



Policy Dialogue

PFM as enabler of greater health facility autonomy

27-29 August, 2024



Mauritius |



Health facility autonomy implies allowing providers to receive funds directly; retain at least a portion of the funds they generate; influence budget allocations; conduct virements (up to a reasonable threshold) when needs change; and, cover, at least, routine operational costs without overly restrictive approval and accounting processes. There is growing consensus that this is important for improving health service delivery.

The public financial management (PFM) system is often viewed as a bottleneck to increasing autonomy. It can, however, also be an important enabler, supporting greater operational efficiency and accountability. This CABRI Policy Dialogue brings together ministries of finance, ministries of health and local government representatives, to reach a shared understanding of how each can contribute to facility financial autonomy and improved health outcomes.

Draft agenda

Tuesday, 27 August 2024	
08:30 – 09:00	Registration
09:00 – 09:10	Welcome <i>Representative of Ministry of Finance, Mauritius</i>
09:10 – 09:30	Programme overview and objectives <i>Danielle Serebro - Programme Manager, CABRI</i>
Session 1 9:30 – 11:00	<p>Panel discussion: Why do we need more facility autonomy and how can this be achieved?</p> <p>Investing in PHC is key to progressing towards universal health coverage. Direct financing and increasing facility autonomy are often important contributors to improving PHC outcomes. Health financing and PFM experts and practitioners will consider (1) the importance of investing more and better in PHC, (2) how health financing arrangements contribute to better PHC outcomes, (3) what is meant by facility autonomy and financing facilities directly, (4) why this is a means to achieving better health, (5) who are the key stakeholders in this reform and what political economy concerns do we need to consider, and (6) in what ways has the PFM system been observed to help or hinder facility autonomy?</p> <p>Findings of the Lancet Commission on Financing Primary Healthcare - <i>Professor Kara Hanson, Professor of Health System Economics and Dean of the Faculty of Public Health and Policy, London School of Hygiene and Tropical Medicine</i></p> <p><i>Dr Prithviraj Ramputty, Director of Health Services, Ministry of Health and Wellness, Mauritius</i></p> <p><i>Agnes Munyua – Programme Director, R4D</i></p> <p><i>Hélène Barroy, PhD – Senior Public Finance Expert, World Health Organization (Virtual)</i></p> <p>Moderator: <i>Dr Kay Brown, Executive Secretary, CABRI</i></p>

11:00 – 11:30	Tea break
Session 2 11:30 – 12:30	<p>The status of facility autonomy and direct financing in low- and middle-income countries (LMIC)</p> <p>In this session we will hear how facility autonomy can be categorised across LMIC by reflecting on how much autonomy facilities across selected LMIC have to allocate and manage their own resources; how resources flow between levels of government and to the facility; what PFM arrangements are used; the sources of this funding (development partners, general revenue, user fees, health insurance agency); and what types of expenditure they have autonomy over.</p> <p>Towards a typology of financial autonomy of PHC facilities in LMIC – <i>Professor Sophie Witter, Professor of International Health Financing and Health Systems, Queen Margaret University</i></p> <p>Status of facility autonomy in Burkina Faso, Indonesia, Philippines, Kenya and Uganda - <i>Pura Angela Wee-Co, Country Director: Thinkwell Philippines</i></p> <p>Facilitator: <i>Antoine Lacroix, Public Finance Consultant</i></p>
12:30 – 13:30	Lunch
Session 3 13:30 – 15:00	<p>Country experiences of increasing facility autonomy</p> <p>African countries are at very different points in increasing facility autonomy, and have approached this reform in myriad ways and face unique challenges. What can we learn from their experiences? What were some of the pre- and co-conditions for the reform’s success? What challenges remain and how are these being addressed?</p> <p>PHC facility financing and the Uganda Intergovernmental Fiscal Transfers Program - <i>Richard Kabagambe, Assistant Commissioner: Budget and Finance, Ministry of Health, Uganda</i></p> <p>Using the problem-driven iterative adaptation approach to support facility autonomy in Malawi - <i>Moses Zuze, Chief Economist - Planning and Budgeting, Ministry of Health, Malawi and Yohane Nyanja, Budget Analyst, National Local Government Finance Committee, Malawi</i></p> <p>Managing the <i>Gratuité and Crédits Délégués</i> programme in Burkina Faso - <i>Ali Bamouni, Director of Financial Management, Ministry of Health and Public Hygiene, Burkina Faso</i></p> <p>Facilitator: <i>Joana Bento, Acting Head of Technical, CABRI</i></p>
15:00 – 15:30	Tea break
15:30 – 17:00	<p>Country poster preparation: where are we on our facility autonomy journey and where do we want to go?</p> <p>Country teams work together to populate poster templates. These will form the basis for peer-sharing and will be incorporated into a post-event report.</p>

