiannual health review and planning meetings at different levels.

3.1.2 Provide technical support to the Health Department of the Karnali Province MoSD for formulation and finalization of policies, legislation and regulations to guide health service delivery and access in the province (please refer to activity 1.1.3).

In Quarter Two, the Activity retained the services of a senior consultant, Dr. Senendra Raj Upreti, former Secretary of Health and Population, to support the MoSD of Karnali Province in the task of finalizing a draft Provincial Health Policy and developing a Health Act to provide the necessary legislative foundation for implementing the Health Policy. In support of this effort, the team organized a two-day consultation with the MoSD, (the Hon. Minister Dal Rawal, Secretary Dr. Man Bahadur BK, Chief of the Health Division Brisha Shahi, and Provincial Health Director Rita Joshi and members of her team) to facilitate review and validation of the draft policy. The policy had been drafted by one individual in the MoSD, and required review and understanding amongst a wider group of stakeholders, to ensure alignment with articulated priorities for health in Karnali Province. After this review, the meeting members also agreed on the outlines of the Health Act.

The Activity team, with support from Dr. Senendra and a health legal expert, have begun drafting of this Act, and anticipate that both the policy and the act will be ready to go through a process of final endorsement by the Karnali Province Council of Ministers and the Provincial Assembly during Quarter Three. The Activity will also initiate support for similar policy dialogue and development in Province 5 early in Quarter Three. As part of the finalization process, the Activity's provincial team will also coordinate a two-day workshop with partners/stakeholders to share the final draft of the policy with external development partners and civil society for vetting and feedback. Our team will support the MoSD to incorporate this input into the final version of the policy as appropriate.

3.1.4 Assess capacity amongst elected officials at provincial and municipal levels for oversight of health service delivery, allocation of resources in health and management of responses to health emergencies and outbreaks; plan and deliver training, mentoring and technical support accordingly to address gaps in capacity.

As described in more detail under the next activity (2.1.5) the Activity's multidisciplinary teams initiated Health Systems and Capacity Assessments in their assigned geographic areas across Karnali Province and Province 5. In designing the tools for these assessments, the Activity team has combined the intent behind both this activity and the next one, which focuses more specifically on actual capacity to manage and deliver essential health services. In relation to higher level oversight for the health sector in Karnali Province and Province 5, preliminary results of the assessments indicate that most municipalities do not have health policies and/or health service delivery acts in place. This is a window of opportunity for the Activity's multidisciplinary teams to develop the capacity of elected officials at the province as well as in municipalities to prepare health policies and local health acts. There is currently critical need for synergy, collaboration and communication between the three tiers of the health system. Given that new health policies and acts are under finalization at both federal and provincial levels, the Activity team will encourage municipalities to adopt these documents as templates in developing their own policies and legislation. For those municipalities that are committed to promulgating

their own policies and acts, we will promote adoption of the national or provincial template, only making adaptations where required to address unique local circumstances.

3.1.5 Assess capacity amongst managers and health staff at provincial and municipal levels for planning, management, and monitoring of health service delivery, appropriate deployment of resources in health, and response to health emergencies and outbreaks; plan and deliver training, mentoring and technical support accordingly to address gaps in capacity.

As noted earlier in this report, the Activity’s multidisciplinary teams were fielded during Quarter Two, and their initial activity in each municipality has been to undertake a participatory assessment of health systems and institutional and individual capacity to manage both systems and service delivery. The Activity team developed the Health Systems and Capacity Assessment process and tool to guide the assessment at municipal level. The consultative exercise captures data on systems and capacity across the following domains:

- Legal and policy frameworks
- Institutional arrangements
- Planning, budgeting, and budget execution
- Human resources mobilization and management
- Health information management and review
- Essential medicines logistics and supply
- Monitoring, evaluation, and supervision
- Governance and other systems

The tool also allows for a facilitated discussion to agree on and prioritize challenges, learn about the municipalities’ plans for addressing those challenges, and identify areas for the Activity’s urgent and longer-term technical support.

The initial municipal level assessments have also included visits to three to four selected facilities. During these visits, multi-disciplinary teams have coordinated assessments of readiness, quality, management, and use of the health information systems using a combination of tools that are already in use in Nepal. The facility level assessment tool draws largely from the QI tool developed in collaboration with the MoHP and other stakeholders by the Health for Life project.

The results of these assessments are informing the Activity team in the following ways:

- Help to establish a baseline of systems functioning and individual and institutional capacity in our target geographical area
- Serve as the basis of our customized technical assistance plans for the next few years
- Refine our intervention packages in Core, Core+ and Core++ municipalities and assist with making the final selection of our Core+ and Core++ areas
- Serve as a basis against which, in consultation with our counterparts, we can measure the effectiveness of our technical assistance in facilitating positive change

The assessment process is designed to enable our teams to begin building positive working relationships with their municipal level counterparts, and foster honest and open dialogue

amongst participants about their strengths, challenges, performance, and capacity building needs. At the end of this initial exercise, the intention is for municipalities to have ownership of their results, as well as the technical assistance plan we will co-develop to help build capacity and improve health sector-related performance. By the end of Quarter Two, the team had completed the assessments in 25 municipalities, including a total of 91 facilities. We anticipate that the majority of the Activity's 105 municipalities will have completed this initial assessment activity by the end of Quarter Three.

The assessments have been largely well-received by both elected and appointed officials at municipal level. They have been particularly interested to receive detailed information on the status of service readiness and delivery at facilities under their supervision. Preliminary results of the assessments indicate the need for technical support in a range of areas that are in line with the mandate of the Activity.

For example, many facilities and municipalities have prioritized skill-based training for health workers in safe delivery and management of obstetric complications, provision of contraceptive implants and intra-uterine devices, neonatal resuscitation and management of sick newborns and infection prevention. In the area of data management and use, there is need to strengthen both online and offline reporting in the HMIS and LMIS and to improve the overall quality of the data. Finally, municipalities have also asked for assistance in revitalizing and strengthening the capacity of Health Facility Operation and Management Committees, to improve health governance at the local level. In addition, the status of municipal level health plans and budgets and budget allocation this year indicates the need for more focused technical support for planning and budgeting over the next two quarters.

At these initial stages, the field teams are completing the assessments on paper forms and entering the data into Excel-based forms afterwards. As the overall monitoring and evaluation database is built for the Activity (ongoing; to be completed during Quarter Three), both entry and analysis of the Health Systems and Capacity Assessment data will be incorporated into the Activity database.

The multidisciplinary teams are continuing to facilitate the Health Systems and Capacity Assessments in the remaining municipalities. Based largely on the assessment findings, the teams will develop customized technical assistance plans with each municipality to provide appropriate technical assistance – in close alignment and collaboration with the plans and priorities of government counterparts and other implementing partners – to address identified gaps at municipality and facility levels (please see activity 1.1.2).

3.1.6 Provide support, as appropriate, to the Social Development Committee of the Provincial Assembly, through packaging and presentation of health information and evidence in support of policy dialogue and decision-making.

During Quarter Two, the Activity team facilitated several discussions and presentations on disparities in service delivery and uptake between Karnali Province and the rest of the country (e.g., the two-day policy consultation mentioned above). The team discussed Karnali Province health indicators against national targets. As a result of these consultations, understanding has deepened among MoSD policy and decision-makers regarding health status indicators in Karnali Province against Sustainable Development Goal targets. This information, in addition to the data contained in the municipal and provincial health profiles and the consolidated results of the

Activity's Health Systems and Capacity Assessments, will inform policy level decisions regarding (a) resource allocation in the health sector, (b) strategic and rational placement of health service delivery points and (c) human resources planning to better serve individuals and communities currently unreached by the health system.

In Quarter Three, the Activity team will assist the MoSD to disseminate the Provincial Health Policy and Health Act more widely across Karnali Province to ensure that local stakeholders, community representatives, service providers and health sector implementing partners understand the policy and implications for policy implementation. The finalized Provincial Health Policy will guide development of health policies at municipal level, and the Activity team anticipates provided technical assistance for this process as required.

3.1.9 As permanent structures are established in the health system, provide technical support, as required, for clarification and revision of job descriptions of health functionaries in the context of the new structures, helping to ensure optimal allocation of human resources to meet management and service delivery needs (please refer to activity 1.1.4).

The Activity team has not yet initiated technical support in this area. We anticipate providing this support as part of a larger effort to strengthen management of human resources for health at both the provincial and municipal levels. The MoSD and Health Directorate in Karnali Province have already identified human resources management as a priority area for improvement. Once our Butwal-based Health Systems Strengthening Technical Officer identifies key areas for technical support in Province 5, we anticipate that the MoSD and Provincial Health Directorate in Province 5 will highlight the management of human resources for health as an area of need as well. To the extent that this is also identified as a gap in municipalities, the Activity team will work with provincial and municipal managers to help them analyze job functions, allocate required functions and tasks across the available managerial and clinical positions, monitor staff capacity and performance, and ensure that health functionaries and their supervisors are clear regarding roles, responsibilities, and accountability.

