Public Disclosure Authorized

Program Information Document (PID)

Concept Stage | Date Prepared/Updated: 03-Dec-2020 | Report No: PIDC238646

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BASIC INFORMATION

A. Basic Program Data

Country	Project ID	Parent Project ID (if any)	Program Name
India	P175644		PM-ASBY: India's Enhanced Health Service Delivery Program
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Does this operation have an IPF component?**
SOUTH ASIA	05-Feb-2021	14-Apr-2021	No
Financing Instrument	**Borrower(s)**	**Implementing Agency**	**Practice Area (Lead)**
Program-for-Results Financing	Department of Economic Affairs, Government of India	National Health Mission (NHM), Ministry of Health and Family Welfare, Government of India, Department of Health and Family Welfare, Ministry of Health and Family Welfare, Government of India	Health, Nutrition & Population

Proposed Program Development Objective(s)

To strengthen delivery of primary health care services, improve urban healthcare and enhance quality of care in select states in India

COST & FINANCING

SUMMARY (USD Millions)

Government program Cost	27,000.00
Total Operation Cost	15,500.00
Total Program Cost	15,500.00
Total Financing	15,500.00
Financing Gap	0.00

FINANCING (USD Millions)

Total World Bank Group Financing	250.00
World Bank Lending	250.00
Total Government Contribution	15000.00
Total Non-World Bank Group and Non-Client Government Financing	250.00
Private Capital and Commercial Financing	250.00
of which Private Capital	0

Concept Review Decision

The review did authorize the preparation to continue

B. Introduction and Context

Country Context

India's Gross Domestic Product (GDP) growth has slowed in the past three years, and the COVID-19 outbreak is expected to have a significant impact. Growth has moderated from an average of 7.4 percent during FY15/16-FY18/19 to an estimated 4.2 percent in FY19/20. The outbreak of COVID-19 and the public health responses adopted to counter it have significantly altered the growth trajectory of the economy, which is now expected to contract sharply in FY20/21. On the fiscal side, the general government deficit is expected to widen significantly in FY20/21, owing to weak activity and revenues as well as higher spending needs. However, the current account balance is expected to improve in FY20/21, reflecting mostly a sizeable contraction in imports and a large decline in oil prices. Given this, India's foreign exchange reserves are expected to remain comfortable. Additionally, the Covid-19 outbreak has reversed the course of poverty reduction. Between 2011-12 and 2017, India's poverty rate is estimated to have declined from 22.5 percent to values ranging from 8.1 to 11.3%. Recent projections of GDP per capita growth rate indicate that as result of the pandemic, poverty rates in 2020 have likely reverted to estimated levels in 2016. Additionally, the pandemic is estimated to have raised urban poverty, creating a set of new poor that are likely to be engaged in non-farm sector with at least secondary or tertiary education, as compared to existing poorer households who are predominantly rural with lower levels of education.

Sectoral (or multi-sectoral) and Institutional Context of the Program

India has made substantial achievements in improving health outcomes since 1990, but still faces tremendous challenges around health care access, quality, and utilization. For example, life expectancy, under-five, infant, and maternal mortality rates are either higher than or close to average for its income level. While "globally average," India trails behind many of its South and East Asian peers and has wide variation among states. Additionally, it lags global trends on key indicators such as stunting and financial risk protection. Its high childhood stunting rate of 38% reflects persistent malnutrition and ill health among children under 5, pregnant and lactating women and adolescent girls. In addition, 53% of women aged 15 to 49 years have anemia. Financial risk protection against catastrophic and impoverishing medical

expenses is limited. An estimated 60 million Indians are pushed into poverty each year due to out-of-pocket payments for health. A rapidly increasing burden of non-communicable diseases (NCDs) and a persisting high burden of communicable diseases further compound the challenges in the health sector.

Several critical issues impact health system performance. First, access is neither equal nor equitable. Wide disparities in all key health outcome indicators exist across states as reflected in the National Institution for Transforming India (NITI) Aayog's Health Index. Across India, poor and Scheduled Caste and Scheduled Tribe (SC/ST) populations have far worse outcomes. Access to care also varies by types of services (e.g. less access to NCD services compared to reproductive, maternal, newborn, child and adolescent health services (RMNCAH)) and residence (e.g. urban poor have limited access to health services). Second, quality of care has been an emerging key challenge. While there has been some progress in terms of structural quality (infrastructure, other inputs), process quality and patient outcomes lag behind. Third, efficiency in utilization of available resources is extremely variable across states, limiting the potential of existing public health sector financing.

