

SUMMARY ASSESSMENT OF POLICY ACTIONS UNDER SUBPROGRAM 2

1. At the inception of HSGP in August 2013, the Government agreed to accomplish 17 measures – 11 policy triggers and 6 milestones.
2. Based on the fact-finding mission and concurrence by Government, all policy actions have been met as of 19 March 2018.
3. Improvements to policy actions, including wording for better substantiation and measurability, have been made (actions 1.1, 1.2, 2.2, 3.1, 3.3, 3.4, 3.5, 4.1, 4.2, 4.3, 4.4, 4.6). Two triggers have been minorly adjusted, the reasons being as follows:
 - a. 3.2 - Government suggested that the time frame is too short to achieve all 18 PHOs, but MOH plans to cover 18/18 by June 2018. In the plans, suggestions for action points are made, rather than ensuring that policies are fully in place, as these policies will need to be further discussed and will require other resources to support.
 - b. 4.5 - It is difficult to get timely reports on actual budget disbursements, but amounts approved for disbursements are readily available.
4. A few changes were also made due to the introduction of the National Health Insurance (NHI) scheme in 2015 which is gradually integrating Health Equity Fund (HEF) and Free Maternal Newborn and Child Healthcare (FMNCH) schemes:
 - a. 2.1 – Under NHI, free services for the poor, mothers and children under 5 are retained. The NHI fund devotes significant resources to NHI in at least 141 districts, in line with the new NHI guidelines. More specificity on resources to NHI fund is now made, and the trigger refers to the new NHI guidelines written by MOH rather than a DP framework.
 - b. 2.3 - As the government has now adopted NHI, the scheme can be evaluated and recommendations for improvements made, rather than looking at schemes which are now being phased out. Accordingly, an assessment of financial management and monitoring of NHI which makes recommendations to changes in implementation guidelines has been approved by MOH and this is stated in the trigger.
 - c. 4.7 - MOF has adopted a special fund to support NHI for the medium term and clarification on how funds flow was needed; hence the suggestion for MOH and MOF to agree on a fund flow mechanism is appropriate and the trigger was reworded to reflect this.
5. In the original RRP, it is stated \$15m would be allocated for subprogram 2. In light of Lao's fiscal situation, government priority for health sector reform and needs of the sector, subprogram 2 support has been increased to \$30m.

Original indicative policy action (triggers in bold, milestones non-bold)	Status of accomplishments	Formulation of policy actions for SP2 (triggers in bold, milestones non-bold)
Output 1: Health sector reform process improved^a		
1.1 The National Commission is functioning through periodic meetings and approves annual HSR implementation plan, as part of MOH implementation plan.	Fully accomplished The National Commission held a meeting in December 2017, and approved the annual HSR implementation plan.	1.1 The National Commission has approved the 2018 HSR implementation plan, as part of MOH's implementation plan
1.2 MOH to approve the roadmap for reforms in strengthening health human resources and health system financial management, and to establish monitoring mechanism of the reforms for the period 2015–2025^b.	Fully accomplished Both roadmaps have been approved by MOH	1.2 To enhance monitoring of reforms for 2015–2025, MOH has approved the roadmap for reforms in strengthening health human resources and health system financial management.
Output 2: Implementation of free health care for the poor, mothers and children improved		
2.1 The government will continue to provide increased financial resources to deliver MNCH services free of charge for users and HEF for the poor in at least 131 districts, within the agreed framework with development partners	Fully accomplished The government has shifted its policy to health insurance, under which free (and same) services for the poor, mothers and children under 5 are retained. The NHI fund devotes significant resources to NHI in at least 141 districts, in line with the new NHI guidelines. It is more relevant to refer to the new NHI guidelines written by MOH rather than a DP framework.	2.1 The government increased financial resources from 22 billion kip in 2014/5 to 183 billion kip in 2017 to deliver free of charge health services for the poor, mothers and children under 5 in at least 131 districts, in line with the NHI guidelines.
2.2 MOH to continue improving governance arrangements and strengthening management and financial capacity of the HIB and its provincial branches, including training of staff	Fully accomplished An NHI decree (470) has been issued including benefits, financial management and administrative arrangements, and NHIB is training provincial and central staff on NHI. The complementary TA loan ^c and CDTA ^d continue to support training of staff who work on NHI at both central and provincial levels.	2.2 MOH continued improving NHI governance arrangements by issuing a NHI decree (outlining benefits, financial management and administrative arrangements) and strengthening capacity of the NHIB and its provincial branches, through training on NHI for staff.
2.3 MOH to assess financial management, monitoring and health provider payment mechanisms of the existing free MNCH and HEF schemes and develop	Fully accomplished An assessment of financial management and monitoring of NHI including recommendations	2.3 To ensure sufficient and timely reimbursement to health facilities, MOH assessed financial management, monitoring and health provider payment