3.1.14 Facilitate packaging and visualization of facility and municipal level health data (dashboards, infographics) and assist municipal and provincial health departments to ensure that the data is widely available to the public through appropriate communication channels.

(This activity is linked with activity 1.1.1). In this reporting period, the Activity team worked with the Karnali Province MoSD and Health Directorate to develop municipal and provincial health profiles. The team held a series of consultative meetings with provincial government staff to prepare a template to collect information from municipalities. The Activity team supported the development of a template and circulated it to Municipality Health Coordinators during Quarter One. Although the Activity team had hoped that the information templates would be compiled during the district review and compilation meeting, most municipalities did not complete the information during district level reviews and the Provincial Health Directorate and Activity team conducted follow up visits.

During Quarter Two, with feedback from MoSD, the Activity's MEL team supported finalization of the master template for preparing the municipal profiles and circulated it to all municipalities. The Activity's multidisciplinary teams have conducted follow-up visits with the health coordinators of Municipal Health Offices during capacity assessment visits. The Karnali

Province Health Directorate had received updated information from 29 municipalities as of January 15, 2019.

The Activity team also worked with the Province 5 Health Directorate to finalize the templates for municipal profiles. The Directorate circulated a template to all municipalities on January 22, 2019, as per the guidance from the MOFAGA. The Activity team will follow up and work with municipalities in Banke, Bardiya, and Dang to update the profiles in Quarter Three.

In Quarter Three, the Activity team will continue to provide support through the multidisciplinary teams for collection of information from the remaining municipalities of Karnali Province, review the information, and finalize the profiles for dissemination and roll-up into the provincial level profile.

Sub-Result 3.2: Annual Planning and Budgeting Systems Established and/or Strengthened at the Provincial and Municipal Levels

3.2.1 Provide ongoing technical support for execution of plans and budgets for fiscal year 2018/19 (current), with a focus on ensuring that resources are allocated and used in support of health service delivery and support, and that resources are being used to reach marginalized and disadvantaged groups and communities in accordance with plans.

The Activity's multidisciplinary teams will provide ongoing support to the municipalities beginning in Quarter Three. As described above, the main support to municipalities during Quarter One and Quarter Two has been the compilation and review of health data in preparation for the annual reviews. In addition, the Activity's multidisciplinary teams began conducting the participatory health systems and capacity assessments in December 2018. This process is enabling municipalities to thoroughly review their immediate and longer-term needs for technical support and capacity building. Based on the assessments, the Activity team will develop customized technical assistance plans in each municipality, to include ongoing mentoring for budget utilization, allocation of resources to ensure outreach to families and communities not currently accessing health services and tracking service delivery performance and utilization.

3.2.3 Through regular interaction with health coordinators, health committees, municipal councils, and HFOMCs, facilitate generation and use of local financial and technical resources and in-kind contributions in support of delivery of basic health services.

This activity has not yet been initiated, as it will be an integral part of the technical assistance that the Activity's multidisciplinary teams will provide to municipalities going forward. The planning and budgeting cycle for Nepali FY 2019/20 presents an excellent opportunity for our teams to encourage generation and use of local financial resources as they work with Municipal Health Coordinators, elected representatives and municipal administrators to draft evidence-based health plans and budgets for the coming year. In Quarter Three, the Activity teams will continue to conduct Health Systems and Capacity Assessments and debriefings for the remaining municipalities. This process is designed to include Ward Chairpersons and representatives from Health Facility Operation and Management Committees (HFOMCs) to create additional political will and effective advocates for use of local resources in support of health. Also in Quarter Three, the Activity team will provide technical assistance to municipalities that have committed

to reform HFOMCs, to help ensure that these critical local entities have the mandate and skills to practice good governance and function as effective stewards of local health sector resources.

3.2.6 Provide support for updating, packaging and publishing Municipal Health Profiles, in preparation for FY 2019/20 planning and budgeting.

(Part of this activity is linked with 1.1.1 and 3.1.14).

In Quarter Two, the Activity team initiated the process of preparing municipal health profiles. By the end of Quarter Two, more than one third (29 out of 79) municipalities of Karnali Province had prepared health profiles using latest data. The team will update the remaining profiles in Quarter Three to ensure that these profiles can be used for the preparation of FY 2019/20 planning and budgeting process.

Sub-Result 3.3: Strengthen Management and Performance Improvement Processes

3.3.2 Support relevant counterparts at provincial and municipal levels to develop and implement human resources planning and management policies for the health sector, to include processes for management of individual performance (please refer to activity 1.1.5).

In Quarter One, the Activity's provincial team held discussions with the MoSD and Health Directorate of Karnali Province on the need to develop a planning and management strategy for human resources for health for the province. Provincial officials see the value of developing such a strategy for the province. However, due to lack of clarity in human resource placement and federal and province level directives on deployment and location of existing health staff members, the MoSD indicated that they will not be able to start working on this until they receive a mandate through the provincial health policy.

As described earlier in this report, the Activity team provided technical assistance during Quarter Two to the Karnali Province MoSD to review, evaluate and modify a draft of the Provincial Health Policy. One aim in doing so was to ensure that the policy and ensuing Health Act include appropriate directives on human resource planning and management. This will enable the provincial government to initiate development of a planning and management strategy for health human resources soon after cabinet approval of the policy. This strategy development will take place, of course, in consideration of the planned national adjustment for civil servants to restructure and redeploy the civil service in light of federalism. We anticipate that the announcements of new posts and new assignments, staff transfers and shifting of federal employees to employment with sub-national entities will be completed before the beginning of FY 2019/20.

During Quarter Three, the Activity team will engage with provincial and local governments to initiate human resource planning and strategy as appropriate, in light of the continuing adjustments in civil service employment.

3.3.3 Undertake desk review of standards and procedures for management of key systems functions – HR management, planning and resource allocation, essential medicines logistics and supply, health data generation and use, QI, etc. In accordance with the new provincial health policies, work with provincial governments to establish management standards and

performance measurements for key provincial functions outlined in the policies (Karnali Province and Province 5).

In Quarter Two, the Activity team engaged with the Karnali Provincial MoSD team to clarify the need for setting the standards and protocols in key health delivery functions. However, due to the lack of provincial policy and health service acts in both Karnali Province and Province 5, the MoSD of both provinces indicated that they will wait until they have a mandate through the Provincial Health Policy currently being finalized.

Once the respective Provincial Health Policies and Health Acts are fully endorsed in Karnali Province and Province 5, the Activity team will facilitate initiation of a process to develop management standards and protocols in relation to key health systems functions.

4. Cross-Cutting Elements

4.1 Private Sector Engagement

4.1.1 Conduct legal and regulatory environmental assessment of the private health sector.

During Quarter One, the Private Sector Specialist conducted a desk review of recent key health policy and research documents on the Nepal health sector, in order to collate available information on the policy and regulatory environment governing private health service providers and the private health sector in general. Documents included in this review were the Nepal Health Sector Strategy (NHSS) 2015-2020; USAID Nepal's Health Private Sector Landscape Assessment (2017), A National Survey on Care of Possible Serious Bacterial Infection among Sick Young Infants 0-2 months in Private Sector Medicine Shops and Clinics in Nepal; Nepal Department of Health Services Annual Report 2073-2074; Nepal Demographic and Health Survey 2016; Nepal Health Facility Survey and SHOPS Plus's Organizing the Private Sector to Support Universal Health Coverage Goals.

The planned activity has been delayed as the Private Sector Specialist has been fully engaged over the past quarter with the mapping of private health sector entities (activity 4.1.2). During Quarter Three, the Activity team will engage a consultant with experience in public health legislation to conduct the legal and regulatory environmental assessment for the private health sector, under the supervision of the Private Sector Specialist. The findings from the assessment of the regulatory environment for the private health sector in Nepal will inform both Activity support to Karnali Province to develop their approach to public-private collaboration in health service delivery, and the Activity's strategy for private sector engagement.

4.1.2 Conduct private health sector mapping assessment in Karnali Province.

In Quarter Two, the Activity team carried out the planned mapping of private health sector entities – hospitals, clinics and pharmacies – in December 2018 and January 2019 in sampled municipalities across the Activity operational area in Karnali Province and Province 5. The purpose of the assessment was to document the MNCH/FP-related services and resources of the private health sector and gauge the level of interest among private sector providers in engaging with the government on policy issues, participating in advocacy efforts on behalf of the private

health sector, and playing a role in achieving better health outcomes in Karnali Province and Province 5.

Design, sampling and data collection. The Activity's Private Sector Specialist, in collaboration with the Activity's MEL team, finalized the protocols, sample districts, and sample size for the assessment. In order to ensure that the sample of municipalities represented the socio-economic, cultural and geographic diversity of Activity's operational area, the team identified six different scenarios and sampled to ensure that each one was adequately represented. The scenarios characterize municipalities in relation to proximity to urban centers, access to major roads (remoteness), population density and relative number of private providers. After vetting the methodology and tools for the mapping with the Karnali Province Health Directorate and USAID, the team field tested the tools and retained the services of a team of eight enumerators for the data collection.

