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PROPEL Adapt

PHC Financing Framework for Resilient Health System

Contents

Introduction

- Health systems worldwide have been significantly impacted by factors like climate change, conflicts, and pandemics, including COVID-19, Ebola, Zika virus, and MERS, underscoring the need for resilient health systems[1].

- Fragile and under-resourced health systems, especially in conflict-affected and impoverished areas, face compounded challenges from both basic healthcare access issues and emerging global threats.

- Over 25% of the world's population lives in settings affected by long-term conflict, poverty, and inadequate healthcare, further exacerbated by climate change and public health emergencies[2].

- PROPEL Adapt, with USAID support, has developed a framework to improve the resilience of primary healthcare (PHC) financing and governance, tailored to individual countries' political and financial contexts.

[1]Blanchet K, et al. Governance and Capacity to Manage Resilience of Health Systems: Towards a New Conceptual Framework; A checklist to improve health system resilience to infectious disease outbreaks and natural hazards
[2]States of fragility. Paris: Organisation for Economic Co-operation and Development; 2018

Developed in collaboration with the Joint Learning Network for Universal Health Coverage.

Existing frameworks

Various frameworks for health system resilience focus on preparing for, responding to, and recovering from crises while maintaining essential functions have been developed

These include those from WHO health systems resilience toolkit[1], Operational framework for building climate resilient health systems[2], USAID health systems resilience, framework[3], OECD Framework for Health System Resilience[4], Resilient and Responsive Health Systems (RESYST) consortium[5] and the World Bank's Health System Resilience Measurement Framework[6].

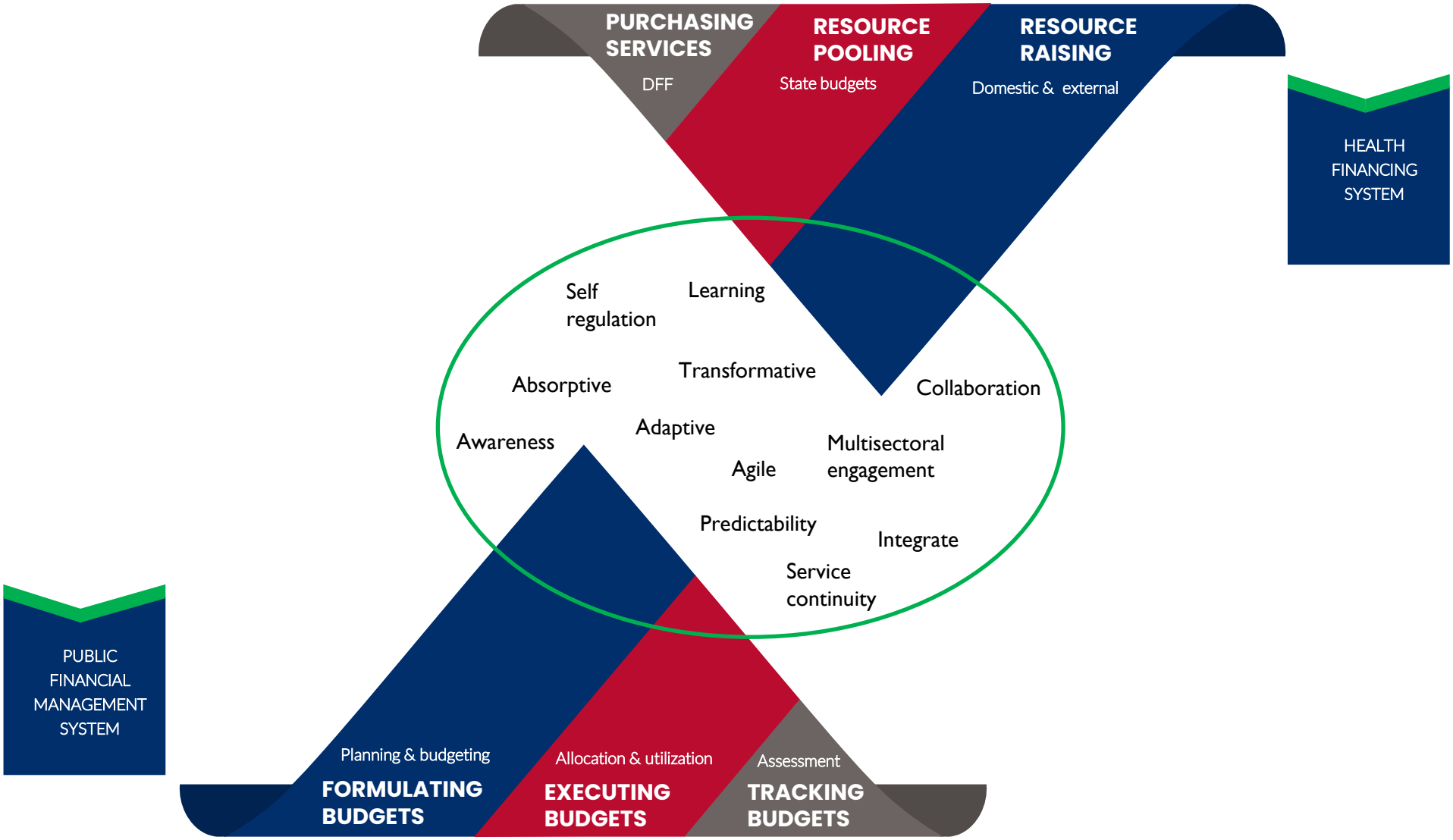
They emphasize core principles like absorptive, adaptive, and transformative capacities, advocating for redundancy, responsiveness, and equitable access during disruptions. They also underlines key components of effective governance, financing, service delivery, learning, cross-sectoral partnerships, and inclusive decision-making.

