

# Health Finance Situation Assessment

## *Update on Current Status*

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# OUTLINE

1. Fiscal Space for Health
2. Public Financial Management
3. Development Partner Financing
4. Direct Health Facility Financing
5. Health Financing Moving Forward



# 1. Fiscal Space for Health



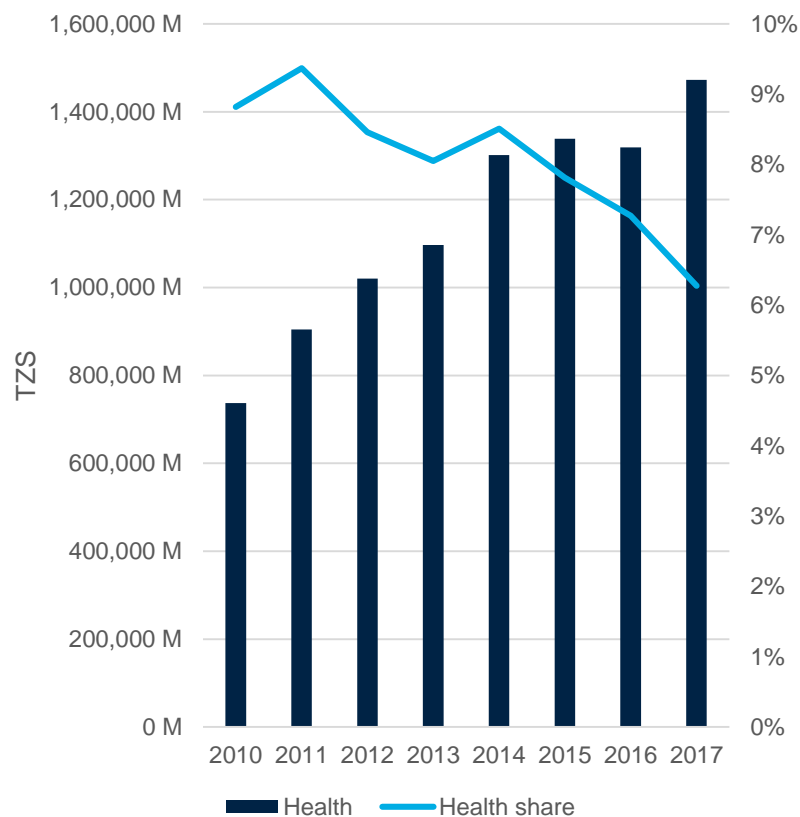
# Macro-economic Outlook

- High growth on real GDP oscillating around 7 percent,
- Government has increased domestic revenue collection (16.6% in 2017/18 from 14.9% in 2015)
- 45% of total expenditures are dedicated to development projects (equivalent to 9.1% of projected GDP),
  - 3/4 of this, allocated to the Standard Gauge Rail, Air Tanzania and Stigler's Gorge power generation projects.
- Debt to GDP ratio 41% in 2018/19



# Health Spending has been going down

- Health Spending Growing, but slowdown since 2014
- Health Spending slowing down
- About 6% of General Govt Spending
- Population Growth at 2.7%
- Per Capita Spending at US\$ 11.6  
→ Insufficient for UHC

