

Provincial Maternal - Child Health Investment Project

Leading Group on Solidarity
Levies to Fund Development

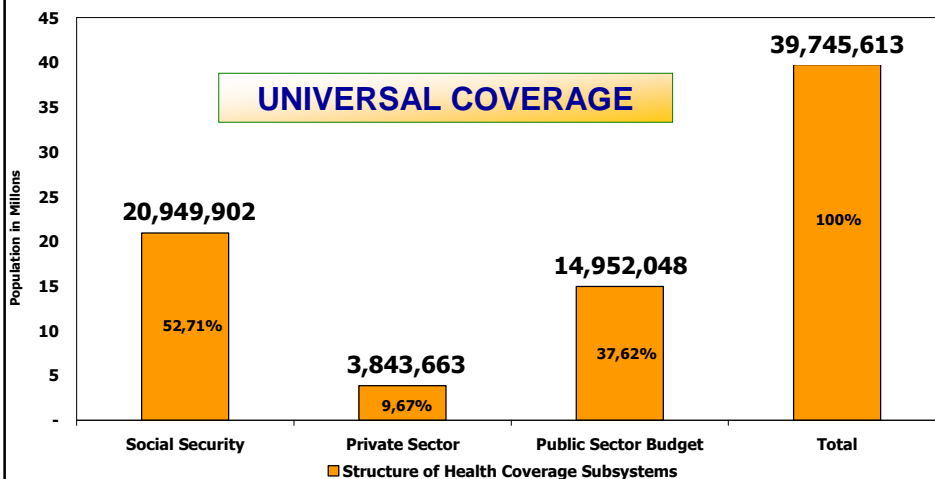


Ministerio de
Salud
Presidencia de la Nación


Argentina's Health System Organization



Structure of Argentina's Health System* - Year 2008 The Health Coverage is organized in 3 Sub-Systems



*Estimates based on Permanent Household Survey (PHS)

Argentina's Health System Organization 

National Government


“Steering Role”


Provincial Governments

**In charge of
health services provision**

COFESA

Federal Health Council


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Argentina's Health System Organization 

Public Providers are funded by

the general Public Budget

(Based on inputs and historical costs)

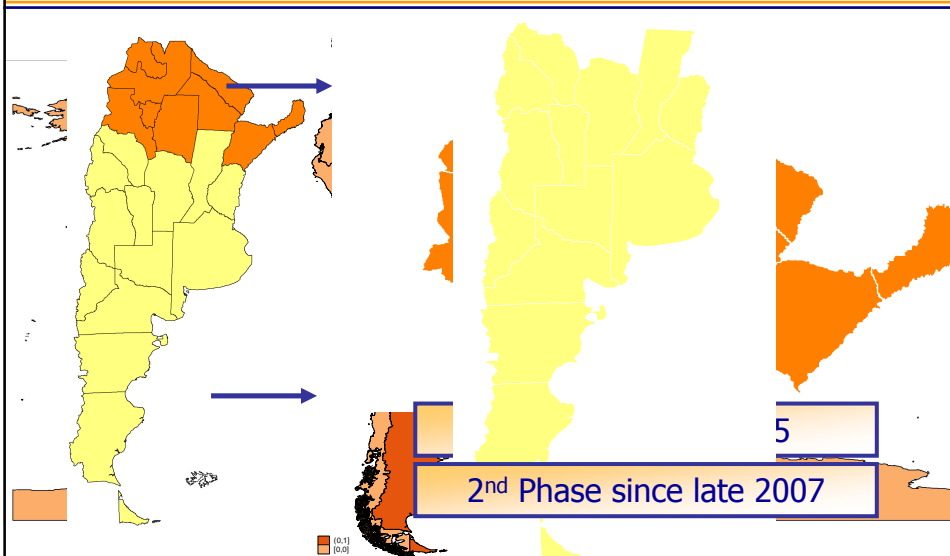
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Plan Nacer's Main Objectives



- ✓ Since the implementation of the Plan Nacer, the National Government has embarked on **a new kind of relationship with the Provinces to coordinate efforts in health provision.**
- ✓ To strengthen the Public Health Subsystem in particular the **Primary Healthcare Network.**
- ✓ To increase accessibility and **improve** the **efficiency and quality of health services** (Effective Coverage).
- ✓ To contribute to **the reduction of maternal and infant morbi-mortality rates.**

