

International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation

After the IHP was signed in September 2007, MoHP instituted universal free care at the sub-health and health post-levels and expanded its targeted free care to the PHC and District Hospital levels. In the current FY, universal free services are extended to the PHC level and free provision of listed essential medicines is expanded from targeted to universal at the District Hospital level. In a bold initiative to meet MDGs 4 and 5, from mid-January 2009 maternity care will be made free of charge throughout the country.

MOHP has adopted a demanding yet well-paced strategy of successive scaling up of free care. The Free Essential Health Care Programmes (universal and targeted) are the core of MoHPs policy and strategy for meeting its health targets, including the MDGs. Continuous monitoring, trouble-shooting, design refinement and attention to effective implementation at the regional, district and local levels are essential to their successful establishment.

This scaling up strategy requires ongoing external support for at least the medium-term, and continuation of increases in the percentage of the national budget devoted to the health sector. However, heavy demands in many sectors during this transitional period have left substantial health financing gaps in the final 2065-66 FY budget. These must be addressed in order not to fall behind in meeting the national health policy goals of NHSP-IP, the Three-year Interim Plan and the health-related MDGs. Critical areas where funding gaps exist include incentives for health service personnel in remote areas, consolidation and expansion of the existing free essential care programmes, and scaling up to provide country-wide free maternity care.

Since the Lusaka IHP meeting and submission of the IHP Stocktaking Report, Nepal has undergone major political developments. Constituent Assembly elections were held, the country has been transformed from monarchy to republic, and a protracted transfer of power to the newly elected government has been successfully achieved. Health is the only sector to enjoy continuity of political leadership through this tumultuous period. Yet even in the health field it has been necessary to adjust plans and schedules to the ongoing peace process and political transition. With new senior appointments at MOHP and the national budget declared, the way is now open to rapid implementation of the IHP roadmap.

MOHP policy development and plan implementation has moved forward markedly since the roadmap was initially developed. In revising / readjusting the roadmap activities and budget allocation to meet current needs, including planning needs, emphasis has been given to providing practical assistance in critical and priority areas, whether direct implementation (e.g. remote area personnel), or necessary research or monitoring and evaluation. It is oriented as much as possible toward concrete action in the areas of research, monitoring, evaluation, and key interventions for effective service delivery. Where budget is utilised for discussion forums, it is oriented toward concrete planning and evaluation sessions, the strengthening of existing monitoring, effective use and consolidation of management and policy advisory bodies, and particularly toward strengthening of community-based supervision.

Finally, the IHP “Strengthening the Health Sector” roadmap has been examined in light of the overall objective of contributing to meeting national health policy goals and the MDGs, including preparation for drafting the NHSP-II which is to take effect from 2010.

**International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation**

International Health Partnership: Nepal Health Sector Strengthening, Phase I								
Category I: Strengthen Working Relations Among Government, National and International Health Sector Participants								
Activity	Timeframe							Primary Actors
	Dec 2008	Jan 2009	Feb	Mar	Apr	May	Jun	
1.1 Create IHP National Compact (NHDP) (commenced Spring 2008)								MOHP with EDP support
1.1.1 Assign IHP responsibility within MOHP. Completed								
1.1.2 Form a task force/drafting committee. Completed								
1.1.3 Prepare draft compact. Completed.								
1.1.4 Consult and Revise. Near Final								
1.1.5 Get commitment and signature of participating EDPs								
1.2 Policy Forum Formation and Strengthening (National; Regional; District)								MOHP (all levels) RHDs (regional, district levels)
1.3 Strengthen Health Sector Development Partners Forum								MOHP with EDP support
Category II: Strengthening Health Sector Coordination Capacity of MOHP								
2.1 Strengthen coordination mechanisms to draw on expertise of universities and health science academies, non-government sector, and other ministries								HPAC with MOHP support
2.2 Build coordination capacity among MOHP, RHD, DHO/DPHO, hospitals, civil society and health management committees with focus on medicine, equipment, HR and infrastructure								MOHP (PPICD; MLT) and RDs
2.3 Strengthen ministerial level sector coordination mechanism								Minister for Health and Population and HLTC
Category III: Joint Analytic Studies to Assess Health System and Agency Constraints and Support Evidence-based Planning for Scaling Up Health Services to Meet MDGs								