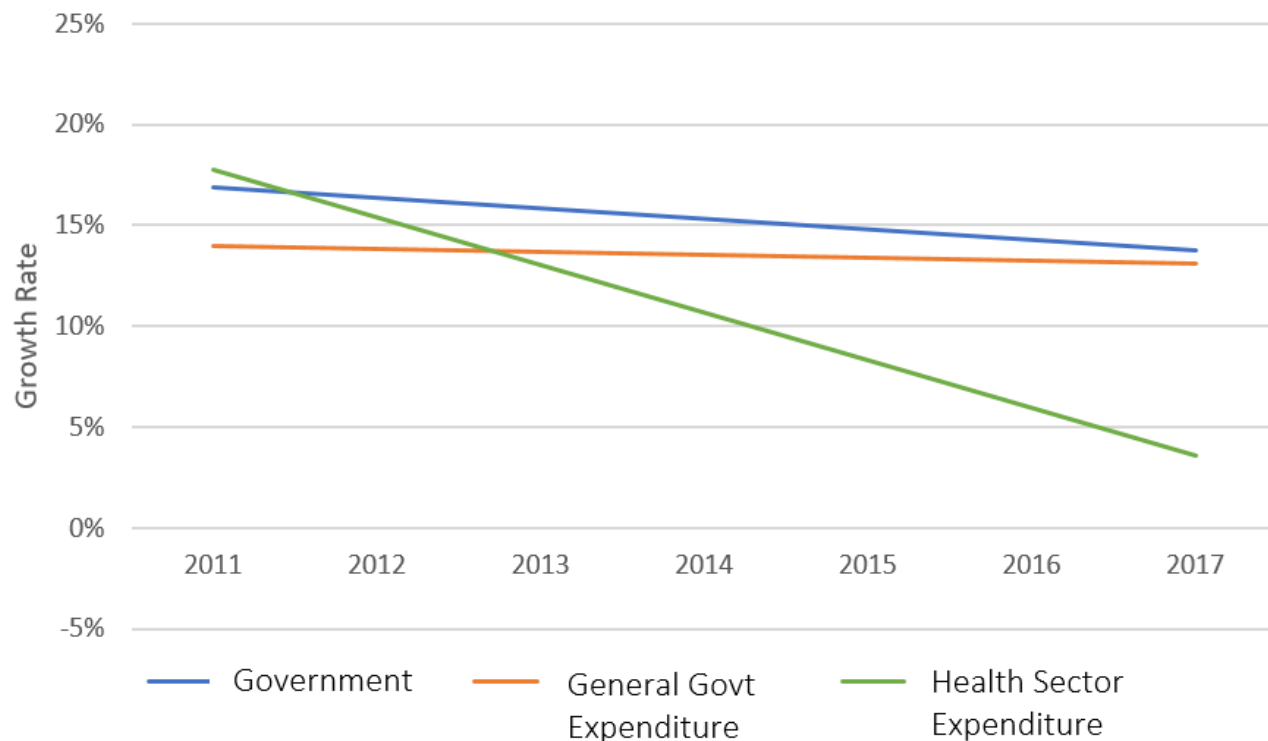


# Slowdown of Health Spending

Health Spending is Growing

However,

- Below Growth of General Govt Revenue
- Below Growth of General Govt Expenditure
- Gap is widening



## 2. Public Financial Management



# Budget Execution 2016/17

Sector	Total	Recurrent	Wages	G/S	Grants	Development
Security	93%	95%	96%	81%	100%	29%
Defense	89%	94%	94%	82%	54%	60%
Education	88%	95%	91%	54%	90%	63%
Health	<b>82%</b>	<b>89%</b>	<b>96%</b>	<b>70%</b>	<b>80%</b>	<b>70%</b>
Judiciary	75%	96%	96%	66%	64%	37%
Infrastructure	71%	83%	89%	27%	71%	70%
Energy	70%	120%	88%	122%	66%	66%
Agriculture	54%	76%	86%	53%	66%	26%
Water	34%	71%	90%	32%	34%	32%



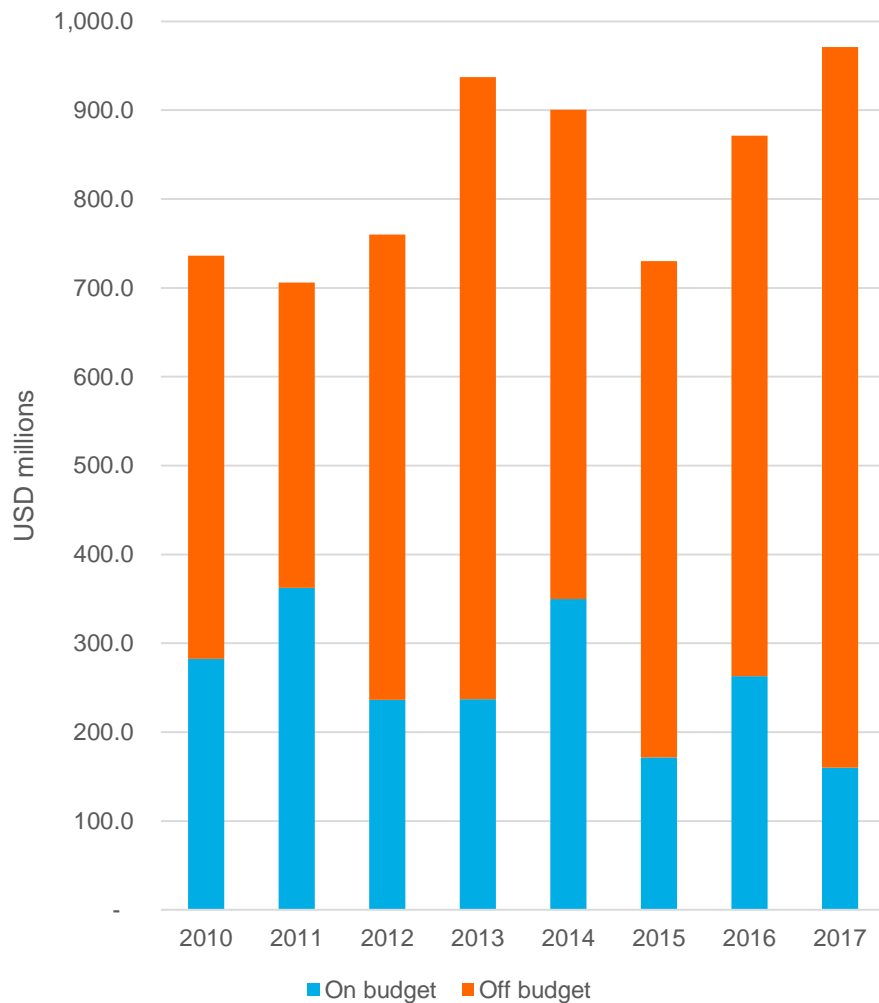
# Budget Execution for the Health Sector 2010-2017