However, what remains lacking is a comprehensive framework and methodology that integrates conceptual insights with practical guidance for systematically describing and evaluating PHC financing for resilience bring together functions and objectives of PFM and health financing systems (Figure 1) in sufficient detail to support informed policy decisions.

[1]https://www.who.int/publications/i/item/operational-framework-for-building-climate-resilient-health-systems; [2]https://www.who.int/publications/i/item/operational-framework-for-building-climate-resilient-health-systems; [3]https://www.usaid.gov/sites/default/files/2022-05/Blueprint_for_Global_Heatlh_Resilience.pdf; [4]https://www.oecd.org/en/publications/ready-for-the-next-crisis-investing-in-health-system-resilience_1e53cf80-en/full-report.html; [5]https://resyst.lshtm.ac.uk/ resources/researching-purchasing-to-achieve-the-pro mise-of-universal-health-coverage; [6]https://openknowledge.worldbank.org/server/api/core/bitstreams/a560d0b2-b2dc-5800-84a3-0ac0b29477cc/content

Basis: Alignment with PFM and health financing functions

Figure 1: Functions and Objectives of PFM and Health Financing Systems* to Which Resilience Attributes to PHC Financing is Built on

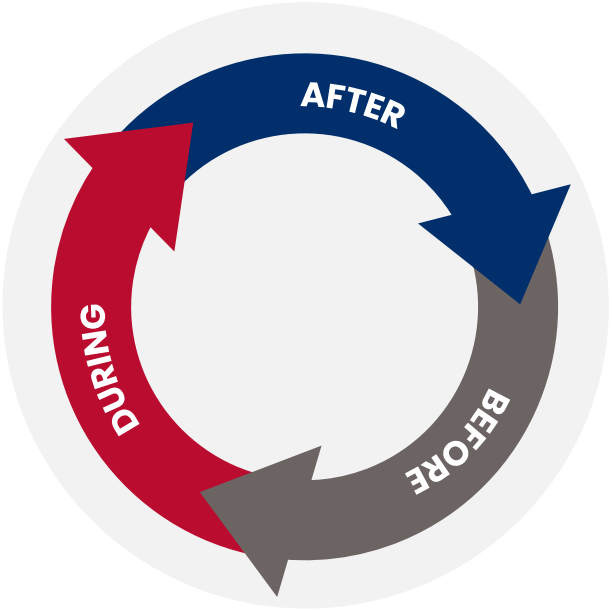


*Adapted from various sources

Rationale: PHC Focus

AFTER CRISIS

PHC becomes a focal point for learning and building resilience against future shocks and stressors. PHC address healthcare backlogs and scaling up routine services post shocks



DURING CRISIS

PHC is the entry point for communities into the health system, the shocks and stressors begin, its impact mitigated, and essential services maintained

BEFORE CRISIS

PHC offers health security through its holistic approach, integrating individual and population perspectives to health needs

Conflict, public health threats, and climate change highlight the critical role of PHC in building health system resilience. Resource-constrained PHC systems often lack the funding and flexibility to address emerging threats.

