3

Cost & fund RMNCH programs

Spending on women's and children's health is an investment, not just a cost, contributing to the well-being of families and communities, and to a nation's socio-economic development. Estimating costs and raising the required funds, and ensuring efficient and effective use of these resources, are key responsibilities – enabling "more money for health" and "more health for the money".

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KNOWLEDGE SUMMARY: WOMEN'S & CHILDREN'S HEALTH

2010

The Partnership for Maternal, Newborn & Child Health

UNIVERSITY OF ABERDEEN

Where do we stand now?

Accurate and up-to-date information on the costs of reproductive, maternal, newborn and child health (RMNCH) programs and interventions is needed. This can inform the formulation of national health policies, strengthen arguments for the required investments to achieve national health targets, and help countries and their partners to plan, budget and monitor the delivery of essential services to ensure the health of women, adolescent girls, newborns and children.

What works?

Many methods are used to estimate the resources required. Financial estimates may vary depending on the costing tools and approaches used, the interventions included, and the projected timescales (see Table 1). The first step in securing and using funding effectively is thus to prioritize and estimate the costs of high-impact RMNCH interventions (see Knowledge Summary 4). Countries and their partners can use the Lives Saved Tool (LiST) both to estimate the impact of scaling-up interventions and to inform planning for RMNCH (see Box 1).

The Global Strategy for Women's and Children's Health employed a combination of two approaches to determine the global funding gap[1] The WHO approach estimated the resources required to scale-up country health systems to a level that is considered "best practice" by experts and practitioners. The Marginal Budgeting for Bottlenecks approach focused on budgeting based on removing critical constraints in existing health systems in order to scale-up a set of proven interventions. Using these two costing strategies, the Global Strategy estimates that the funding gap for women's and children's health in the 49 poorest countries ranges from US$14 billion (US$10 per capita) in 2011 to US$22 billion (US$14 per capita) in 2015 (See Figure 1).

Box 1 – Lives Saved Tool (LiST)

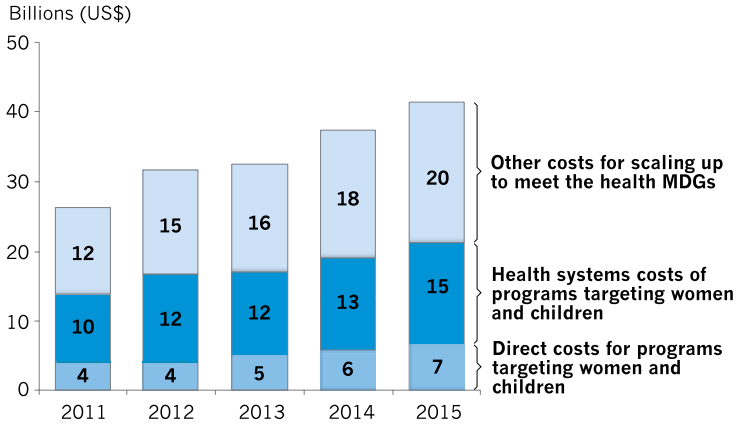
The LiST tool is a computer-based package to assist national and district-level planning processes in poor countries.[1] It uses information about the effectiveness of RMNCH interventions, causes of death and current intervention coverage. This helps countries and their partners to plan, prioritize, implement and evaluate investments in interventions and programs. In Burkina Faso, Ghana and Malawi, for example, it predicted that achieving national targets for a small set of high-impact interventions could reduce child mortality by 20% by 2011. Scaling-up could lead to larger reductions.[2]

[1] *LiST: The Lives Saved Tool: An evidence-based tool for estimating intervention impact* www.jhsph.edu/dept/ih/IIP/list/index.html

[2] *Bryce J, et al (2010). "LiST as a catalyst in program planning: experiences from Burkina Faso, Ghana and Malawi." International Journal of Epidemiology, Volume 39, Suppl 1, April 2010.* http://ije.oxfordjournals.org/content/39/suppl_1/i40.full

Figure 1

Estimated annual funding gap for women's and children's health in 49 developing countries, 2011-2015



Source: UN (2010) Global Strategy for Women's and Children's Health www.who.int/pmnch/topics/maternal/20100914_gswch_en.pdf

At the national level, policymakers and program managers can use a range of costing tools to make funding decisions. A technical review of 13 such costing tools linked to the health Millennium Development Goals (MDGs) identified the questions they answer, whether they do so in a technically correct manner, and assessed their user friendliness.[2] The review emphasized that national cost estimates are strongly dependent on data availability and quality. Each tool was found to be helpful for different costing purposes, and, with adequate user training, could inform country strategies and plans.