	2010	2011	2012	2013	2014	2015	2016	2017
Total	81%	81%	94%	90%	87%	91%	76%	82%
Recurrent	93%	102%	94%	92%	91%	94%	94%	89%
Wages	95%	130%	98%	98%	98%	97%	97%	96%
Goods and Services	69%	57%	97%	91%	95%	95%	35%	70%
Grants	91%	98%	91%	88%	88%	91%	86%	80%
Development	67%	61%	94%	87%	81%	85%	38%	70%

# 3. Development Partner Financing



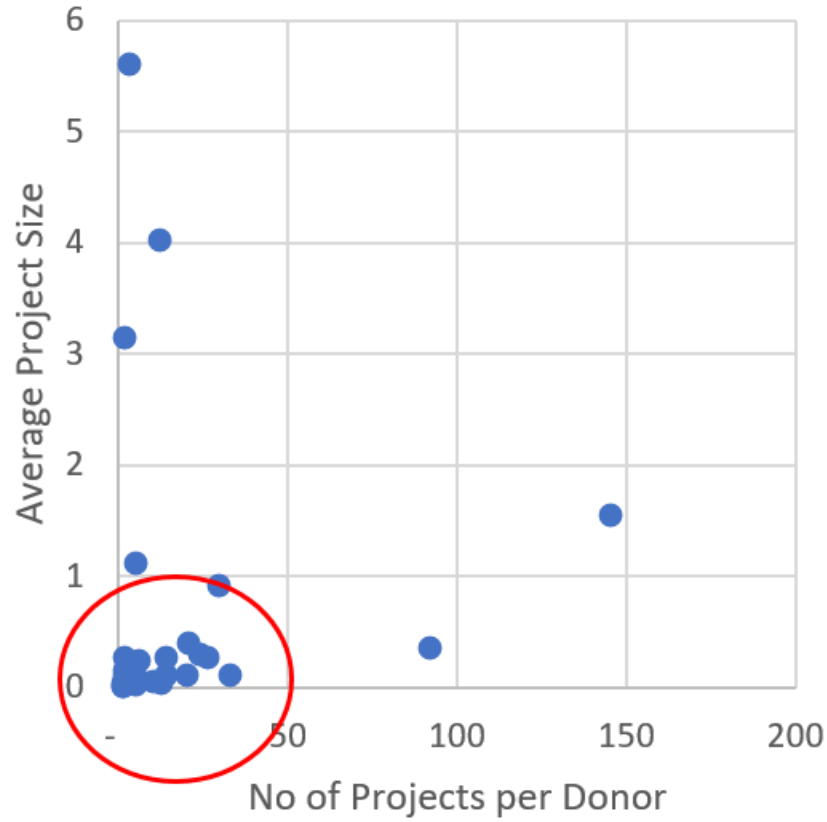
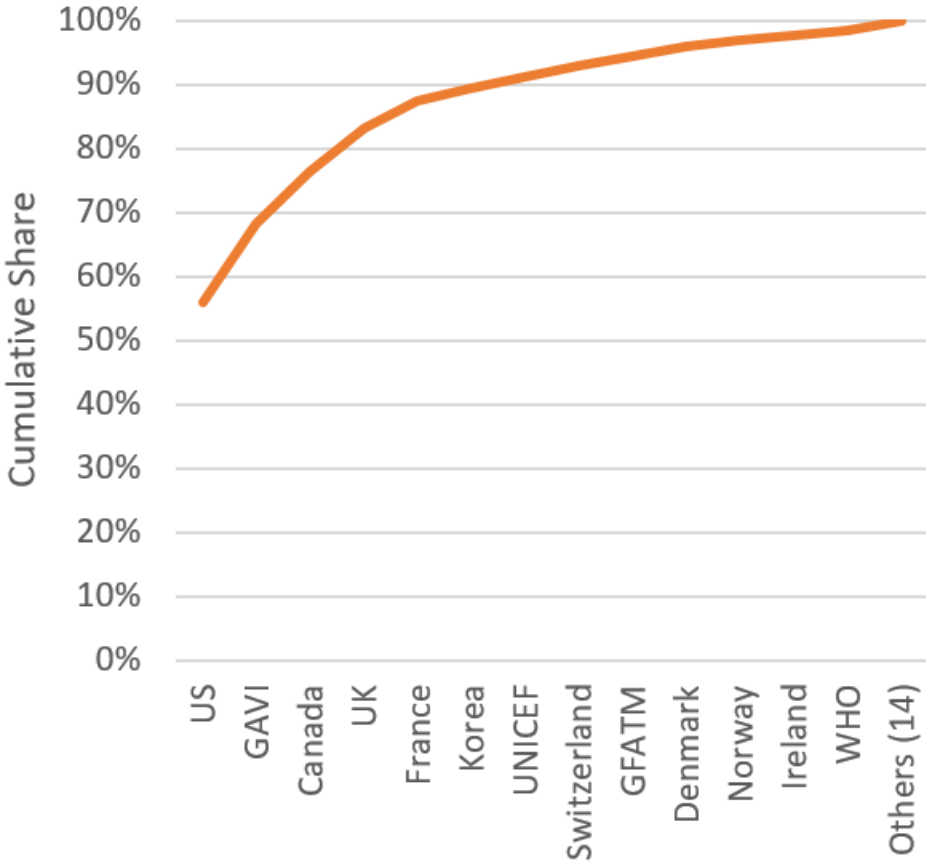
# Development Partner Funding



<i>Purpose of off -budget donor funds</i>	<i>2017 Share</i>
STD control including HIV/AIDS	31.83%
Basic health care	14.54%
Family planning	8.46%
