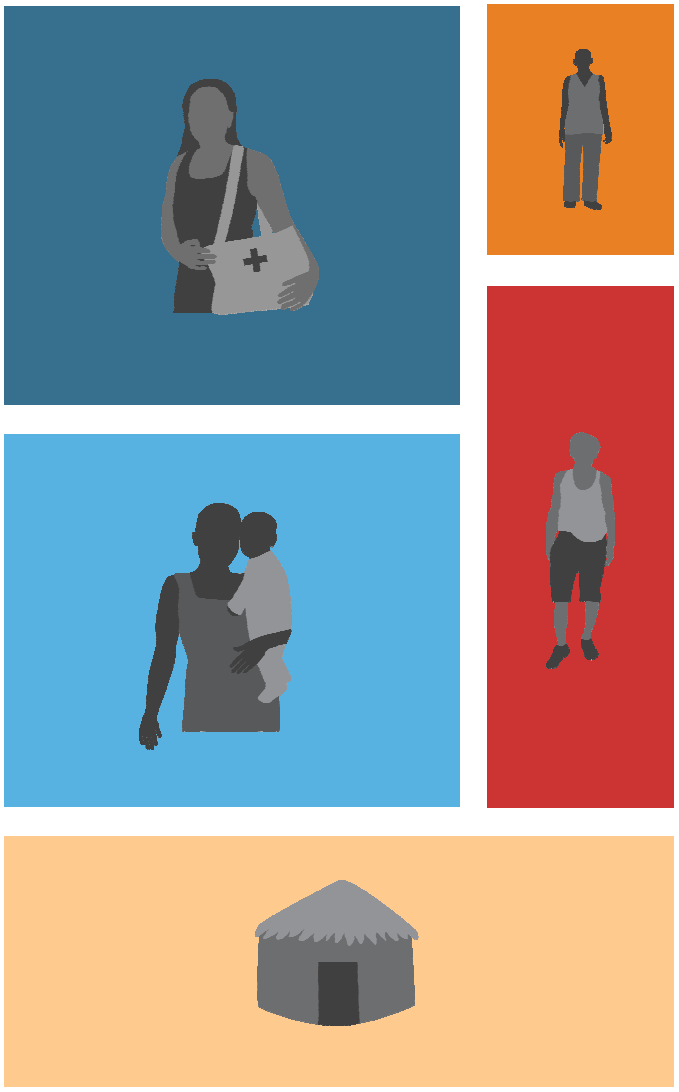


# Institutionalizing Community Health Conference

27-30 March 2017 | Johannesburg, South Africa

#HealthForAll
ichc2017.org

**Session 13:** Financing CHW programs – the case, financing sources, enablers and prioritization

Mickey Chopra, World Bank; Dan Palazuelos, PIH and Financing Alliance for Health partner; Phyllis Heydt, UNSEO and Financing Alliance for Health partner

## OBJECTIVES OF THIS SESSION

Financing Alliance for Health

- **Sharing some input** on CHW financing process
- **Discussing with you** the most feasible and largest financing opportunities you see for your country context
- **Getting your input** on what you require to do the in-country work on CHW financing

This presentation is focusing on financing national gvt.-led scale-up, so where MoHs have national plans and costings already

# QUESTION TO THE AUDIENCE

Financing Alliance for Health

**Survey input from you all – challenges in financing**

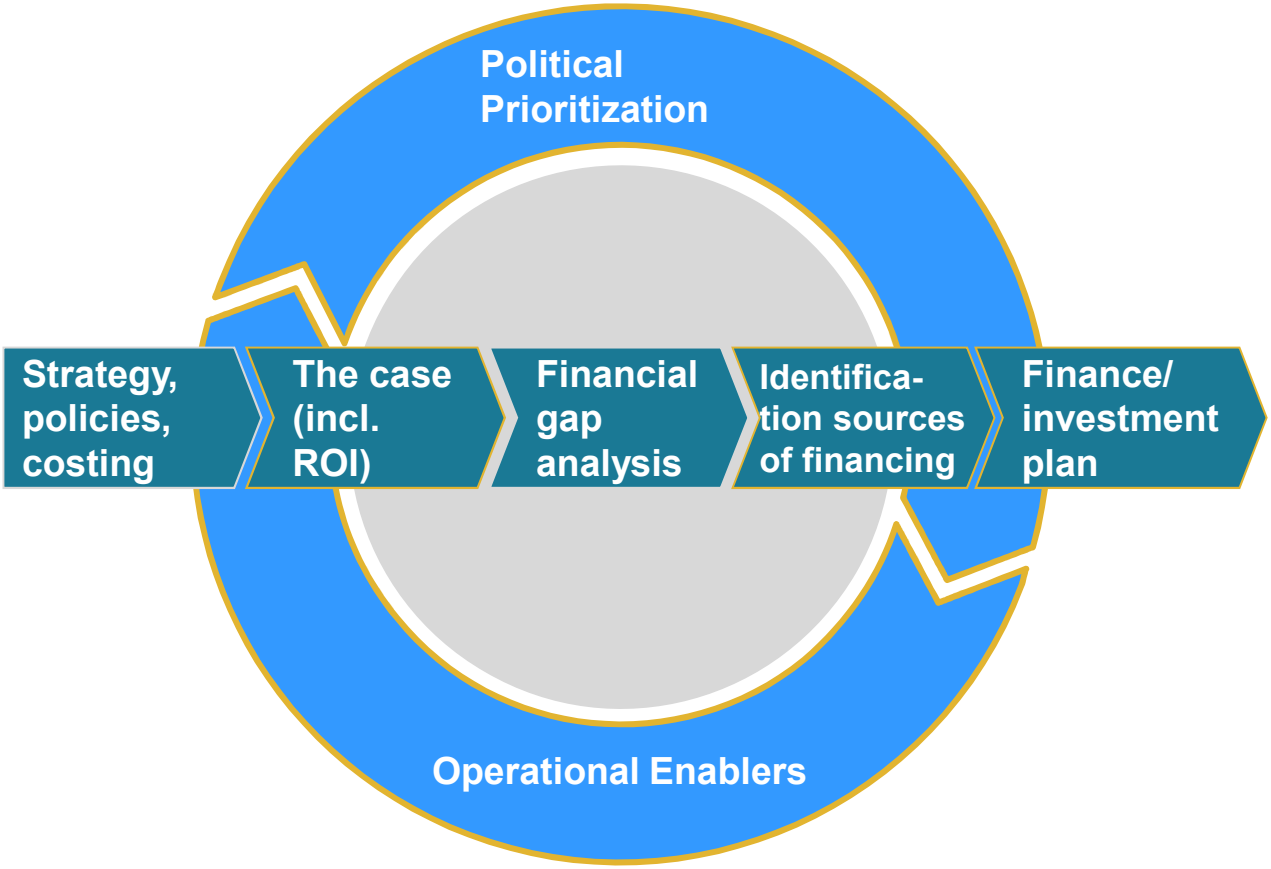
- **Funding amounts:** insufficient overall funding; Insufficient private financing for community level programs
- **Resource mobilization**: Ineffective advocacy tools and mechanisms
- **Management**: Time-consuming coordinating of donor funds
- **Disbursement systems**: Lack of standardized systems to remunerate and retain CHWs

