



Fourth Annual Health Financing Forum
“Exploring frontiers of resource mobilization for health”
Draft Concept Note
February 22, 2019

1. Objective and Rationale

The Fourth Annual Health Financing Forum (AHFF) will explore frontiers of resource mobilization for health. The three preceding forums reviewed challenges and responses in domestic resource mobilization, identifying areas where policy responses are controversial or lacking. Even where solutions are well-established, recent simulations suggest that new approaches are needed to avoid the UHC targets slipping out of reach. This Forum therefore aims to explore frontiers in resource mobilization – the central topic of the first UHC Financing Forum. The Forum will be structured around three themes: digital innovations in financial protection programs, the role of private capital investment in the achievement of health and development goals, and the political economy of resource mobilization.

This two-day forum held before the 2019 Spring Meetings builds on the success of the three Annual Universal Health Coverage (UHC) Financing Forums, co-hosted by the World Bank and the U.S. Agency for International Development (USAID). The [1st Forum in 2016](#) focused on how to generate revenue to meet the needs of populations for good quality health services and financial protection, two key components of UHC. The [2nd Forum in 2017](#), explored how governments can use available resources in the most efficient way. The [3rd forum in 2018](#) discussed how to mobilize and use resources to improve equity in health financing.

2. Date and Venue

The Forum will take place in Washington DC on Tuesday, April 9, and Wednesday April 10, 2019. As in the past, it will coincide with the World Bank – IMF Spring Meetings. This year’s forum will be hosted at the Washington Marriott Georgetown Hotel.

3. Content and Format

The Forum will run over two full days with half a day dedicated to each of the three themes/questions of digital innovations in financial protection, role of private capital investment, and the political economy of resource mobilization. Each theme will open with a plenary session that will highlight the key issues, followed by breakout sessions on selected topics organized by the Forum’s technical coordination team. In the afternoon of day two, the focus will turn with a forward-looking session toward potential topic(s) for the next Health Financing Forums.

Theme 1: What are some of the digital innovations in financial protection programs that are taking place in LMICs and LICs?

The world is not on track to achieve the second goal of UHC – financial protection. Out-of-pocket payments (OOPs) drive nearly 100 million people per year into poverty and prevent millions from seeking care. In most developing countries, the capabilities to raise domestic revenues to finance the achievement of UHC targets remain insufficient. Moreover, slow formalization and other challenges make traditional approaches to prepayment and pooling inadequate. This session will present the results of a global stock taking review on novel approaches to health financing that have been introduced and, in some cases, brought to scale in lower income countries— approaches that have harnessed the power of digitization, mobile technologies, and cashless payment systems. The programs that will be presented deliver voluntary health insurance as a stand-alone product or in conjunction with other products and services including telemedicine consultations, health information, and access to credit. Many have progressed well beyond the pilot-phase, enrolling millions of subscribers with plans to go even further.

The session will present the findings of this global stocktaking review and explore the following critical questions:

- What do these innovations look like? What is their scale and scope? Where are they active?
- What have these programs achieved?
- Are these programs overcoming challenges faced by traditional approaches to financial protection? If so, how?
- What limits them currently in terms of scale, distribution, and effectiveness?
- What is the potential of such programs in and of themselves and in conjunction with broader efforts to expand coverage?

Key questions for panelists:

- For panelists representing innovative programs: What bottlenecks have you faced in enrolling subscribers and how have you overcome them? What are your goals moving forward? How will you tap new technologies on the horizon?
- For panelists representing the public sector: What opportunities do you see for integration of these innovative approaches with public sector initiatives? What constrains the uptake of innovation in the public sector?

Breakout sessions (60 min; 10 groups, 15 participants per group, 1 staff moderator per group). Each group will be given a unique question relating to the way forward and untapped potential based on the morning’s content. Relevant background information for each question will be provided to each group. After a 40-minute discussion period, each moderator will present their key findings/questions to the audience.)

Key Questions:

- What types of evidence are needed before integrating new technologies into public sector health programs?

- What further information would you need to better assess these programs?
- What limits the participation of the informal sector in voluntary health insurance and how can technology address these limitations?
- What are the risks of disruptive technologies in health and how can regulations mitigate them?
- How can regulations promote innovation in both the private and public sectors?