Malaria control	7.53%
Reproductive health care	6.52%
Tuberculosis control	5.78%
Health policy and administrative management	4.58%
Basic nutrition	4.33%
Medical services	4.21%
Infectious disease control	3.30%



# Development Partner Funding

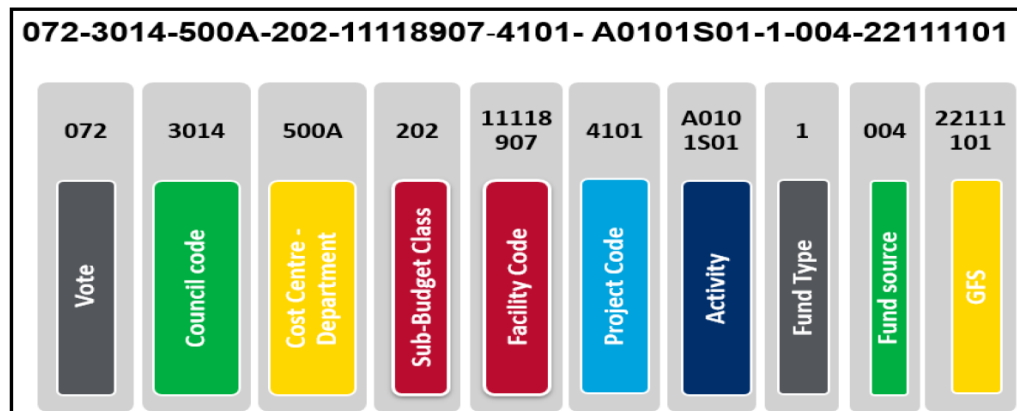


# 4. Direct Health Facility Financing



# Transitioning Toward DHFF

- Basket financing facilities directly
- Output based financing
- Government & partners should transition to DHFF
- Necessary PFM Steps have been taken
  - FFARS
  - Chart Of Accounts reform - COA
  - Facility plans
  - Accountants Assistants



