LNCT
Learning Network for Countries in Transition

Financing and Managing Immunization Programs in Decentralized Contexts

Day 3 – Financial Sustainability in Decentralized Contexts

April 2021

Financing and Managing Immunization Programs in Decentralized Contexts

Welcome! Bienvenue!

LNCT
Learning Network for Countries in Transition

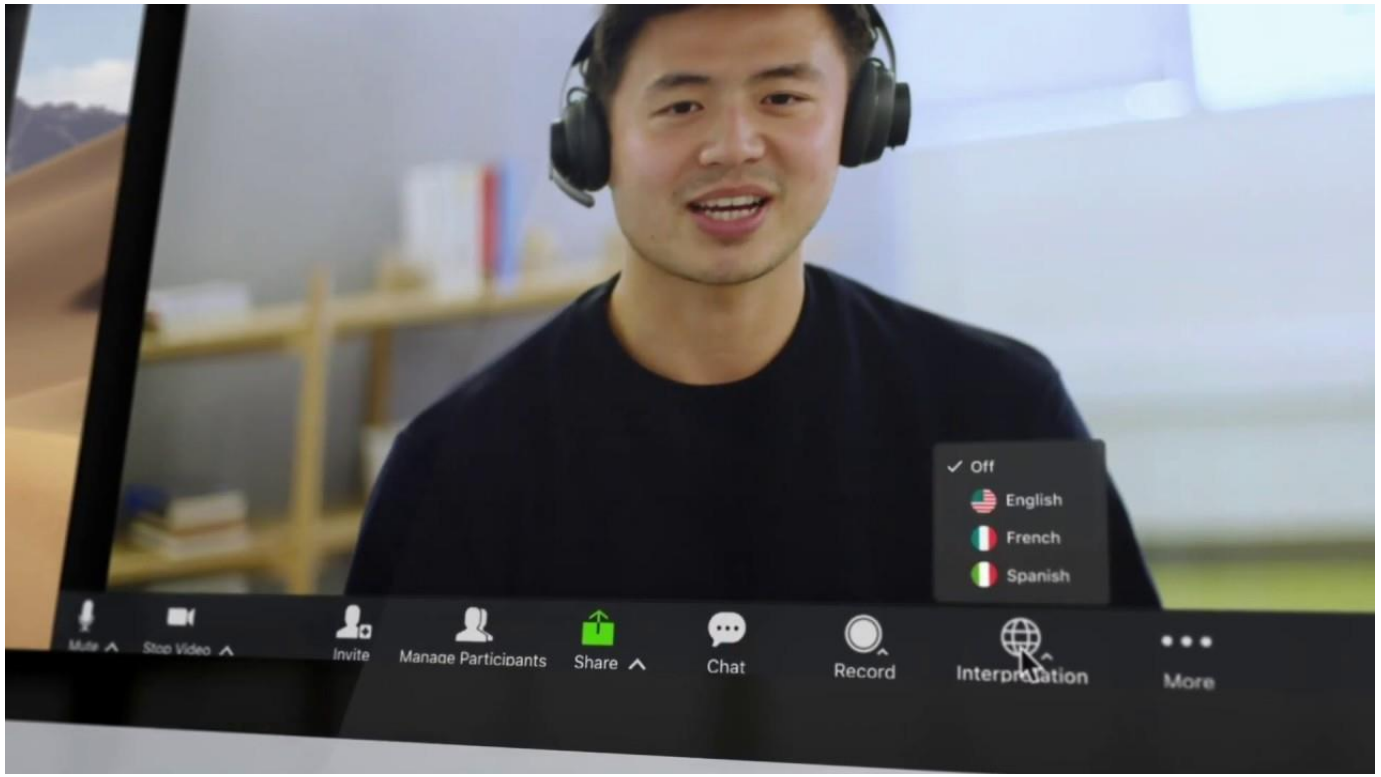
April 20-22

Interpretation