**What else are challenges/ problems?**

# FINANCING COMMUNITY HEALTH (HIGH LEVEL) IS A PROCESS

Financing Alliance for Health

Focus of presentation




**All these steps happen in the context of the bigger health system/national strategies (and not in isolation)**

***Note:*** *Steps may happen in parallel or in a sequence different from that described above*

# THERE ARE TOOLS AVAILABLE TO YOU TO SUPPORT ALL WITH THESE STEPS

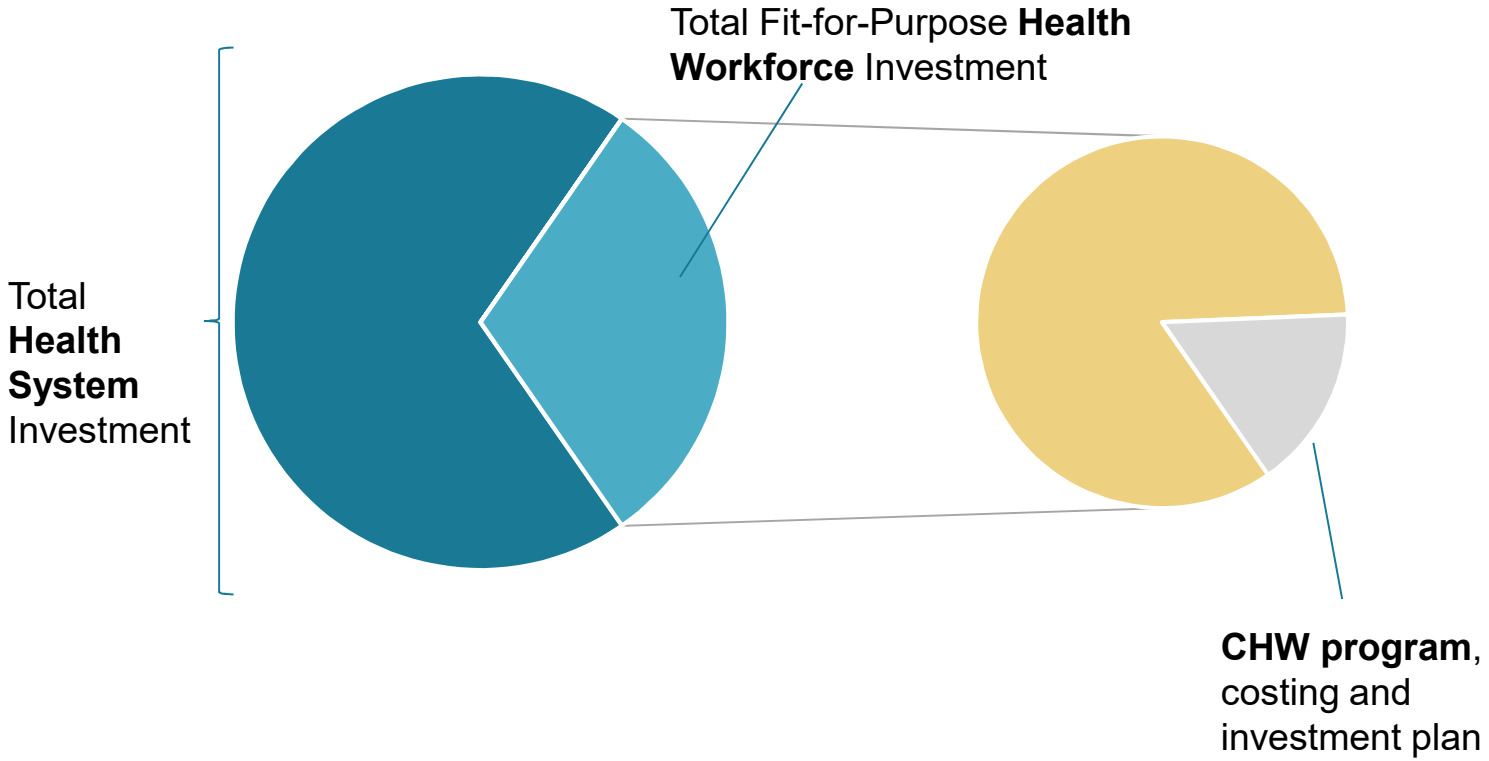
Financing Alliance for Health

**Key tools available**

| Strategy, policies, costing | The case (incl. ROI) | Financial gap analysis | Identification sources of financing | Finance/ investment plan |
|---|---|---|---|---|
| Financing Alliance for Health | • **Tool:** Community Health Costing model (UNICEF/MSH) | • **Tool: analytical ROI**<br>• Wage bill overview and checklist | • **Template:** Gap analysis | • **Template:** Prioritization of resources | • **Template:** Financing/ investment plan |
| **Others** (examples, not exhaustive) | • Multiple guidance available<br>• One-Health tool<br>• Various costing tools (e.g. MMB, etc) | • Malaria ROI | • Resource mapping approach/tool (RMNCH and CHAI) | What additional tools are you using? | • GFF investment cases |

# ALL COSTING AND INVESTMENT PLANS HAVE TO BE DONE IN FULL ALIGNMENT WITH THE TOTAL HEALTH SYSTEM AND NATIONAL STRATEGIES

**ILLUSTRATION: Overall Health Sector Investment Plan Costs**




- **Total health system investments can also be broken down differently (e.g. primary care etc.)**
- **In either way though, CHW cost and financing plans always have to be part of the overall health system costings and financing plans (so a sub-set/section rather than a stand-alone)**

# THE GFF IS SUPPORTING THE OVERALL HEALTH SYSTEM FINANCING APPROACH

GLOBAL FINANCING FACILITY
Country-powered investments for every woman, every child