Establishing effective financing arrangements is key to fostering people-centered PHC. Improved financing can enhance PHC delivery and strengthen the system's ability to meet evolving health needs.

The purpose

This framework aims to support countries' health financing actors with a tool to analyze and gather evidence on opportunities for improving the resilience of PHC financing flows within the country's current political context and public financial management framework.

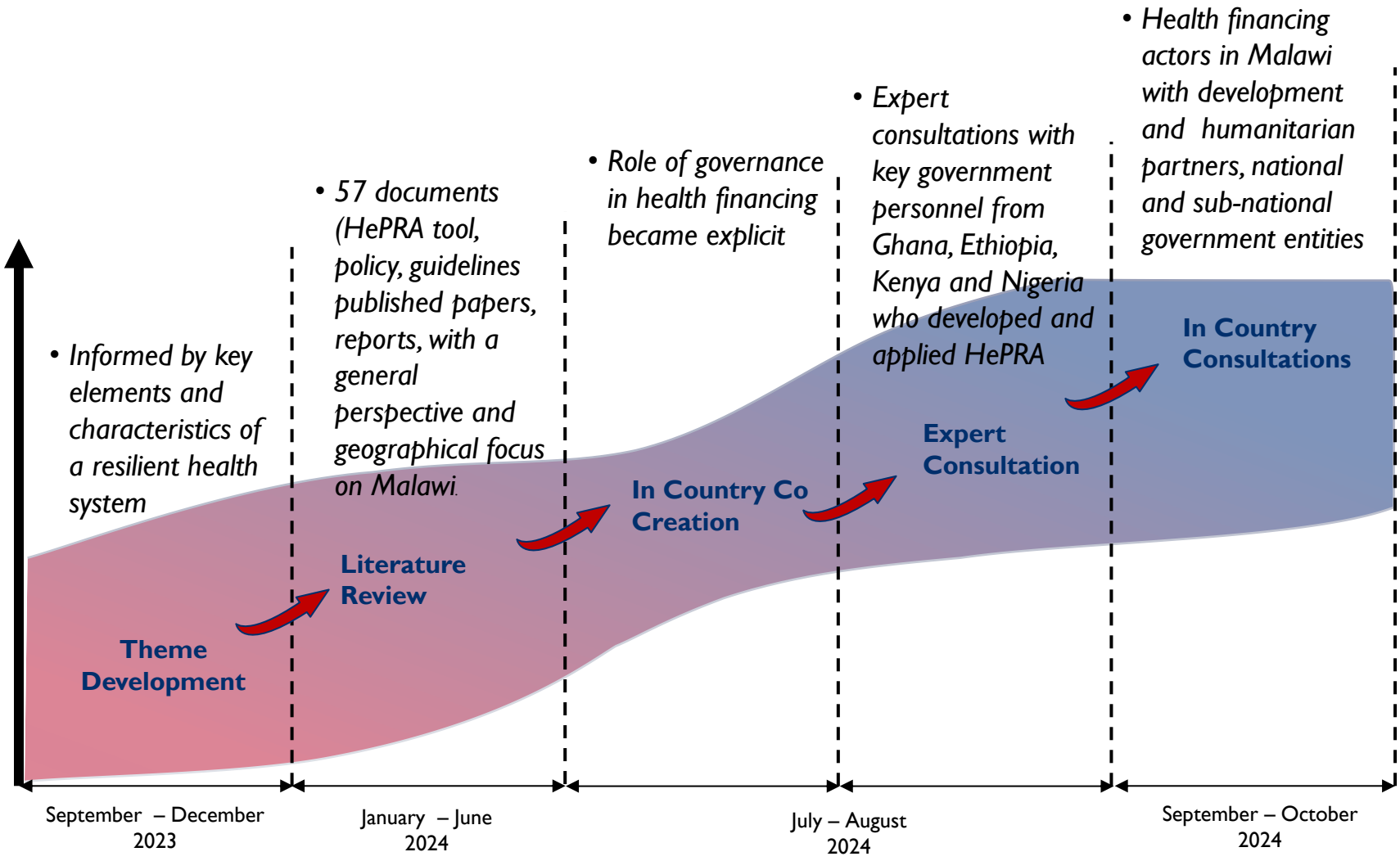
The framework focuses on benchmarking *financing elements* to strengthen the predictability, consistency, and adequacy of financing to the PHC system.