Plan Nacer Argentina



**Children under six
&
Pregnant women,**
until the 45th day after delivery
who don't have health insurance
(other than the public sector budget)

Plan Nacer
supplements the existing financing with
ADDITIONAL RESOURCES

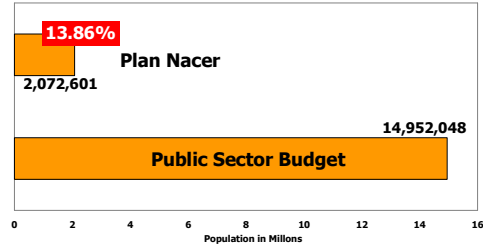
1st Phase USD 135.8 MM
(82 % used since 2005)

2nd Phase USD 300 MM
(27% used since late 2007)

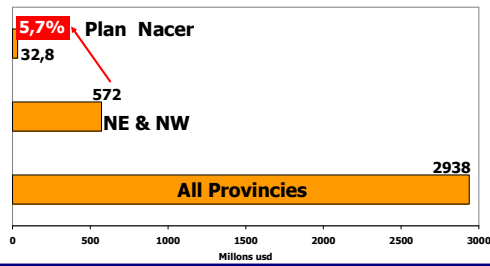
Plan Nacer's Share



In Population Terms

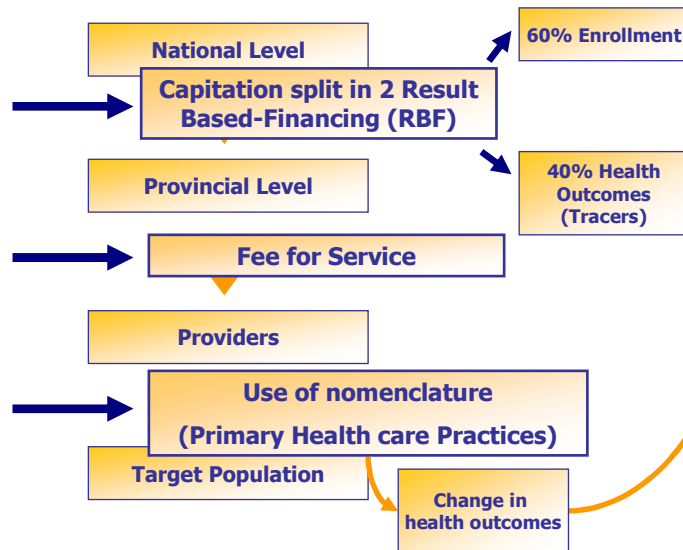


2006/7 - In Expenditures Terms (mill u\$s)



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Plan Nacer's Payment Mechanism