From December 17-19, 2018, the Activity's Private Sector Specialist and members of the Activity's MEL team conducted an orientation for the data collection team in Surkhet, which focused on the use of facility assessment tools, drawing social maps, and conducting key informant interviews. During the assessment, the team developed social maps for all 13 sampled municipalities; collected data from 138 private health facilities (11 hospitals, 24 polyclinics and 103 medical shops); and conducted 57 key informant interviews.

Data entry and transcription of key informant interviews. The Activity's MEL team and Private Sector Specialist conducted a data entry and data analysis workshop for data collection team from January 6-10, 2019 in Surkhet. The data collectors, with guidance from the Activity team, completed the entry of data into an EPI Info tool and transcribed all key informant interviews. The Private Sector Technical Advisor, Chief of Party for SHOPS Plus, and the MEL Specialist, SHOPS Plus also provided technical assistance during the data entry and qualitative data analysis process.

The Director of the Provincial Health Directorate and focal person were also briefed on the completion of data collection and acknowledged for their support in the process.

Data editing, cleaning, analysis and report writing. The MEL team, Private Sector Specialist, and data collection supervisor completed the data editing, cleaning, and analysis. The team is currently preparing the preliminary report. The Activity team will share the preliminary report with the Provincial Health Directorate and USAID/Nepal by the end of mid-March 2019. The Activity team will use the findings to facilitate development of a private sector engagement policy and strategy by the MoSD, Karnali Province and private sector engagement strategy for the Activity.

4.1.5 Support the Health Department of the MoSD to develop a public-private partnership policy and strategy for Karnali Province.

In Quarter Two, the Activity team initiated and completed the data collection for the private health sector mapping assessment. These findings will provide the necessary insights to support the MoSD in development of a private sector engagement policy and strategy for Karnali Province. The findings from the Activity's assessment of the legal and regulatory environment for the private health sector will also help to inform the policy.

The Health Coordination Division of the MoHP is currently developing a revised approach to partnership with all relevant entities, including the private health sector. Members of the Activity's senior technical team have participated in consultations and provided written feedback on this new policy document. Once finalized (presumably before the end of this fiscal year), this policy will serve as a prototype for provincial and municipal governments that want to develop similar policies or guidelines. During Quarter Three and Quarter Four, the Private Sector Specialist, working with provincial Activity team members, will support the consultative review of this and other policies related to engagement of the private sector in delivery of critical public health services. As noted above, detailed outputs from the Activity-supported private sector assessments will also inform this review and adaptation of these policies for implementation in the province. The Private Sector Specialist will then support finalization of an implementation strategy to guide PPPs in health. The strategy will outline priority activities, clear roles and responsibilities for the provincial government and private sector actors, and feasible timelines for development of partnerships.

4.2 Gender Equality and Social Inclusion

Activity 4.2.1: Sensitize all Activity staff and partners on all aspects of GESI and how they are linked with national priorities.

The Activity team conducted a GESI sensitization session during the Activity's all-staff orientation in November 2018. The session focused on deepening participants' understanding of the concept of GESI, health equity, socio-cultural aspects and practices which are major determinants of equitable service delivery and health service utilization. The sensitization also highlighted the importance of equity to achieve better and sustainable health outcomes and linkages with national priorities, existing legislation and policy in relation to health equity in Nepal, key approaches for GESI, and possible GESI strategies for the Activity team to consider.

In Quarter Three, as part of the review meeting and capacity building workshop planned for February 2019, the GESI Specialist will conduct sensitization sessions focusing on health equity and barriers to seeking services, the integration of GESI into Activity's work, and major challenges and opportunities associated with GESI in targeted working area. This sensitization session will support Activity staff to build common understanding on integration of GESI into Activity strategies and interventions.

4.3 Data-driven and Evidence-based Programming

Activity 4.3.1: Facilitate supply and support proper use of facility-based recording and reporting tools. Update facility-level information of HMIS tools, inform and encourage municipality and/or health program coordination bodies to ensure timely supply. Provide orientation and coaching for new and untrained staff to use HMIS tools.

During this reporting period, the Activity's MEL team coordinated with the Integrated Health Management Information System (IHMS) Unit of the DoHS to provide support for strengthening the HMIS system in Karnali Province and Province 5. To ensure complete entry of district level health data from the previous fiscal year, the Activity's field staff conducted follow-up visits with District Health Office staff in Humla, Kalikot, Rukum, and Jumla districts to expedite the process.

Similarly, during the FY 2017/18 municipal and district health review meetings held in August and September 2018, Activity staff held discussions with health coordinators, elected municipal officials, statistical officers, and other health staff on the status of health facility reporting. Several issues affecting the quality and completeness of data and reporting were identified during this period (please see Figure 6). As the Activity’s MEL Plan draws data for several routine indicators from the HMIS, these issues have implications on our ability to report on these results.

To address the issue related to the shortfalls in data entry and reporting, the MoHP coordinated with all seven Provincial Health Directorates in preparation of a plan to provide DHIS2 training to municipalities. The DoHS organized a training for DHIS trainers for provincial representatives in December 2018 in Chitwan. The Activity’s Information System Specialist also attended the training of trainers’ sessions.

The Provincial Health Directorate organized a four-day DHIS2 training for online data entry for municipalities of Karnali Province in Surkhet in January 2019. The Activity’s Information Systems Specialist served as a trainer in the training. Training participants included municipal health coordinators, Information Technology (IT) officers, and health workers from 37 municipalities of 5 districts namely Dolpa, Humla, Mugu, Dailekh, and Jumla. Training for municipalities of remaining districts will be completed by February 2019. Municipalities are expected to start entry of their HMIS data into DHIS2 platform soon after.

The Activity’s MEL team coordinated with the IHMIS Unit of the DoHS to provide HMIS and data quality orientation to the Activity Technical Officer – Information System (multidisciplinary team) in late November 2018. The Director of the IHMIS Unit and a Statistical Officer from the DoHS travelled to Nepalgunj to conduct joint field visits and provide orientation to the team members. These technical officers reviewed and provided onsite coaching on HMIS during their visits to municipalities and health facilities (please see Figure 7).

Figure 6: Issues Observed in HMIS Reporting

- Changes in district health structure with unclear authority for HMIS data management.
- Due to changes in reporting lines, HMIS data compilation has not taken place for this FY
- No access in municipalities to DHIS2 platform
- Lack of dedicated and trained staff to manage HMIS reporting at municipalities
- Shortage of HMIS tools in some districts due to supply issues
- No mechanism for close monitoring, coaching, and supervision support for data management and reporting

Figure 7: Facilitating Data Entry in Bardiya and Humla

Bansgadhi Municipality, Bardiya:

- During capacity assessment field orientation, the Activity team visited this municipality in November 2018 and noted that HMIS reports had piled up at municipality level due to lack of orientation and no access for users.
- The IHMIS representative (also on capacity assessment team) decided to provide onsite orientation and coaching using real data.
- **A user ID was created instantly and data entry was initiated.**

Namkha Rural Municipality, Humla:

- Multidisciplinary team noted that in Namka RM, the staff at Health Office wanted to start data entry on DHIS2 platform, but did not know how.
- The Activity team supported staff to prepare official letter of request for DHIS2 user ID and communicated to Activity’s provincial team who then coordinated with Provincial Health Directorate and DoHS IHMIS Unit.
- **A new user ID was created and provided to the Municipality**
- **Activity team made necessary follow up and coaching at the municipality**

In Quarter Three, Activity MEL staff will coordinate with the IHMIS Unit and the Provincial Health Directorate team to provide a short course on DHIS2 to Activity multidisciplinary teams in February 2019. This will prepare team members to follow up with municipalities recently trained in DHIS2 and to provide onsite coaching to other municipalities still preparing for DHIS2 data entry.

The Activity team has initiated discussions to address the issue of shortages of HMIS recording and reporting tools at health facilities. In Quarter Three, the Activity will provide support to MoSD to prepare HMIS tools printing and distribution plan for next fiscal year. The Activity team will follow up with Provincial Health Offices and municipalities to ensure that HMIS tools have been disseminated appropriately and are available year round for proper recording and reporting.

The Activity's technical staff have engaged the Province and Federal HMIS team to plan Data Quality Assessments in the facilities. In Quarter Two, a meeting was held with DFID's NHSSP team for collaboration in strengthening the National Routine Data Quality Assessment (RDQA) system. Information systems staff from both projects made a tentative plan to collaborate for implementation of RDQA in the NHSSP Humla "learning lab" site and across a wider number of the Activity's municipalities to test, learn, and adapt the approach to achieve better outcomes for data quality.

Activity 4.3.2: Provide technical support for the use of LMIS reporting system in the changing context. Encourage routine inspection of logistic and commodities and update in digital systems.