The tool also benchmark key *elements to governance* including effective leadership, collaboration, transparency and accountability, stakeholder engagement including citizen involvement and transfer of evidence and learning into policy actions since good governance is imperative for successful implementation of health financing strategies.

Recognizing that financing arrangements is more than just a technical challenge; it also involves choices that are inherently political, the framework includes *political economy elements*

Development process

Figure 2: PHC Financing Framework for Resilient Health Systems Development Process

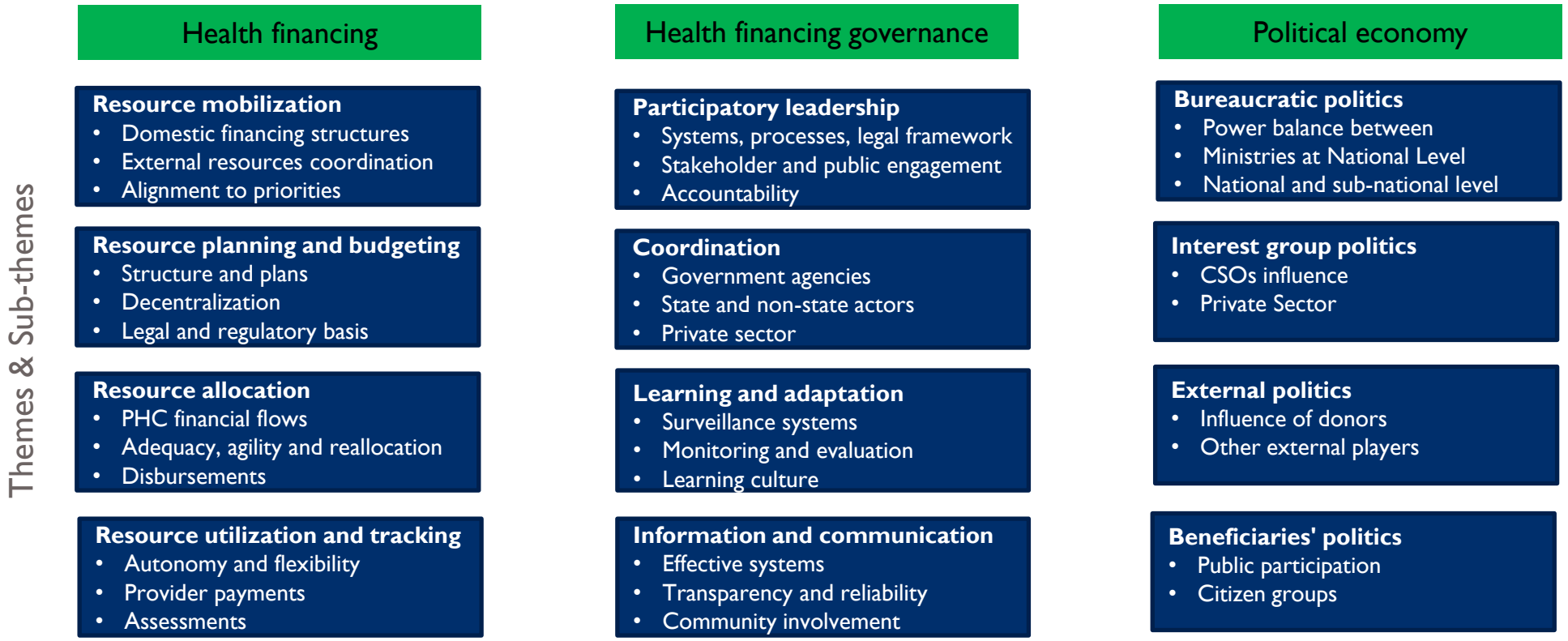


The Framework: Snapshot

The PHC Financing Framework has three sections a) health financing b) health financing governance and c) political economy