## What is the GFF?

- **A financing platform in support of Every Woman Every Child 2.0: http://globalfinancingfacility.org/**
- It is a 'country driven financing partnership' to support reproductive, maternal, newborn, child, and adolescent health
- Focused on a targeted set of countries:
  - **Front runners:** DRC, Ethiopia, Kenya, and Tanzania
  - **Second wave**: Bangladesh, Cameroon, India, Liberia, Moz, Nigeria, Senegal, Uganda
- Allows countries to leverage their own resources and IDA funding toward more financing

## How can it support community health costs?

- Front runner and second wave countries have been asked to produce an investment case that details proposed interventions and potential health gains
- Community health can be included as a priority within the GFF investment case

## Who can I speak with to learn more?

- MOH lead for the GFF process
- GFF consultants are available in the front runner and second wave countries
- The World Bank country office will also be able to support you in learning more

- **The Case for CHW financing**
- Sources of financing and finance/investment plans
- Political prioritization
- Operational enablers
- Group breakout: prioritizing financing sources

# WE HAVE IDENTIFIED "FOUR PILLARS" OF THE CASE FOR INVESTMENT IN CHWS

Financing Alliance for Health

**Investing in community health workers makes sense:**

1. **Requirement to achieve critical global health objectives**
2. **Significant long-term economic return on investment**
3. **Short-term cost savings to finance system scale-up**
4. **Further benefits to society**

Source: "Strengthening Primary Health Care through Community Health Workers: Investment Case and Financing Recommendations," July 2015.

# CASE FOR INVESTMENT (1/3)

Financing Alliance for Health

## Requirement to achieve critical global health objectives

1. **Promoting health and well-being:** 40% of newborn & child deaths are from diseases CHWs can prevent and treat – key for SDGs
2. **Achieving Universal Health Coverage:** UHC cannot be achieved without additional CHWs
3. **Preventing and containing health crises:** CHWs can play a key role in surveillance and control – e.g. for Ebola, Zika, etc.
4. **Eliminating diseases:** High quality coverage and surveillance – e.g. through CHWs – is essential for disease elimination
5. **Making healthcare affordable:** The WHO has found that CHWs can deliver care in a cost-effective manner

Source: "Strengthening Primary Health Care through Community Health Workers: Investment Case and Financing Recommendations," July 2015.

# CASE FOR INVESTMENT (2/3)

Financing Alliance for Health

## Significant long-term economic return on investment

1

2

3

4

**Investing**

**$1**

**in CHWs…**

**…can return up to**

**$10**

**in the long-term**

1. **Productivity**
2. **Insurance**
3. **Employment**

Source: "Strengthening Primary Health Care through Community Health Workers: Investment Case and Financing Recommendations," July 2015.

# CASE FOR INVESTMENT (3/3)

Financing Alliance for Health

## Short-term cost savings and other benefits

1

2

3

4

### Short-term cost savings

CHWs have been shown to deliver higher value for money than facility-based care across a number of services:

1. Vaccinations
2. Neonatal care
3. Family planning
4. Malaria
5. Community Management of Acute Malnutrition (CMAM)
6. HIV
7. Tuberculosis

### Societal benefits

CHWs deliver further benefits to society:

1. Empowering women
2. Reducing costs for patients
3. Enabling governments to conduct civil registration and gather vital statistics (CRVS)
4. Enabling further service delivery at the community level
5. Promoting stronger community participation

Source: "Strengthening Primary Health Care through Community Health Workers: Investment Case and Financing Recommendations," July 2015.

# A HIGH ROI CAN ONLY BE ACHIEVED FOR HIGH-PERFORMING SYSTEMS

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1. National and local leadership in planning, executing and monitoring
2. Part of frontline PHC teams
3. Engaged communities
4. High-impact training
5. Supportive supervision and training

**A 10:1 return only possible with "strong program"**

6. High-quality integrated management
7. Adequate resources, tools and supplies
8. Effective incentives and remuneration
9. Sustainable financing
10. On-going monitoring and evaluation

Source: "Strengthening Primary Health Care through Community Health Workers: Investment Case and Financing Recommendations," July 2015.

Financing Alliance for Health

The Case for CHW financing

- **Sources of financing and finance/investment plans**
- Political prioritization
- Operational enablers
- Group breakout: prioritizing financing sources

# ONCE YOU HAVE DEVELOPED A COSTING FOR A NATIONAL CHW SYSTEM FINANCING IS THE QUESTION

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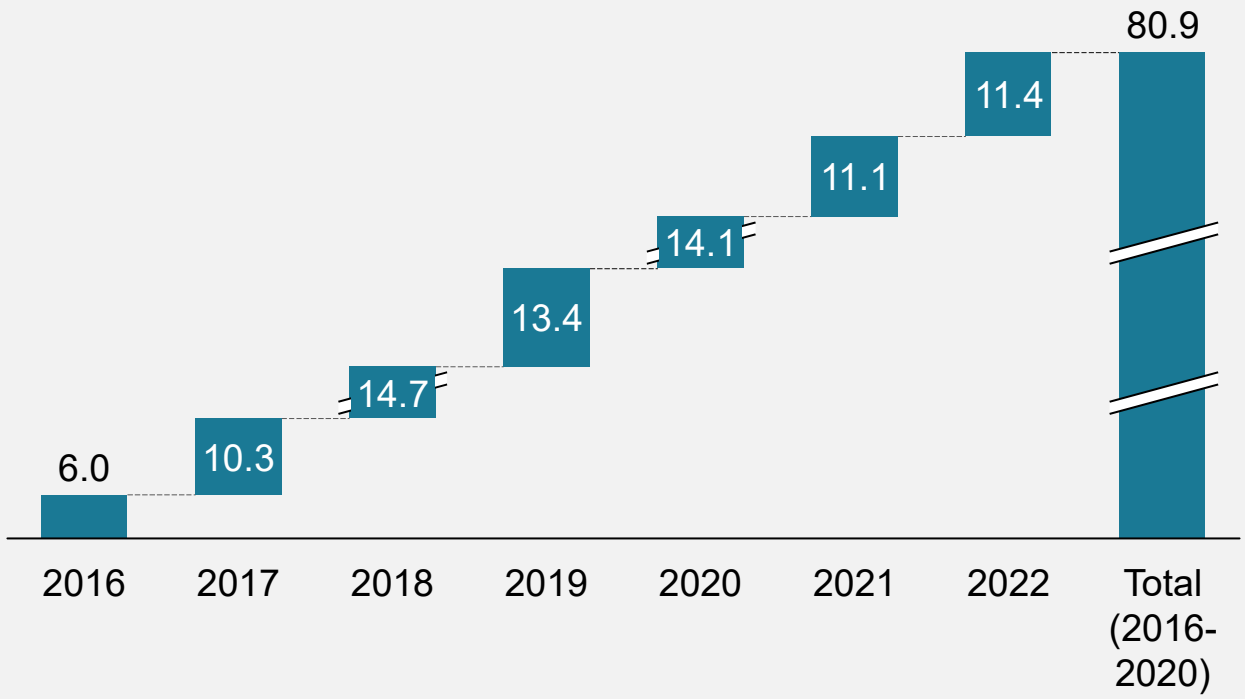
## Example cost for the health worker scale-up

In $ millions




**How to meet these costs?**

Do you know what the yearly costs are for your CHW program?

