

Year 5 Report (2016 activities) *Please see a reminder of Strategic Objectives (SO) and Expected Results (ER) at the end of the document*

Country: South Africa

EU-Lux-WHO UHC Partnership

Date: 20/1/2017

Prepared by: WHO CO

Reporting Period: 1.1.2016 – 31.12.2016

Main activities as planned in the Road Map.

Put here all activities as set in the roadmap and link them to SO I, SO II or SO III and to an expected result

The objective of the EU/Lux-WHO UHC Partnership in South Africa was to strengthen good governance in the health sector in South Africa through supporting the health system reform as designed and implemented by the National Department of Health in South Africa (NDoH.)

The Cabinet approved The White Paper (WP) on the National Health Insurance (NHI) in December 2015. The Minister of Health together with National Treasury (NT) also published terms of references¹ setting a framework of policy development based on six Work streams to support the rollout of the NHI, namely:

1. Prepare for the establishment of the NHI Fund
2. NHI benefits package and services and health technology assessment
3. Prepare for the purchaser-provider split and accreditation of providers
4. Engage medical schemes in preparation for NHI
5. Complete NHI Policy papers for release for public comment and continue further analyses
6. Strengthen District Health System and create governance

These Work streams provide a framework for policy dialogue among the main stakeholders and WHO South Africa was requested to provide technical support. Several national experts were appointed by the Minister of Health and by the National Treasury to provide technical assistance during the implementation of NHI, one of them is Joseph Kutzin who is represented in all Work streams. The Work streams are established as part of the process to provide technical support in developing the implementation strategy for NHI and finalisation of the of the Departmental policy paper on NHI.

The activities funded by EU-Lux-WHO UHC Partnership in South Africa are directly strengthening the technical support to these Work streams. The specific objectives in South Africa are:

SO I. To support the development and implementation of National Health Insurance reform as proposed in the White paper aiming at increasing coverage with needed health services, financial risk protection and health equity;

SO II. To increase technical and institutional capacities of National Department of Health and National Treasury in the policy dialogue within the work streams agreed on October 2015;

The main support was provided by the Health economist in the WHO South Africa office together with

¹ Government Gazette No. 39507, Department of Health, 11 December 2015,

contracted national consultants.

Limited resources did not allow for implementation of the Road map in its entirety and international consultants were not paired to the national consultants. This has decreased the impact and quality of provided support and a lot of international evidence and experience was provided through WHO internal sources and experts from WHO AFRO and WHO HQ. All activities were conducted in cooperation and support by the WCO through the Health economist and WR.

Many of the work streams were able to express their own needs during the year which delayed contracting of some of the experts, in some instances necessary skills as requested were not identified in South Africa and during the process some of the deliverables of consultants was postponed until February-March 2017 due to delays in the deliberations of some of the work streams.

The original plan by NDoH to present the updated White paper based on the inputs from the Work streams during 2016 was delayed and is now planned for 2017. Most of the outputs funded by the EU-Lux-WHO UHC Partnership in South Africa are considered internal discussion documents and cannot be published with explicit approval by the NDoH. This has inhibited preparation of one of the estimated results (Lessons learned, ER5). It will be postponed to the later stage of the Partnership.

SO 1

Activity 1 (ER1): South Africa will have updated the White Paper on National Health Insurance through an inclusive policy dialogue process towards an increased coverage with essential health services, financial protection and health equity

Approximate percentage of achievement – 80%

All activities of the Work streams aim to update the White paper on NHI. Contracted consultants and Health economist participated in the work stream discussions and provided technical input and wrote reports which were used for the deliberations of the work streams. The EU-Lux-WHO UHC Partnership in South Africa provided the following support to the Work streams:

Work Stream 1

- Legal opinion on the Constitutional and legality of the health financing reform, rearranging the role of national, provincial and district levels together with designing a new entity (NHI Fund) which will be pooling funds on behalf of the whole population.
- Narnia Bohler-Muller, deliverables
 - Report on legal opinion – submitted
 - Report on describing acts & regulations – delayed until February 2017
 - Report considering legislative models – delayed until April 2017
 - Report on other legal issues and assistance with Health and market enquiry – submitted
- Jane Doherty, deliverables
 - Summary & analysis of the policy statement in the white paper, report on preferred options for roles and functions, structures and governance – delayed until February 2017
 - Report on current priority setting mechanisms in SA – delayed until March 2017

- Report on current benefits available in the public health system – delayed until April 2017

