

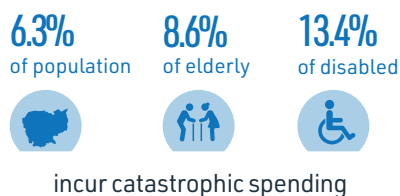
CONTEXT

Cambodia has experienced remarkable growth and has made dramatic improvements in poverty reduction and health outcomes, since the early 2000s.



Despite these significant improvements, many challenges remain.

ABOUT 60% of payments for health services are out-of-pocket... this constitutes an important source of debt and impoverishment for the poor.



Access to health services continue to pose a challenge.

- Perceived poor quality of care in certain public facilities
- Gaps remain in health infrastructure, skills and competencies of health workforce
- National averages mask persistent geographical and socio-economic disparities in maternal and child health outcomes
- Non-communicable diseases (NCDs) present a rising disease burden

OUR APPROACH

The Health Equity and Quality Improvement Project (H-EQIP) builds upon and scales up the innovations supported by the Royal Government of Cambodia (RGC) and its pooled fund partners over the past 15 years. H-EQIP aims to improve access to quality health services for targeted population groups while protecting against impoverishment due to the cost of health services in Cambodia and to provide immediate and effective response in case of an eligible crisis or emergency.

H-EQIP improves the resourcing and management of proven health sector innovations, including Health Equity Funds (HEFs) and Service Delivery Grants (SDGs), to ensure institutional and financial sustainability, according to the RGC's Third Health Strategic Plan (2016-2020).

H-EQIP builds on the innovations and achievements supported in the Second Health Sector Support Program 2009-2016 (HSSP2) and a voucher program for health services. HSSP2 supported SDGs to Referral Hospitals (RHs) and Operational Districts (ODs), granting a degree of autonomy in the optimal use of human and financial resources to deliver quality services. The Program also supported the expansion of the HEF for nationwide coverage to all of the estimated 3 million poor in Cambodia. The voucher program targeted reproductive health services for women from vulnerable groups and the poor. H-EQIP further supports the integration of these services into the Cambodian health system.

H-EQIP strengthens the results-based focus of health sector financing. Over 80 percent of the financing under the project use results-based modalities. The project uses a multipronged

Key shifts in H-EQIP design from (HSSP2), its immediate predecessor, focus on sustainable financing and implementing major health systems initiatives through :

- Mainstreaming the implementation of project activities through RGC structures and creating systemic platforms;
- Increasing fund flows to the subnational implementation level;
- Building domestic capacity for project implementation support, information systems, and monitoring roles;
- Enhancing the use of output-based payments through HEF and performance-based financing through SDGs and Disbursement Linked Indicators (DLIs).¹

approach to strengthen health systems, especially to support improvements in quality of care by focusing on enhancing provider knowledge through pre-service and in-service training, improved availability of critical infrastructure, and strengthening public financial management. SDGs and HEFs are now systemic platforms and Cambodia has become a leading example of their successful implementation.

A key strategic shift is to attain institutional sustainability by transferring responsibility for HEF monitoring, verification and information systems from an internationally recruited firm to an independent government agency. Since its establishment in late 2017, the Payment Certification Agency (PCA) has steadily assumed its role as an independent verification and purchasing agency.

¹ Disbursement Linked Indicators (DLIs) disburse funds against targets achieved on health system strengthening measures.

PROJECT ACTIVITIES

Component 1: Strengthening Health Service Delivery

(US\$ 74.2 million)

SDGs CONSIST OF:

A fixed element, 100% financed by the RGC. Disbursed quarterly to promote quality and equity. Fixed lump sum grants can be used only for operating costs at health facilities.

A Performance-based element, co-funded by the RGC and H-EQIP partners, to reward health facilities for quality performance. The performance on pre-defined criteria as measured through a set of standardized supervision checklists and managerial performance scores underlies the National Quality Enhancement Monitoring Process (NQEMP). Scores are verified through a third party mechanism.² Performance-based grants can be spent on operations at health facilities and staff incentives. Quality improvement plans based on the assessment performance, and subsequent coaching activities for the health facilities have been the mainstay in the National Quality Enhancement Process.