Wednesday, 28 August 2024	
9:00 – 10:00	<p>Country poster preparation</p> <p>Country teams continue to work on their posters.</p>
<p>Session 4</p> <p>10:00 – 11:00</p>	<p>Intersection of health facility financing and PFM</p> <p>At the initial stages of a facility financing reform, it is unlikely that health stakeholders will fully understand how PFM arrangements can help or hinder direct financing and increased financial autonomy for public facilities. This session will dispel some of this mystery by examining how facility financial autonomy can be strengthened at each stage of the PFM cycle. It will also touch on common legal requirements that facilities must meet to receive funding, including holding a bank account, having a qualified accounting officer, and in many cases, being included in the chart of accounts. Lessons will be shared from previous efforts to mainstream performance-based financing projects.</p> <p>Intersection of health facility financing and PFM – Tom Hart, Senior Research Fellow: ODI</p> <p>Discussants:</p> <p>Lessons from mainstreaming performance-based financing - <i>Sierd Hadley, Organisation for Economic Co-operation and Development (OECD) (Virtual)</i></p> <p><i>Herve Sebastien Mognany Goulohi, Head of Legal, Budgetary and Technical Studies, Ministry of Finance and Budget, Côte d'Ivoire</i></p> <p>Moderator: <i>Kara Hanson, Professor of Health System Economics and Dean of the Faculty of Public Health and Policy, London School of Hygiene and Tropical Medicine</i></p>
11:00 – 11:30	Tea break
<p>Session 5</p> <p>11:30 – 12:45</p>	<p>Formulating facility budgets and paying for outputs</p> <p>The budgets of facilities will be determined based on both inputs and outputs, depending on the cost categories and sophistication of strategic purchasing arrangements. To achieve an equitable distribution of resources, some countries use formulae to determine input-based allocations to facilities based on variables such as population size, location, and burden of disease. Other countries may complement this with output-based provider-payment mechanisms (PPMs) to incentivise efficiency and increase or reduce provision of specific health services. This session will, firstly, provide insight into how facilities are incorporated into budget formulation processes and how input-based payments are calculated. It will then introduce more strategic PPMs, focusing on output-based payments to incentivise efficiency and alignment with health priorities. It will reflect on how they can be tailored in low-capacity contexts how they can be supported by PFM arrangements.</p> <p>Overview of provider payment mechanisms and PFM implications – Inke Mathauer, Senior Health Financing Specialist, World Health Organisation (virtual)</p> <p>Supporting the equity and adequacy of facility budget allocations in South Africa – Simon Perry Kaye, Deputy Director General: Head of Corporate Service Support, Western Cape Department of Health and Wellness</p> <p>Discussant: <i>Dr Ahmed Mohammed Abdelkader Seyam, Deputy CEO for Technical Affairs & Director of Health Economics & Health Systems Research, Universal Health Insurance Authority</i></p> <p>Facilitator: <i>Agnes Munyua, Programme Director, R4D</i></p>

