

Health System Governance and Financing for Early Recovery and Transition | Key Strategic Directions

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Introduction

- Post-conflict settings, often characterized by **fragile governance** structures, **damaged infrastructure**, and **weakened social services**, present unique challenges for rebuilding health systems.
- In the case of recent wars, the recovery period is often prolonged, with **no clear end to instability** with a **risk of backsliding into violence**, further complicating efforts.

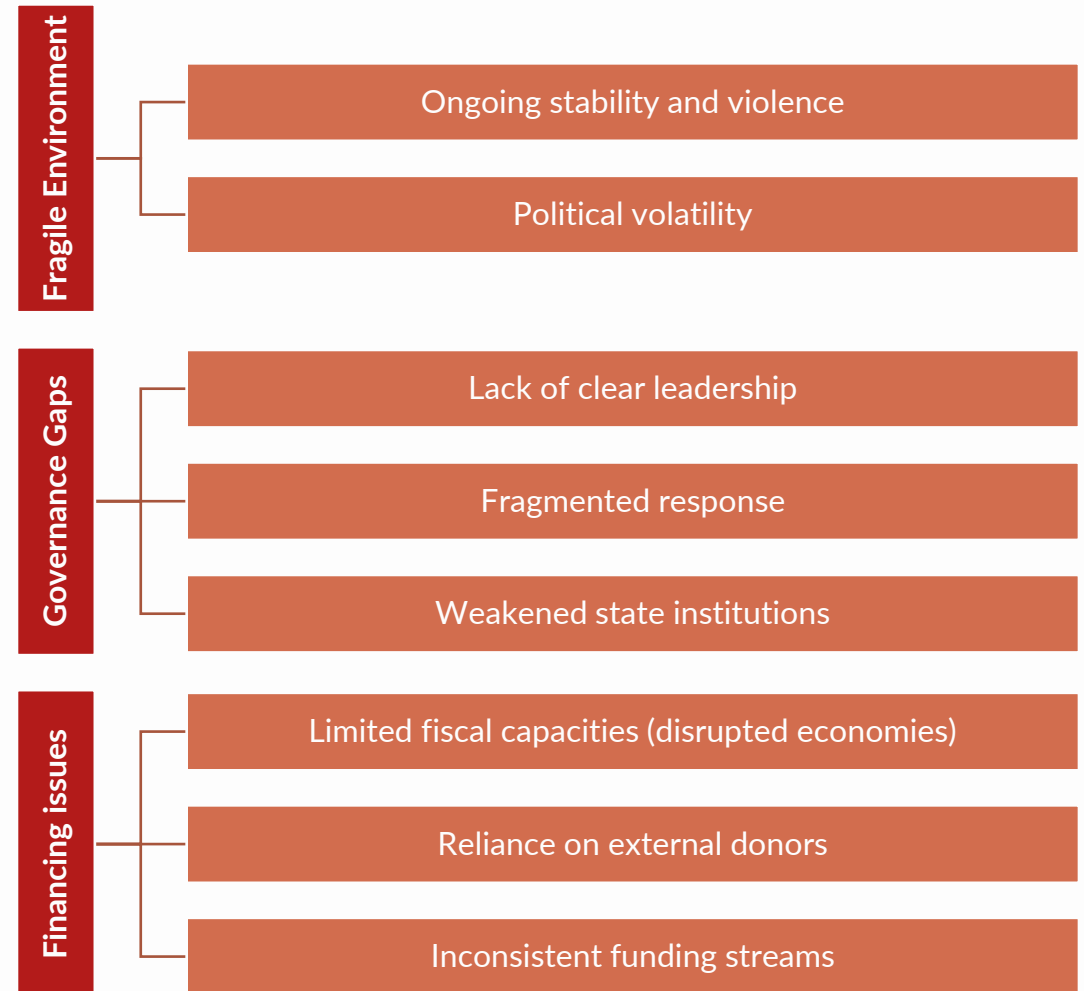
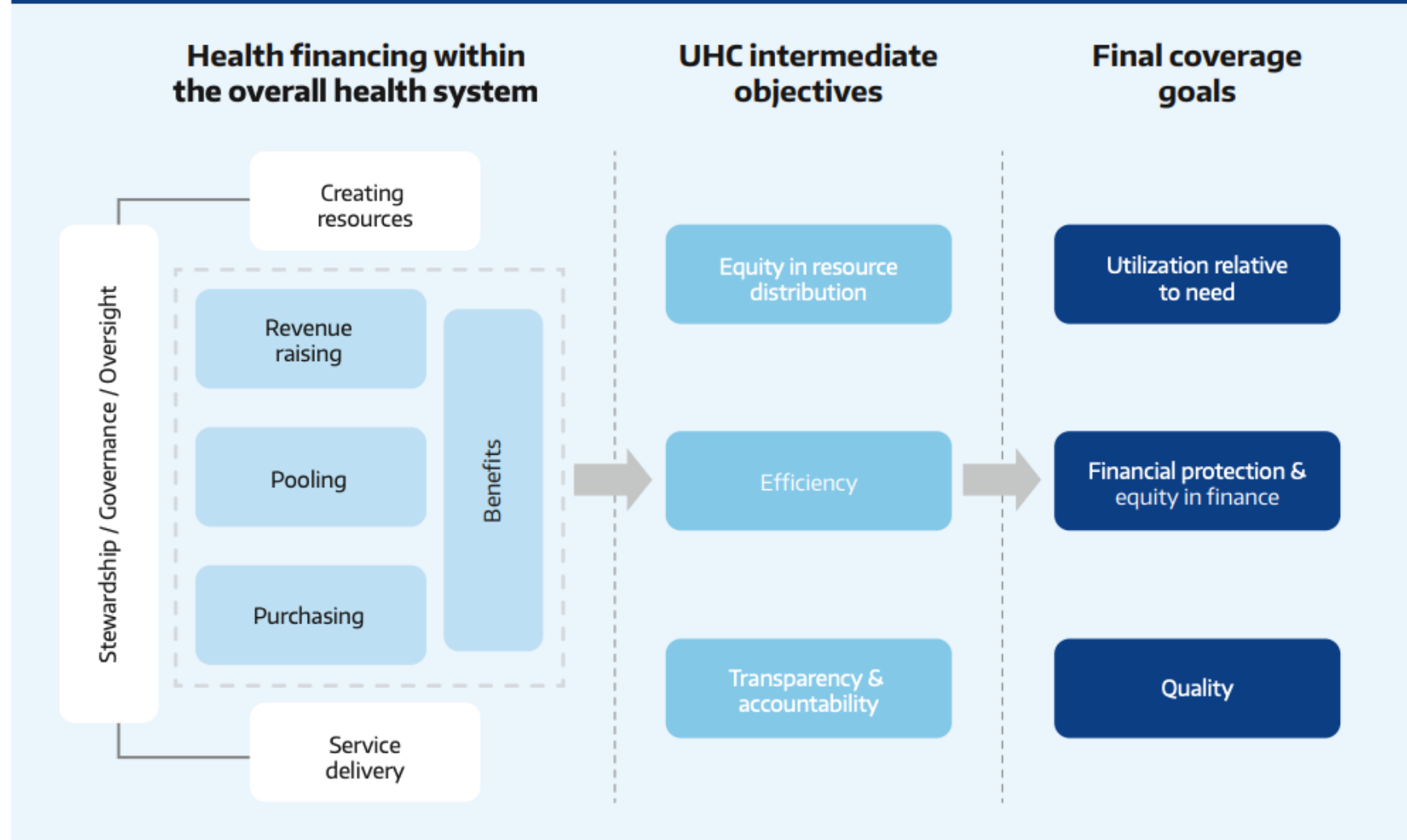