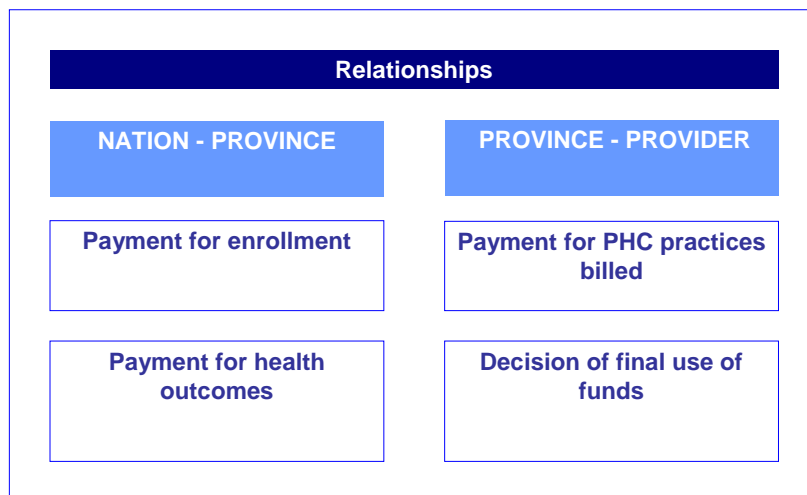


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Principal – Agent Framework



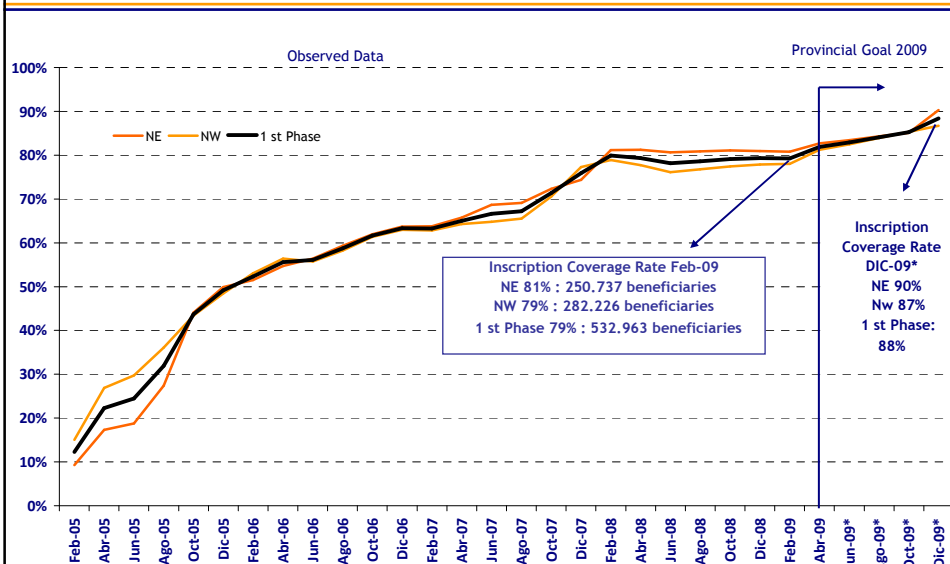
A two level incentives system



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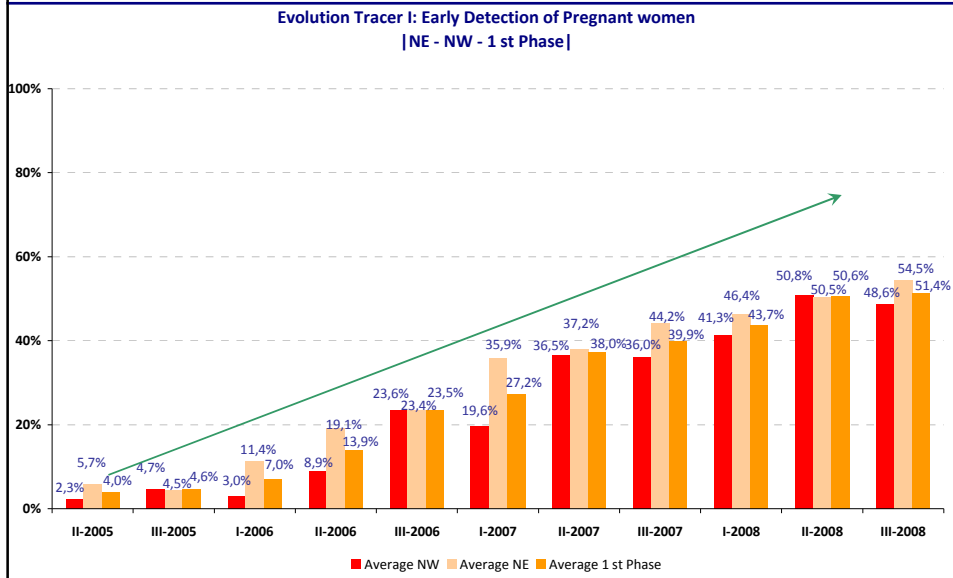
Enrollment Rate Evolution by Region NE and NW Regions