Each of the three sections has several themes *e.g., resource mobilization and* sub-themes *e.g., domestic financing structures*

Figure 3: PHC Financing Framework Sections, Themes, and Sub-themes



The Benchmarking Tool

The Framework is operationalized using a PHC Financing for Resilience Benchmarking Tool a standardized qualitative approach to assessing country health financing systems for health system resilience.

The Tool uses a traffic light benchmarking approach to evaluate and compare established metrics (benchmarking questions) against predefined benchmarks (standards) using a color-coded system resembling traffic lights. Each color represents a performance category, allowing for quick visual assessment.

The Benchmarking Tool and its User's Guide is available here [below]

1. *Information Gathering Document*
2. *PHC Financing for Resilience Benchmarking Tool*
3. *PHC Financing for Resilience Benchmarking Tool User's Guide*

SECTION A: HEALTH FINANCING

RESOURCE MOBILIZATION

Domestic resources

1 How would you categorize the health system financing structures
- Primarily domestic public finance
- Mixed (domestic, external and private)
- Out-of-pocket payments and private sector financing

2 What is the % of total government budget allocated to the health sector
- > 15%
- 10% < x < 15%
- < 10%

External resources

3 How would you categorize the partner landscape in terms of financial contributions to health?
- Most donor funding on budget
- Mix (donor funding on and off budget)
- Most donor funding off budget

4 Is there a legal, regulatory, or policy basis guiding the allocation of external resources to priorities?
- Laws and regulations present and enforced
- Laws and regulations present but partially enforced/ not current/ not comprehensive
- No laws and regulations available

5 Are external resources aligned with government priorities, including emergency preparedness and response?
- External resources fully aligned to sector priorities
- Coordination exists but poor alignment
- Donor priorities are not linked to country priorities

RESOURCE PLANNING AND BUDGETTING

Budget structure and plans

6 How is the overall health budget structured?

- Program based
- Hybrid
- Input based/line item

7 Are there national or sub-national emergency preparedness and response plans guiding resource planning and budgeting?

- National or sub-national plans are available and sub-national plans align with national plans
- National or sub-national plans are available and sub-national plans partially aligned to national plans
- No national and/or sub-national plans

Contingency funds

8 Is there budget earmarked for the health-related Ministries/agencies to finance urgent needs?

- Contingency funds budgeted and disbursed
- Contingency funds budgeted but not disbursed
- No contingency budgets

Budget flexibility

9 How flexible is the budgeting modalities to rapid reprogramming/inter-budget reallocation?

- Flexible to allow rapid response during acute shocks/emergency
- Some flexibility to allow rapid response during acute shocks/emergency
- No flexibility to allow rapid response during acute shocks/emergency

Budget decentralization

10 What is the jurisdiction of local government/sub-national level in health budgets implementation

- Complete fiscal decentralization
- Partial fiscal decentralization
- No fiscal decentralization

Legal/ regulatory/ policy basis

11 Is there a legal or regulatory basis for budget structure and/or flexibility in budget repurposing?

- Laws and regulations mandated and enforced
- Laws and regulations available but partially enforced/ not current/ not comprehensive
- No laws and regulations available

RESOURCE ALLOCATION

Allocation to PHC

12 Do funds flow directly to PHC facilities?

- Funds flow directly from MoF to PHC facilities
- Funds flows from MoF to subnational level e.g. district level then to PHC facilities
- There is no PHC facilities direct fund flow

13 Is resource allocation to PHC support integrated service delivery?

- Resource allocation is structured to support integrated service delivery
- Resource allocation structured to partly supports integrated health delivery and vertical disease programs.
- Resource allocation is mainly structured to support vertical disease programs