# WE BROADLY SEE FOUR CATEGORIES OF FUNDING SOURCES

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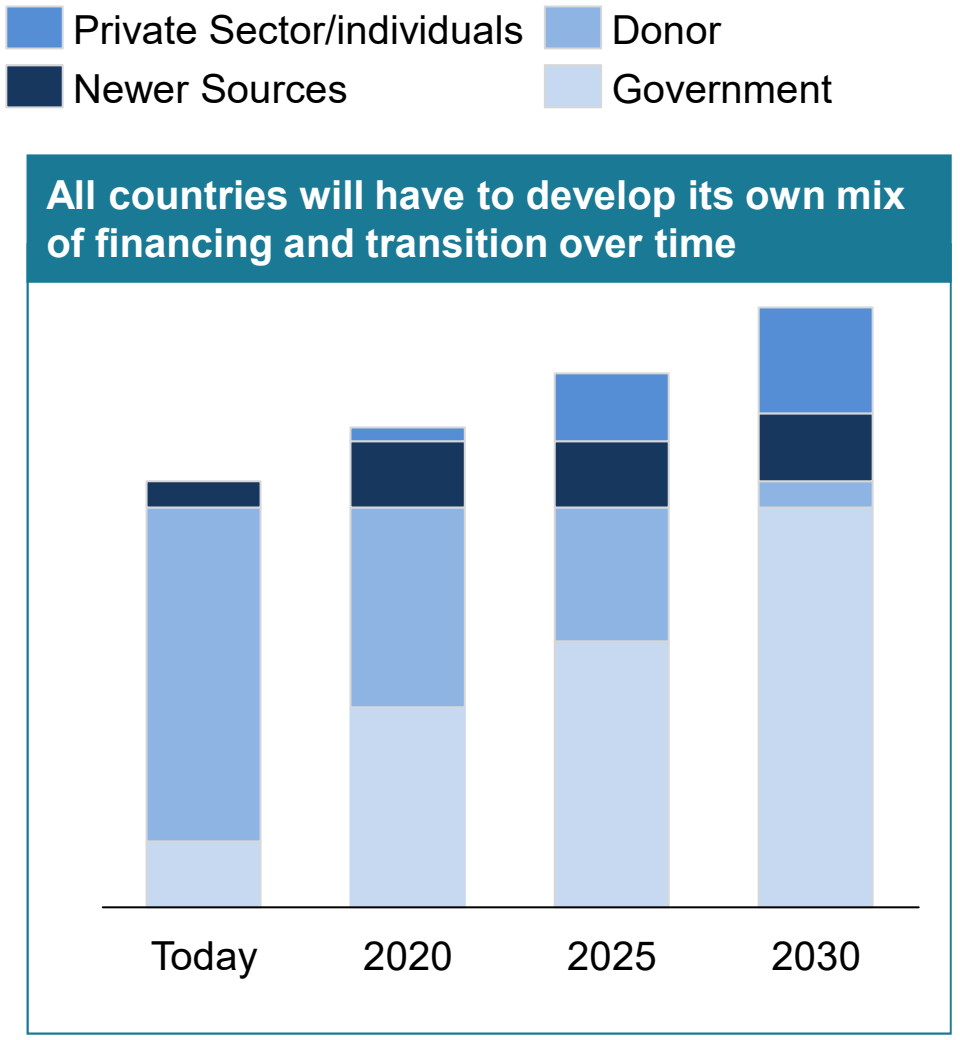
| | |
|---|---|
| A Domestic government financing | B "Traditional"/ existing donors |
| C Private sector/ individuals | D "Newer" sources |



# IN EACH CATEGORY THERE MIGHT BE A WHOLE RANGE OF OPTIONS

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**Examples (in no particular order)**

**A — Domestic funding**

1. **County/Community health budgets**
2. **Overall health sector budget** (including IDA allocations)
3. **Taxes** (e.g. corporate health tax for health)
4. **Cross-ministry synergies** (e.g. vehicles etc.)

**B — "Existing" donor**

5. **Global Fund** (all three diseases and HSS if there is a separate component)
6. **Gavi** (HSS component)
7. **World Bank** (various mechanisms)
8. **USAID** (often through implementers)
10. **Other Bi-laterals** (e.g. JICA, DFID, EU, etc.)
11. **Foundations** (e.g. BMGF, CIFF, Big Win etc.)

**C — Private sector**

12. Corporate support from **local companies with large catchment areas**
13. Corporate support **large international corporates (i.e. health) with a company interest** in stronger health markets
14. Revenue-generation through CHAs

**D — "New" sources**

15. Disease surveillance, preparedness and global health security funding/mechanisms
16. Unemployment, education and economic growth programs (e.g. ADB)
17. Philanthropic outcome funders for social impact bonds

**For all of these activities to support political prioritization, the analytical case needs to be strong (case, national plan and costing)**

# 5 EXISTING/TRADITIONAL DONORS: EXAMPLE GLOBAL FUND

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The Global Fund

## 2017-2022 strategy

- Maximizing impact against HIV, TB, malaria
- Building resilient and sustainable systems for health
- Promoting and protecting human rights and gender equality, and
- Mobilizing increased resources, both domestically and internationally

## 2017-2019 funding window

- Overall US$12.9 billion funding available for window
- Board approved allocations by country in November 2016
- Countries can spend allocation against **HIV, TB, Malaria and resilient and sustainable systems for health (RSSH)**
- Country Coordinating Mechanisms (CCMs) assess best use of funds across 3 diseases (and RSSH) and **apply for funding (country-specific deadlines in 2016)**
- **Biggest opportunities for Community Health: separate RSSH proposal, and Malaria (iCCM).** But CH platform cost can be included in all proposals (as long as they delivery disease-specific services)
- Some countries were offered **catalytic funding for investment priorities**; in particular data and health workforce integration relevant for community health