1. At the bottom of the screen, select the “Interpretation” function.

2. English and French options will appear.

3. Select your preferred language.



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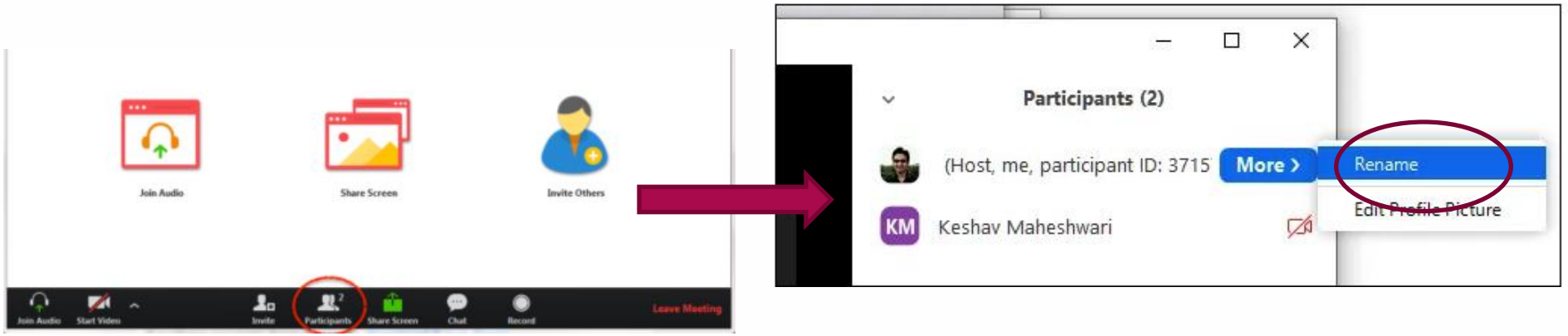

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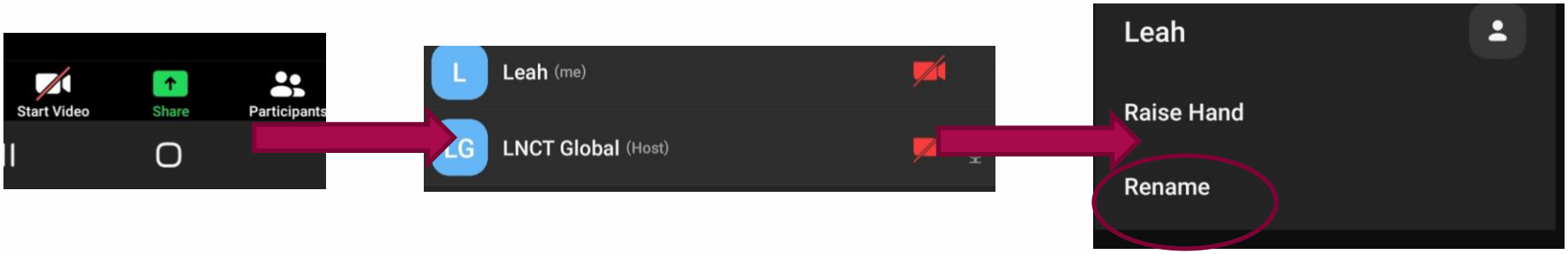
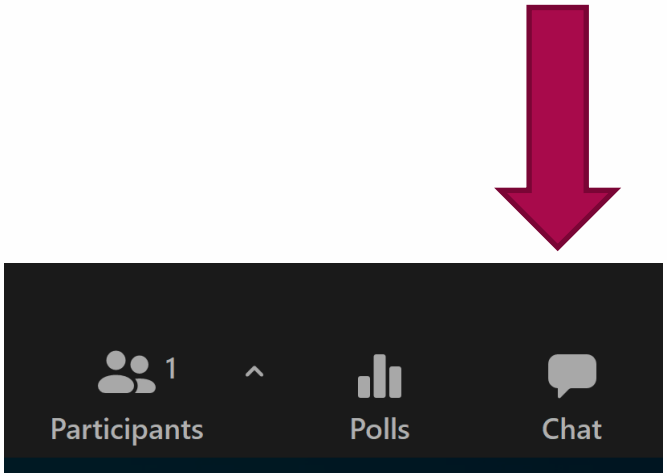
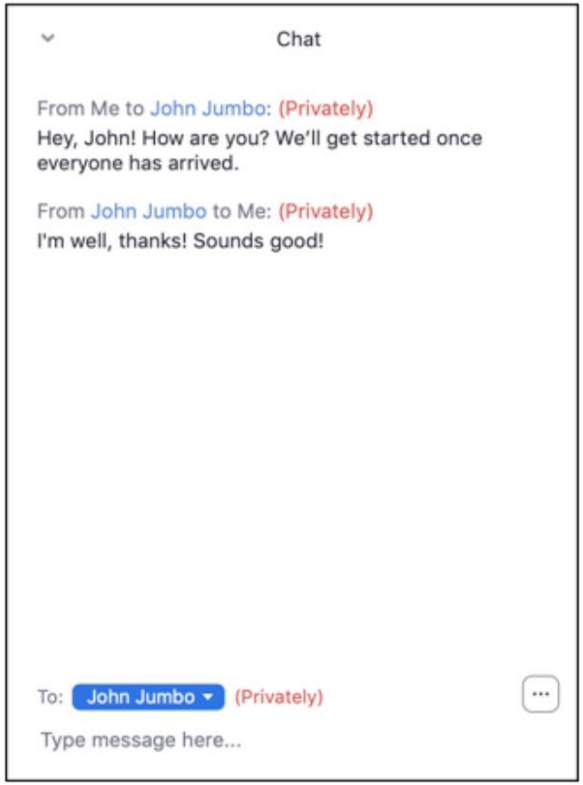