**International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation**

3.1 Four Studies								MOHP and NHRC
3.1.1 Assessment of implementation of free health care provisions								MOHP and NHRC
3.1.2 Analysis of scaling-up strategies for free health services leading to universal health care including cooperatives								MOHP and NHRC
3.1.3 Document learning from emerging experiences in universal free health care, particularly primary level healthworkers and citizens from marginalized and disadvantaged communities								MOHP and NHRC
3.1.4 Compare formal referral system up to DH level with actual patient flows in view of current infrastructural and demographic patterns								MOHP and NHRC
Category IV: Health Policy Consolidation and Dissemination in Preparation for NHSP-II and Scaling Up Health Services								
4.1 Consolidate National Health Policy and Strengthen Policy Alignment of Sector Plans and Programmes								
4.1.1 Workshops for Input								MOHP with RHDs and civil society
4.1.2 Policy and Plan Review								MOHP (PPICD) with DOHS and EDP input
4.1.3 Dissemination for Feedback								MOHP with civil society
4.1.4 Consolidation of Policy Documents, providing basis for NHSP-II advanced planning								MOHP (PPICD; HLTC) with HPAC
4.2 Critical HR provision to critical locations: short-term deployment in context of political transition and expansion of free services including maternity care								MOHP with support of DOHS
4.3. Health workforce motivation scheme in remote districts for staff attraction and retention								MOHP with support of DOHS
4.4 Support MOHP reorganisation planning in light of free care programme								MOHP (PPICD; HLTC) with support

**International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation**

policy and programme priorities, and upcoming state restructuring.									of Ministerial Level Sector Coordination Mechanism (cf. 2.3)
4.5 Support for performance-based management system to increase organisational effectiveness and equitable service delivery									MOHP with support of DOHS and EDPs
Category V: Contribute to Inter-regional Guidance on Good Practices for Engaging National and International Stakeholders in Country Health Sector									
5.1 Piloting support to backup MOHP-initiated monitoring network to make it functional down to the village level									MOHP

Abbreviation	Full form
DHO/DPHO	District Health Office/District Public Health Office
DOHS	Division of Health Services
EDP	External Development Partners
HLTC	High Level Technical Committee
HPAC	High Level Policy Advisory Committee
MLT	Ministerial Leadership Team
MOHP	Ministry of Health and Population
NHDP	National Health Development Partnership (IHP “national compact”)
NHRC	National Health Research Council
PPICD	Policy Planning and International Cooperation Division
RD	Regional Directors
RHD	Regional Health Directorate

Activity Costing

The total costing for IHP Phase I activities is unchanged. Some reallocation among activities has been made in order to bring the budget into better alignment with the current stage of MOHP programme implementation and planning. Certain activities require less Phase I budget support due to a shorter execution period, while others have been consolidated for more efficient expenditure. Several activities have been expanded in scope in keeping with MDG-and NHSP-II and policy-related priorities, and have concomitant increases in budget allocation. Some activities that did not receive sufficient budget support in this FY have been reallocated more funds for that reason as well. See table below for details.

**International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation**

Activity Costing					
Activity	Milestone	Previous Allocation / Estimated Cost	Amount Reallocated		Current Allocation / Estimated Costs
			Reduction	Addition	
1.1 Create IHP National Compact (NHDP) (commenced Spring 2008) [1]	<ul style="list-style-type: none"> • task force/drafting committee formed • coordinator appointed • consultations with EDPS, civil society • revisions and editing • signed and in effect 	10,000		500	15,000
1.2 Policy Forum Formation and Strengthening (National; Regional; District) [2]	<ul style="list-style-type: none"> • National: HPAC active as per IHP roadmap • Regional, District: Forums created and/or expanding, and providing input into Activities 2.2, 3.1.4, 4.1.1 and 4.1.3 	15,000	5,000		10,000
1.3 Strengthen Health Sector Development Partners Forum	<ul style="list-style-type: none"> • Regular meetings as per NHDP commitment • input into Activity 4.1.1 and 4.1.3 and NHSP-II 	1000			1000
2.1 Coordination among agencies	<ul style="list-style-type: none"> • Input for NSHP-II planning on health sciences education to meet policy and programme needs • Mechanisms for drawing on needed skills mix 	15,000			15,000
2.2. Coordination Capacity [2]	<ul style="list-style-type: none"> • RHD proposals for coordinating HSS to local level with attention to 4 components: medicine, equipment, HR and infrastructure 	20,000	500		15,000
2.3 Ministerial Coordination	<ul style="list-style-type: none"> • coordination mechanisms functional for budget and 	15,00	500		10,00