# 12 PRIVATE SECTOR - LOCAL COMPANIES: EXAMPLES

Financing Alliance for Health

| | AngloGold Ashanti (AGA) | Ethiopian Sugar Company |
|---|---|---|
| **Overview** | • Malaria was huge problem to AGA; 24% incidence rate and 7.5K cases each month. AGA implemented integrated malaria control program and expanded to other treatment areas and total healthcare as well | • In response to widespread pneumo, malaria, and diarrhea, company first set up clinics and then preventative system that engaged nurses and other lower-skilled workers |
| **Successes** | • Saw 75% incidence reduction in 2 years; 90% reduction in labor and treatment costs, clear ROI. $1.5M in setup costs, worth the investment | • Reduction in costs with preventative model<br>• Measurable reductions in morbidity and mortality<br>• Company had better efficiency and productivity |

**Are there any companies in your country that might want to invest into community health? How could you engage with them?**

# 14 PRIVATE SECTOR - REVENUE-GENERATING: EXAMPLES

Financing Alliance for Health

| | Novartis: Arogya Parivar | Living Goods |
|---|---|---|
| **Overview** | • "Healthy Family" initiative trains women CHWs as Community Health Facilitators to educate rural communities in India about health/ sanitation, host health camps for diagnosis and treatment, and sell small packages of health products for a 10% commission (~$250/month). Cost to consumer is often under $1.25/wk. Offers 80 products | • Trains Community Health Promoters to work 2 hrs, 5 days/ wk to deliver health education and advocacy and sell products to 100 households each, for 10% below market price in Kenya and 30% below market in Uganda. Go through gov't training for iCCM, tied to MoH facilities and report up to CH Assistants, increasing their value |
| **Successes** | • Sustainable – broke even in **30 months**; expanded sales 25x since 2009. Reaches 33,000 villages and 42M people. Expanding to Kenya, Vietnam, Indonesia. Integrated into MoH structure in Kenya by having CHFs report to community health units and help Kenyan Community Health Assistants | • **Child mortality reduced by 25%** for an annual cost of $2 (Uganda results). Product costs are 100% recouped . MoH integration is successful – 50-80% of recruits are Kenyan CH volunteers. 17% profit margin for CHPs for part time work<br>• **Recovers** 10-15% of total costs (including senior leaders, admin, finance); 30-40% of CHW + field costs |

# EACH COUNTRY SHOULD PRIORITZE ITS MOST IMPORTANT FUNDING OPTIONS

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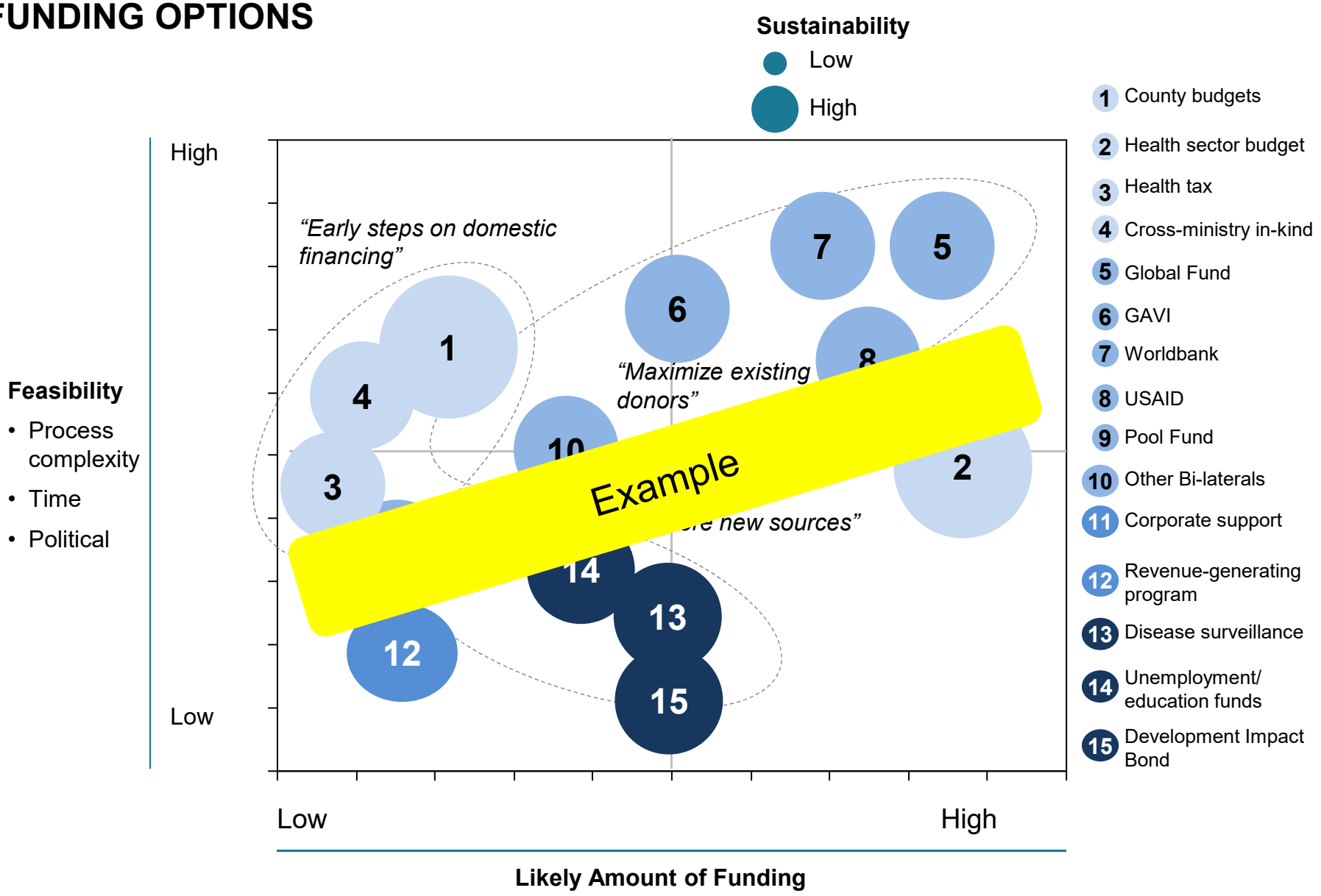

