TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	BRAZIL/CSC - Southern Cone
▪ TC Name:	Support for Digital Transformation in the Health Sector in Brazil
▪ TC Number:	BR-T1520
▪ Team Leader/Members:	GOES SHIBATA, LEONARDO (SCL/SPH) Team Leader; NELSON, JENNIFER A (SCL/SPH) Alternate Team Leader; CURRAN, VANESSA ALEXANDRA (SCL/SPH); OCHOA, FRANCISCO JOSE (SCL/SPH); MAC ARTHUR, IAN WILLIAM (SCL/SPH); OREFICE SOBRERA, PABLO JOSE (SCL/SPH); ROCHA, MARCIA GOMES (SCL/SPH); AVILA, KRYSIA A (LEG/SGO); GUERRA, MARTHA M. (SCL/SPH)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	Program to Strengthen the Care Model in the Paraiba Health Network (BR-L1518); Strengthening the Unified Health System and Support the Post-pandemic in Santo André (BR-L1568); Health Care and Social Inclusion Networks Strengthening Program - PROREDES Sergipe (BR-L1583); and São Paulo More Digital (BR-L1591)
▪ Date of TC Abstract:	30 Jun 2022
▪ Beneficiary:	Subnational governments of Brazil through their Health Departments
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US$200,000.00
▪ Local counterpart funding:	US$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	SCL/SPH - Social Protection & Health
▪ Unit of Disbursement Responsibility:	SCL/SPH
▪ TC included in Country Strategy (y/n): ▪ TC included in CPD (y/n):	No No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Institutional capacity and rule of law

II. Objective and Justification

2.1 The objective of this Technical Cooperation (TC) is to support various operations in Brazil including BR-L1518, BR-L1568, BR-L1583, and BR-L1591 to: (i) improve the quality, efficiency and equity of health services through the adoption of digital interventions; (ii) support adoption and adaptation of regional[1] approaches and best practices for digital transformation of the health sector, related to the design and implementation of electronic health records, telehealth and implementation of international standards for interoperability in health in Brazil; and (iii) document lessons learned from the Brazil context.

2.2 **Digital Health is a National Priority in Brazil.** Brazil has published its National Digital Health Strategy 2020-2028 (ESD28) whose main goal is to implement the National Network for Health Data (RNDS), a digital platform for innovation, information, and health services. Some of the ESD28 priorities are: (i) the use of digital tools to capture

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[1] Latin America and the Caribbean.

and share data for clinical care[2] (including connectivity); (ii) the expansion of telehealth services; (iii) the implementation of interoperability between healthcare services, laboratories, and pharmacies; (iv) providing support services such as electronic prescription; and (v) providing an ecosystem for Digital Health innovation.

2.3   There are still gaps between the current situation and the targets set by the ESD28. The ESD28 also consists of a monitoring plan with indicators that continuously track its priorities. The Federal Government has so far released two monitoring reports with the following results. Regarding the goal to fully digitalize and connect all Primary Health Care (PHC) centers, there are still 4,956 centers without internet connectivity (12% out of a total of 40,010[3]). In addition, 14 states have less than 25% of its PHC centers integrated to the RNDS, while 11 states have no PCH center integrated to the RNDS. And only 72.9% of the PHC teams were fully digitalized while the target for 2023 is to have at least 92% of teams digitalized.

2.4   Although the subnational governments have a relative autonomy, states and municipalities depend heavily on the Federal Government, both financially and in terms of policy guidance, to implement changes. This dependency is also due, in part, to the lack of qualified personnel in subnational governments, particularly the poorer ones. This situation hinders these governments from advancing the Digital Health agenda, especially without funding from the Federal Government.

2.5   **The impact of the COVID-19 pandemic on the ESD28.** The COVID-19 pandemic also impacted the achievement of the goals as some of the priorities had to be shifted. On the one hand, the pandemic has driven the implementation of the interoperability of laboratory results for Sars-Cov-2 infections, and the implementation or expansion (mainly by state governments) of telehealth services. On the other hand, the development of the interoperability of different levels of care had to be postponed.