Legal/ regulatory/ policy basis

14 Is there a legal or regulatory basis guiding resource flow to lower administrative levels (decentralization)

- Laws and regulations mandating resource decentralization enforced
- Laws and regulations on resource decentralization available but partially enforced/ not current/ not comprehensive
- No laws and regulations on resource decentralization

Allocation adequacy

15 How adequate are the allocated resources?

- Allocations are sufficient
- Allocations are somewhat sufficient
- Allocations are not sufficient

Allocation agility

16 To what extent would funds rapidly flow to sub-national entities in the event of an emergency?

- Likely, with flexibility in PFM approval and authorization process
- Somewhat likely, with PFM systems adjustments to enable more flexibility
- Unlikely, no flexibility with PFM systems of approvals and authorizations as a barrier

Reallocation

17 Who receives emergency response funds? Do they have flexibility to reallocate funds according to need?

- Largely sub-national/PHC level and fund relocation is flexible
- 50-50 between national and sub-national/PHC levels and fund relocation are somewhat flexible (reallocation with approval)
- Largely national level and fund relocation are not flexible (i.e., hard earmarks, strict rules on reallocation)

Disbursement

18 How likely is the full PHC budget disbursed to address population needs, including emergency response?

- Full and/or predictable amounts disbursed
- Partial and/or somewhat predictable amount disbursed
- No and/or very unpredictable amount disbursed

19 How timely is the PHC budget disbursed to address population needs, including emergency response?

- Timely disbursement/disbursement as per schedule
- Somewhat delayed disbursement /disbursement somehow off schedule
- Always delayed disbursement/disbursement often off schedule

RESOURCE UTILIZATION AND TRACKING

Utilization rate

20 How likely are disbursed PHC funds utilized to address population needs, including emergency response?

- Utilization rates of >75%
- Utilization rates of about 50%
- Utilization rates of less than 50%

Utilization flexibility

21 Do resource utilization processes support flexible service delivery models

- PHC facilities autonomous in utilization to respond to needs during emergencies
- PHC facilities, semi autonomous in utilization with approvals from designated authorities
- PHC facilities have no autonomy and utilization decision made by designated authorities

Payment mechanisms

22 How are funded priorities paid for?

- Providers paid based on capitation with performance incentives
- Providers paid based on capitation without performance incentives
- Providers paid based on inputs

Assessment

23 How are funding flows tracked against priorities?

- Clear indicators are in place to track spending against priorities
- Expenditure is tracked against line items only
- Funding flows are not transparent

SECTION B: HEALTH FINANCING GOVERANCE

PARTICIPATORY LEADERSHIP

Leadership capacity

24 How is the leadership capacity and availability of tools to execute their mandate?

- Leaders at all levels have mandate, capacity and necessary tools for effective leadership
- Leaders at all levels have mandate but lacks capacity and necessary tools for effective leadership
- Leaders at all levels lack mandate, capacity and necessary tools for effective leadership

Legal/ regulatory/ policy basis

25 Are there health policies, strategies, and guidelines addressing climate change and other emerging threats?

- Health policies, strategies and guidelines present and are operationalized
- Health policies, strategies and guidelines present but not operationalized
- Health policies, strategies and guidelines do not reflect climate change and other emerging threats

Stakeholder (including public) participation and engagement

26 How often, and who is involved, in need identification, prioritization, resource budgeting to include resilience attributes?

- Frequent consultations with relevant stakeholders including the public
- Less frequent consultations with limited involvement of relevant stakeholders including the public
- Not consultative and/or no stakeholder engagement and/or decisions made by one entity

Citizens views and organisation

27 Are citizen capacitated and able to organize petition for leaders?

- Citizens are organized and able to petition leaders for policy reforms
- Citizens are organized but unable to petition leaders for policy reforms
- Citizens are unorganized and unable to petition leaders for policy reforms

Community empowerment

28 Is the community empowered to grasp their role in mitigating climate-related and other emerging threats?

- The community is empowered
- The community is empowered but not receptive/action oriented
- The community is not empowered

Accountability

29 Is there mutual accountability between government and civil society organizations (CSOs)

- There is mutual accountability between the government and CSOs
- One party (government or CSOs) can hold the other (CSOs or government) accountable
- No party holds the other accountable

COORDINATION AND COLLABORATION

Coordination

30 Are there designated climate change and health focal points within the health ministry?

- Focal points exist and are operational
- Focal points exist but not operational
- No designated focal points

Collaboration

31 Is there intra-ministerial departments collaboration in priority setting, budgetting implementation and monitoring at all levels?