# AND THEN DEVELOP A LONG-TERM INVESTMENT PLAN THAT IT ALIGNS WITH ALL LOCAL STAKEHOLDERS

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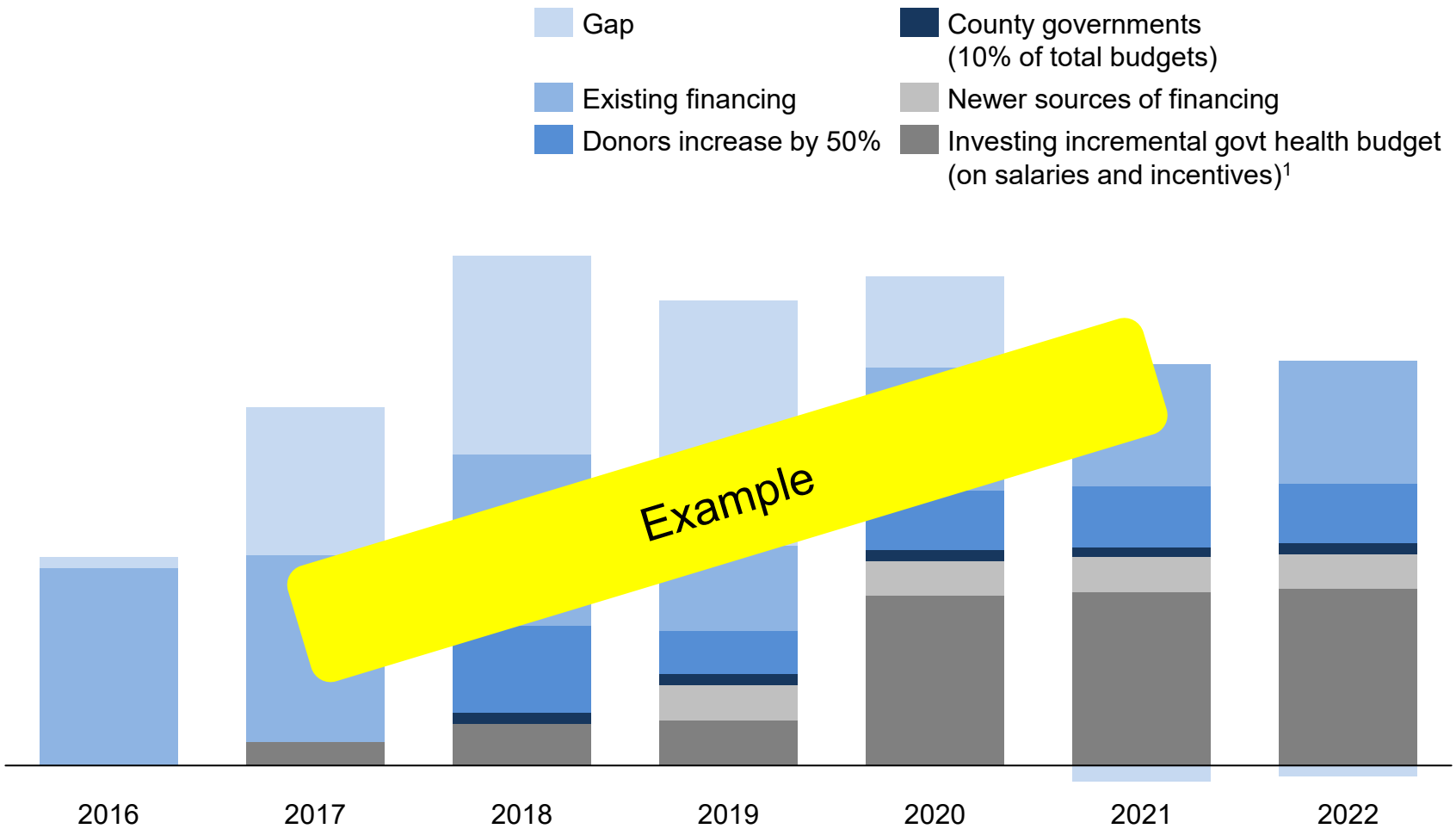
**Community Health Assistant Program scale-up cost & financing**
**$m**




1 Assumes all CHSS salaries, and CHA incentives from 2020 onwards

Financing Alliance for Health

The Case for CHW financing

- Sources of financing and finance/investment plans
- **Political prioritization**
- Operational enablers
- Group breakout: prioritizing financing sources

# POLITICAL PRIORITIZATION OF CHW SCALE-UP IS A PREREQUISITE FOR FINANCING AND SUPPORT

Financing Alliance for Health

## Elements of political prioritization

- Political priority at the **President's level** with explicit mentioning in in national plans, presidential delivery unites transformation agenda etc
- Political priority at the **Minister of Health's level** with explicit mentioning in health sector plans etc
- Regular engagement of President and Minister of Health on the topic
- Regular attendance of meetings on topic by Minister of Health
- Coverage in media on topic

## Examples

"The government was very serious about the benefits of the health extension worker program and the way it could revolutionize our health system. In particular, our late **Prime Minister Meles Zenawi** was very committed to the effort. He really believed in the idea of HEP and in primary health care in general as the centerpiece of our health system. So despite the concerns from partners and stakeholders, we really kept pushing

*Dr. Tedros Adhanom Ghebreyesus, 2013 (former Minister of Foreign Affairs)*

**President Paul Kagame** pledged to provide mobile phones that will facilitate communication for health development was fulfilled Friday when over 2500 community based health workers (CBHWs) acquired phones.