Raising funds

While health spending by governments, donor agencies and the private sector has increased, current funds remain insufficient to achieve MDGs 4 and 5. Governments, donor agencies, non-governmental

Table 1 – Financial estimates for RMNCH

Source of estimate	Additional costs estimated (US$)	Number of countries covered	MDG focus	Costing tool / approach	Examples of other sources of differences in estimates
Global Campaign[1]	7.2 billion in 2009; 18.4 billion in 2015	51	4 and 5	WHO normative costing[6]	▪ Coverage target ▪ Scale-up scenarios and time-lines ▪ Degree to which health systems costs are included ▪ Degree to which family planning is included
The Taskforce (Scenario One)[2]	Total 251 billion (2009 to 2015)	49	1c, 4, 5, 6, 8e	WHO normative costing	
The Taskforce (Scenario Two)[3]	Total 112 billion (2009 to 2015)	49	1c, 4, 5, 6, 8e	Marginal Budgeting for Bottlenecks[7]	
Global Strategy[4]	Total 88 billion (2011 to 2015)	49	1c, 4, 5, 6, 8e	Median of the WHO normative costing and MBB	
Countdown to 2015[5]	60 billion per year (2008 to 2015)	68	4 and 5	WHO normative costing	

[1] *NORAD (2008) The Global Campaign for the Health Millennium Development Goals - First Year Report 2008.*

[2] *Technical Background Report (WHO)*

[3] *Technical Background Report (World Bank, UNICEF, UNFPA, PMNCH)*

[4] *Financial Estimates in the Global Strategy*

[5] *Countdown to 2015 Decade Report (2000-2010)*

[6] *WHO normative approach – focuses on scaling-up health systems by expanding facility-based services.*

[7] *Marginal Budgeting for Bottlenecks Toolkit – focuses on prioritizing scaling-up of community-based services and then expanding clinical services in 2014-15.*

organizations and the private sector have together pledged an estimated US$40 billion for women's and children's health over the next five years.[3] Whilst this headline figure is still being refined, it is already clear that more is needed.

Channeling funds well

Efficient and targeted use of funds is key to helping to improve the health of the poorest and most vulnerable women and children. To ensure sustainability of investment and promote universal access, funding must help to strengthen health systems by improving service delivery, the health workforce, information, medical products, vaccines and technologies, leadership and accountability (see Knowledge Summaries 5, 6, 8 and 12).

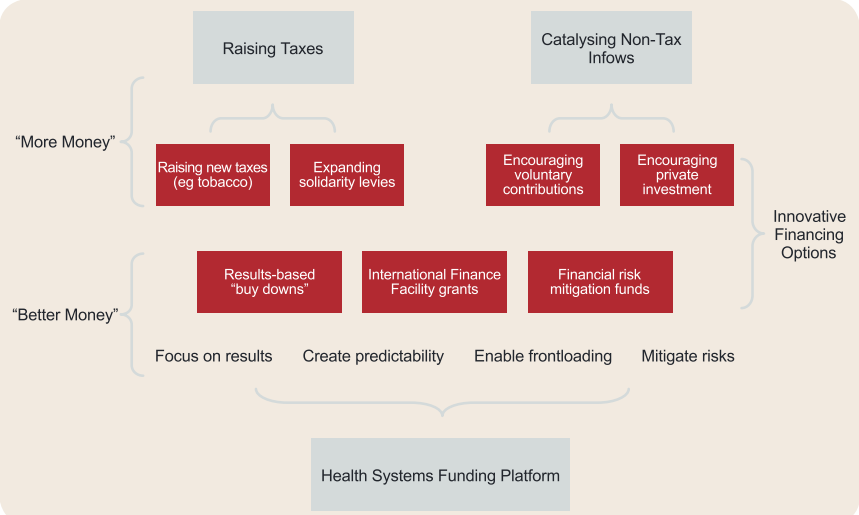
Efficiency in funding is often impeded by poor donor coordination and alignment with national priorities. This can pose serious challenges in relation to national budgets and planning processes, especially where national administrative and institutional capacity is weak.

For example, in 2008, about 90% of donor support for MNCH was for specific projects rather than sector-wide funding or general budget support.[4]

A range of innovative funding mechanisms are being developed and deployed to improve the efficiency and effectiveness of RMNCH funding. Results-based financing, for instance, could increase the impact of investments by providing incentives for better performance and results (see Box 2 and Figure 2).

Figure 2

Innovative financing mechanisms



Source: IHP+ (2009) Raising and Channelling Funds Working Group 2 Report
www.internationalhealthpartnership.net//CMS_files/documents/working_group_2_report:_raising_and_channeling_funds_EN.pdf

Box 2 – Some examples of innovative financing mechanisms

Debt2Health – additional funds through debt relief. Countries invest in health systems now instead of repaying debt owed in the future. A three-way partnership between creditors, countries and a multilateral institution.