Logistics management is one of the core modules of the health facility tool in the Health Systems and Capacity Assessment. This module covers use of the LMIS in facilities. In Quarter Two, multidisciplinary teams assessed the LMIS status and provided onsite coaching where they identified gaps – mostly in calculating authorized stock levels and emergency order points in the LMIS (please see Figure 8). In the Activity geographic target areas, eLMIS has been implemented in all district level medical stores, and mobile-based eLMIS has been piloted in 15 health facilities in both Karnali Province and Province 5.

Figure 8: Multidisciplinary Teams Support Municipalities to Resolve Issues

During the Health Systems and Capacity Assessment for the Latikoili health facility of Birendranagar Municipality, the Activity's multidisciplinary team noted that the mobile phone used for eLMIS had been broken for two months. The Activity relayed this message to the GHSC-PSM field officer based in Nepalgunj. PSM organized replacement of the mobile phone and Latikoili Health Post is again reporting into the eLMIS.

Along with DHIS2 training to government health professionals as mentioned under activity 4.3.1, PSM provided a half-day eLMIS training in Surkhet to the 37 representatives of 5 districts in 2 batches (i.e., Dolpa, Humla, Mugu, Dailekh, and Jumla). In this training, the activity Information System Specialist was one of the trainers. In the second batch, she supported PSM to train 19 health professionals (Jumla and Dailekh).

During Quarter Three and beyond, the team will continue to collaborate with PSM to bring their expertise and technical support to efforts to scale up effective use of both the paper-based and electronic LMIS across our geographic target area. In Quarter Three, the Activity will organize training for the multidisciplinary teams on eLMIS to ensure they can provide effective onsite

coaching if they identify gaps. The Information System Specialist will continue to collaborate with PSM in conducting eLMIS training at provincial level.

4.4 Collaboration and Synergy

4.4.1 Support the MoSD to establish a functioning stakeholder collaboration mechanism such as a “provincial health coordination team.” Provide facilitation and secretariat support for coordination meetings, to include all health EDPs, implementing partners, and large non-governmental organizations working in Karnali Province.

In Quarter One, the Activity’s Provincial Team Lead facilitated a series of meetings and consultations with the MoSD, Health Directorate, and other relevant stakeholders of Karnali Province to organize the PHCT for Karnali Province. After these consultations, the Activity team finalized the terms of reference for the PHCT and worked with the MoSD to conduct the first meeting of the PHCT, which was appreciated by the MoSD and well received by the participants - development and implementing partners along with local non-governmental organizations.

In Quarter Two, the Activity team provided technical and financial support to the MoSDs and Provincial Health Directorates of both Karnali and Province 5 to organize the annual health review meetings, which included all relevant government and non-governmental health organizations. The Activity team also facilitated the second (in November 14, 2018) and third (January 4, 2019) meetings of the PHCT in Karnali Province. During the second meeting, the discussion focused on the provincial annual health review planning and management and participants nominated the Provincial Team Lead as a member of a review meeting organizing committee to coordinate with development partners. The Provincial Team Lead coordinated with partners to develop a joint presentation for the Provincial Annual Review Meeting and presented program achievements and upcoming partner plans on behalf of all development and non-governmental partners in the province. Discussions in the third meeting focused on debriefing of annual review, development of provincial monitoring and evaluation guidelines, preparation for an emergency, discussion of provincial and municipal level profile formats, and partner support for conducting a two-day, health-related orientation and advocacy workshop in each municipality.

Also during Quarter Two, on December 27, 2018, the Activity team organized a half-day meeting with the Secretary of the MoSD, Chief of Health Service Division, and officers of the Health Directorate and Health Service Division in Butwal, Province 5. The main objectives of the meeting were to update participants on the Activity’s objectives, outcomes, and implementation modality and to prioritize health systems strengthening activities at the provincial level. The team organized a similar introductory meeting with external development partners and implementing organizations working within Province 5 to discuss areas of collaboration.

The Activity’s multidisciplinary teams also undertook coordination activities in their assigned districts during the past quarter. Specifically, the teams organized half-day introductory meetings in the presence of district stakeholders and other health and development organizations in 11 districts across Karnali Province and Province 5.

4.4.3 Serve as the “point of contact” between the Minister of Social Development of Karnali Province and all USAID health partners implementing activities in the province.

In Quarter One, the Activity team introduced the MoSD for Karnali Province and health team to the Provincial Team Lead and briefed the MoSD on his role as a point of contact between the MoSD and the USAID-supported health partners. Also in this reporting period, the Activity team met individually with USAID's health partners including Suaahara II, FPAN/SIFPO2 (Surkhet team), and Breakthrough Action. These meetings focused on sharing project activity information and progress. During these exchanges, the Activity team collected FP-related information for further reference. During the orientation of the Activity's multidisciplinary teams in November 2018, we invited key USAID partners to share their program support areas, geographical focus areas, and possible areas of collaboration. This process enabled stakeholders to deepen their understanding of USAID's support in the Activity's working area.

Due to USAID's health partners' time limitations, the Activity team rescheduled coordination meetings for February 2019. During these meetings, we will discuss coordination and synergy between programs where applicable. After the health partner meetings, the Activity team will meet with the Minister and MoSD regarding USAID's collective input for Karnali Province.

In Quarter Two (December 5, 2019), the Activity facilitated a high level visit to Surkhet from USAID representatives, including Ms. Carrie Rasmussen, USAID Nepal's Health Office Director. During the visit on December 5, 2018, the USAID team met the Hon. Minister and Secretary of Social Development of Karnali Province and discussed USAID's priorities. The Minister also shared their health priorities and thanked USAID for their continuous support. The team also visited the Province Hospital, Surkhet to better understand and observe existing hospital functions of the recently constructed 300 + bed hospital building.

The Activity's Provincial Team Lead also facilitated the visit of a team from the U.S. Embassy, Kathmandu, Civil Military Support Element, Pacific Command (PACOM) Augmentation Team on January 18, 2019 to explore the possibility of collaboration with Provincial Hospital, Surkhet. The hospital later sent a plan and budget estimate for required medical equipment with estimated budget to the PACOM Augmentation Team.

5. Monitoring, Evaluation and Learning

5.1 Complete health profile after conducting field assessment, analyzing data from various secondary sources such as health facility and Municipality HMIS data from FY 2017-18, H4L Health Facility Readiness Survey, NDHS 2016, NHFS 2015.

As reported under Activity 1.1.1 and 3.1.14, the Activity MEL team, in coordination with the Provincial Health Directorates, circulated guidelines and data collection templates to municipalities to be used for health profiles. By the end of Quarter Two, only 29 municipalities had filled in and submitted the data collection template with support from the Activity's technical officers. The Activity team will continue to support the municipalities to complete the templates and share them with the Provincial Health Directorate in Quarter Three.

In Quarter Two, the Activity's MEL team developed brief provincial MNCH/FP profiles for Province 5, Gandaki Province, and Karnali Province for the meeting to provide provincial input to the Roadmap for Improving Maternal and Newborn Health, using data from multiple sources and indicators along the continuum of care. In developing the comprehensive provincial health profiles, the team is making use of multiple data sources such as the HMIS, Nepal's Demographic and Health Survey 2016, the Activity's Health Facility Readiness Survey 2018,

and the Nepal Health Facility Survey 2015. The Activity MEL team also developed municipality data tables with additional data elements that will be included in the profiles. These include basic demographics, data on the availability of public and private health facilities, and service statistics for FY2017/18.

The Activity's MEL team has also prepared several GIS maps for various indicators and service utilization patterns across the activity's working areas as input for the provincial health profiles.

5.2 Oversee completion of Health Facility Readiness Assessment (in Humla, Mugu, and Dolpa districts).

During Quarter One, the Activity team completed the Health Facility Readiness Assessment in Humla, Mugu, and Dolpa districts. Data collection and analyses was conducted by New ERA, who submitted a final report and supplemental data tables. The final report aggregates findings for Humla, Mugu, and Dolpa with data from the USAID-funded Health for Life Project's Health Facility Readiness Endline Survey for the 10 other target districts. Together, the final report provides a full set of disaggregated results for 10 districts of Karnali Province plus three districts in Province 5.

During Quarter One, the Activity MEL team used this facility readiness data in the following ways:

- Presented a summary of findings to the Activity technical staff to inform Activity planning
- Updated baselines and targets in the Activity MEL plan
- Embedded selected data into provincial health profiles, MNCH/FP profiles, and other relevant factsheets.

In Quarter Two, the team finalized the report and developed a technical brief on the survey findings. The team will facilitate dissemination of the findings to both government and development partners as input for planning, budgeting and resource allocation at provincial and municipal levels for improving readiness and the quality of care in health facilities. This will be particularly relevant for provincial MoSDs during the upcoming planning and budgeting cycle for FY2019/20.

