

Costa Rica**Program-for-Results: Strengthening Universal Health Insurance in Costa Rica****March 15, 2016****Chair Summary***

The Executive Directors approved a loan in the amount of US\$420 million to Costa Rica to support a Strengthening Universal Health Insurance Program-for-Results (P-for-R) operation on the payment terms set out in the President's Memorandum.

Directors acknowledged Costa Rica's sustained investments in building human capital in the social sectors over several decades. However, they noted that important challenges remained for delivery of services under the universal health care system, particularly in light of demographic changes, chronic health conditions, and emerging health threats. Directors supported the objectives of the proposed operation. They welcomed the operation's alignment with the Country Partnership Framework (CPF) and the Government's commitment to a comprehensive reform to address challenges emerging from the demographic transition, growing demand for services, and fiscal pressures. Directors agreed with the project's focus on enhancing social service delivery and inclusion.

Directors welcomed the use of P-for-R instrument for the health sector in Costa Rica, particularly its focus on results-based financing, noting that lessons learned could be useful for other country contexts. They noted the importance of client ownership for effective implementation of the program objectives, and encouraged the engagement of citizens in implementation of the program at local levels and assessment of outcomes.

Directors acknowledged the potential risks to achieving the results of the operation, given that it represents the first use of P-for-R in Costa Rica. They stressed the need to carefully monitor risks during implementation and to incorporate the experience gained under Bank-financed P-for-R operations in other countries and regions, including the challenges of sustaining results-based financing over the longer term. Directors also urged the Bank to support the Government of Costa Rica in its efforts to work with multiple stakeholders to sustain support for the health sector reform program.

*This summary is not an approved record.