The COVID-19 pandemic has further revealed the fragility of India's progress, reversing some of the hard-won gains, and re-emphasizing the need for significant reforms to improve health sector performance. Secondary analysis of health management information system (HMIS) data for the second quarters of 2019 and 2020 confirmed steep declines in the delivery of routine outpatient and in-patient services, ranging from immunization to inpatient admissions (for example, a 28% decline in institutional deliveries and a 28% fall in the number of fully immunized kids aged 9-11 months). Relatedly, there has been a major decline in hospital utilization among the poor as reflected by a decline of 64% in the utilization of Pradhan Mantri Jan Arogya Yojana (PM-JAY) during the early lockdown, and by 51% during full 10-week lockdown. The COVID-19 outbreak has not only re-emphasized the need for significant reforms but has amplified the urgency with which these reforms need to be initiated. The key areas of reforms can be summarized into three priorities: (1) ensure access to comprehensive services including redesigning the service delivery system to increase access to NCD services, strengthen core public health functions, and improve urban health care delivery, (2) prioritize and transform quality of care by making a paradigm shift from narrowly focusing on structural (input) quality elements to a more comprehensive approach that focuses on process quality (competent care processes) and patient outcomes, and (3) revamp health financing and accountability by increasing government spending on health, shifting the focus to outputs and outcomes (from inputs alone), reforming the center-state fiscal architecture, and increasing strategic engagements with the private sector.

In response and recognition of the above, the Government announced the Prime Minister's Atmanirbhar Swasth Bharat Yojana (PM-ASBY) adopting a two-pronged approach to health sector reform. The first focus is on strengthening the public health system to address the current epidemiological and demographic transitions, a double burden of chronic and infectious diseases, and the unfinished agenda of maternal and child health, which have collectively created an increasing demand for public health services. The second focus is on strengthening capacity for pandemic preparedness to ensure health service delivery continues unhindered through public health emergencies. Layered over existing health programs such as the National Health Mission (NHM), these investments are expected to accelerate the reform agenda. The proposed World Bank support aims to support the first focus area of strengthening the public health system to facilitate health sector transformation.

Relationship to CAS/CPF

The Program is fully aligned to the India Country Partnership Framework (CPF) FY18–22. It contributes to Focus Area 3: Investing in Human Capital and is directly linked to the CPF's key objective 3.4, which is 'to improve the quality of health service delivery and financing and access to quality health care'. By focusing on improving and expanding the coverage, scope and quality of primary health care delivery, the project will support universal access to healthcare which is critical

for improving health outcomes. It will primarily adopt three of the four catalytic approaches outlined in the CPF: (a) engaging a federal India, by prioritizing direct results in select states and providing technical assistance to initiate governance and accountability reforms to strengthen state capacities to deliver more effectively and efficiently; (b) strengthening public health institutions, through innovative approaches and mechanisms for urban primary health care delivery, leveraging the private sector and urban local bodies; and (c) supporting a Lighthouse India, with establishment of a platform for knowledge generation and exchange being an integral part of the proposed Program.

Rationale for Bank Engagement and Choice of Financing Instrument

The proposed Program represents a deepened engagement in the health sector, considering the need for reforms that have become more evident in the context of COVID-19. It builds on the Bank's existing portfolio of lending and technical assistance in the health sector, especially the current COVID-19 Emergency Response and Health Systems Preparedness Project (P173836), which initiated efforts at strengthening capacity for pandemic preparedness, and several state level lending operations focused on health system strengthening and repositioning primary health care that provide lessons to the national level reform agenda. The proposed investments, by strengthening and reforming the national health system and programs, will contribute to the GoI's vision to improve essential service delivery in the medium- to long-term to meet the evolving needs of its people in the 21st century.

As the Program will be anchored on and enhance the effectiveness and efficiency of the government's existing well-defined health sector program, the Program for Results (PforR) is considered the most suitable financing instrument. The PforR instrument will enable a shift from inputs to outcomes, through a greater alignment of financing with results. GoI has already outlined this results' focus through clearly defined results areas and a program framework with prioritized interventions for the PM-ASBY Program. This will be integrated within NHM, which is the primary platform for health service delivery in the country, driving the proposed reform agenda. It will thus build on and strengthen the existing institutional capacity and fiduciary systems of the Ministry of Health and Family Welfare (MoHFW), which is critical for the health system to move to the next level of performance and well aligned with the principles of a PforR operation.

C. Program Development Objective(s) (PDO) and PDO Level Results Indicators

Program Development Objective(s)

To strengthen delivery of primary health care services, improve urban healthcare and enhance quality of care in select states in India.