5.3 Update MEL Plan when there are new baselines available for remaining indicators as well as when there are any new indicators that may be emerging per future needs.

During Quarter One, the Activity MEL team updated selected baseline data in the MEL plan as follows:

- Indicators sourced from Nepal HMIS systems were updated to reflect HMIS 2017/18 data (updated from previously available HMIS 2016/17 data), and targets were revised accordingly.
- Selected indicators sourced from NDHS data for baseline have been updated to use HMIS as a primary data source, when possible, to support routine tracking and monitoring. While this data is potentially less reliable than NDHS data, the Activity is required to report on several of these indicators on a quarterly basis per USAID Performance Plan and Report (PPR) requirements.

- Indicators sourced from the Health Facility Readiness Survey were updated and targets refined, as data for Humla, Mugu, and Dolpa was finalized.

In Quarter Two, the MEL team revised the MEL plan as per inputs from USAID to refine selected indicators for further clarity and include several additional indicators to support measurement of Activity interventions. This included adding selected indicators based on the Health Facility Readiness Survey, which will be used to internally monitor progress towards quality of care improvements.

The Activity MEL team also developed an internal monitoring plan for the project. This was done to ensure better tracking of the program activities by supplementing the indicators in the MEL plan and constituted of mainly process level indicators. In Quarter Three, the MEL team will share this internal monitoring plan to USAID for review.

5.4 Actively engage with partners and stakeholders at national, provincial, and municipal level to develop learning agenda for Activity.

During Quarter One, as part of the overall Activity MEL Plan revision and finalization process, the Activity team further refined the set of potential/proposed learning questions and submitted these questions along with the MEL Plan for USAID's review.

During Quarter Two, the MEL team revised and refined the learning agenda with further inputs from the Activity Technical staff. As the team finalizes the learning agenda, there are several activities taking place which will contribute to answering the learning questions. The team has completed the Health Facility Readiness Survey and collection of data for the mapping of private sector entities, which will help to answer specific questions in the Activity's learning agenda. The findings of the ongoing Health Systems and Capacity Assessments will also contribute to the learning agenda, as will the upcoming (Quarters Three and Four) analysis of GESI-related barriers to utilization of MNCH/FP services in Karnali Province and the Activity's target districts in Province 5.

In Quarter Three, the MEL team will collaborate with the national and provincial government counterparts as needed to prioritize learning efforts that the Activity learning agenda could support.

5.5 Develop and roll out data collection tools and standard operation procedures across the Activity to collect data needed for the MEL Plan.

In Quarter Two, the MEL team provided support for development of the data capture tools for the Health Systems and Capacity Assessments. The team developed three types of tools for various levels of the system (i.e., municipal, health facility and District/Provincial Health Office). The overall objectives of these assessments are listed under activity 3.1.5, but from the perspective of monitoring and evaluation, the data captured through these assessments will both serve as a performance baseline for municipalities and help the Activity measure the effectiveness of its technical support over the life of the project. As part of staff orientation to the assessment process and tools, the multidisciplinary teams were guided through field-based practical orientation on the use of the tools in the last week of November 2018.

Similarly, in November 2018, the Activity team developed reporting tools for field planning and monthly and quarterly reporting. The tools comprise a Monthly Individual and Team Planning

Template, Monthly Event Logs Reporting and Quarterly Reporting tools, and general guidelines on their use. These templates serve as both planning and documentation tools to track and manage overall implementation, including the scale of interventions, for each of the multidisciplinary teams.

During Quarter Two, the MEL team also initiated development of a database to support collection, compilation and management of all Activity data, as well as routine reporting. The Activity contracted a local database development firm, Dry Ice Solutions, in December 2018 to undertake the technical tasks associated with building this database. The completed database will have both tablet interface and web-based options to collect, review and analyze data. The database has been designed to support overall MEL and management needs, and will be piloted and implemented in Quarter Three. Per the mandate from USAID, any relevant data captured through the Activity database will be mapped through the USAID Common Unified Platform.

5.6 Conduct requirement analysis, design, test and roll-out of Activity-specific instance of DHIS2 for routine data management.

As noted under the previous activity, the team has initiated a development of an Activity specific database with technical support from a local IT firm, Dry Ice Solutions. After reviewing the Activity data management needs and requirements for analysis, and considering the availability of expertise in the local market, the Activity team decided to go with a locally developed database platform, rather than build onto the DHIS2 platform. The database will be completed and rolled out in the Quarter Three, with necessary staff orientation and training.

5.7 Conduct MEL training with core Activity staff to orient team on importance of results-based programming, performance monitoring, and adaptive management.

In Quarter Two, the MEL team, as a part of ongoing orientation to new team members, conducted a comprehensive review of the MEL Plan, and related systems and procedures. As a part of the session the MEL team highlighted the importance of MEL, provided an introduction and orientation to the Performance Indicator Reference Sheet (PIRS), reporting guidelines, rapid cycle learning, and the learning agenda. In addition, the team introduced and reinforced the overall principles of the Collaborating, Learning and Adapting framework, emphasizing the importance of using information to support programming decisions over the life of the project.

In Quarter Three, the MEL team will provide supervisory visits to the Activity's multidisciplinary teams in the field to ensure that they understand and are adhering to the data collection tools developed in support of the MEL plan and PIRS. The MEL team will also synthesize the information and data from the Health Systems and Capacity Assessments to suggest adaptations to the program as needed. As mentioned above, the Activity team also worked to design an approach for internal monitoring to support performance monitoring and management decisions, and will continue to coach the technical and field teams on collecting and reporting on the data required for internal monitoring and management purposes.

5.8 Conduct quarterly and semi-annual review of progress with team, in groups and through on-site field monitoring.

The Activity team has been monitoring implementation of the capacity assessment process in the field through routine field visits by the provincial MEL Specialist and other province and Kathmandu-based technical and management staff. The Kathmandu-based MEL team has also

spent time in the field with multidisciplinary teams, focusing on the process of data capture and compilation for the Health Systems and Capacity Assessments.

In Quarter Three, as mentioned previously, the Activity team will hold a comprehensive program review meeting in February 2019 with all technical staff and the multidisciplinary teams. This meeting will focus on reviewing the process, progress and initial findings from the Health Systems and Capacity Assessments, as well as skill building in specific technical areas that the teams will be expected to mentor counterparts on in municipalities and facilities. The MEL team will continue to conduct field monitoring visits during Quarter Three and beyond to review implementation, data collection/recording and reporting.

5.9 Conduct internal DQA of Activity internal data on semi-annual basis.

The Activity's MEL team adapted tools for use in internal routine data quality assessments (DQA). In Quarter Three, the MEL team will coordinate with the Provincial Health Directorates to train the Activity's Information Systems Technical Officers on conducting RDQA for selected health facility indicators; this RDQA activity will be initiated during this fiscal year. The Activity team will also facilitate a USAID-led DQA activity in coordination with the AOR. Activity MEL team members will also carry out Internal Data Quality Assessments through field visits in Quarters Three and Four.

5.10 Ensure preparation and collection of routine reports for timely reporting to USAID quarterly, semi-annually, and annually. Share updates with USAID, provincial, national government stakeholders and others on regular basis.

During Quarter One, the Activity's MEL Director attended the USAID-organized Performance Plan and Report (PPR) meeting to review USAID Nepal's PPR 2018 requirements. The MEL team prepared the necessary Activity-specific PPR report contributions, which included baseline and targets for 2019 and 2020 for the 16 PPR indicators agreed on with USAID for reporting by the Activity. The report was submitted to USAID by the deadline of October 12, 2018.

In Quarter Two, two members from the MEL team attended the USAID-organized GIS training to support the geolocation needs of the USAID Nepal's GIS mapping platform.

5.11 Promote use of evidence and communicate best practices through participation in national level monitoring and evaluation (M&E) technical working groups.

The Activity MEL team will actively participate in relevant government, USAID, and health sector M&E and HMIS technical working groups over the life of the project. The Activity MEL Director participated in a technical meeting organized by the DoHS IHMIS Unit on August 29, 2018 to review various priorities and issues affecting health information during the time of government transition. The meeting was attended by various divisions of the MoHP and key health program partners including WHO, the United Nations Population Fund (UNFPA) GIZ, NSI, the NHSSP and Medic Mobile. Meeting participants expressed the need to reform the existing MoHP M&E Technical Working Group as result of recent restructuring at ministry and division levels.

The Activity MEL team also participated in and contributed to the first meeting of the USAID Nepal's Health Office MEL Working Group, held on August 30, 2018 in Kathmandu. The

Working Group is expected to meet quarterly to create a platform for collaboration and cross learning and sharing among different USAID’s health activities in Nepal.

In Quarter Two, the Activity’s MEL team participated in the DHIS workshop organized by the DoHS IHIMS Unit on January 10 and 11, 2019. The purpose of the meeting was to finalize the program specific validation rules for the indicators generated from DHIS2 platform. The workshop was attended by program specific section chiefs from the DoHS and participants from partner organizations including GIZ and NHSSP. Workshop participants identified and provided program specific indicators to HMIS section for data validation process.