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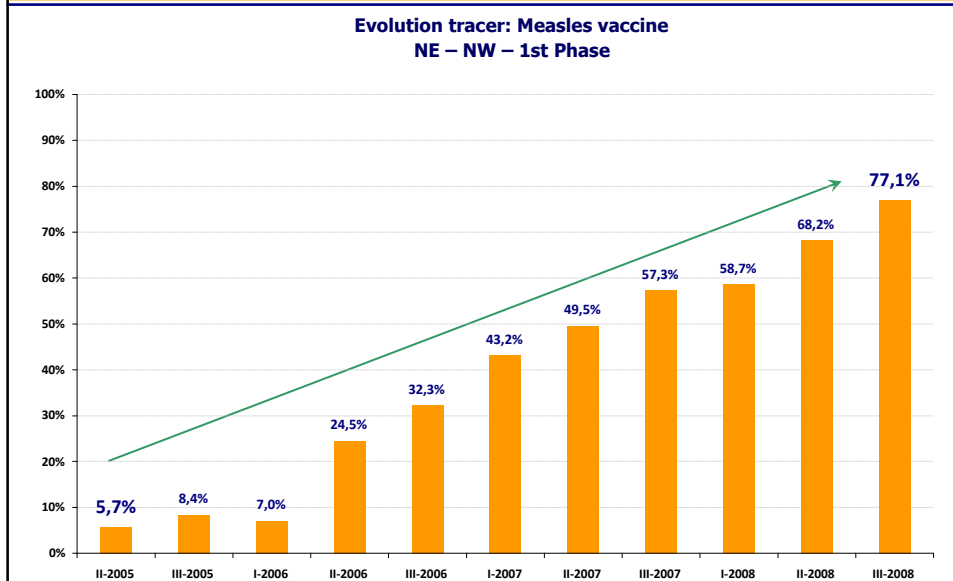
Tracer I "Early Detection of Pregnant Women" Evolution



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Tracer VI "Inmunization Coverage" Evolution



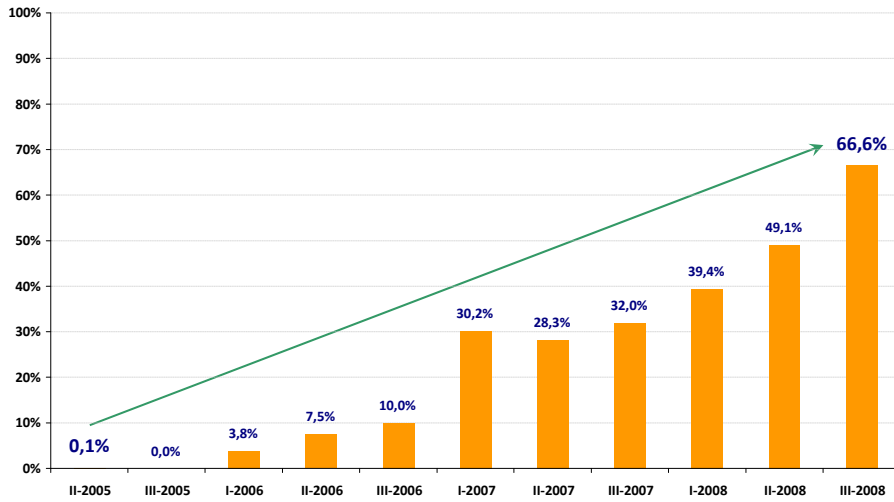
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Tracer IX – Children well-being care (1 to 6 years old) Evolution



Evolution tracer: Children well-being care
NE – NW – 1st Phase



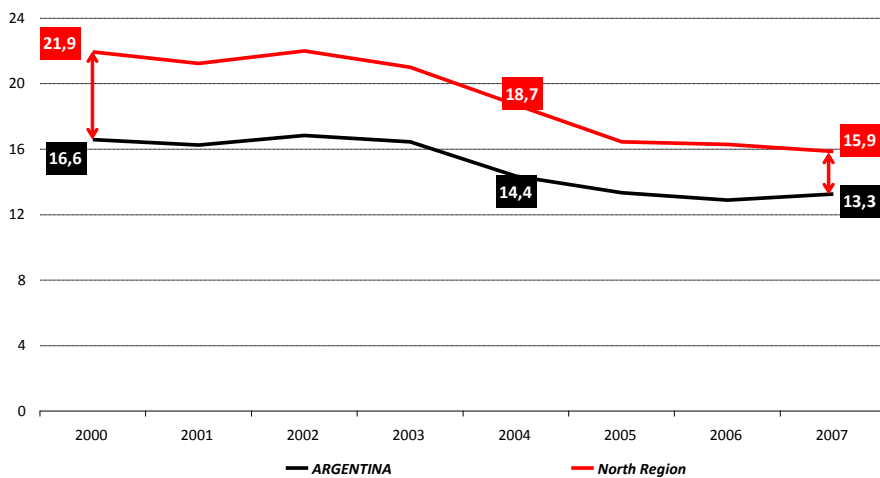
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Final Outcomes being targeted Contribution to *The Millennium Development Goals*



Evolution of infant mortality rates in the North Region (Phase 1)
Expressed as a rate per 1.000 live births