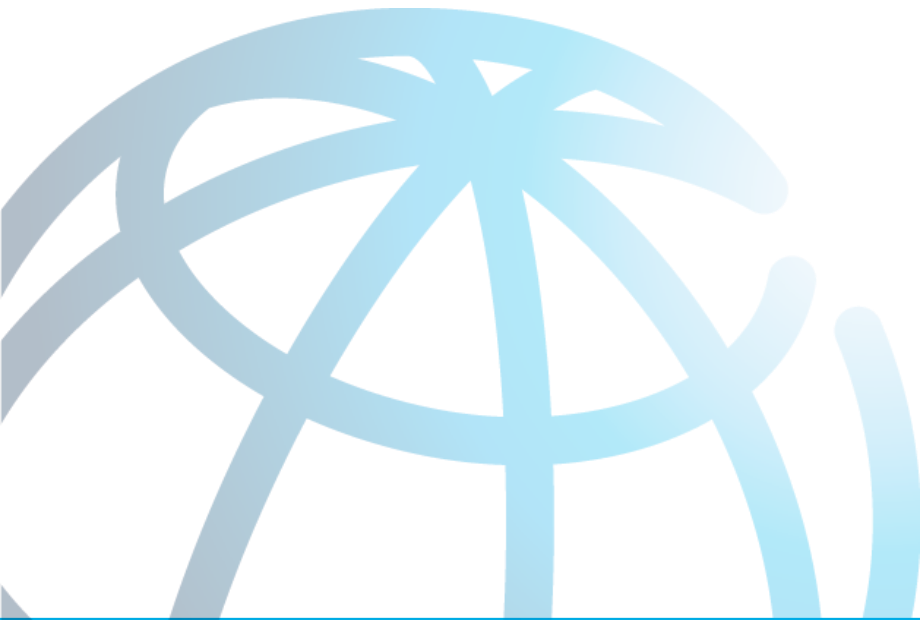
# Results of DHFF

## Achievements:

- Tracer medicines – availability has increased from 40% in 2015 to 96% 2019
- Facilities execution is 87%
- Transparency and accountability has increased
- Efficiency and effectiveness
- Minor rehabilitation
- Been able to pay bills for basic services eg water, electricity
- Audit report

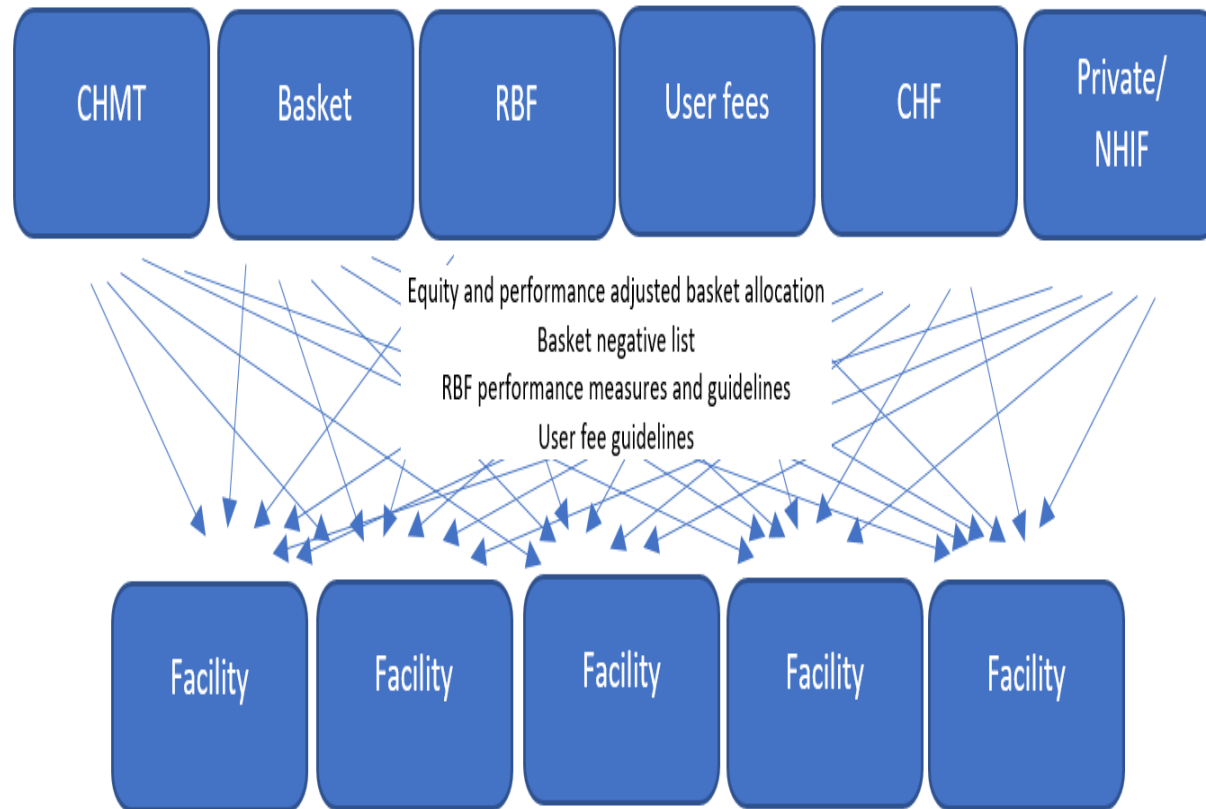
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- Government & partners should transition to DHFF