The Activity MEL team also participated in and contributed to the consultative meeting organized by the MoHP on January 9, 2019 to collect feedback from partners on the Public Health Analyst (PHA) package, including M&E components. The PHA package is designed for three levels of government staff, and is aimed at strengthening participants’ data analysis and planning skills. Once this training package is endorsed by the DoHS, the Activity will work with provincial and municipal health managers to promote roll-out of the package to appropriate cadres of health staff across our area of geographic focus.

6. Project Management

6.1 Complete Establishment of Project Offices

6.1.1 Complete set-up of all Activity operations in Surkhet, to include banking, establishment of relationships with local counterparts and vendors and adaptation, as required, of refine financial management, human resource management and project operational systems.

By the end of the first quarter of Year Two, USAID’s Strengthening Systems for Better Health Finance and Administration team had successfully set up operations in the Activity’s Surkhet office and completed recruitment and hiring for all program and program support positions at the provincial level. The team is fully staffed with technical specialists covering the clinical side of MNCH/FP, health information systems, MEL, community engagement, and HSS. The Activity has also seconded an HSS Technical Officer to provide technical support to the Province 5 health office in Butwal and ensure linkages with substantive technical support to the provincial level government in Karnali Province.

With support and oversight from the SMT, the Activity’s Surkhet management team has established financial, human resources, physical asset management systems, and banking operations in support of field operations. The Activity’s IT Manager has also facilitated full connection of the Surkhet office to the Activity’s server in Kathmandu, which will provide staff in Surkhet with uninterrupted internet access to the Activity’s shared files and ensure continual back-up of important Activity documents and data.

6.1.2 Identify and equip touchdown office space in all working districts, ideally co-locating with the local health units, municipalities or other counterparts.

The Activity’s field-based multidisciplinary teams travelled to their assigned posts at the end of November 2018. While the nature of their jobs is to be mobile, and they are expected to spend a minimum of 22 days each month working in municipalities and facilities in their assigned districts, the Activity is supporting the set-up of an office “touch down” space for each team. We anticipate that the teams will spend up to one week in this space at the beginning and end of each

month, to prepare and send their monthly activity and financial reports, plan for the coming month, and take care of necessary personal tasks such as banking, laundry, and buying supplies for the coming month's travel. The Activity has made provision for basic furniture, heating and/or air conditioning, internet connection and a printer for each of these offices.

The table below presents the current status of setting up these offices. We are pleased that local counterpart offices have been able to accommodate our request to share space in most cases.

Assigned Geographic Area		Status of Office Touch Down Space Set Up
1	Humla	The Management Committee of the Humla District Hospital has agreed to provide office space. Due to an internal management issue, it will take some time for the hospital to allocate space. Staff are working out of their own rented rooms in the meantime.
2	Mugu	Due to unavailability of space in the District Health Office, the Activity has rented a room and completed set-up of the touch down space.
3	Dolpa	Office space and most of the amenities and furniture have been provided by the Dolpa District (now Provincial) Health Office, and the team has already set up the office in this space.
4	Jumla	Activity partner KAHS, has provided office space in Jumla, including all amenities and furniture, and the office is set up and functioning.
5	Jajarkot	The Jajarkot Health Office has provided space, including some furniture and fixtures, and the set-up is complete.
6	Kalikot	Due to unavailability of space at the Kalikot Health Office, the Activity has rented space to serve as a touch down office, and set-up is complete.
7	Dailekh/ Surkhet	The Dailekh Health Office has provided a touch down space with some furniture and the office set-up is complete.
8	Salyan /Dang	The Salyan Health Office has provided a room for the Activity team and office set-up is complete.
9	Rukum West	The Rukum Health Office has provided a room for the Activity team and office set-up is complete.
10	Banke/ Bardiya	The Banke Health Office has provided a room for the Activity team and office set-up is complete.

6.1.3 Complete all major procurements: vehicles, motorcycles, IT and office equipment and furniture for Kathmandu/Surkhet/Municipality offices.

The Activity team has completed procurement of all project IT equipment and vehicles. There has been a delay in delivery of 20 motorbikes from India, however these are expected to arrive in late February, for use by the field-based multidisciplinary teams in districts with good to moderate road conditions.

The Activity Finance and Administration team is in the process of procuring teaching mannequins for use by the MNCH/FP Technical Officers during clinical mentoring sessions. These two types of mannequins will allow for demonstration and practice of normal delivery, some types of complications of delivery, and resuscitation of non-breathing newborns. In addition, the Activity team is also planning to procure tablets to facilitate entry of monitoring and activity data in the field. We also plan to upload relevant training and mentoring videos onto the tablets, for use by the multidisciplinary teams during their mentoring sessions with municipality

and facility-based counterparts. Abt Associates' procurement staff are currently collecting international quotes for these items, to compare the cost efficiency of importing the goods with procuring them locally. We anticipate that these procurements will be finalized and the goods received by the end of March 2019.

6.2 Complete Recruitment and Hiring of Activity Staff

6.2.1 Identify qualified candidate for remaining key position and seek USAID approval.

We are pleased to report that Dr. Archana Amatya joined the Activity on December 17, 2018, in the key position of Senior Technical Advisor. Dr. Archana is a highly qualified professor of community medicine and an Obstetrician/Gynecologist with a great deal of experience in both policy and programming for MNCH/FP services. Dr. Archana is an excellent addition to the Activity's senior management and technical team, and has already taken a leadership role in a number of key intervention areas – notably, overseeing the technical quality of the Activity's clinical interventions, spearheading our contribution to finalization of Nepal's National Roadmap to Improve Maternal and Newborn Health, and leading the clinical and human resources components of the assessment of hospital services in Karnali Province.

6.2.2 Complete recruitment and hiring of full provincial and municipal level technical and administrative support teams.

As noted above, all Activity technical and administrative support positions have been filled on the Surkhet-based provincial team. By the end of Quarter One, the Activity team had identified qualified individuals to fill all 30 positions on the field-based, multidisciplinary teams – 10 MNCH/FP Technical Officers from KAHS, 10 HSS Technical Officers from MASS, and 10 Health Information Systems Technical Officers from both Abt Associates and Save the Children. These staff members joined the Activity directly after the Tihar holidays and began two-and-one-half weeks of training and orientation on November 12, 2018. All 10 multidisciplinary field teams were posted to their assigned geographic locations by the first week of December. We have included a copy of the Activity's fully updated organizational chart in Annex 2. By the end of the reporting period, 64 out of 65 Activity positions were filled.

6.3 Develop and Submit All Contractual Deliverables, including Year Three Workplan

6.3.1 Disseminate tailored versions of the Year Two Workplan to key GoN counterparts at all levels; obtain feedback and endorsement.

During Quarter One, Activity staff held briefing meetings with key MoHP and provincial level counterparts to share relevant sections of the Year Two Workplan, in an effort to continue our consultative approach to working with counterparts and foster understanding and endorsement of the plan. These discussions served as a foundation for agreement on the priority technical support activities for the first half of the workplan year. For example, the Activity team is providing technical assistance to support the finalization of the Provincial Health Policies and Acts in both Karnali Province and Province 5, develop municipal and provincial health profiles, compile and analyze health program data in preparation for the annual health program reviews, and establish the Provincial Health Coordination Committee which falls within the parameters of the Year Two Workplan. These Activity areas were highlighted by provincial counterparts as needing support from the Activity team.

Activity 6.3.4: Prepare and submit Annual Report for Year One.

The Activity team submitted the Year One Annual Performance report within the deadline stipulated in the Cooperative Agreement and after a round of revisions in response to comments from USAID, the Agreement Officer's Representative provided her approval for the deliverable.

During Quarter One, the Activity team also submitted a revised version of the Activity MEL Plan, as well as a report which includes the 2019 and 2020 targets for achievement of the USAID Nepal PPR indicators included in the Activity MEL Plan. The MEL Plan was finalized and approved by USAID during Quarter Two.

6.3.5 Prepare and submit Year Two Quarter One Progress Report.

In November 2018, the Activity also submitted the progress report for the initial quarter of Year Two. This deliverable has been accepted and approved by USAID's Agreement Officer's Representative.

6.3.7 Prepare and submit Annual Inventory Report to USAID.

This report has been prepared and is ready for submission to USAID.

6.4 Staff Orientation and Training

6.4.1 Conduct in-depth orientation sessions on program and operations (including USAID rule and compliance requirements and safety and security) for all full-time and Activity staff and senior managers/contributing staff from consortium partners.

During Quarter One, the Activity's senior team held a one-day orientation for eight newly hired Kathmandu and Surkhet-based staff, to cover program parameters, Year Two Workplan highlights, roles and responsibilities of individual staff and teams and policies, rules and operational guidelines.