Work Stream 2

- Health Technology Assessment (HTA) will become the main vehicle for adapting new technologies, procedures and pharmaceuticals into the entitlements of the population within the NHI. Option for Institutional Arrangements for HTA in South Africa were developed together with Proposal for Costing NHI Service Benefits and Establishment of HTA in South Africa and submitted to the Work stream 2.
- Charles Hongoro, deliverables
 - Proposal for the establishment on HITA – submitted
 - Methodology for costing NHI service benefits & establishment of HITA – submitted
 - Final report (proposals for priority setting and resource allocation system for NHI – delayed until February 2017

Work Stream 3

- Health economist provided international experience in contracting options in the primary care - England's NHS system of contracting, Contracting – what contracts can achieve, and Principles of PHC contracting internationally – using capitation to expand access, increase effectiveness and quality of primary healthcare services.
- English-language versions of capitation contracts from Croatia, the Czech Republic and the UK were also prepared for this work stream
- Health economist provided input into the main document of the WS3 – Purchasing arrangements for primary care in South Africa on a mixed provision platform

Work Stream 4

- Several documents were prepared and submitted on unified information platform for the NHI – Discussion paper on the HIS in the private sector, Strategy to unify the different HIS systems report.
- Keith Shongwe
 - Discussion paper on the HIS in the private sector report – submitted
 - Strategy to unify the different HIS systems report – submitted
 - Final report on the systematic review of evidence & approaches of transforming from multi-payer systems into a single payer system – submitted

Work Stream 5 (in process)

- Focus groups analysis of how medical scheme members perceive the NHI, how private providers perceive and what they expect from NHI to inform the communication strategy and design of NHI was designed and its data were collected. It is currently being analysed

and the report is due in February/March 2017.

- Robert van Niekerk, deliverables
 - Methodological description and focus group script for all groups – delayed until February 2017
 - Draft report and final reports from initial focus groups – delayed until March 2017

Work Stream 6

- Systematic review of evidence on district health strengthening initiatives was submitted to the Work stream 6 to inform the discussions on the changes necessary for the district management and the role of the District Health Management Office (DHMO)
- Report on District Health Profiles informed the work stream on the current availability of information for the calculation of capitation rates as well as reporting and monitoring framework of the district health system
- Report on Capitation models under consideration for NHI informed the WS6 and WS3 on how to set the capitation rates to reimburse primary care providers
- Lumbwe Chola, deliverables
 - Report on District Profiles – submitted
 - Report on the DHMO structure – submitted
 - Report on capitation models – submitted
- Sibongile Zungu
 - Systematic review of evidence on district health strengthening initiatives – submitted
 - Context specific needs identification mechanisms – delayed until February 2017
 - Recommendations for service configuration for pathology services, EMS and a shift to PHC – delayed until March 2017

Activity 2 (ER3): South Africa develops implementation plan(s) for the National Health Insurance to move towards universal coverage, with particular focus on the poor and vulnerable

Approximate percentage of achievement – 80%

Work Stream 1

- Another major change in the financing of health care under NHI is the change of the role of voluntary health insurance (medical aid schemes) and the regulation of private providers (mainly private hospital groups). There is an ongoing inquiry into the Private Healthcare Sector in South Africa by the Competition Commission (HMI). The results of this inquiry will intimately influence the NHI reform proposal and the WCO and some of the consultants were also involved in the preparation of the NDoH for its submission. A legal opinion of how the Competition Act must be read within the Constitutional and historical contexts of South Africa was developed and submitted to the Competition Commission's Panel on HMI.
- WHO country office in South Africa submitted its recommendations for the Davis Tax Committee (DTC) on Sources of revenues for National Health Insurance in South Africa.

– Davis Tax. WCO also presented its recommendations to the DTC during a workshop organized by DTC.

- WHO country office in South Africa submitted its submission on the proposed new Sugar sweetened beverages (SSB) tax published by National Treasury in July 2016. SSB tax creates a potential incentive for changes in unhealthy behavior/consumption and also creates additional revenues for the public sector

Work Stream 2

- WCO is supporting the piloting of a project by WHO HQ on cross-programmatic efficiency between HIV/Tb and MNCH vertical programs in Kwa-Zulu Natal (KZN) in cooperation with the WS2 lead. Inefficiencies and duplications in the health system are being developed and recommendations will be presented to KZN DoH and NDoH during first half of 2017. During 2016 several missions to KZN took place to conduct interviews with relevant stakeholders.

Work Stream 5

- Media monitoring was set up to collect information about the public (media) discussion on the NHI. This was during the year expanded also to monitor the impact of WHO on the public discussion. All media articles are shared with NDoH and several articles were prepared for NDoH to respond to some allegations or misinformation about UHC and NHI.