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recommendations for improvements of the existing schemes and/or prepare revisions of relevant implementation guidelines.	to improve guidelines has been approved by MOH.	mechanisms and approved recommendations to improve relevant implementation guidelines.
Output 3: Health human resources management capacity strengthened		
3.1 MOH to continue improvement of the HPMIS, including data related to skills, training, gender and ethnicity, and to strengthen capacity of the provincial health offices in utilizing the HPMIS data for planning and management purposes.	Fully accomplished HPMIS is continually updated and improved upon, with the recent addition of data related to skills, training, sex and ethnicity. Accompanying TA loan and CDTA both train provincial health officers to use HPMIS and its data for planning and management purposes.	3.1 MOH improved the HPMIS to incorporate data on skills, training, sex and ethnicity, and trained provincial health officers to utilize the HPMIS and its data ^f for planning and management purposes.
3.2 To ensure appropriate staffing level of health facilities with emphasis on deployment of staff in remote and hard to reach areas, each provincial health office to formulate and implement its workforce plan (including, gender and equity policies and appropriate staff incentives).	Fully accomplished 12 PHOs have approved its workforce plan and began its implementation. MOH plans to cover 6 more PHOs by June 2018. Action points are suggested, rather than ensuring that policies are fully in place, as these policies will need to be further discussed and will require other resources to support	3.2 To ensure appropriate staffing level of health facilities with emphasis on deployment of staff in remote and hard to reach areas, at least 12 provincial health offices have approved their workforce plan (including action points on gender and equity policies and appropriate staff incentives).
3.3 The MOH will gradually increase the deployment of midwives to ensure that 75% of health centers are staffed with at least one community midwife.	Fully accomplished According to the last Annual Deployment of Health Human Resources Report (2016) and verified by an online database, 75.1% of health centers have at least one community midwife. Electronic data (District Health Information System) from October 2017 shows 81.4%.	3.3 To enhance safe delivery, the MOH gradually increased the deployment of midwives to ensure that 75% of health centers are staffed with at least one community midwife, up from 52% in 2015.
3.4 MOH to ensure allocation and provision of adequate financial and human capital resources, as well as expertise and management, to the Health Professional Council and its boards to enable their delivery of mandated function and responsibilities as stipulated in the Health Law.	Fully accomplished The HPC is fully functional, guided by a decree which states objectives, rights and responsibilities, the organizational structure and assigned personnel. The former Minister of Health is managing HPC and there is a core staff and part time staff supported by	3.4 MOH has issued a decree which states objectives, rights and responsibilities, the organizational structure and assigned personnel for the Health Professional Council, which is functional.

Original indicative policy action (triggers in bold, milestones non-bold)	Status of accomplishments	Formulation of policy actions for SP2 (triggers in bold, milestones non-bold)
	<p>JICA. HPC occupies an office in Dept. of Health Personnel, has 7 members, including staff who receive salaries, and its running costs (for meetings, internet, supplies and equipment etc.) are covered by ADB's complementary TA loan.</p>	
<p>3.5 To further enhance skills and qualification of health care professionals, MOH to issue decree defining certification standards, accreditation, licensing, and registration system for health professionals.</p>	<p>Fully accomplished</p> <p>Decrees on certification standards (no 077/MOH 13/01/2015), accreditation of educational institutions (no 2349/MOH 17/10/2017), licensing and registration for health professionals (no 1307/MOH 30/06/2017) have all been issued.</p>	<p>3.5 To further enhance skills and qualification of health care professionals, MOH approved certification standards, accreditation, licensing, and registration system for health professionals.</p>
<p>Output 4: Health sector financial management system strengthened^f</p>		
<p>4.1 For FY2016 and subsequent years, the Government will ensure an increased health budget allocation compared to the FY2015 budget allocation</p>	<p>Fully accomplished</p> <p>The government has increased health budget allocations: between 2014/15 and 2017, health sector budget from local sources increased by 20%. The increase has been allocated across both budget entities and main chapters under the chart of accounts, and increases in each of the areas of NHI, central budget units and provinces.</p>	<p>4.1 In FY2017, the Government increased health budget allocation by 20% compared to the FY2014/15 budget allocation.</p>
<p>4.2 To enhance monitoring of public finances in the health facilities, MOH to adopt and implement a system to account for sources and application of all funds at the health facility level.</p>	<p>Fully accomplished</p> <p>The MOH has adopted the MOF's double entry system which accounts for sources and uses of funds in health facilities. The system is explained in guidelines and staff are beginning to be trained on its use using the appropriate handbook.</p>	<p>4.2 To enhance monitoring of public finances for health, MOH applied the Accounting Handbook for State Agencies and implemented MOF's 'double entry' system to account for sources and uses of funds in health facilities.</p>