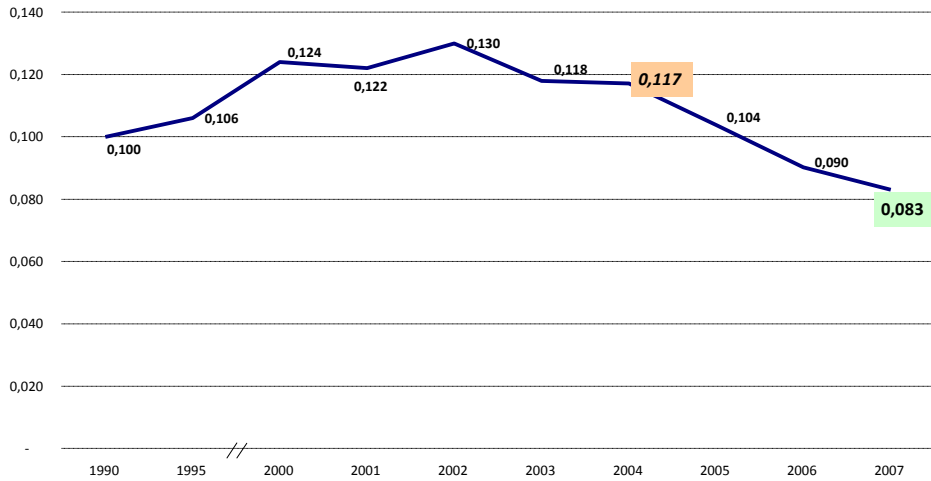
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Final Outcomes being targeted
Contribution to the reduction of inequality in health outcomes



Evolution of the infant mortality Gini Coefficient
República Argentina | 1990-2007 |



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With Results-Based Transfers...



The National Government introduced successfully structural changes to the health system at Provincial level such as linking Financing to Results



This structure enables the central government to have more effective influence over health in a decentralized context.



The National Government and the Provinces implemented jointly an output and quality information system with regular audits.



The incentive scheme implemented contribute to increase transparency and accountability.



With output and outcomes indicators it's easier to identify problems and adjust the strategy accordingly.



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Lessons Learned



A change in payment mechanism is mainly a change in the way the different actors in a public policy relate with each other



This may bring important changes in how to achieve health outcomes



In this change data accuracy plays an important role. Uncertainty and asymmetric information is the natural context we must deal with



Traditional schemes of financing (budgets) do not sufficiently incentivize providers to improve quality and health outcomes



Pay for Performance can encourage health providers to pursue to better health results

Challenges we are facing...



Strengthening decentralized monitoring capabilities and steering role of the provinces to overcome asymmetric information context



Generalize the payment mechanism in terms of expenditures in the public health system



The national government decided to include in the Plan Nacer 's Nomenclature, additional primary health practices and high complexity neo-natal care interventions and Congenital Heart Disease Surgeries.



To Promote new dimensions of health quality.

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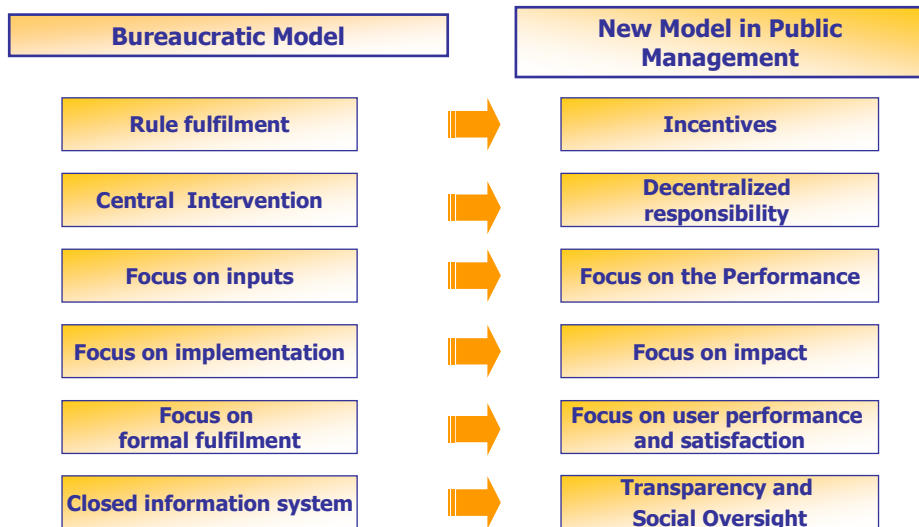
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ADDITIONAL SLIDES