In Quarter Two, From November 12-16, the Activity's SMT organized a comprehensive orientation program for 36 new staff members, followed by a two-day strategy and team building meeting for all Activity staff. The meetings were held at Park Village Resort in Kathmandu. The overall objectives of the event were to create common understanding of strategies and programmatic approaches; clarify the roles, responsibilities, and accountabilities of all Activity staff members; and share operational policies, regulations, and processes. All recently hired technical and field staff attended the three-day orientation, and a total of 71 people attended the all-staff meeting, including senior representatives from consortium partners MASS, KAHS, and Save the Children. USAID representatives also attended and led several important sessions, most notably on the broad range of USAID-supported activities with geographic and technical overlap with Strengthening Systems for Better Health, and the rules and regulations related to compliance with U.S. family planning legislation.

Following this orientation event, the multidisciplinary teams were divided in to thematic groups. Led by MEL and information systems specialists, health systems and governance specialists and clinical specialists, respectively, the three thematic groups spent nearly a week in the field for training in their areas of technical responsibility. The HSS team spent the week in Dang District, the health information team visited municipalities and facilities in Banke, and the MNCH/FP team proceeded to Jumla for clinical mentoring under the auspices of KAHS. Each team also

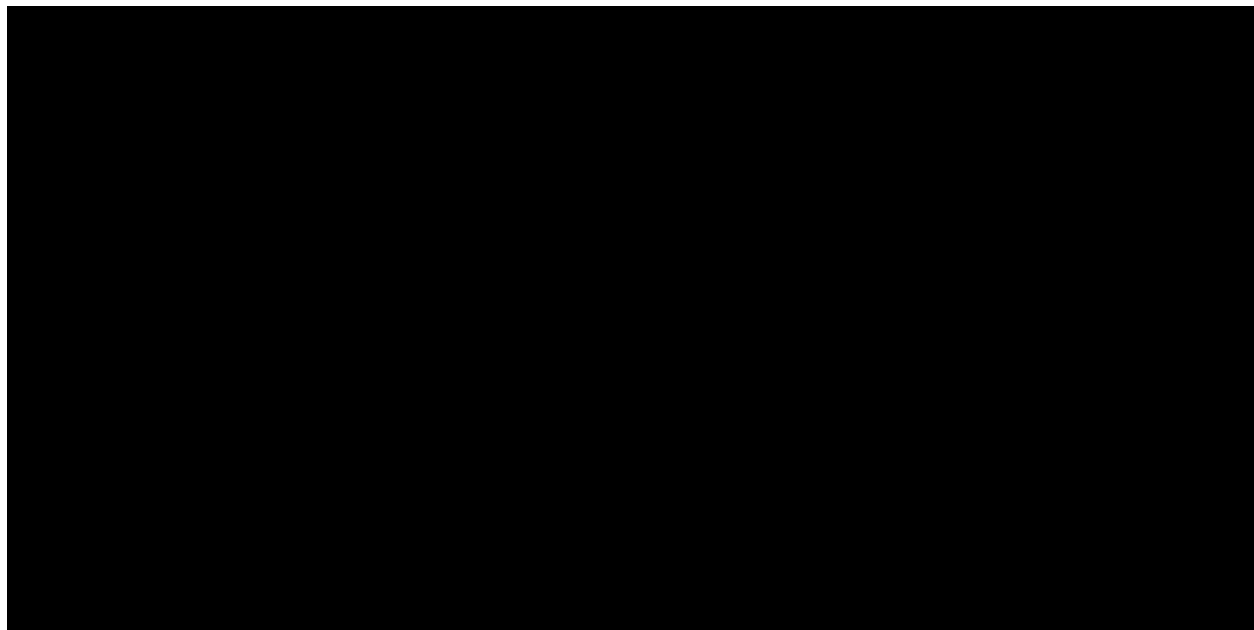
spent the time field testing the municipality and facility systems and capacity assessment tools. At the end of this training and orientation period, the entire team gathered in Kohalpur on November 26-28, 2018 to debrief on their field experiences, share their observations, and come to a common understanding regarding the Activity’s programmatic approach, roles and responsibilities of individuals and teams and reporting mechanisms. The teams were also supported to make final logistic preparations for fielding to their assigned posts.

6.4.2 Conduct all-staff team building and wellness event.

The meetings described above – particularly the initial all-staff orientation and team building sessions held in Kathmandu in November – fulfill the scope and intention of this planned activity.

6.5 Overall Budget and Expenditures

The obligated amount for USAID’s Strengthening Systems for Health Activity is \$7,851,304 out of a total award amount of \$23,716,456. Total estimated expenditure for the reporting period of July 16 – January 15, 2019 is as follows:



7. Anticipated Future Problems, Delays, Constraints

At this point in the life of the Activity, the following issues are currently having an impact on the pace and scope of activities. We anticipate that these same issues will continue to require the Activity team to demonstrate adaptability, resourcefulness and adaptability going forward:

Inclement weather. The multidisciplinary teams have been hampered somewhat by rain and snow in their travel to all municipalities, particularly in the mountainous districts of Karnali Province. While we had anticipated being able to complete the Health Systems and Capacity Assessments in 60 municipalities by mid-February, the teams have been able to cover only 44 of the municipalities thus far (as of February 11, 2019). Heavy snow in Mugu, Dolpa, Humla, and

Jumla has caused the teams to shift their travel plans and, in some cases, cancel trips altogether, as some municipalities are currently inaccessible and the local officials have migrated south for the winter months. The teams will plan to make up these visits once the concerned municipalities become accessible. Over the life of the project, we anticipate that we will have to make allowances and revise schedules to accommodate both snow in the winter and rain during the summer.

Civil service adjustment process. The GoN has announced recently that civil servants – including health staff and officials – who have been serving in temporary assignments since the shift to the federal structure will be deployed in permanent positions over the next quarter. There are likely to be many transfers, both within and between provinces. Hence, there is a great deal of uncertainty about the tenure of many health staff, including the municipal level Health Coordinators, with whom the Activity has been working closely. We anticipate having to spend time, energy, and resources orienting new counterparts at federal, provincial and municipal levels once these permanent assignments are made. To the extent possible, the team will make use of planned activities, such as the continuing systems and capacity assessments, reviews of progress in anticipation of workplanning for Year Three and the consultative workplanning process itself, and routine technical and partner meetings at provincial and municipal levels to undertake this continuing orientation for new counterpart officials. However, there could conceivably be delays in planned activities or shifts in emphasis resulting from the priorities and needs of new counterparts in critical positions.

Continuing structural changes in the health sector. During the previous quarter, the federal government decided finally to keep the former District Health Offices in place, renamed as Provincial Health Offices. In addition, provision has been made for provincial training units and medicine logistics and supply functions at provincial level. This continuing evolution in structures and, consequently, roles and responsibilities, presents challenges for the Activity team. As noted in our previous progress report, the Activity’s overall approach to strengthening systems and capacity has, up to this point, focused on provinces, municipalities, and facilities as the main entities for engagement. To the extent that districts will remain part of the health system, we will need to adjust this focus to include Provincial Health Offices as well. As staffing, roles, and responsibilities of these offices have not yet been clarified by the center, the Activity team is not yet able to fully incorporate these offices into planned technical assistance activities. Nor are our teams able to provide clear guidance to facilities and municipalities on the process for communicating with these offices in relation to systems issues such as the HMIS or drug logistics and supply.

Health information gap. Related to the continually evolving structures, systems, roles and responsibilities in the health sector are significant lags in reporting and compilation of health information. Some facilities are submitting their monthly service delivery reports to municipalities and others continue to send their reports to the erstwhile District Health Offices. Not all municipalities have the capacity to enter health data into DHIS2. This is happening in relation to the LMIS as well, so there is a dearth of accurate data in the system on the availability of essential medicines and supplies in facilities. Not only do these information gaps make it impossible for municipalities and provinces to monitor facility and health system performance, but it has also affected our ability to provide up-to-date figures for those indicators that rely on data from DHIS2. For example, when preparing our indicator data for this report, by January 15, 2019, 36 percent of public facilities in our working area had data entered into the system. Even

more alarming was the fact that only 13.3 percent of these facilities had entered this data within the stipulated 15 days from the end of the reporting period. Addressing this aspect of systems breakdown will clearly require a great deal of technical support across the Activity's area of geographic focus.

8. Information on Security Issues

We are pleased to report that the Activity team experienced no security issues during the period under review.

The Activity's Finance and Administration Director, Mohan Nepal, serves as our Security Point of Contact. Under Mohan's direction, the Activity has established a "Safety and Security Viber Network" that includes all Activity staff and key partner leadership. The team uses this network to issue information about any issues – planned demonstrations or strikes, road conditions, weather conditions and the like – that could impact the safety or security of staff members. Staff have made frequent use of this communication network to pass on critical information from all corners of our target geography. Activity management also uses the network to issue instructions regarding movement, transportation and safety.