This component expands the SDGs as conceived under HSSP2 and complements fixed and performance-based grants into a decentralized and flexible financing flow to different levels of the Cambodian primary and secondary health system.

SDGs ARE DELIVERED UNDER THREE SUB-COMPONENTS:

SDGs for Health Centers (HCs) are provided to help finance the Minimum Package of Activities. The amount and payment of the performance grants is based on the quality and utilization of services provided.

SDGs for Referral Hospitals (RHs) are provided as an incentive to improve the quality of care at the secondary level, improve performance in capacity-building activities and overall management of health facilities, and promote the utilization of services by HEF beneficiaries.

SDGs for Provincial Health Departments (PHDs) and Operational Districts (ODs) help to strengthen the management of ODs and PHDs to monitor quality improvement at health facilities. Performance of ODs and PHDs is measured on a regular basis against self-reported activities on a scorecard, measuring key supervisory processes and health system outputs.

TO DATE:

Fixed and performance-based grants are flowing to health facilities on time.

The National Quality Enhancement Monitoring Tools have been developed and an ICT system for use in the quality improvement process has been rolled out nationwide as of July 2019.

Health facilities nationwide are being assessed by OD and PHD assessors as of August 2019, and seven rounds of verification of results have been completed as of June 2019; with the eighth round ongoing.

| | PHASE: 1 | 2 | 3 |
|---|----------|-----|-----|
| ROUNDS OF EX-ANTE ASSESSMENT <i>As of August 2019</i> | 9 | 4 | 1 |
| HC | 462 | 347 | 394 |
| PRH/RH | 43 | 34 | 35 |
| ODs | 34 | 33 | 33 |
| PROVINCES <i>Phase 3 commenced in July 2019.</i> | 14 | 8 | 3 |



² Results obtained through the quality assessments are verified by an independent government agency using a mix of random and risk-based sampling to assess the quality and authenticity of the assessments.

PROJECT ACTIVITIES

Component 2: Improving Financial Protection and Equity

(US\$ 70 million)

From July 2016 - Dec 2018
HEF FINANCED

6.3 million outpatient visits







The Health Equity Fund system has enabled improved access for Cambodia's poor by paying for costs of healthcare as well as transport and incidental costs associated with hospitalization. Building on the success of the HEF system, the project aims to increase utilization by the poor and ensure sustainability by transferring implementation and payment certification responsibility from international NGOs to the RGC. This has been achieved through a newly created PCA which is an autonomous public administrative entity and through the transfer of various roles previously performed by HEF Operators to the hospitals themselves.

With the MOH and MEF as its technical and financial guardians, **the PCA has a mandate to independently verify the benefits provided to HEF patients**, which was formerly performed by the Health Equity Funds Implementer. It **also undertakes verification of the SDG assessments of health facilities and their supervisory levels**. The PCA is also ensuring continuity of the HEF monitoring system by using field monitoring as well as taking over the management of the Patient Management and Registration System (PMRS) for recording and monitoring HEF claims. The PMRS is a fully Cambodian IT solution that has helped enhance the transparency and efficiency of the HEF system. With domestic management and ownership, the PCA has ensured a cost-efficient and sustainable mechanism for managing the HEF system, and is well placed to play a central role in the evolving context as Cambodia progresses towards Universal Health Coverage.

The component also finances HEF Promoters, which are contracted non-governmental or community-based organizations with patient advocacy roles. HEF Promoters' main functions are to:

- **Conduct post-identification** of the poor for those missed during the Ministry of Planning's pre-identification process;
- **Measure and report** on consumer satisfaction;
- **Raise awareness and promote** HEF utilization among the very poor;
- **Promote the utilization** of HEFs and wider health services among identified remote and difficult-to-access communities, where relevant.

TO DATE:

-  HEFs were expanded to five more national hospitals in April 2018.
-  RGC currently finances at least 50% of direct benefit costs and this is expected to increase with envisaged government expansion of HEF beneficiary groups and benefit packages.
-  PCA assumed the HEF monitoring role starting in January 2018, with a complete transfer of the role in July 2018.
-  HEF Promoters are now on board, have received training, and staff have been placed in all referral hospitals.