# 5. Health Financing Going Forward



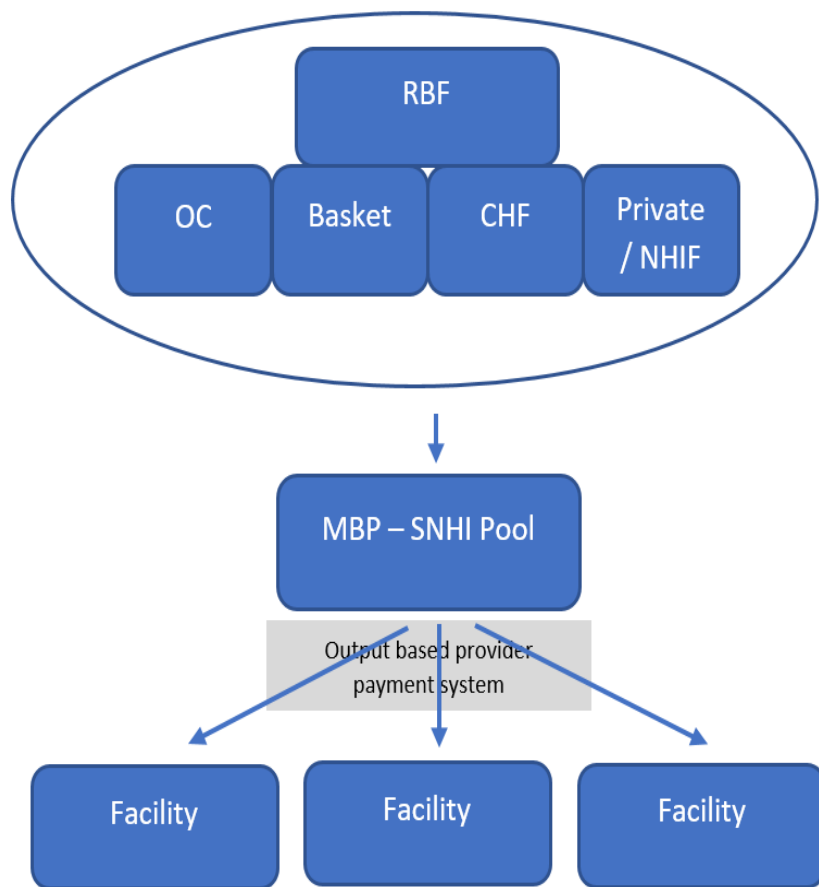


# Health Financing Going Forward



- Current status at the facility level
- Government Vision
  - Implementation in phases – Prioritize
  - Defragmentation
- Harmonization of guidelines at facility level
- Harmonize payment formula
  - Output based financing
- Pooling
- Necessary PFM Steps

# Health Financing Going Forward



- Review Minimum Benefit Package
- Review Costing study
- Strategize how to fast track SNHI approval



THANKS FOR LISTENING