12:45 – 13:45	Lunch
13:45 – 15:15	<p>Poster session</p> <p>Countries to share with each other where they are on their facility financing journeys and where they hope to go</p>
15:15 – 15:30	Tea break
<p>Session 6</p> <p>15:30 – 16:30</p>	<p>Perspectives on facility financial management</p> <p>Few facilities would turn down the opportunity to increase their autonomy. However, with greater financial responsibility comes a need for more financial management capacity. Better financial management will contribute directly to improving management of service delivery for clients and communities. Financial management capacity can also be developed “on-the-job” without much fiduciary risk by initially giving facilities autonomy over a small operating budget. As financial management capacity grows, facilities may also be given responsibility for a portion of the infrastructure, staff and drug budgets.</p> <p>This session will provide a sense check of what can be expected of a facility manager in allocating, using and accounting for financial resources. Consideration will be given to a pragmatic sequencing of the cost categories under the financial control of facilities. It will also provide suggestions on how the MoF and MoH can support facility financial management capacity and capabilities, before and during the implementation of this reform.</p> <p>Sequencing of autonomy and financial management capacity constraints and needs of facilities – <i>Sheila O’Dougherty, Independent consultant (virtual)</i></p> <p>Discussant: <i>Aisha Isyaku Tukur, Executive Secretary, Kaduna State Health Supplies Management Agency</i></p> <p>Facilitator: <i>Danielle Serebro, Programme Manager, CABRI</i></p>

Thursday, 29 August 2024

09:30 – 10:45	<p>Breakaway discussions: How can budget formulation and execution processes for facilities be strengthened?</p> <p>Smaller groups comprising of both MoH and MoF and local government representatives will, after hearing from experts and other countries, consider (i) how facilities can yield more influence on health budget allocations; (ii) how allocations can be optimally determined; and (iii) what would be required to incentivise performance through provider payment mechanisms. Country posters may be updated with new understanding of where PFM supports or hinders autonomy.</p>
10:45 – 11:00	Tea break
<p>Session 7</p> <p>11:00 – 12:00</p>	<p>Balancing flexibility and accountability: expenditure controls and digital support systems</p> <p>In most LMIC, narrowly defined line-item expenditure controls limit the ability of facility managers to respond to in-year changes in circumstances or health needs. Autonomy can also be constrained by facilities having limited discretion to approve payments or payment authorisation being too far removed from the facility. This session will consider how greater flexibility can be enabled without increasing fiscal risk, and the role of technology in achieving this.</p> <p>Adopting a risk-based approach to expenditure controls – <i>Moritz Piatti-Fünfkirchen, Senior Economist, World Bank (Virtual)</i></p> <p>Facilitator: <i>Antoine Lacroix, Public Finance Consultant</i></p>
<p>Session 8</p> <p>12:00 – 13:00</p>	<p>Data governance and digital PFM for improved reporting and oversight</p> <p>Improving availability of facility information requires robust data management processes ensuring consistency of registries and linkages between them. Improving financial reporting also relies on appropriate digital PFM technologies interoperable with non-financial health management information systems. Better reporting is essential for improving oversight, providing the necessary reassurance of accountability that will enable greater facility autonomy and improving health sector and budget policy making.</p> <p>Facility Financial Accounting and Reporting System (FFARS) in Tanzania - <i>Gemini Mtei, USAID</i></p> <p>Discussants:</p> <p><i>Tom Hart, Senior Research Fellow, ODI</i></p> <p><i>Sarla Devi Ramjuttan, Deputy Permanent Secretary, Ministry of Health and Wellness, Mauritius</i></p> <p>Facilitator: <i>Giselle Hadley, Programme Manager, CABRI</i></p>
13:00 – 13:30	<p>Plenary discussion</p> <p>Participants will share (1) their key takeaways from the policy dialogue, (2) the practical steps they can take to increase or improve facility autonomy in their countries and (3) what guidance and support partner organisations can provide on this journey.</p>