Kagame made this promise to the health workers in July last year during a meeting that was held at Amahoro national stadium

All Africa, 2010

# MOH CAN SUPPORT POLITICAL PRIORITIZATION FOR COMMUNITY HEALTH FINANCING

Financing Alliance for Health

| | Key stakeholders | Potential activities |
|---|---|---|
| **Action-forcing events** | ▪ Donors<br>▪ Ministry of Finance | ▪ Pledging conferences<br>▪ Identify co-financing opportunities to be matched by a certain time<br>▪ Offer to present at big events, e.g. World Bank Spring meetings<br>▪ Conduct side events at UNGA, WHA…etc |
| **Regular discussion/ coordination** | ▪ Key Implementing partners<br>▪ Local representatives of biggest donors<br>▪ Director General of Ministry of Health/Minister of Health<br>▪ Ministry of Finance | ▪ Regular discussion of CHW financing in donor coordination groups (e.g. repeating agenda item)<br>▪ Launch-events for national strategies |
| **Public coverage** | ▪ General public<br>▪ Other types of health workers | ▪ Media activities<br>▪ Convenings of CHWs (e.g. TED conference for CHWs) |

**For all of these activities to support political prioritization, the analytical case needs to be strong (case, national plan and costing)**

Financing Alliance for Health

The Case for CHW financing

- Sources of financing and finance/investment plans
- Political prioritization
- **Operational enablers**
- Group breakout: prioritizing financing sources

# KEY ENABLERS FOR CHW FINANCING

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| | Description |
|---|---|
| **Strategy and costing** | ▪ An overall national strategy/policy for community health exists<br>▪ There is a costing that translates the implementation of the national strategy/policy into required investments |
| **Roles and response-ibilities** | ▪ Within the MoH clear roles and responsibilities for costing and financing for the CHW system. |
| **Capacity** | ▪ Sufficient time capacity to drive the analytics for the costing, coordination and advocacy for financing for the CHW system proactively |
| **Coordination structures** | ▪ Existing or new coordination structures used to discuss costing and financing for CHW system regularly with all stakeholders; e.g. as part of a donor coordination meeting, or CHW technical coordination group |
| **IT/data management** | ▪ Reliable and accurate data on CHWs and system should support decision making and financing |

What other enablers do you think are critical?

Financing Alliance for Health

The Case for CHW financing

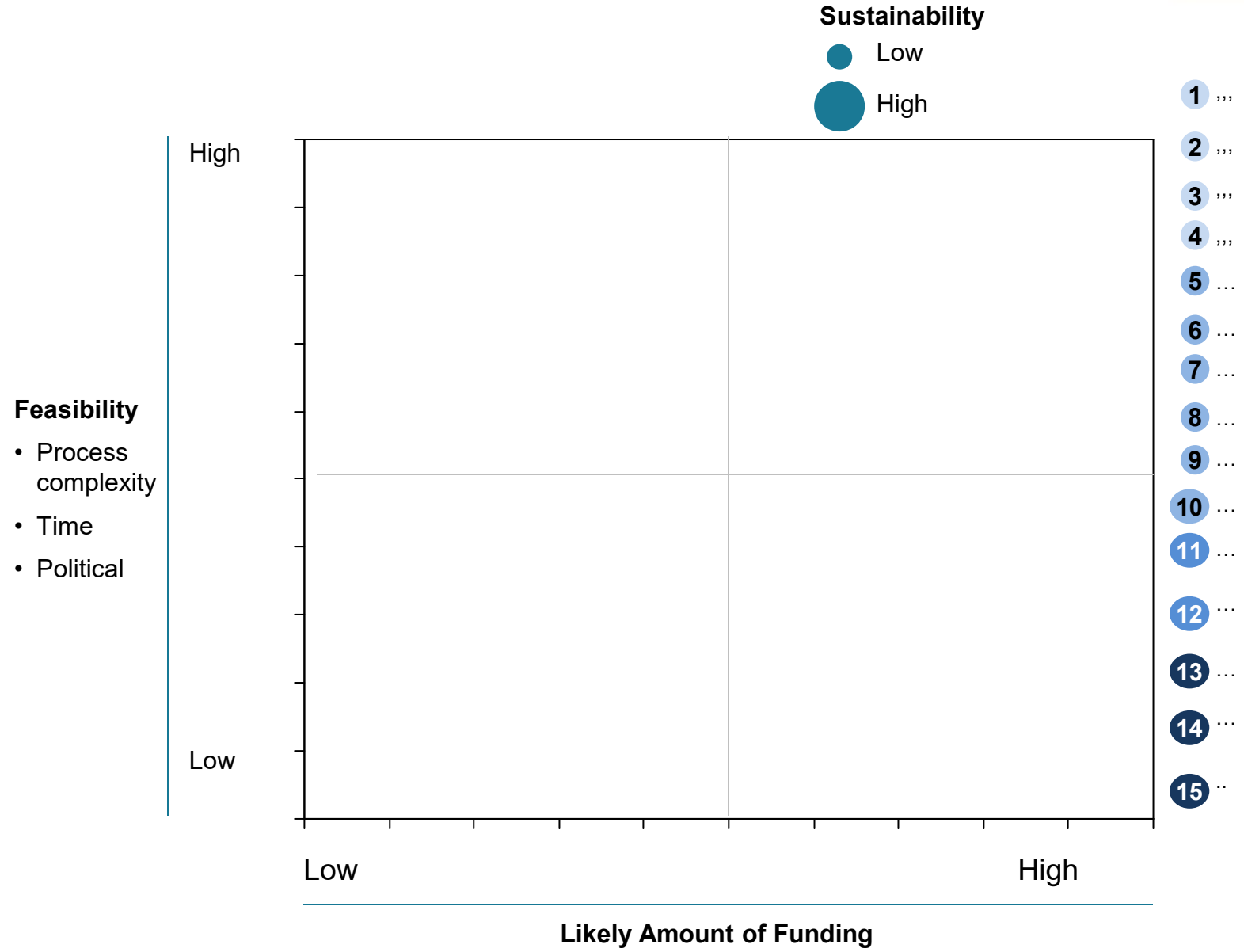
- Sources of financing and finance/investment plans
- Operational enablers
- Political prioritization
- **Group breakout: prioritizing financing sources**