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4.3 MOH to initiate implementation of the system to account for sources and application of funds for selected facilities with an initial focus on district and provincial level hospitals in at least five provinces.	Fully accomplished As above, in all provinces not just five.	4.3 MOH started piloting MOF's 'double entry' system to account for sources and application of funds for selected facilities with an initial focus on district and provincial level hospitals in at least five provinces.
4.4 MOH to continue to publish NHA for FY2013 and FY2014	Fully accomplished MOH has published NHAs for FY 2013, 2014, 2015 and 2016.	4.4 MOH continued to publish NHA for FY2013-FY2016.
4.5 To improve budget planning and to facilitate its execution, MOH to establish an expenditure monitoring system to document annual and quarterly expenditure reports of provinces and central level health departments together with reports on budget disbursements	Fully accomplished It is difficult to get timely reports on actual budget disbursements, but amounts approved for disbursements are readily available. The MOH has established an expenditure monitoring system with supporting expenditure reports, and budget disbursement reports. The system is explained in guidelines, which is being used for training officials.	4.5 To improve budget planning and execution, MOH published approved disbursement figures in the Central Budget Units Annual Report for 2015-2016, Central Budget Units 6-month report for 2017, Provincial Health Office Annual Reports for 2015-2016 and Provincial Health Office 6-month reports for 2017.
4.6 MOH to adopt a new system and set of procedures to align development partner financing with government plans and budget, consistent with Government chart of accounts.	Fully accomplished The MOH encourages all partners to align their systems with government's chart of accounts and has adopted a financial management system and guidelines to streamline planning and budgeting.	4.6 MOH adopted a financial management system and accompanying guidelines to align development partner financing with government plans and budget, consistent with Government chart of accounts.
4.7 To improve financial sustainability of health sector operations; MOF to adopt a mechanism for adequate allocation and timely funding support to provincial health offices and MOH key departments for free MNCH, HEF and health service delivery.	Fully accomplished MOF has adopted a special fund to support NHI for the medium term and MOH and MOF have agreed on a fund flow mechanism. MNCH/HEF services will be covered under NHI. MOF and MOH have signed a memorandum of understanding which reflects outlines the mechanism and will use this going forward for NHI fund allocations.	4.7 To ensure adequate and timely funding for free health services for the poor, mothers and children under 5 and improve financial sustainability of health sector operations, MOH and MOF agreed on a fund flow mechanism.

CDTA = capacity development technical assistance, DP = development partner; HEF = health equity funds, HPMS = health personnel management information system, HSR = Health Sector Reform, HSRF = Health Sector Reform Framework, MOH = Ministry of Health, MNCH = maternal, newborn and child healthcare, NHI = National Health Insurance, PATA = policy advisory technical assistance, PHO = Public Health Office, RRP = Report and Recommendation to the President

^a In subprogram 1, the output was 'Implementation of the health equity fund (HEF) and free maternal, newborn, and child healthcare (MNCH) schemes improved'.

However, given the change in policy direction towards National Health Insurance, this output has been reworded.

^b Implemented between January 2014- September 2015, TA 8576 produced: (i) a situational analysis of human resources for health, health sector financing, and government management and coordination which was endorsed by MOH; (ii) a gender-responsive roadmap for the implementation of health sector reform strategy; and (iii) technical inputs that supported preparation of HSGP which aligns with the TA's target of producing a draft report on gender-sensitive health sector governance assistance. A full review of the existing Free Maternal, Newborn and Child Health scheme, and policy recommendations, is carried out in the health sector financing situational analysis.

^c Complementary TA to subprogram 1, and continuing after closure of subprogram 2 through to March 2019, supporting reform related activities including equipment and training.

^d CDTA 9190-Lao PDR: Strengthening Capacity of Health Sector Governance Reform implemented between October 2016-August 2018, supporting training and capacity building.

^e Word change from 'gender' to 'sex' for accuracy.

^f This output is also supported by TA 9059- Lao PDR: Support for Governance and Capacity Development.