PROJECT ACTIVITIES

Component 3: Ensuring Sustainable and Responsive Health Systems

(US\$ 36 million)



Sub-component 3.1: Health System Strengthening (US\$ 21 million)

The project supports a program of activities to strengthen service delivery at health facilities and strengthen government institutions.

This includes support for the implementation of comprehensive pre-service and in-service training programs for health workers, equipment for health facilities to meet minimum standards for the provision of obstetric and neonatal care, carrying out enhanced health service quality monitoring, improving timeliness of SDG and HEF payments, the establishment of sustainable health service purchasing arrangements, and delivery of NCDs and long-term family planning (LTFP) services. Financing to the RGC is provided based on externally verified results which are tracked by DLIs and aimed at measuring performance against health system strengthening actions.

This component supports the attainment of supply-side readiness, health infrastructure improvements, and strengthening project management and monitoring and evaluation (M&E) that are critical for the key reforms in RGC's health sector.



Sub-component 3.2: Health Infrastructure Improvement (US\$ 13 million)

This sub-component finances prioritized civil works.

The civil works are identified in the ministry's civil works plan for 2016–2020, with a priority placed on issues of access, attention to remote areas, concerns around patient safety and improving maternal and neonatal survival. The investment plan covers 45 HCs, 15 maternity and neonatal units at RHs, and 2 PRHs.




Sub-component 3.3: Project Management, Monitoring, and Evaluation (US\$ 2 million)

This sub-component supports provision of technical assistance to integrate project management into national systems and strengthen Monitoring and Evaluation (M&E) of health sector performance.

Technical support is provided on day-to-day coordination, administration, procurement, financial management, environmental and social safeguards management. A technical assistance grant from the Japan Policy and Human Resources Development (PHRD) Trust Fund also contributes to the strengthening of Cambodia's M&E system.

TO DATE:

 In February 2019, an additional financing to the project was made effective with US\$ 6 million from the Multi-Donor Trust Fund to expand the scope of the project and its development impact, with a focus on supporting enhanced services for cervical cancer screening and treatment, hypertension and diabetes screening and treatment, and LTFP services. Three additional DLIs were added on the set-up and roll-out of these services, and to incentivize delivery of services.

 Construction of HCs has begun and procurement of construction and design firms for RHs and PRHs is under way.

Disbursement Linked Indicators (DLIs)

| Supply Side Readiness | Institutional Strengthening | NCD Service Readiness & Improvement |
|---|--|---|
| <p>DLI 1: Comprehensive pre-service training program in foundational courses for medical and nursing professionals implemented by University of Health Sciences</p> <p>DLI 2: Comprehensive in-service training program on Minimum Package of Activities for health workers implemented by MOH</p> <p>DLI 3: C2 hospitals fully equipped to provide emergency obstetric care and neonatal care</p> | <p>DLI 4: Health service quality monitoring by MOH enhanced</p> <p>DLI 5: Sustainable health purchasing arrangements established by the recipient</p> <p>DLI 6: Timeliness of HEF and SDG payments improved</p> | <p>DLI 7: ODs enabled to provide quality cervical cancer screening and treatment services</p> <p>DLI 8: ODs enabled to provide quality hypertension and diabetes screening and treatment services</p> <p>DLI 9: ODs providing quality long-term family planning services</p> |



PROJECT OUTCOMES





PROJECT OUTCOMES

H-EQIP contributes to RGC's broader development agenda, as defined by the Third Health Strategic Plan (2016-2020), the National Strategic Development Plan (2014-2018) and the Rectangular Strategy 3 with its focus on strengthening quality and affordability of health services, as well as expanding coverage and increasing equitable access to effective and efficient health systems.

The project also accelerates progress toward Universal Health Coverage in Cambodia, whereby all people receive the health care they need without suffering financial hardship. Universal Health Coverage is a focus of the new global Sustainable Development Goals. Cambodia is committed to achieving the Sustainable Development Goals, which are viewed as long-term goals and is proceeding steadily and as quickly as fiscally possible.