Theme 2. The political economy of resource mobilization: where are the entry points for the MoH to engage in in decisions about generating more domestic resources?

Decisions about fiscal policy – how revenues are generated, from whom, and how they are used – are generally considered to be the domain of a Ministry of Finance. The MoH and its partners are rarely engaged in, and often unaware of, reforms that are being carried out to increase government revenues as a share of GDP: for example, through increasing the efficiency or equity of revenue generation, increasing the tax base, or expanding the range of taxes and charges. The MoH and partners are also rarely involved in debates about the role of the private sector in revenue generation, through mechanisms such as blended finance, unless it is specifically related to financing for health.

The MoH and partners sometimes limit their involvement to arguing for a greater share of the available resources, or lobbying the MoF to raise revenues specifically for health such as through sin-taxes. On the other hand, the MoF often sees the MoH as poorly prepared to request and absorb funds because of inadequacies in budget preparation and in the management of funds and inefficiencies in the way it is spent. The MoF also tends to see health expenditures as purely consumption that does not contribute to economic growth or the achievement of the other SDGs. Developing mutual understanding of the opportunities and constraints for raising additional revenues and allocating more to health is critical.

The purpose of this session (or sessions) is to understand what are the possible entry points for MoH and their partners' engagement in the policy decisions about how to raise more revenue in general (public and private) and what priority should be given to health. It will have three components:

- **Information exchange:** A description of how the MoF, with external partners such as the IMF where appropriate, evaluate fiscal space and the potential to raise and spend more government revenue over time. What are the constraints? Why is progress in increasing government expenditures as a share of GDP seem slow to health people? Is there any consideration of the need to adequately fund health or human capital development in these discussions and where can the health sector engage in the discussion, if anywhere? This part of the session is aimed largely at health experts (including health financing experts) working in the MoH, development banks and multilateral and bilateral agencies to better understand the process, what the MoF and its partners think, what is happening in selected countries, and what the entry points for engagement might be. The information exchange will use 2 country examples to run through these questions.
- **Sharing viewpoints- MoF and MoH:** A discussion of how the MoF and MoH (and/or purchasing agency, e.g. health insurance fund) see each other in this process. How can mutual understanding and mutual goal sharing be stimulated? This session is aimed at health and finance officials from countries and agencies.
- **Exploring the role of other stakeholders:** What role do offices of the heads of state and parliaments currently play in these areas? Is there a role for other stakeholders such as civil society, private sector, and external partners? This can also involve a discussion of intersectoral collaboration for more funding (e.g. through the Human Capital Project Early Adopters).

Theme 3: Can governments and donors successfully and sustainably leverage financing flows from the private sector to achieve health and development goals?

Achieving the health Sustainable Development Goal (SDG) by 2030 will cost an additional \$371 billion over the next 10 years, of which 85% (\$315 billion) can be financed by domestic resources from countries.¹ However, given stagnating international assistance from donors, investments in health from the private sector – including domestic private activity and private international capital flows – will be increasingly vital to complement domestic resource mobilization and facilitate country achievement of the SDGs. The private sector is increasingly playing a bigger role in the economic development of most LMICs. In the context of health, this new development finance landscape presents an opportunity for country governments and donors to think strategically about how to (i) create an enabling environment to encourage sustainable private sector investment in health with a focus on equitable health outcomes for those most in need of services and (ii) support development of financial instruments that can effectively draw in impact-oriented private investors at the scale required to bridge funding gaps for UHC. The purpose of the plenary and side sessions will be to learn from the health and non-health sectors in order to:

- understand the roles of governments and donors in helping to catalyze private capital with a focus on development objectives
- recognize what regulatory and policy changes are essential for increasing private sector investment in the health sector
- identify innovative financing instruments and successful business models for mobilizing resources from the private sector

Plenary Session: The role of governments and donors in helping to catalyze private investment with a focus on development objectives

The plenary session will be structured as a debate that asks panelists to consider provocative questions about how governments and donors can and are working to catalyze sustainable private investment in health and their role in helping to overcome barriers to investment. Panelists will be asked to discuss the following questions:

- What does the evidence suggest about the ways in which investment from private capital may or may not be effective in social sectors, including health? What lessons can be learned from non-health sectors?
- In what ways can the public sector and donors help to catalyze investment of private capital for health from either domestic or international sources? Participants should address the role of the country-level regulatory and policy environments in incentivizing private investment into under-invested areas of the health system, with a particular focus on benefiting poorer populations.