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New Paradigm in Public Management



Nomenclature's Practices



GROUP AND SUBGROUP		EXAMPLE PRACTICES
Woman	Pregnant Woman	<ul style="list-style-type: none"> → Health Education Consultation during pregnancy → Papanicolaou and Colposcopy → Antitetanic Vaccine
	High risk Pregnancy	<ul style="list-style-type: none"> → High-risk Pregnancy consultation → Human immunodeficiency virus (HIV) care during pregnancy
	Delivery	<ul style="list-style-type: none"> → Delivery → Cesarean
	Puerperium	<ul style="list-style-type: none"> → Measles immunization → Puerperium counseling
Children	Neonate	<ul style="list-style-type: none"> → Immunization of the new-born children → Incubator up for a period of 48 hours → Immediate treatment in case of HIV vertical transmission → Ophthalmologic consultation
	Infants under 6 years old	<ul style="list-style-type: none"> → Follow-up consultation → Dental care counseling
Laboratory		<ul style="list-style-type: none"> → Pregnancy test → Colposcopy in pregnant control → Blood extraction → Blood test
Images		<ul style="list-style-type: none"> → Thoracic XR → Ecography
Community		<ul style="list-style-type: none"> → Detection of pregnant women in their first quarter of pregnancy by sanitary or health care agents → Round of sanitary agent in rural area → Socio - Epidemiologic diagnosis of population at risk → Reunions for feeding guidelines promotion → Infant development promotion meetings
Transport		<ul style="list-style-type: none"> → Newborn emergency transportation service

Specific Health Goals: Plan Nacer Tracers



N°	HEALTH GOALS	DESCRIPTION
I	Early detection of pregnant women	Detection before the 20 th week of pregnancy
II	Effectiveness of childbirth and neo-natal care	Newborn's physical condition after delivery (APGAR - Appearance, Pulse, Grimace, Activity, Respiration- score > 6 at 5 minutes after birth)
III	Effectiveness of prenatal care and prevention of pre-maturity	Infants weighing more than 2500 g
IV	Effectiveness of prenatal care and childbirth care	VDRL -Venereal Disease Research Laboratory- test and immunization for mothers against tetanus
V	Audit of mother and child deaths	Audit process in case of mother or child death seeks to evaluate and improve the current level of care
VI	Immunization coverage	Triple viral and measles immunization for children under 18 months
VII	Sexual and reproductive care	Provision of information on contraceptive and sexual health services during puerperium
VIII	Follow-up of healthy children up to one year old	Provision of health care and checkups for children up to one year old
IX	Follow-up of healthy children from 1 to 6 years of age	Provision of health care and checkups for 1 to 6 year old children
X	Inclusion of indigenous communities	Health care provision for indigenous population

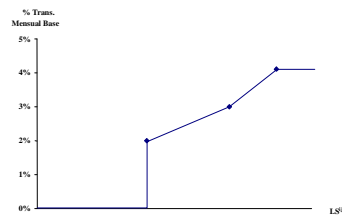
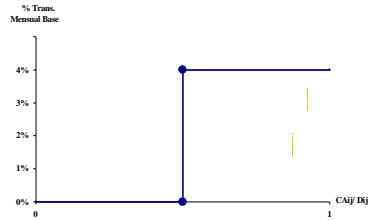
Change in the Incentives' Payment Scheme

Incentives payment function

From: **All-or-nothing**



To: **Flexible or continuous**
(3 thresholds scheme)

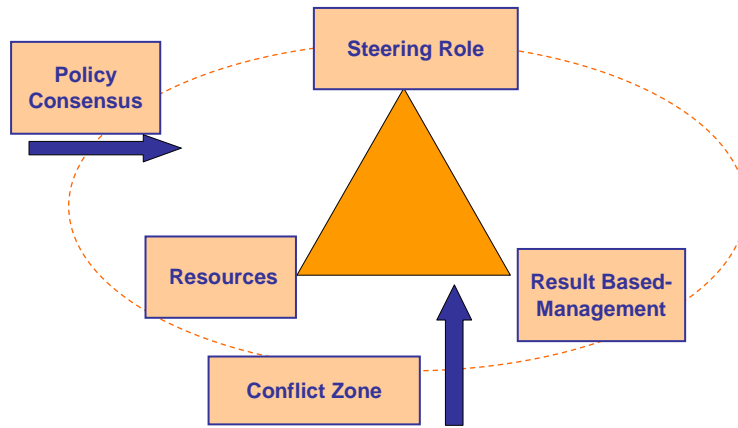


Thresholds rule has better incentive properties in terms of avoiding opportunistic behavior