2.6   **This TC supports the following strategic priorities of the Bank's Update to the Institutional Strategy 2010-2020:** (i) **Social Inclusion and Equality:** by supporting the improvement of the access and quality of public health and healthcare services, thus enabling people to improve their welfare; (ii) **Institutional Capacity and Rule of Law:** by improving the state's capabilities to provide public health and healthcare services with adequate volume, accessibility and quality (effectiveness, efficiency and timeliness), through trainings that improve the human capital in the public sector, the modernization of administrative processes and services (including e-Government), and strengthening institutional frameworks for digital transformation of the health sector.

2.7   **This TC will support the IDB Group Strategy with Brazil (GN-2973)** by promoting the following priority areas: (i) Build a more effective public sector that promotes fiscal sustainability, by facilitating the adoption of electronic solutions to foster efficiency in delivering public health and health care services to citizens; and (ii) Reduce social inequality and inequality of opportunity by enhancing public policy efficiency, by improving the management and the quality of spending in the health sector.

2.8   **Relationship to programs under preparation or execution.** As mentioned in ¶2.1, this TC will support various projects in the digital health portfolio in Brazil. Currently there are five operations in execution with a Digital Health component or products (3703/OC-BR; 3400/OC-BR; 4641/OC-BR; 4740/OC-BR; 4696/OC-BR) and three projects in preparation in the Digital Health portfolio (BR-L1568; BR-L1583; BR-L1606). This TC will eventually support new projects started during its course.

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[2] The ESD28 uses the term "informatization" defined as: "use of an electronic medical record system in direct care settings for citizens, duly completed at each visit and with adequate transmission of data to the Ministry of Health, in accordance with the requirements defined in the regulations in force.

[3] Cadastro Nacional de Estabelecimentos de Saúde, accessed Jun 30, 2022.

III. Description of Activities and Outputs

3.1 **Component I: Digital Health assessments.** This component will fund assessments of the current state of different Digital Health domains in the subnational governments (such as EHR, Information Systems, and Telemedicine maturity models, among others). The main result of this component is an updated and improved diagnosis of current state of the Digital Health of the subnational governments to inform a roadmap for transformation.

3.2 **Component II: Technical support and Capacity Building.** This component will fund institutional strengthening activities related to digital health: (i) preparation of a roadmap to guide investments in digital health; and (ii) technical assistance and/or training(s) to strengthen technical, institutional, and operational capacities within subnational governments. The main result of this component is the improved human capital for digital health and interoperability.

3.3 **Component III: Knowledge sharing.** This component will fund publications and events to disseminate the results of this TC, as well as the organization of a community of practice of subnational governments.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Digital Health assessments	US$50,000.00	US$0.00	US$50,000.00
Technical support and Capacity Building	US$130,000.00	US$0.00	US$130,000.00
Knowledge sharing	US$20,000.00	US$0.00	US$20,000.00
Total	**US$200,000.00**	**US$0.00**	**US$200,000.00**

V. Executing Agency and Execution Structure

5.1 This TC will be executed by the Inter-American Development Bank, through SCL/SPH. The bank will be executing this TC due to the fact that its products require detailed knowledge of IDB projects and associated technical assistance needs, and no external institution has the technical knowledge to make this effective.

VI. Project Risks and Issues

6.1 For the TC to achieve its objectives, there is a need for coordination with various health departments of subnational governments as well as within such departments, e.g., with IT teams that will be the main focal points of the activities of this TC. Insufficient levels of coordination could lead to delays in execution as well as sub-optimal decisions. To mitigate these risks, the TC will promote the conduction of regular meetings amongst project's stakeholders to review the TC's implementation plan, to discuss technical aspects related to the interventions, to ensure the quality of decisions, and to identify – and mitigate – any potential execution-related challenges.

VII. Environmental and Social Classification

7.1 The ESG classification for this operation is "undefined".