¹Stenberg, K., Hanssen, O., Edejer, T. T. T., Bertram, M., Brindley, C., Meshreky, A., ... & Soucat, A. (2017). Financing

- What is the role of innovative financing instruments in enabling countries to leverage greater impact-oriented private investment for health? Can donor funding help to optimize the balance of financial return and development impact for such instruments?
- How can the impact of private investment in the health sector be optimized? Participants should address on-going discussions on how to define and measure impact in both the health and non-health space.

This session will be prompted with a background brief which describes trends in private sector investment in health (relative to non-health sectors), the sources of financing (e.g., commercial, concessionary, philanthropic, etc.) and geographic distribution of health sector investments. The brief will include the main types of innovative financing instruments used in the health sector.

Breakout Session 1: Development Impact Bonds (DIB)—the promise and pitfalls (working title for discussion)

This breakout session follows on the 2016 session on Social and Development Impact Bonds as Financing Instruments to Contribute to UHC. This session will dive into the DIB instrument and explore how/why DIBs appeal to different stakeholders, the challenges with development and implementation, and whether they are delivering on the promise of drawing in non-traditional resources for health and other sectors.

Breakout Session 2: Redirecting private sector investments to align private innovation and profits with public health interests: Is value-based care a viable opportunity for health systems in LMICs and emerging economies?

While the primary mechanism for meeting resource needs to achieve the SDGs will be domestic public revenues, the private sector can help to fill the financing gap by increasing business investment and developing scalable market-based approaches. Currently, private capital has been drawn to volume-based business models, and their performance metrics do not align with public health outcomes or cost-effectiveness. This session will explore how sustainable business models, such as value-based care (VBC), can direct private capital to delivering higher impact and value by establishing payer-provider partnerships that redefine what success looks like, focusing on patient-centered care, and paying for health outcomes. This can result in efficiency gains, cost control, improvements in accountability, evidence-based decisions, better measurement, and ultimately more value from domestic public and private health resources.

Session Organization

A. Introduction/Presentation (20 min)

The concept of VBC will first be introduced with an explanation of how VBC have the potential to upend traditional patient care and business models. The “Value in healthcare: Laying the foundation for health

system transformation” (2017)² and “Value-based healthcare: A global assessment (2016)”³ reports will be referenced and highlight the lack of attention to emerging economies. The problem, opportunity, and strategy for developing economies will be clearly outlined.

The evidence to date on VBC models will then be presented along with a synthesis of what works and what doesn’t work, focusing on the following questions:

1. What attracts the private sector investment to VBC business models?
2. What conditions favor successful VBC models and what measures define success?
3. Is VBC a realistic option for countries with health systems under development?
4. What are the risks for each participating stakeholder (providers, payers, policymakers, and investors)?

B. Panelists and country case studies (25 min)

Panelists will be asked to describe the VBC models in their countries and answer specific questions related to any of the following: the actors involved and their stake in the health system and their role/relationships to other actors in the VBC; how commercial lines of business are leading adoption, advancement, and innovation of VBC; the decision-making processes; the amount of financing and where investments are being made; the definition of success and measurements of value; what is working well and what is not; and analytics (e.g. around reducing unnecessary medical costs/savings, improvements in quality of care, and reduction in pure fee-for-service).

C. Discussion at break-out tables with a mix of stakeholders focusing on 2 questions each, the country case panelists will lead the tables (20 min)

Potential questions to choose from/assigned to each table:

- What can the private sector/investor do to effectively make the shift and “win” in the new value-based care (VBC) payment landscape?
- What are the conditions that favor VBC? Would VBC be a viable opportunity in your country? Why or Why not? Policies? Commitment? HTA institutionalized? Ability to measure costs and patients outcomes?
- Which barriers around data systems, policy, technical advisory, advocacy, and investment should be addressed? Conservatism of providers, of policy makers? Which ones should be prioritized?
- What are the respective roles of each stakeholder and what are the opportunities to work together?
- How do you maintain a focus on reducing inequity?
- Is reaching MCH and PHC results a viable VBC model?
- How do you measure impact/results?