Principal – Agent Framework Main Actors of the Strategy

Roles \ Actors	NATIONAL GOVERNMENT	PROVINCES	SERVICE PROVIDERS
ENROLLMENT	Final Validation of Beneficiaries databases	Maternal-Child insurance Unit Identification and enrollment of eligible population	Primary Health Care Centers and Maternity Hospitals Enrollment and follow up beneficiaries
NOMENCLATURE	Design and definition of a package of basic healthcare practices	Define the pricing policy for a group of basic practices	Provision and billing of health care services
PAYMENT MECHANISMS	Provide Financial Resources: • 60% linked to the identification and registration of eligible population (enrollment) • 40% linked to the fulfillment of specific health goals (tracers) - Includes setting of healthcare goals through mother-child indicators	Unique bank account management Hiring and payment of services covered	Use of funds in: → Human resources → Equipment → Infrastructure → Inputs
AUDITING	Supervision and Monitoring of: → Beneficiaries Database → Tracers → Services rendered	Services rendered Tracers	Medical history registration

The Need to Define a Model for Institutional Change



Theoretical Framework

Principal-Agent Relationships with asymmetric information predicts opportunistic behavior



PROVINCIAL LEVEL OPPORTUNISM

- Crowding out of spending
- Pre contract opportunism (hiding information when defining targets)
- Post contact opportunism (shirking effort & hiding information to avoid higher targets in future periods)



HEALTH PROVIDER LEVEL OPPORTUNISM

- Misuse of practices
- Overbilling of high prices practices (delivery)
- Potential fraudulent overbilling

Principal-Agent Relationships with asymmetric information predicts opportunistic behavior