Source: IHP+ Factsheet - Global Fund Debt2Health Initiative (PDF).

www.internationalhealthpartnership.net//CMS_files/documents/factsheet_-_global_fund_debt2health_initiative_EN.pdf

The International Finance Facility for Immunisation (IFFIm) – launched in 2006, with a total pledge of US$5.3 billion over 20 years from eight countries. Raises finance by issuing bonds in the capital markets. The long-term government pledges will be used to repay the IFFIm bonds.

Source: www.iff-immunisation.org

Voluntary Solidarity Contributions (VSC) – small donations collected in different ways. VSC on airline tickets or other travel products are helping to scale-up access to essential drugs in poor countries. Proposed VSC on mobile phones would allow individuals and corporations to make voluntary donations via their monthly mobile phone bills.

Sources: Factsheet - Voluntary Solidarity Contribution on Travel Products (PDF).
www.internationalhealthpartnership.net//CMS_files/documents/factsheet_-_voluntary_solidarity_contribution_on_travel_products_EN.pdf

IHP+ Factsheet - Mobile Phone Voluntary Solidarity Contribution (PDF).
www.internationalhealthpartnership.net//CMS_files/documents/factsheet_-_mobile_phone_voluntary_solidarity_contribution_EN.pdf

UNITAID's campaign - www.massivegood.org

Advance Market Commitments (AMCs) – advance funding commitments designed to spur the creation of a market that does not yet exist, or functions poorly (for example, one targeting a pneumococcal vaccine was launched in 2009).

Source: Factsheet - Advance Market Commitment (PDF).
www.internationalhealthpartnership.net//CMS_files/documents/factsheet_-_advance_market_commitment_EN.pdf

Also see: www.vaccineamc.org

Results-Based Financing (RBF) – a financing strategy that can increase the impact of investments in health by providing a financial or in-kind reward, conditional upon achievement of agreed performance goals, or a sanction if goals are not achieved. Examples of RBF mechanisms are conditional cash transfers (CCTs) and vouchers. Rwanda has received attention for its recent success with RBF for RMNCH improvements, by rewarding health facilities for their performance. An impact evaluation study found improvements in quality of pregnancy care (but not number of visits); preventive care visits for children (but not immunization rates); and the number of institutional deliveries.[1] Although demand-side initiatives such as cash transfers and vouchers seem to work well, rigorous evidence on the impact, cost-effectiveness and sustainability of RBF, particularly on supply-side initiatives such as payment for performance, is still very limited.[2, 3]

[1] *Basinga P, et al (2010). "Paying Primary Health Care Centers for Performance in Rwanda." Policy Research Working Paper 5190, the World Bank, http://ideas.repec.org/p/wbk/wbrwps/5190.html*

[2] *Oxman AD and Fretheim A (2008). "An overview of research on the effects of results-based financing." Report from Norwegian Knowledge Centre for the Health Services. Systematic Review, Report Nr 16 –2008, Oslo: Nasjonalt kunnskapssenter for helsetjenesten, www.kunnskapssenteret.no/Publikasjoner/3219.cms?threepage=1*

[3] *Eldridge C and Palmer N (2009). "Performance-based payment: some reflections on the discourse, evidence and unanswered questions." Health Policy Plan. (2009) 24 (3): 160-166.*

Also see: www.rbfhealth.org/rbfhealth/about

Conclusion

For the funds for RMNCH to be used more efficiently and effectively, interventions have to be prioritized, taking into account the local epidemiological and health systems context. The costs of implementation can be estimated with the help of tools developed for this purpose. Funds can be raised from governments and donors, and from non-traditional sources such as the business community and global philanthropic institutions. Innovative mechanisms for channeling funds can increase the efficiency and impact of investments by rewarding performance. Finally, the use of funds needs to be tracked and monitored to ensure accountability (see Knowledge Summary 12).

(References)

1 UN (2010). "Global Strategy for Women's and Children's Health." Finance Working Group. Financial Estimates in the Global Strategy. www.who.int/pmnch/activities/jointactionplan/100922_1_financial_estimates.pdf

2 "Technical Review of Costing Tools for the Health MDGs." Final Report by Bitran and Associates (PDF). www.who.int/pmnch/topics/economics/costoolsreviewpack.pdf

3 UN (2010)." Global Strategy for Women's and Children's Health." Commitments summary (PDF). www.un.org/sg/hf/global_strategy_commitments.pdf

4 Pitt C, Greco G, Powell-Jackson T, Mills A (2010). "*Countdown to 2015*: assessment of official development assistance to maternal, newborn, and child health, 2003-08." *Lancet,* DOI:10.1016/S0140-6736(10)61302-5.