- Engagement and collaboration exist and functional
- Engagement and collaboration exist but not well structured or functional
- No engagement and/or collaboration

32 Is there inter-ministerial (health and other sectors) collaboration in priority setting, budgeting, implementation and monitoring at all levels?

- Engagement and collaboration exist and functional
- Engagement and collaboration exist but not well structured or functional
- No engagement and/or collaboration

33 Is there state and non-state actors (including the private sector) collaboration in priority setting, budgeting, implementation and monitoring at all levels?

- Engagement and collaboration exist and functional
- Engagement and collaboration exist but not well structured or functional
- No engagement and/or collaboration

34 Is there collabroration between PHC and other health care delivery levels in priority setting, budgeting, implementation and monitoring?

- Engagement and collaboration exist and functional
- Engagement and collaboration exist but not well structured or functional
- No engagement and/or collaboration

LEARNING AND ADAPTATION

Surveillance systems

35 Are there Early Warning and Response System (EWARS) (including relevant data) for climate sensitive health hazards and other public health emerging threats

- EWARS (with relevant data) exists and functional
- EWARS under development (data availability limited) and/or minimal functionality
- No EWARS or still at early development stages and no relevant data

36 Does the EWARS support integration between disease surveillance and climate change surveillance?

- There is integration between disease and climate change surveillance
- There is minimal integration between disease and climate change surveillance
- There is no integration between disease and climate change surveillance

Learning culture

37 Does the health ministry and other relevant ministries organize structured timely forums for preparedness knowledge sharing including risk analysis, surveillance, resources requirements and post recovery planning?

- Structured timely forums organized regularly with clear follow up actions
- Forums occurs arbitrarily, unstructured, untimely with no follow-up on actions
- No forums organized

INFORMATION AND COMMUNICATION

Information systems

38 Are there effective systems of sharing critical information with stakeholders?

- There is a clear flow of information, data sharing systems and timely dissemination of guidelines and protocols
- Unclear flow of information, bureaucratic untimely data sharing and delayed dissemination of guidelines and protocols
- No structured flow of information, no data sharing systems and minimal provision of guidelines and protocols

Communication

39 To what extent is the communication to the public transparent and trustworthy during public health emergencies

- Government and related agencies communicate timely and clearly using accessible communication channels
- Government and related agencies communicate untimely and unclearly and/or use inaccessible communication channels
- Government and related agencies often provide little or no information

40 Are different community structures and platforms involved in strategies to tackle emergencies or their aftermath

- Community structures effectively involved, and community led strategies tailored to meet community needs
- Community structures involvement is minimal, and community led strategies often not incorporated
- Community structures not involved

SECTION C: POLITICAL ECONOMY

BENEFICIARY POLITICS

Beneficiary politics

41 Is public participation provided for in the law ?

- Public engagement is provided for by the law and is well structured
- Public engagement is provided for by the law but not well structured
- Public engagement is not provided by the law

42 How does public participation happen?

- Public engagement happens in a structured manner
- Public engagement happens but not well structured
- There is no public participation

INTEREST GROUPS POLITICS

Interest groups politics

43 How do key actors using their positions to influence policy (private sector, parties, CSOs)

- Formal ways exist such as lobbying and petitions
- Both formal and informal approaches exists
- Only informal approaches such as protests exists

44 Who are the reform champions? Are they organized, enough to drive reform?

- Reform champions exist and are well organized to drive reforms
- Reform champions exists but are not well organized to drive reforms
- There are no reliable reform champions

