

Turning policy into spending: planning, budgeting & expenditure management

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Confronting the Pacific's Health Challenges

Overview

- **Two themes**
 - Addressing NCDs, WASH, CBR by turning policy into spending
 - PFM reform - planning and budgeting for integrated service delivery
- **Overview**
 - Challenges
 - The policy landscape
 - The planning and budgeting landscape
 - Current approaches
 - Way Forward – for MoH, whole of government and DPs
- **Key message – PFM is a neglected public health priority!**

The policy landscape

- National Health Plans prioritise primary health care and Healthy Islands approach
- Multiple overlapping policies
- Lack of clarity about health systems approaches
- Coverage of essential health interventions – prevention, early treatment - lagging
- Frustration with lack of progress
- Siloed approaches reinforced

The planning and budgeting landscape

- Disparate planning and budgeting approaches, often not linked to the PFM system
- Separate un-costed plans for different health priorities
- Strategy level plans not implemented or designed externally for implementation with donor resources
- Planning and budgeting not explicit eg GFATM grant application, UNICEF multiyear framework, regional program plans
- Focus on external resources rather than on all resources

Where are we now?

- Coverage of essential interventions is low or not improving, health outcomes worsening
- Effectiveness of aid, including TA, is poor
- Primary care and healthy islands approaches (community level prevention) are neglected – yet are the most efficient service platforms
- International thinking – strong primary care “platform”, supporting community level prevention, and backed up by hospital care
- The priority = improving service delivery through efficient and effective service organisation, underpinned by planning and budgeting for recurrent costs

PFM - planning and budgeting for service delivery

- Service delivery includes “non personal” services as well as health care and health promotion for individuals - operational planning needs to include both
- Taking a PFM approach:
 - Operational plans and budgets translate policies into resources
 - Operational planning and budgeting is a key element of the PFM cycle
 - PFM focuses on best use of all resources – and is under government control
- Underpinned by costing, prioritisation, identification of the basic package and service model

Current approaches: PFM for service delivery

- **Strategic/analytical level PFM/financing**
 - identify cost of service delivery and potential efficiencies, across the system
 - identify which interventions are affordable, the service delivery model and cost
 - agree on changes to operational budgets
- **Operational level PFM**
 - Revise planning and budgeting templates
 - Rethink the format of policies
 - Develop translation tools
- Solomon Islands – UHC/RDP, service delivery package, focus on planning and budgeting for integrated service delivery including healthy villages and schools

Way forward – Ministries of Health

- Approach planning and budgeting for integrated services as a PFM issue
- Recognise that addressing NCDs, WASH and other priorities for disease prevention and care requires a strong PFM system
- Pay attention to process and tools eg planning and budgeting templates
- Heads of Health and Health Ministers – a forum for dialogue on health service planning and PFM

Way forward – whole of government

- Central agencies can create and manage an environment for good PFM in line agencies
- Costs and budgeting for regulatory and legislative activities, sound investments in public policy choices (urban design, health behaviours) need to be better understood
- Functional assignments – especially in de-centralised settings, but also for multi-sectoral engagement
- Political economy – clear accountabilities for managers

Way forward – Development partners

- IHP 7 behaviours – relevant for SPC, PIF, SPC as well as WHO, WB, UNICEF, UNFPA, DFAT
- All TA should support use of government systems and the country's service model
- PFM guidance for service delivery agencies
- Assess relevance of planning and costing tools, methodologies including JANS, NHAs

Conclusion

- Scaling up NCD and WASH interventions requires engaging with the PFM cycle
- All interventions require systems for their delivery
- Lancet Commission on Global Health 2035

“Most services can be delivered through stronger primary care clinics, supported on either side by community level activities (services) and hospitals” .. Alongside legislative and regulatory mechanisms and empowering consumers...

“When services are not integrated inefficiency and duplication drive up costs and reduce health benefits. Integration is particularly crucial for NCDs which have clinical features that often need a comprehensive diagnostic and treatment approach”