SO II

Activity 1 (ER4): South Africa starts implementing health financing (HF) strategies and systems aimed at moving closer to UHC

Approximate percentage of achievement – 50%

Work Stream 3

- Procedural coding underpins many payment/reimbursement mechanisms and South Africa does not have unified procedural coding. International Classification of Health Interventions (ICHI) was proposed as potential classification system and initial information was prepared (together with MRC South Africa which is WHO's Collaborating Centre on ICHI). WHO together with the French Embassy prepared a mission of French experts to South Africa which was postponed until 2017
- Hospital employment of physicians was prepared by WHO AFRO to inform the current situation in South Africa where doctors are not allowed to be employed by private hospitals and are working as self-employed.

Work Stream 4

- Role of the voluntary health insurance (VHI) in South Africa – options for mid-term and long term reforms were prepared by Health economist based on the current legislation and international experience with the impact of VHI on achievement of UHC goals. Example of Australia was used as an relevant system of VHI under NHI

Activity 2 (ER5): Lessons learned and up to date evidence on what works and what does not work in relation to HF reforms for universal coverage in South Africa is available and shared across countries

Approximate percentage of achievement – 0%

- This activity was not conducted and is being postponed until after the newer version of the NHI White paper is finalized and published
- WCO prepared together with other development partners Terms of reference of a Technical Working Group that should align the technical support by Development partners to the NHI process. NHI has not designated the focal point at NDoH and thus this TWG did not take any action. WCO is facilitating communication between the work streams and Development partners as it is the only multilateral organization which participates in the work streams. The other partner is CHAL.

Main activities achieved and progress made:

*Please estimate **approximate percentage of achievement** for each roadmap activity.
Please note which activities were undertaken with the technical support of WCO (potentially in collaboration with existing initiatives of UN agencies, NGOs etc.)*

What are some concrete and visible outputs of Partnership activities?(ex: annual review report, key policy changes that may be under way as a result of the processes described; has there been or will there be any likely improvement in service delivery outputs?)

Please relate all undertaken activities to SO I, SO II or SO III, to an expected result (ER1-ER6) and report progress on the indicators as per the roadmap. This can be presented in a table format or in bullet points.

1. SO I
ER1 - 80%
ER3 - 80%
2. SO II
ER4 - 50%

ER5 - 0%

For details, see above

Please explain any changes in circumstances or programme implementation challenges encountered affecting the original plan:

Please provide information on activities eliminated, changed, added or postponed. Please list them and provide the reasons for each of them (obstacles encountered, remedial measures taken,...).

1. The main limitation of full implementation of the Road map was availability of financial resources. Most of the funds were depleted in the middle of 2016 and WCO has to use own resources and money from WHO AFRO to funds some of the planned activities. Many activities (mainly the support by international experts paired to national consultants) did not take place which might have decreased the impact and quality of the provided support. When additional funds were provided in October, it was too late to plan any new activities for 2016 as the Work stream process was well advanced.
2. The timing and process of the NHI Work streams is driven by NDoH and thus out of hands of WHO or our consultants. This leads sometimes to delays in deliverables compared to the Road map.
3. For some advertised terms of reference the appropriate candidates were not identified through usual channels and WHO had to re-advertise these ToRs. This lead to delays. The administrative burden of design of ToRs, internal WHO administration of selection, contract design and contract management created further burden for the WCO.
4. Staff turn-over at NDoH also created some difficulties in engaging with NDoH, as well as the limited support to the administration of the work streams which was not supported by this project
5. Misalignment of the requirements from the Work streams and the reporting and administration of WHO rules for contracting consultants

Proposed modifications to Programme Road Map resulting from changes above:

If the changes above have implications for future work, please attach the new roadmap to this report and confirm that the changes have been discussed with the MoH and EU delegation.

1. Clarification of the funding available allotted to South Africa for the Road map and clear communication with NDoH on possible technical inputs based on their needs
2. Strengthening the WCO office by Health financing expert who can provide inputs to the work streams as well as support the administrative function of the project (contracting, monitoring, technical input into the technical reports as well as describing the achievements of the project)

Lessons learned:

Please describe the principal lessons learned during the last 12 months of implementation of the UHC Partnership:

The support provided creates a technical backbone of the whole UHC reform process in South Africa. It provides resources for WHO to be able to collaborate with local consultant who then provide technical assistance to NDoH. WHO is thus able to provide technical assistance to the UHC reform and harness its internal capacities and skills to fulfill its mandate.

There is a need for higher flexibility in the funding availability and their use to be able to adapt the resources to the needs of the NDoH, as well as higher flexibility in the timing of availability of funds.