4

Project Development Objective indicators include:

-  Increase in the number of HCs exceeding 60% score on the quality assessment of health facilities
-  Reduction in out-of-pocket health expenditure as percentage of the total health expenditure
-  Reduction in the share of households that experienced impoverishing health spending during the year
-  Increase in the number of outpatient services (episodes) covered by HEF

INTERMEDIATE RESULTS INDICATORS

1. Proportion of HCs with functioning HC management committees
2. Percentage of HC, CPA-1, and CPA-3 facilities that receive payments based on performance that includes quality scores within 90 days of the end of the quarter
3. Reduction in the variance in score on HC quality assessment
4. Percentage of CPA-1, CPA-2, and CPA-3 facilities having a 60% quality score in the previous quality assessments
5. OPD consultations (new cases only) per person per year
6. Number of UHS courses that adopt competency-based curricula with trained faculty and use of skills laboratory
7. Percentage of HCs, hospitals, and OD/PHD receiving HEF and SDG payments within the specified timelines

8. Number of women screened for cervical cancer using visual inspection with acetic acid method
9. Number of ODs reporting an increase of over 10 percent in current LTFP service users over the last 12 months
10. People who have received essential health, nutrition, and population services, disaggregated by gender

10

Intermediate Results indicators focus on:

- Measuring improvements in the quality of service delivery at health facilities
- Increased utilization of health services
- Improved pre-service training for health staff
- Greater efficiency in the management and administration of the public health system.

PROJECT FINANCING

| Project Components | PROJECT COST | IDA | MDTF | RGC | PHRD (COMPLEMENTARY FINANCING) |
|--|--------------|-----------|-------------|-------------|--------------------------------|
| 1. Strengthening Health Service Delivery | 74.2 | 7.5 | 12.5 | 54.2 | 0 |
| 2. Improving Financial Protection and Equity | 70.0 | 11.25 | 18.75 | 40.0 | 0 |
| 3. Ensuring Sustainable & Responsive Health System | 36.0 | 11.25 | 24.75 | 0 | 1.0 |
| 4. Contingent Emergency Response | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 181.2 | 30 | 56.0 | 94.2 | 1.0 |



The project has made remarkable progress in the past two and a half years.



The percentage of health facilities receiving timely payments is...

100%



The number of outpatient visits per HEF beneficiary per year increased by over...from 0.72 in 2015 to 1.02 in 2018.

↑ 40%



Among 805 HCs assessed, the number of HCs scoring more than 60% went up to...

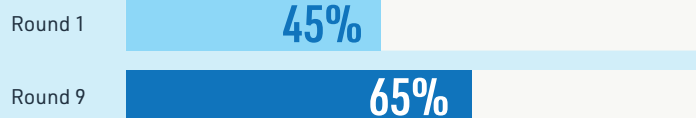
639

OVERALL AVERAGE SCORE INCREASE

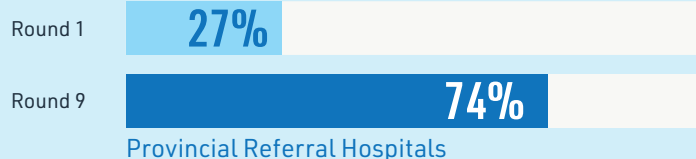
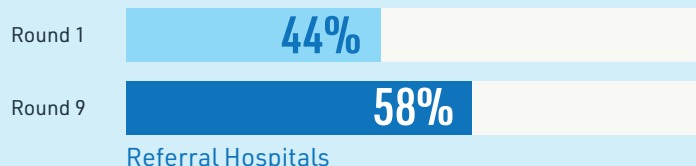
From round 1 to 9 of the assessment



HEALTH CENTERS



REFERRAL HOSPITALS



Progress against other indicators is on track and is reported in semi-annual Implementation Status and Results reports, which are publicly available on the World Bank website.

PROJECT NAME

Cambodia Health Equity and Quality Improvement Project (H-EQIP)

IMPLEMENTING AGENCY

Ministry of Health (MoH)
Royal Government of Cambodia

TARGET GROUP

The population of Cambodia, particularly the poor and vulnerable, and public health care providers

REGION Nationwide

DURATION July, 2016- June, 2021

FINANCIAL SCOPE US\$ 181.2 million

PARTNERS DFAT Australia
KfW Germany
KOICA Korea
World Bank Group



Health Equity and Quality Improvement Project (H-EQIP)