**International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation**

	NHSP-II planning	0	0		0
3.1 Four Studies [3]		[95,000 total unchanged. Reallocated 5 studies to 4]			
3.1.1 Free Care Assessment	<ul style="list-style-type: none"> • follow-up and extend MOHP-led WHO-funded assessment • input on methodologies for effective monitoring and improved programme design 	19,000		11,000	30,000
3.1.2 Scale up Strategy for Universal Free Care	<ul style="list-style-type: none"> • input for NHSP-II including on financing and HR 	19,000	9000		10,000
3.1.3 Document Free Care Experience: HW/Marginalized	<ul style="list-style-type: none"> • several methods of studying disadvantaged access and primary HW role piloted 	19,000		11,000	30,000
3.1.4 Referral System Study	<ul style="list-style-type: none"> • input for NHSP-II planning on infrastructure and HR needs • input for referral system updating 	19,000		6,000	25,000
[3.1.5 CDP Study incorporated into 3.1.1-3.1.3] [3]	[CDP will be assessed from various angles as per study foci]	19,000	19,000		—
4.1 Policy Consolidation					
4.1 Consolidate National Health Policy; Strengthen Policy Alignment of Sector Plans and Programmes [4]	<ul style="list-style-type: none"> • consolidation and refinement of current policy documents, providing basis for NHSP-II advanced planning • advancing completion of new National Health Policy 				
4.1.1 Workshops for Input [4]	<ul style="list-style-type: none"> • input to PPICD • input to NHSP-II planning 	60,000	45,000		15,000
4.1.2 Policy and Plan Review [4]	<ul style="list-style-type: none"> • identify areas requiring research, monitoring results, other input • identify areas requiring policy alignment 	25,000	15,000		10,000
4.1.3 Dissemination	<ul style="list-style-type: none"> • input on 4.1.2 work and NHSP-II planning activities 	4,000	1,000		3,000

**International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation**

for Feedback			0		
4.1.4 Drafting and Editing	<ul style="list-style-type: none"> • policy guidance for NHSP-II preparation • consolidated policy drafts for ministerial review 	—		2,500	2,500
4.2 Critical HR provision in context of political transition and expansion of free services including maternity care [5]	<ul style="list-style-type: none"> • critical HR sent to remote districts as per assessed need 	160,000		45,000	205,000
4.3. Health workforce motivation scheme in remote districts	<ul style="list-style-type: none"> • retention/attraction package utilized for critical HR in remote areas 	260,000			260,000
4.4 MOHP reorganisation planning [6]	<ul style="list-style-type: none"> • reorganisation outlines prepared aligned to free care policy and programme priorities and pending state restructuring. 	50,000		40,000	10,000
4.5 Support for performance-based management system [7]	<ul style="list-style-type: none"> • review of criteria for performance assessment, better aligning to policy priorities • method for assessing role in increasing organisational effectiveness, transparency and equitable service delivery 	25,000		15,000	10,000
5.1 Piloting support to backup MOHP-initiated monitoring network [8]	<ul style="list-style-type: none"> • increased functionality down to village level • recommendations for restructuring as necessary to increase functionality 	25,000		42,500	67,500
Coordinate Phase I Activities and Transition to Phase II (Ongoing; commenced August 2008) [9]	<ul style="list-style-type: none"> • Phase I activities carried out • Phase II planning commenced 	—		18,000	18,000
Total		800,000			800,000

Specific Remarks on Reallocations

[1] Increased due to extensiveness of consultative and preparatory process.

[2] Activities 1.2 and 2.2 to utilize joint committee structures, allowing reduction in allocation.

International Health Partnership
Nepal Health System Strengthening
Phase I Roadmap and Budget Allocation

[3] Studies consolidated from five to four, and one study [referral system] revised to meet several NHSP-II planning needs. CDP to be examined within free care programme studies. Overall studies budget unchanged.

[4] Decreased budget for activities under 4.1 due to the shortened execution period (these activities will continue in Phase II). Substantial reduction in Forums budget through use of joint and/or pre-existing forum mechanisms [cf. Activities 1.2. and 2.2].

[5] Critical HR in support of MDGs increased in light of budget gaps and imminent introduction of free maternity care

[6] Decreased budget for 4.4 due to the shortened execution period (this activity will continue in Phase II), and to align with constituent assembly state administration restructuring schedule.

[7] Decreased amount for Activity 4.5 sufficient to purpose as set out for Phase I.

[8] Increased due to priority for MDG-related effective implementation and for NHSP-II evidence based planning.

[9] Added as separate line item on recommendation of Secretary of Health.