² http://www3.weforum.org/docs/WEF_Insight_Report_Value_Healthcare_Laying_Foundation.pdf

³ http://vbhcglobalassessment.eiu.com/wp-content/uploads/sites/27/2016/09/EIU_Medtronic_Findings-and-Methodology.pdf

- What can the global development community do to support a country's transformation to VBC? Which organizations should be providing support and how?

D. Plenary discussion/report out from tables (25 min)

Logistics/participation notes: Consortium for each country case study could be invited (and private sector ones should be asked if they can pay for themselves) so they can lead the table discussions and be resources for the participants. Only one rep from the consortium will be a panelist.

Breakout Session 3: Financial return vs. development impact: Can private investment in health in LMICs really maximize both or is there a trade-off? (working title)

To target the magnitude of financing gaps for UHC in LMICs, there is a need to tap into private investor capital at a very large scale. One of the bottlenecks to doing this is the availability of investment opportunities that meet the required financial returns and risk profile of private investors, while also delivering the development outcomes that donors and country governments are focused on. This is particularly relevant for institutional investors like pension funds who have enormous pools of capital to deploy but very little flexibility in the level of return and risk they are allowed to take. On the other hand, investment funds putting their capital into country-level deals in service delivery, pharmaceuticals, etc., face other challenges of operating in high-risk environments with limited deal opportunities primarily focused on the better off populations without improving access for poorer populations. This session will bring stakeholders across the investor spectrum together with donors and multi-lateral institutions to discuss:

- the current challenges between balancing between financial return and impact on health outcomes;
- whether there will be a shift over time among investor perspective to allocate value to impact results (not only financial return);
- the role of innovative financing (e.g., blended finance and World Bank-GFF partnership for Sustainable Development Bonds for health and nutrition of women, children and adolescents, etc.) in de-risking/helping bridge the gap between risk-return profiles for investors, and whether this is feasible at scale

Session: Exploring frontiers for AHFF

The Forum will end with a forward-looking exercise to explore the nature of future forums and possible topics that should be prioritized for inclusion. Four speakers will briefly make the case for what distinguishes the Health Financing Forum from other avenues and propose frontier topics for the next forum(s). The speakers will be representatives from academia, civil society, government, and the private sector. The case will be heard by a distinguished panel of country representatives and the audience. The audience will get to discuss these (and other) options, and the distinguished panel will deliberate with its recommendations to the Forum Steering Committee.

Forum agenda overview

TUESDAY 9 TH APRIL	
7:30h to 8:30h	Arrival & Registration / Breakfast
8:30h to 9h	INTRODUCTION
9h to 9:45h	Key Note
9:45h to 10:15h	COFFEE BREAK
10h to 11:15h	Plenary 1: What are some of the digital innovations in financial protection programs that are taking place in LMICs and LICs?
11:15h to 12:30h	BREAKOUT SESSION 1 BREAKOUT SESSION 2 BREAKOUT SESSION 3
12:30h	LUNCH
14h to 15:15h	Plenary 2: The political economy of resource mobilization: where are the entry points for the MoH to engage in in decisions about generating more domestic resources?
15:15h to 15: 45h	COFFEE BREAK
15:45h to 17h	Information exchange Sharing viewpoints Exploring the role of stakeholders
17:30h	RECEPTION

WEDNESDAY 10 TH APRIL	
7:30h to 8:30h	Breakfast
8:30h to 10:00h	Plenary 3: The role of governments and donors in helping to catalyze private investment with a focus on development objectives
10:00h to 10:30h	COFFEE BREAK
10:30h to 12:00h	BREAKOUT SESSION 7 BREAKOUT SESSION 8 BREAKOUT SESSION 9
12:00h to 12:30h	Technical Summary And Wrap Up
12:30h to 13:30h	LUNCH
13:30h to 15:00h	Plenary 4: Exploring Frontiers for AHFF
15:00h to 15:15h	Wrap up Plenary 4
15:15 h to 15:45	COFFEE BREAK
15:45h to 17:15h	Satellite Session 1: Taxes for Health
17:30	RECEPTION

4. Participation

An audience of no more than 150 participants is anticipated. The audience may differ slightly from the first day to the second. Participants will include: MoF and MoH staff (mid- to high-level policy makers), private sector, academics, representatives of external funding agencies/organizations and CSOs.

5. Contacts

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