



## Health Financing TWG UPDATE August, 2018

*Last HFTWG met May 2018*

### Direct Health Facility Financing (DHFF) Management Systems: HBF, iCHF, RBF

#### 1. Policy and MOHCDGEC and PORALG Agreements

- **HBF:** Shift to DHFF and output-based payment system for LGA health facilities. MOH and PORALG agreement on purchaser role (MOH responsible payment formula for services) and provider role (PORALG responsible for management including plan, budget, spend/procure, internal controls, accounting and reporting)
- **iCHF:** February 6, 2018 HF TWG meeting where updated on MOH and PORALG agreements on CHF including national roll-out; aggregate to regional level and pay RS bank account (until SNHI where could transfer and pool in NHIF); MOH and PORALG same purchaser and provider roles as for HBF; and harmonize provider payment and information systems. Some design questions still not clear and require follow-up (e.g. population payment rate).  
**Last iCHF implementer's meeting took place in Mbeya in June 2018** where practical steps for the roll-out were discussed.

#### 2. DHFF Implementation and Management since start in June 2017

- **Facility Financial Accounting and Reporting System (FFARS)** for all health facilities and schools in Tanzania, to enable facilities to perform good financial management, accounting and reporting for all types of funds they receive
- **March 2018**
  - **Focus** establish management systems, processes, guidelines, and capacity building for how facilities manage, spend, and account for all DHFF funds flowing through their bank account
  - **Timeframe:**
    - Early March: meeting on iCHF at PORALG in Dodoma resulted in agreement to incorporate iCHF into broad unified DHFF management system and process to reduce fragmentation and increase efficiency
    - Late March: Design meeting in Morogoro
    - April-May: finalization of design and development, TOT, regional workshops, cascade training to regional, LGA, facilities
    - June onwards: continuous region/LGA/facility mentoring and system refinement

#### 3. DHFF, iCHF and Road to SNHI

- DHFF is SNHI foundation: reduce funds flow fragmentation, purchase EHP or MBP, shift input-based to output-based payment, harmonize payment and information systems, how facilities spend funds and procure inputs, financial management, accounting and reporting (FFARS).
- Governance arrangements are also being solidified including MOH as purchaser (even if payer is MOFP or RS in short-term), PORALG as provider/manager, and increased facility autonomy.

#### 4. RBF



- The impact evaluation will be ending in February 2019, then Mara region can start implementing RBF in April 2019. Therefore, budget for financial year 2018/19 should include cost for training, start-up funds and incentives for quarter of April - June 2019
- Funding situation for roll out into further regions unclear

**5. HF and PFM**

- **WHO HF-PFM Workshop 16<sup>th</sup>&17<sup>th</sup> August, Morogoro:** MOH requested WHO to provide capacity-building for MOHCDGEC, PO-RALG and MOF as follow-up of engagements on PFM to assess alignment between PFM and health financing reforms. Objectives were to strengthen understanding and capacity of the key ministries' staff to actively engage in PFM reforms and ensure that they support and are aligned with health financing system goals. The workshop helped review ongoing reforms and PFM bottlenecks from the MOHCDGEC perspective and provided a platform for building a productive dialogue among MOHCDGEC, PO-RALG and MOF.

**6. Draft National Social Protection Policy 2018** has been produced by the Government.

- UNICEF is organising a stakeholder consultation meeting for discussing the draft document. Attached for DPGH review. There is a need to up-date some of the information relating SHI in the document according to recent developments (harmonised CHF – iCHF).

*Next HF TWG should take place 11<sup>th</sup> September 2018*