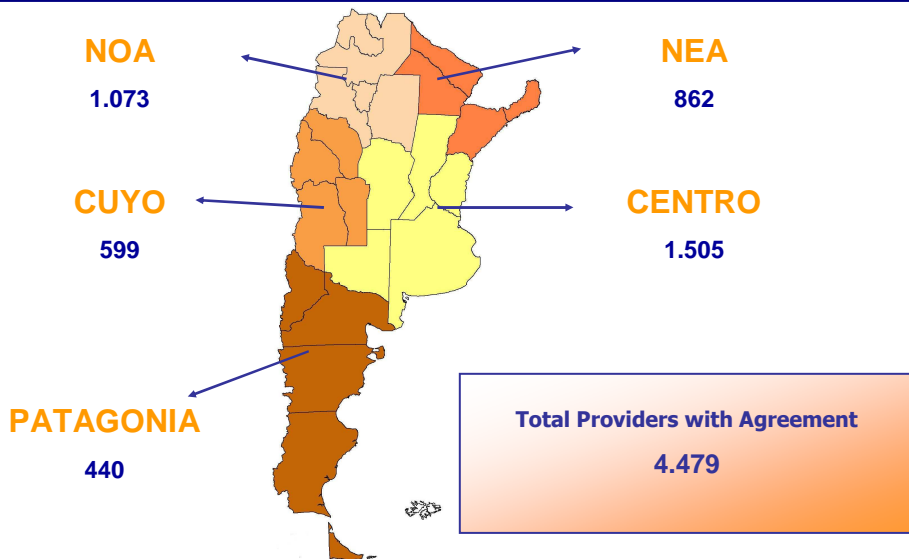
PROJECT RESPONSES

- **Change in the results' payment scheme**

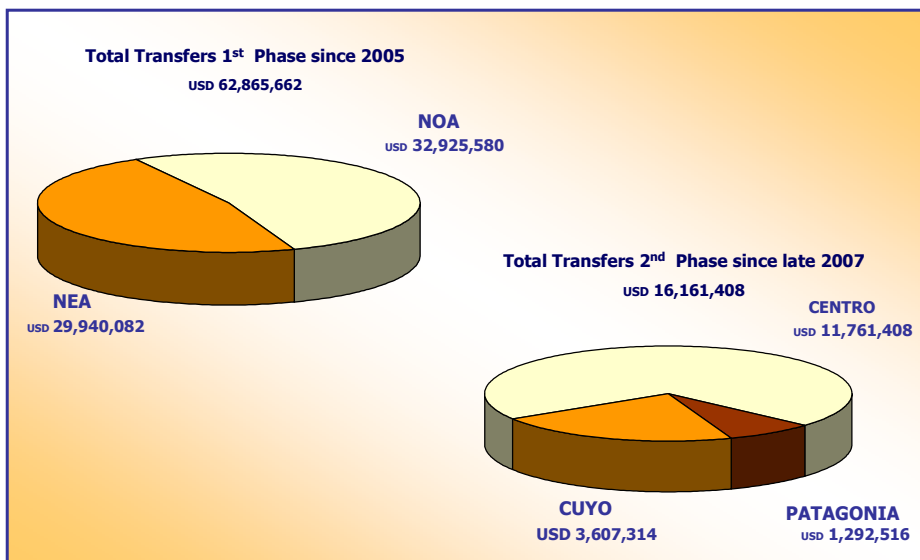
- **Stakeholder approach to monitor and put credible monitoring threats (coordinate different principals guide in the provider's effort), it includes beneficiaries empowerment: Social Oversight**

- **Monetary sanctions firmly applied**

- **Strengthening and directing Auditing Activities (External Concurrent Auditing and Internal Auditing and Supervision, National and provincial level auditing organisms)**



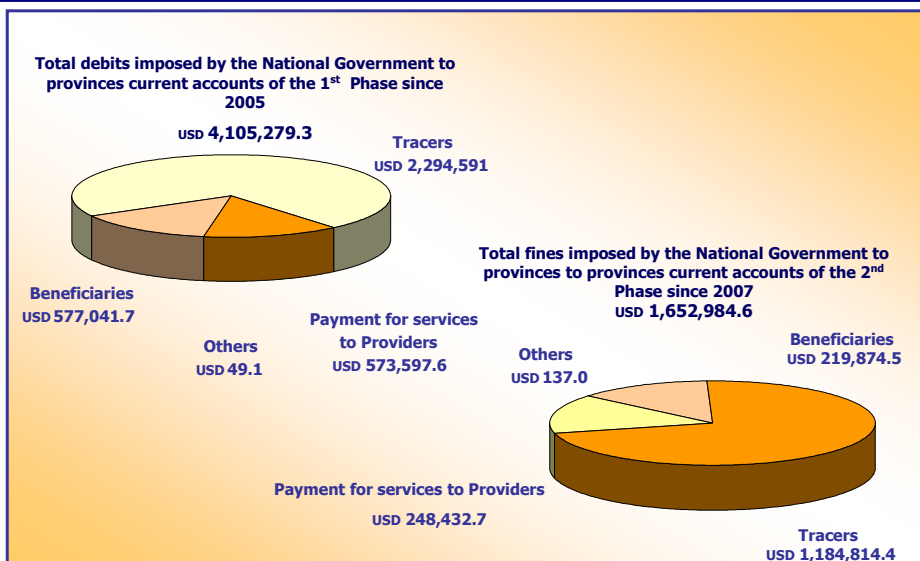
Funds Transfers – March 2009



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Debts imposed to Provinces – April 2009



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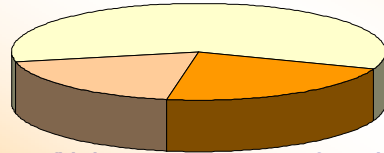
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Fines imposed to Provinces – September 2008



Total fines imposed by the National Government to the provinces of the 1st Phase since 2005

USD 696,330
Tracers
USD 410,834.7

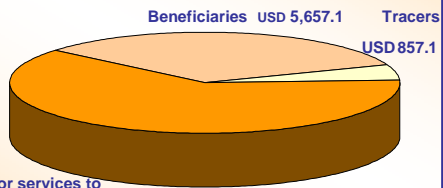


Beneficiaries
USD 132,302.6

Payment for services to
Providers
USD 153,192.6

Total fines imposed by the National Government to the provinces of the 2nd Phase since 2007

USD 17,142.6



Beneficiaries USD 5,657.1 Tracers
USD 857.1

Payment for services to
Providers USD 10,628.5