# TEMPLATE 1: GETTING STARTED WITH YOUR CASE FOR INVESTMENT

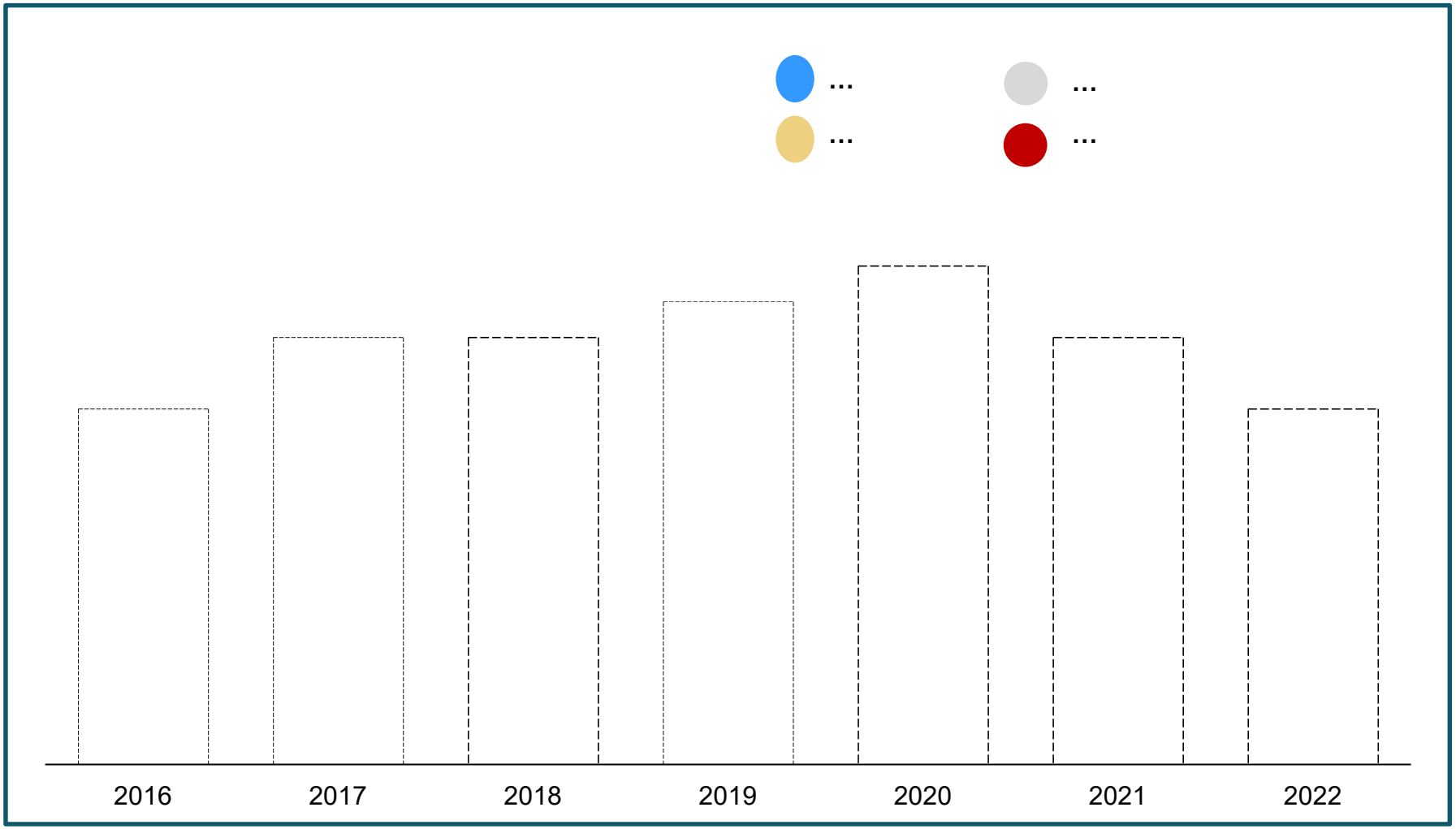
| Beneficiaries of a strong CH system | How do they benefit? | Are these beneficiaries already contributing? If no, how could they? |
|---|---|---|
| ▪ *Company x in region y* | ▪ *Employee absenteeism days due to sickness of children reduced* | ▪ *No; they could allocate x% of their community funds to the CHW system* |

# TEMPLATE 2: MAP YOUR FINANCING SOURCES

Financing Alliance for Health



# TEMPLATE 3: WHAT COULD YOUR FINANCING PLAN LOOK LIKE?



# HANDOUT: POTENTIAL FINANCING SOURCES

Financing Alliance for Health

**Examples (in no particular order)**

**A — Domestic funding**

1. **County/Community health budgets**
2. **Overall health sector budget** (including IDA allocations)
3. **Taxes** (e.g. corporate health tax for health)
4. **Cross-ministry synergies** (e.g. vehicles etc.)

**B — "Existing" donor**

5. **Global Fund** (all three diseases and HSS if there is a separate component)
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8. **USAID** (often through implementers)
10. **Other Bi-laterals** (e.g. JICA, DFID, EU, etc.)
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**D — "New" sources**

15. Disease surveillance, preparedness and global health security funding/mechanisms
16. Unemployment, education and economic growth programs (e.g. ADB)
17. Philanthropic outcome funders for social impact bonds

# APPENDIX

# SUGGESTED APPROACH FOR CALCULATING THE RETURN ON INVESTMENT FROM COMMUNITY HEALTH (HEALTH AND ECON GAINS)



Financing Alliance for Health

| Steps | Cost | Health and econ. benefits | ROI |
|---|---|---|---|
| | 1 Calculate total cost of community health program (CHW incentives, supplies costs, training, supervision, transport, etc.) – per year | 2 Calculate increases in coverage from CHW expansion and potential additional lives saved[1]<br>3 **Productivity:** multiply expected lives saved by expected future economic output of each life saved (using GDP per capita, growth rate, etc.)<br>4 **Insurance:** calculate economic potential of health care crisis and degree to which CHW may help offset<br>5 **Employment:** use economic multiplier to show how spending on CHWs will have additional positive impact on GDP<br>**Calculate total economic value and determine an annual 'run rate' benefit** | 6 **Compare total yearly cost to 'run rate' annual benefit and find ratio: e.g. 10:1, 5:1, etc. – this is the CHW program ROI**<br>7 Compare this ROI to analysis of other potential programs to guide investment and allocation decisions |

The ROI in this context is defined as the ***run-rate economic benefits compared with the run-rate cost***. Note that this is only one way to calculate an ROI – the metrics and methodology will depend on your target audience and stakeholders

Source: "Strengthening Primary Health Care through Community Health Workers: Investment Case and Financing Recommendations," July 2015.
All references available in report endnotes. Detailed calculation steps, assumptions, etc available
(1) Using a lives saved calculation does not factor in improvements in morbidity, so understates the actual health benefits.

# 14 LIVING GOODS DEEP DIVE

**TBD: results, and cost-recovery %**

LivingGoods

Selects and trains CHPs

Purchases health related commodities from local manufacturers or global suppliers

**Community Health Promoter (CHP)**

CHPs earn **17% profit margin** on goods sold

CHPs use smartphone app, monthly inventory loan, and business in a bag to register and manage ~100 households

CHPs conduct education and health promotion, and sell goods related to family planning, newborn & maternal health, childhood diseases, and nutrition

In Kenya, products are sold at **10% below market price**. In Uganda, medicines are sold at **30% below market price** and other commodities are sold at market price

**CHPs return monthly loan to LG branch and keep profit**