PDO Level Results Indicators

- Increased utilization of comprehensive primary health care services (% female) [disaggregated by rural / urban]
- % of diabetics and hypertensives on treatment with blood sugar/blood pressure controlled
- % of HWCs accredited for quality of care [disaggregated by rural / urban]
- Improved patient experience [disaggregated by rural / urban]

D. Program Description

PforR Program Boundary

Government program ("p")

The government program ("p") is anchored on the National Health Policy of 2017 which has a goal of "attainment of the highest possible level of health and well-being for all at all ages, through a preventive and promotive health care orientation, through increased access, improving quality and lowering the cost of health care delivery". Several MoHFW initiatives and schemes support achievement of this goal and associated targets, including NHM, Ayushman Bharat (Health

and Wellness Centres and PM-JAY), quality of care initiatives and human resources for health (HRH) reforms. The proposed PM-ASBY would further supplement and help accelerate these initiatives.

PforR Program ("P")

The proposed PforR Program will support the GoI to implement this ambitious reform agenda to transform the delivery and quality of essential health services as well as underlying accountability mechanisms needed to enable such reforms. The proposed Program will tackle reforms related to ensuring comprehensive access to health services, prioritizing quality of care and revamping health financing and accountability, specifically addressing the following challenges: (i) weak primary health care; (ii) neglected urban health; (iii) relatively weaker focus on process quality and patient outcomes; (iv) HRH challenges; (v) low levels of funds utilization across states; and (vi) strong focus on input-based planning and budgeting. This will be reflected by three key result areas as outlined below.

Results Area #1: Repositioned Primary Health Care: The Program will aim to redesign service delivery to enable a shift in expanded access to comprehensive primary health care that covers RMNCAH and NCDs. It will transform Primary Health Centres and Sub-Centres into functional HWCs and streamline referral systems. Recognizing the importance of making the health system more people-centered, the Program will empower local governance and strengthen community engagement and support multi-sectoral convergence to strengthen preventive and promotive healthcare.

Results Area #2: Transformed Urban Health Care Delivery: The Program will strengthen the functionality of the urban public health infrastructure to deliver an expanded service package (covering RMNCAH, NCDs and communicable diseases). It will include the effective engagement of private healthcare providers in primary health care delivery in urban areas. Additionally, it will bolster the capacity of larger urban local bodies (ULBs) in India – especially municipalities and municipal corporations – for service delivery, public health outreach functions and health sector management.

Results Area #3: Enhanced Quality of Care and Accountability: The Program will support interventions across the four universal actions as recommended by the 2018 Lancet Global Health Commission on High Quality Health Systems in the SDG Era[1]: governing for quality, redesigning service delivery, transforming health workforce, and igniting demand for quality among citizens.

E. Initial Environmental and Social Screening

Environmental risks of the Program potentially include: (i) risks related to rehabilitation of existing healthcare facilities; (ii) risks related to medical waste management and disposal; and (iii) risks related to spread of the infections among health care workers and among the community at large. Potential social risks of the Program include a) instances of encroachment/presence of squatters in health facilities; b) exclusion of marginalized groups, women-headed households and tribal communities from access to health facilities in specific districts/areas of participating states; and c) labor management and occupational health safety issues at rehabilitation sites. However, these risks are expected to be small, reversible and can be mitigated through strengthened capacity building and monitoring at the federal and state level. The risk screening at this early stage suggests that the overall social impact of the operation is actually likely to be positive. MoHFW has demonstrated experience and institutional capacity to manage expected social risks and impacts. Three participating states have on-going health projects supported by the World Bank and have good experience of working with World Bank Environmental and Social Framework standards and safeguards policies. The Program is not expected to have impacts on physical and cultural resources or natural habitats as the focus will be on existing health care facilities. The Program will support minor civil works for small scale rehabilitation and equipping health centers with better quality of the facilities, beds and medical waste disposal arrangements. These interventions are expected to take place on

[1] Kruk, M. E., A. D. Gage, C. Arsenault, K. Jordan, H. H. Leslie, S. Roder-DeWan, and M. English. 2018. "High-quality Health Systems in the Sustainable Development Goals Era: Time for a Revolution." *The Lancet Global Health*.

the property of existing facilities; thus, environmental issues are expected to be temporary, predictable, and easily mitigated.

An Environmental and Social Systems Assessment (ESSA) will be prepared to assist the Program in mitigating environmental, social, health and safety risks associated with rehabilitation and operation of the healthcare facilities and build capacity and systems for proper infection control and healthcare waste management practices. India's updated Biomedical Waste Management Rules (March 2018) have adequate provisions for handling, transport, and disposal of infectious waste. To enable an inclusionary approach, the social aspects of the ESSA will focus on recommendations relating to: a) continued stakeholder engagement and consultations; b) assessment of state-level capacities, strategies and responses towards meeting the differentiated requirements of vulnerable groups and c) implementation-oriented assessment of gaps and inclusionary interventions identified under NHM in urban and rural areas of the priority states.

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