Road Map and timeline for 2016:

*Please list here the work plan activities as well as the time frame for those activities for the calendar year 2016. **These activities should be related to objectives/ER and have clear timeline and indicators.***

1. No meeting or conference were organized using the funding of EU-Lux-WHO UHC Partnership in South Africa as the administration and management of the Work streams has been controlled by NDoH
2. 17 February and 30 August 2016, public hearings of the HMI was organized where WHO and OECD were presenting the results of the international comparison of prices of private hospital services
3. 9 November 2016 – Davis Tax commission meeting in Pretoria – Sources of revenues for NHI
4. 31 August 2016 – National Planning Commission – Presentation on UHC benefits and experiences from other countries

Visibility and communication

Please give a short overview of visibility and communication events that took place and attach evidence (scanned newspapers, pictures, brochure,...). Please describe how communication of programme results to the public has been ensured

1. WCO publishes every month a newsletter where the main activities and outputs are described.
2. The discussion and documents within the Work streams are considered very sensitive and confidential in their nature and approval is necessary before any reports prepared by the consultants or WHO to be obtained from NDoH. Therefore, the visibility and communication of the program was very limited.

Impact assessment:

*Please explain to which extent 1-3 country level activities have already contributed towards achieving the overall programme objectives. **Carrying out activities as per the roadmap is good. We would like to go beyond the activities and try to relate them to potential contribution of the Partnership to broader results or impact: better services for the population, improved health status of the population or a specific target group, better equity, contribution to health in all policies, contribution to lives saved, better access to care and services, improved financial risk protection, better coordination or involvement of the actors... The linkages might be direct (sometimes) or indirect (most of the time) but should be explained with as many details as possible to let an "external" reader understand the added value of the Partnership. If possible, those broader results should be supported by indicators.***

Where possible, please use short stories /field voices box / quotes (MoH, district level officials, health workers etc) / press releases to illustrate the impact and added value of the programme and WHO action in the policy dialogue process.

1. The impact is mostly on the health policy design and planning, which has not been implemented so far and thus has no impact on healthcare results and outcomes

Linking activities to overall Objectives:

Please see below list of overall programme monitoring indicators and select the ones which apply to your country Road Map. Please describe if this target has been met and how.

- Fall in the incidence of financial catastrophe and impoverishment due to out-of-pocket payments

The proposals of the work streams have not been implemented and thus the target was not met. On the other hand, South Africa has very low OOPs and the share of catastrophic or impoverishing health expenditures is minimal under the current health system.

- An agreed Health Financing (HF) strategy exists, linked to NHPSP, such that more rapid progress towards Universal Coverage (UC) is feasible

The Work streams brought together NDoH and National Treasury and their experts which are developing the Health Financing strategy. This is a major achievement in the South African context.

- Inclusive National Policy Dialogue exists, with a roadmap defined, agreed and rolled out

The discussions about the NHI White paper and the engagement of the work stream with various stakeholder groups have created an inclusive dialogue which will be further informed by the results of the Focus group research and the outcomes of the healthcare market inquiry.

- Number of improved policy frameworks elaborated and implemented as a result of a truly representative multi-stakeholder consultation

The Work streams engaged with representative multi-stakeholder consultation and this target has been achieved.

Reminding Strategic Objectives and Expected Results of the EU-Lux/WHO UHC Partnership

Strategic objectives (SO)	Expected Results (ER)
<p>SO I. To support the development and implementation of robust national health policies, strategies and plans to increase coverage with essential health services, financial risk protection and health equity;</p>	<p>ER 1. Countries will have prepared/developed/updated/adapted their NHPSP through an inclusive policy dialogue process leading to better coverage with essential health services, financial risk protection and health equity;</p> <p>ER 2. Countries will have put in place expertise, monitoring and evaluation systems and annual health sector reviews.</p>
<p>SO II. To improve technical and institutional capacities, knowledge and information for health systems and services adaptation and related policy dialogue;</p>	<p>ER 3. Countries requesting health financing (HF) support will have modified their financing strategies and systems to move more rapidly towards universal coverage (UC), with a particular focus on the poor and vulnerable:</p> <p>ER 4. Countries receiving HF support will have implemented financing reforms to facilitate UC;</p> <p>ER 5. Accurate, up-to-date evidence on what works and what does not work regarding health financing reforms for universal coverage is available and shared across countries.</p>
<p>SO III. To ensure international and national stakeholders are increasingly aligned around NHPSP and adhere to other aid effectiveness principles.</p>	<p>ER 6. At country level, alignment and harmonization of health aid according to national health plans is consolidated and accelerated.</p>