Figure 1: WHO's framework for health financing and UHC



Guiding Principles for HF reforms

Health Financing in Post-Conflict Settings



Revenue-raising mechanisms in FCAS are constrained by low domestic income and high reliance on external donors and development aid (e.g. Afghanistan Reconstruction Trust Fund pooling funds from international donors like the World Bank, EU, and the U.S. to cover about 50% of the national healthcare expenditure). Tax bases are often eroded, and government budgets are frequently unstable.

Health Financing in Post-Conflict Settings



- **Pooling mechanisms** are essential for minimizing financial fragmentation in FCAS. Effective pooling ensures that funds from various sources (domestic, humanitarian, and donor) are combined to increase equity and efficiency.
- **Example – Cambodia’s Health Equity Funds (HEFs):**
 - Initially funded by NGOs and external donors, it has gradually moved towards government ownership, a promising sign for long-term sustainability.
 - In 2017, it covered about 2 million of Cambodia’s poorest people.

Health Financing in Post-Conflict Settings



- **Purchasing of health services** must adapt to ensure resources are allocated efficiently, often with a focus on front-line services such as primary healthcare.
- In many crisis settings, different population groups (e.g., refugees, internally displaced persons, host communities) often have differing entitlements to health services, creating inequities in access and increasing HF complexity.
- Whenever possible, **purchasing mechanisms should be integrated** across population groups to avoid fragmentation.
- **Example** – Pay-for-Performance (P4P) schemes in Afghanistan and Cambodia have proven effective at improving service delivery by linking provider payments to performance metrics.

Health Financing in Post-Conflict Settings



- **Benefit entitlements and co-payment policies** in FCAS are often shaped by external funding and donor-driven programs. In South Sudan, Afghanistan, and Liberia, externally funded programs ensure essential health services are provided, often **without co-payments**, ensuring **equitable access**.
- **Cash and voucher assistance (CVA)** helps reduce financial barriers to accessing healthcare in FCAS, especially for maternal and child health services (e.g. Syria and Yemen). Logistical and security-related challenges may persist.

Political Economy of Health System Reforms in Crisis-Affected Settings

- Crisis-affected settings often have **imbalances in power between internal actors** (e.g., government) and **external actors** (e.g., donors and NGOs). This can lead to **poorly contextualized policies** that may not fit local needs.
- Crises can serve as “**Windows of Opportunity**” for policy reform, where attention and resources are directed towards health system changes. The presence of **policy entrepreneurs** (key individuals or groups) is crucial in seizing these opportunities.

Governance Challenges in Health System Reforms

- **Accountability and Transparency:** Poor governance is often linked to limited accountability and a lack of transparency, leading to inefficiencies in resource allocation and undermining trust in public institutions.
- **Coordination:** Conflict-affected settings often see a multitude of actors with poorly coordinated efforts, leading to fragmented service delivery.

Political Economy and Governance Opportunities / Recommendations

- Promote **inclusive governance** by involving local communities and authorities in decision-making processes to ensure that health financing decisions are contextually relevant and sustainable.
- Strengthen **local governance** by building the capacity of public health institutions and ensuring mechanisms for transparency and accountability.
- Where feasible, **decentralizing certain aspects of health governance** can allow for more tailored, local responses to health system needs.

Thank you

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