

# INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

**Report No.:** ISDSC1111

**Date ISDS Prepared/Updated:** 09-Dec-2014

**Date ISDS Approved/Disclosed:** 10-Dec-2014

## I. BASIC INFORMATION

### A. Basic Project Data

<b>Country:</b>	Kazakhstan	<b>Project ID:</b>	P152625
<b>Project Name:</b>	Support to Social Modernization:Health Insurance (P152625)		
<b>Task Team Leader:</b>	Carlos Marcelo Bortman		
<b>Estimated Appraisal Date:</b>	24-Aug-2015	<b>Estimated Board Date:</b>	24-Nov-2015
<b>Managing Unit:</b>	GHNDR	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Health (100%)		
<b>Theme(s):</b>	Health system performance (100%)		
<b>Financing (In USD Million)</b>			
Total Project Cost:	90.00	Total Bank Financing:	90.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
International Bank for Reconstruction and Development			90.00
Total			90.00
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

### B. Project Objectives

The proposed Project Development Objectives is to contribute to improve access, quality, and efficiency of health service delivery, and reduce the financial risk of the population due to health shocks.

### C. Project Description

The proposed project would support implementation of the SHIS and further adjustments of the Unified National Health System to properly act in response to the new population needs and

requirements. The National Mandatory Social Health Insurance System (SHIS) to be fully operational by 2020 is introduced under the Concept for Social Development of the Republic of Kazakhstan by 2030, approved by the Government of the Republic of Kazakhstan.

The proposed Project will use an Investment Project Financing instrument. Potential use of a Program-for-Results-type component was discussed, and government counterparts will inform the Bank about the decision on its suitability for this Project. All the activities have been organized in three components as follows: (1) support implementation of a national mandatory social health insurance system; (2) introduce reforms to improve access, quality, and efficiency of health service delivery alongside the introduction of a national social health insurance system; and (3) project management and monitoring and evaluation. It is expected that the proposed Project would require 5 years (2016–20) to be completed, with most of the investment to be implemented in years 2 and 3.

Component 1. National Mandatory Social Health Insurance System (US\$60 million). This component will support the design, implementation, and management of the SHIS. Component activities will be divided into two subcomponents:

- o Subcomponent 1.1. Collection, pooling, and organization of funds with a focus on (a) implementing the Social Health Insurance System, (b) implementing fiscal consolidation mechanisms and management functions at the regional and national levels, and (c) building capacity for the effective management and operation of the Social Health Insurance fund.
- o Subcomponent 1.2. Purchasing and provider payment mechanisms with a focus on (a) establishing processes for designing and costing the benefits package; (b) strengthening the types and mix of provider payment mechanisms; (c) strengthening purchasing of pharmaceuticals and technologies; (d) introducing financial and quality control mechanisms (financial audits, technical audits, and so forth) for use by the Social Health Insurance fund; and (e) developing an IT system for SHIS integrated with the eHealth system.

This component will finance technical assistance (including twinning contracts), training, goods, services, and operational costs. It is not expected that the reform will result in any cut in health services. Additional analysis of potential social impacts of the reforms will still be conducted. Additionally there will be a communication campaign and citizen engagement activities to clarify the changes and ensure people know how to access services under the new model.

Component 2. Improving access, quality, and efficiency of health service delivery to support the National Social Health Insurance System (US\$432 million). This component will support the strengthening of population services, primary and secondary prevention, and implementation of 16 regional master plans. Component activities will be divided in two subcomponents:

- o Subcomponent 2.1. Optimizing the health service delivery network, with a focus on (a) improving population services. Strengthening health promotion and reduction of risk factors for NCDs, strengthening the surveillance system and outbreak control, and increasing capacity for policy planning in population services; (b) improving primary and secondary prevention and primary health care. Expanding the focus on NCD management and key performance indicators to be linked to payments; and (c) implementing the regional master plans (rightsizing/optimizing health services capacity to ensure accessible secondary and tertiary care; supporting regional networks including a differentiated “true tertiary care” hospital performing as a head of the network, and a system of referrals and counterreferrals; and supporting high-resolution outpatient diagnostic and treatment schemes for high-volume, low-cost specialized services and implementation of PPP schemes).

o Subcomponent 2.2. Improving quality of health services with a focus on (a) strengthening standardization and protocols to build a body of clinical protocols and care pathways for more frequent health problems, and supporting application of health technology assessment to selected new health technologies (devices, supplies, and drugs), and linking results to decisions on public funding of new technologies. Supporting the evaluation of pilot Disease Management Programs and scaling up those with proven impact; and (b) enhancing quality control mechanisms (health facility accreditation mechanism; detecting and proper recording of specific “sentinel events for quality”; implementing technical audits to monitor and incentivize the use of clinical guidelines; and improving the use of existing information and the e-prescription system for quality control purposes.

This component will finance technical assistance (including twinning contracts), training, goods, works, services, and operational costs.

Component 3. Project Management and Monitoring and Evaluation (US\$8 million). This component aims to support the existing Project Management Unit to provide day-to-day project management, including the fiduciary tasks of the Project and monitoring, evaluation, and reporting. This component will also support a strong communication strategy. Implementation of the SHIS, and the structural reform of health service delivery, run the risk of being misunderstood by the various stakeholders affected by it. It is essential that all stakeholders, health workers, and the population understand the logic behind the changes and how these will benefit them personally and the communities to which they belong.

This component will finance technical assistance, communications services, goods, non-consulting services, training, auditing, and incremental operating costs.

Potential Component 4. Program for Results (US\$150 million from Component 2). The Government of Kazakhstan is developing a new health strategy 2016–20 (called Salamatty Kazakhstan 2), with clear goals and activities. Kazakhstan has achieved good results in its previous strategy (Salamatty Kazakhstan), and a Program-for-Results-type component would strengthen the internal reform momentum by aligning incentives to achieve the results set out in the government’s own strategy. The scope of the intended reform and investments is significantly larger than the funds allocated for Components 1, 2, and 3, and additional funds toward achievement of Salamatty Kazakhstan 2 could be envisioned.

#### **D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

#### **F. Environmental and Social Safeguards Specialists on the Team**

Ekaterina Romanova (GSURR)

Rustam Arstanov (GENDR)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
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Environmental Assessment OP/BP 4.01	Yes	Regional master plans under the Subcomponent 2.1 will include at least 8 “Hospital Reshaping Scheme” projects which might consist of civil works. These civil works may include demolition/ construction activities leading to the noise/ vibration, generation of construction waste, occupational and community health and safety issues such as asbestos.. Since the exact scope and location of civil works is not known, the environmental framework will be developed by the borrower to define environmental screening and assessment procedures as well as the implementation arrangements. Once the exact scope and location are identified, the site environmental impact assessment (EIA)/ environmental management plans (EMPs) or checklists (depending on the probability and severity of potential risks) will be developed by the borrower.
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	No involvement of cultural buildings where health centers may be located is anticipated.
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/ BP 4.12	No	No land acquisition --temporary or permanent -- is anticipated.
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/ BP 7.60	No	

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS: 29-Jul-2015**

**B. Time frame for launching and completing the safeguard-related studies that may be needed.**

**The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

February 20, 2015 to July 29, 2015

### IV. APPROVALS

Task Team Leader:	Name: Carlos Marcelo Bortman
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<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

<b><i>Approved By:</i></b>		
Regional Safeguards Coordinator:	Name: Agnes I. Kiss (RSA)	Date: 09-Dec-2014
Practice Manager/Manager:	Name: Daniel Dulitzky (PMGR)	Date: 10-Dec-2014