From November 1 - 6, 2018, Abt Associates' Global Security Officer, John Schafer, visited the Activity to perform a security assessment of the physical premises in Kathmandu and Surkhet, review our operations and security precautions, and provide recommendations and some training to address gaps in practice. Mr. Schafer carried out a Security Risk Assessment for both offices to ensure staff were taking the necessary day-to-day precautions to keep staff and assets safe. With an understanding that Activity staff are most likely to be affected by earthquakes, floods, landslides, or road accidents, Mr. Schafer's assessment centered on a thorough review of the Activity's internal operating procedures, basic office security, and emergency response communications and procedures to ensure the staff in both offices are prepared to manage these risks effectively. Mr. Schafer also reviewed security precautions advised by USAID in June 2018 in light of potential security threats to US Government implementing partners.

During his visit, Mr. Shafer undertook the following key actions: 1) completed a full Security Risk Assessment in which he identified the primary program and property security concerns and recommended key mitigation solutions to build into the Activity as implementation begins; 2) conducted an in-briefing with the Acting USG Regional Security Officer to discuss specific Nepal-related concerns; 3) conducted several sessions on safety and security with all staff to provide a team approach to establish a safer working environment; 4) pursued access to local Overseas Security Advisory Chapter; and 5) and trained all drivers in vehicle preparation and safety.

9. List of Major Upcoming Events for Quarter Three

USAID's Strengthening Systems for Better Health Activity team will support the following major events during the upcoming period:

- Karnali Province Health Policy and Act Consultation Meeting, Surkhet: February 8-9, 2019
- Program Review and Capacity Building Session for Technical Staff in Nepalgunj and Surkhet: February 17-23, 2019

- HFOMC Strengthening Planning Meeting for Karnali Province: Mid-March 2019
- Dissemination and Validation Meetings
 - Health Facility Readiness Survey: Surkhet and Butwal, March, 2019
 - Private Sector Mapping Assessment and Strategy Development for Karnali Province, Surkhet: April, 2019
 - Karnali Province Hospital Assessment, Surkhet: May, 2019
 - Analysis of Barriers to Utilization of MNCH/FP Services, Kathmandu and Surkhet: June, 2019
- Year Three Workplanning Consultations and Workshop: May, 2019

Annex 1 – Indicator Reporting

SN	MEL Plan Ref #	Indicators	Data Source	Location	Baseline (Year)	Target Year 2 2018/19	Achievement* Semiannual (Jul 15, 2018 – Jan 15, 2019)	Notes
1	3	Percent of births assisted by skilled birth attendants (USAID/performance management plan proxy for the maternal mortality ratio)	HMIS	Karnali Province	55.7% (2017/18)	56.81%	16%	Low reported achievement is the result of under-reporting of HMIS in many districts due to staff changes and/or lack of clarity on health reporting responsibilities in districts and municipalities. We expect timeliness of reporting to improve as Activity technical assistance begins.
				Province 5 (SSBH Municipalities)	74.19% (2017/18)	74.56%	25%	
2	4	Percent of institutional deliveries	HMIS	Karnali Province	67.31% (2017/18)	68.65%	21%	Same as above
				Province 5 (SSBH Municipalities)	85.48% (2017/18)	85.9%	33%	
3	1.2	Percent of women receiving four antenatal care checkup as per protocol	HMIS	Karnali Province	54.9% (2017/18)	58.5%	23%	Same as above
				Province 5 (SSBH municipalities)	57.3% (2017/18)	60.5%	27%	
4	1.3	Number of babies who received postnatal care within 24 hours of birth in USG supported programs	HMIS	Karnali Province	24,915 (2017/18)	25,215	3,818	Same as above
				Province 5 (SSBH municipalities)	28,444 (2017/18)	29,013	6,066	
5	1.4	Number of women giving birth who received uterotonics in the third stage of labor (or immediately after birth)	HMIS	Karnali Province	28,823 (2017/18)	29,083	4,207	Same as above
				Province 5 (SSBH municipalities)	33,271 (2017/18)	33,402	6,336	Same as above

SN	MEL Plan Ref #	Indicators	Data Source	Location	Baseline (Year)	Target Year 2 2018/19	Achievement* Semiannual (Jul 15, 2018 – Jan 15, 2019)	Notes
6	1.5	Number of newborns not breathing at birth that were resuscitated by USG-supported programs	HMIS/ SSBH monitoring/ documentation	SSBH municipalities	952* (non-breathing babies born) (2017/18)	883	29	This number has been recorded by multidisciplinary team from 82 birthing center of 11 SSBH working districts during Health Facility Capacity Assessment. A total of 34 cases of newborn asphyxiated were recorded out of which 29 were resuscitated.
7	1.6	Number of newborn infants receiving antibiotic treatment for infection through USG-supported program	HMIS	Karnali Province	2,786 (2017/18)	2,826	440	Low reported achievement is the result of under-reporting of HMIS in many districts due to staff changes and/or lack of clarity on health reporting responsibilities in districts and municipalities. We expect timeliness of reporting to improve as Activity technical assistance begins.
				Province 5 (SSBH municipalities)	2,035 (2017/18)	2,065	283	
8	1.7	Number of children under 5 years with pneumonia who received antibiotics	HMIS	Karnali Province	50,269 (2017/18)	50,969	5,658	Same as above
				Province 5 (SSBH municipalities)	23,450 (2017/18)	23,850	5,551	
9	1.8	Number of cases of child diarrhea treated in USG-assisted programs	HMIS	Karnali Province	123,016 (2017/18)	125,016	17,254	Same as above
				Province 5 (SSBH municipalities)	70,473 (2017/18)	71,473	15,400	
10	1.9	Modern method contraceptive prevalence rate	HMIS	Karnali Province	30% (2017/18)	30.6%	9%	Same as above
				Province 5 (SSBH municipalities)	26% (2017/18)	26.5%	12%	
11	1.10	Couple years of protection	HMIS	Karnali Province	111,217 (2017/18)	112,217	16,542	Same as above

SN	MEL Plan Ref #	Indicators	Data Source	Location	Baseline (Year)	Target Year 2 2018/19	Achievement* Semiannual (Jul 15, 2018 – Jan 15, 2019)	Notes
				Province 5 (SSBH municipalities)	104,761 (2017/18)	105,761	18,919	
12	1.11	Percent of USG assisted service delivery sites providing family planning counselling and/or services	HMIS/ HF Readiness Survey	All SSBH municipalities	99% (2018)	100	51%	The source of data is HMIS. This number is calculated by counting the facilities provided FP services and reported to HMIS from July 15, 2018 to Jan 15, 2019. Low reported achievement is the result of under-reporting of HMIS in many districts due to staff changes and/or lack of clarity on health reporting responsibilities in districts and municipalities.
13	3.1	Number of policies / regulations / administrative procedures in each of the following stages of development as a result of USG support a. Analysis b. Stakeholder consultation / public debate c. Drafting or revision d. Approval (legislative or regulatory) e. Full and effective implementation	SSBH monitoring/ document-ation	National, provincial & all SSBH municipalities	NA	5	2	Activity support ongoing to formulate provincial health policy and act for Karnali and Province 5. Both policy documents are in stage 3 (drafting)
14	3.2	Percent of targeted local organizations with improved capacity and/or performance scores	SSBH monitoring/ document-ation	SSBH provinces/ municipalities	NA	10	Not yet available	

SN	MEL Plan Ref #	Indicators	Data Source	Location	Baseline (Year)	Target Year 2 2018/19	Achievement* Semiannual (Jul 15, 2018 – Jan 15, 2019)	Notes
15	3.3	Number of persons trained with USG assistance to advance outcomes consistent with gender equality or women's empowerment through their roles in public or private sector institutions or organizations	SSBH monitoring/documentation	SSBH provinces/municipalities	NA	200	0	
16	3.4	Number of people trained in health system strengthening through USG supported programs	SSBH monitoring/documentation	SSBH provinces/municipalities	NA	200	0	No training events were planned in this quarter.
17	3.1.2	Percent of leadership positions in USG-supported community management entities that are filled by a woman or member of a vulnerable group	SSBH monitoring/documentation	SSBH provinces/municipalities	TBD	30	50	The data is collected by multidisciplinary teams during health facility capacity assessment. Out of 119 Health facility visited 106 had HFOMC
18	3.3.2	Number of people trained or mentored in management skills	SSBH monitoring/documentation	SSBH provinces/municipalities	NA	210	0	
19	3.3.3	Percent of USG-supported primary health care facilities that submitted routine reports on time	HMIS	All SSBH municipalities	Karnali Province 87% Province 5 94% (2017/18)	85	10	Low reported achievement is the result of under-reporting of HMIS in many districts due to staff changes and/or lack of clarity on health reporting responsibilities in districts and municipalities

* HMIS Data accessed from DHIS2 on Feb 7, 2019. The indicators results presented in percentage figures were calculated using semi-annual breakdown of the annual targets.

Annex 2 – Activity Organizational Chart

Organizational Chart – USAID’s Strengthening Systems for Better Health Activity

