Greater Equity for Better Health and Financial Protection

3rd UHCFF
The challenge

Unacceptable rate of progress towards UHC

Inequities across countries, and within countries, in service coverage, financial protection, spending levels

How can we achieve **fairness in all financing policies**:
- Avoid unacceptable choices
- Establish fair processes
- Monitor policy impact
The framing: Unacceptable tradeoffs (policy decisions that worsen equity)

Revenue generation

Pooling

Purchasing

Fairness in process and accountability – Public involvement, transparency, criteria, appeals, regulations
The framing: Unacceptable tradeoffs

- Revenue generation
- Pooling
- Purchasing

Processes:
Joint learning
Implementation and sequencing

Priority setting
Benefit pkg
Commodities
JLN tools
Provider payment
RBF
Private sector

Accountability – Public involvement, transparency, criteria, appeals, regulations

Rising inequality

Vulnerable groups
Refugees

Stewardship; Regulation (e.g. medicine prices), contracting, legal frameworks
Measurement: “We can only achieve what we can measure”
Revenue generation: “Money (that’s what I want)” (Barrett Strong)

• Making the case for public spending on health

• Comprehensive analytical perspective - across all mechanisms, post tax, post transfer

• Structural changes in the labour market and implications for payroll taxes

• Data systems – to enable joined up policies

• Implications of increasing inequality – tax havens, political interests

• Maintain government commitment (fungibility)
Pooling and equity: “It’s not what you do, it’s the way that you do it” (Bananarama)

Defragmentation is neither sufficient nor necessary for equity improvements:

• Pooling sets the framework for redistribution
• Fragmentation is widespread (>500 pools in Argentina; Devolution in Kenya has created more pools)
• Larger pools are better, but defragmentation may be politically difficult
• Pooling on its own will not deliver equity, because of demand and supply-side barriers
• Many policy options to create virtual pooling
  • “Pool the data before you pool the money” (Harmonization of data), benefit packages, provider payment
  • Risk equalization and other cross-subsidy mechanisms
Purchasing “I can’t get no (resources to the frontline)” (after the Rolling Stones)

Evolutions in deciding “what to purchase”

• Explicit priority setting leads to transparency and accountability; can encourage public participation

• Analytical approaches that address financial protection and progressive prioritization

Ensuring coherence among multiple provider payment systems, and adaptive mechanisms

Purchasing innovations that get resources to the frontline

How to move from “Cartier” to “Walmart” private sector business model
Accountability: “Gimme some truth” (John Lennon)

• Principal – agent relationships
• Collective action around shared objectives
• Institutions of accountability

Underpinned by information: “Engage IT – kills corruption, fraud and inefficiency” (Pavlo Kovtoniuk)

Tools to facilitate participation – beneficiary feedback, scorecards, budgeting processes, social audit
Key issues – 1

• Interactions among HF functions
  • Aligning revenues and expenditures
  • Aligning pooling with purchasing and demand-side and supply-side measures

• Politics of equity
  Threats to solidarity / willingness to subsidise other
  Challenges of pooling and defragmentation – redistributive politics
  Provider payment winners and losers

• Sequencing of policy change
  Path dependence – irreversibility of some policy changes (and implications for implementation strategies)

• Managing transition from DAH –
  • Basket financing in Tanzania ensures alignment and flexibility of development financing for frontline services
  • Using transition to build sustainable, integrated systems
  • Commodities .....
Key issues - 2

• Perverse incentives – eg. budget systems that punish efficient use of resources
• Unacceptable trade-offs / “No-regret moves”
• Epidemiological transition – challenges of NCDs (provider payment for LT conditions, capture NCDs in new monitoring tools)
• What possibilities for countries to leapfrog – avoid completely the mistakes of others (and make new mistakes!).
• UHC is not just for the health sector:
  • Resource mobilization and MOF; understanding financing in an integrated way – in aggregate, net of transfers. (trade-off)
  • PFM systems – can undermine equity in resource allocation
  • Social protection
Critical importance of measurement, data and monitoring

• You can only achieve what you can measure
• Health Equity and Financial Protection Indicators
• New approaches / datasets (parallel session)
• Who bears cost of data collection (e.g. how to integrate cost data collection into provider contracts)
• Sustainability: actuarial analysis for sustainability of health insurance in India
Key priorities for different stakeholders

• Governments – path dependence and headroom; inter-relationships between financing functions; unintended consequences

• Donors – supporting countries through transition; aligning investments; strengthening country systems and key functions; supporting global initiatives around tax avoidance, TRIPS implementation

• CSOs – advocacy for health, engaging the demand side, improving social accountability

• Researchers – improving measurement, sequencing of policy change, implications of rising inequality for resource mobilization