45 Are reform champions empowered and influential enough to drive reforms?

- Reform champions are empowered and drive reforms
- Reform champions are empowered but do not drive reforms
- Reform champions are not empowered

BUDGET AND BUREAUCRATIC POLITICS

Budget politics

46 How influential is Ministry of Health in budget making process?

- The MoH recommendations are given significant considerations
- The MoH recommendations do not receive significant considerations
- The MoH does not have influence in the budget making process

Bureaucratic politics

47 What's the power balance between levels of government?

- Sub-national level have full autonomy
- National level sets policy guidance, sub national level contextualizes policy into implementation
- National level determines policy and implementation for all levels

48 What's the power balance between government Ministries ?

- MoH controls resources for health response in shocks/emergencies
- MoH seeks clearance for resources for health response in shocks/emergencies
- MoH relies on other ministries for resources for health response to shocks/emergencies

EXTERNAL ACTORS' POLITICS

External actors' politics

49 Is the international community active in driving reforms?

- The international community is vocal and influential in driving reforms
- The international community is not vocal but is influential in driving reforms
- The international community is inactive in driving reforms

50 Precedence in international community priorities

- When there is no significant alignment, MoH priorities takes precedence over international community priorities
- When there is no significant alignment, there is a compromise in MoH priorities and international community priorities
- When there is no significant alignment, international community priorities takes precedence over MoH priorities

A Country Example
Visualizing and Interpreting Benchmarks

SECTION A: HEALTH FINANCING

RESOURCE MOBILIZATION		
Domestic resources	Financing structures	
	Health budgets	
External resources	On budget support	
	Legal regulatory basis	
	Alignment to priorities	
RESOURCE PLANNING & BUDGETTING		
Budget structure & plans	Budget structure	
	ERP plans on budgets	
Contingency funds		
Budget flexibility		
Budget decentralization		
Budget repurposing	Legal regulatory basis	
RESOURCE ALLOCATION		
PHC funds flow	Direct facility financing	
	Supporting service integration	
	Legal regulatory basis	
Resource adequacy		
Allocation agility	Rapid flow to PHC level	
Reallocation		
RESOURCE ALLOCATION & TRACKING		
Disbursements	Full budget disbursments	
	Timely budget disbursements	
Utilization rates		
Utilization flexibility		
Provider payment		
Resource tracking		

SECTION A: HEALTH FINANCING

Theme: RESOURCE MOBILIZATION

Sub-theme: Budget structure and plans

Benchmark question: *How is the overall health budget structured?*

Benchmark options	Description	Traffic lights	Interpretation	Actions
Program based budgeting	Program-based budgeting links funding to measurable health outcomes and builds flexibility for health systems to adopt to shocks. It supports investments in preparedness, risk mitigation and equity which are central to resilience		An option in support of PHC financing resilience	Continue current practice
Hybrid (mix of program and input-based budgeting)			An option in partial support of PHC financing resilience	Identify improvement opportunities
Input-based budgeting	Input-based budgeting may hinder health system resilience since it focuses on controlling specific expenditure rather than outcomes or system adaptability		An option which is a bottlenect to PHC financing resilience	Develop corrective strategies

Conclusions

- The purpose of the benchmark is to visualize areas where systems and process are supportive of PHC financing resilience so these can be maintained, areas which are working progress so that further efforts can be exerted and areas which serve as bottle necks so that deliberate actions can be planed

- Amber benchmarks can serve as starting points as there could be low hanging fruits while concrete strategies alongside advocacy efforts are required for red benchmarks

- Counties are expected to re-apply the framework periodically and test its usefulness as health system evolve towards more resilient PHC financing

Acknowledgment

The authors wish to acknowledge the Joint Learning Network for Universal Health Coverage (JLN) for its substantive contributions to the conceptual and technical foundations of this work. The PHC Financing Framework builds directly on the JLN's Health Priority Setting and Resource Allocation (HePRA) benchmarking tool and was developed in partnership with JLN technical facilitators and country practitioners whose collective expertise shaped the framework's design, adaptation, and validation. The authors are grateful to the JLN community for the practitioner-to-practitioner learning environment that made this work possible.

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