Throughout the presentations, place questions in the chat box

Find the chat button at the bottom of your screen and click



A chat panel will open on the side



Key Takeaways from Day 2

- Sustainability is a process by which governments secure financial resources for health (PK)
- Countries can use the momentum of COVID response to strengthen their health and routine immunization systems (NG)
- NG explained how it used its Peer Learning Exchanges to achieve outcomes for state immunization programs by fostering a healthy rivalry between states supported by adequate resources, capacity building, and stakeholder engagement.
- PK spoke about the importance of central level coordination for functions like procurement for economies of scale and risk management
- Brazil spoke about the importance of strong political leadership and coordination in emergency settings, and how even strong RI systems may not be prepared for emergencies

Key Takeaways from Day 2

- NG spoke about its challenges implementing the Basic Primary Health Care Provision Fund (which includes some direct facility financing for immunization operations), including:
  - Ensuring local ownership: CG and IN spoke about their work in this area engaging community heath workers, and PK spoke about its work with CBOs
  - Building local political will – how do we better communicate evidence about the value of immunization and health investments to politicians?
  - Ensuring accountability – NG noted some state-level work to monitor immunization expenditure and conduct audits. PK spoke about the value of external audits and Data Quality Self Assessments for Accountability.

Day 3 Agenda

No.	Length	Session Title	Presenter(s)
1	10 min	**Welcome**	Elizabeth Ohadi, LNCT Network Coordinator
2	20 min	**Understanding immunization financial flows and financing in decentralized contexts**	Ravi Rannan-Eliya, LNCT Network Coordinator
3	40 min	**Discussion: Strategies for overcoming financial challenges**	Featuring country experiences from Thailand, Chaninan Sonthichai
		10-minute break	
	30 min	**Open discussion forum on remaining topics, including COVID response and ensuring accountability**	Elizabeth Ohadi, LNCT Network Coordinator
4	5 min	**Introduction to Next Steps activity**	Leah Ewald, LNCT Network Coordinator
5	30 min	**Next Steps activity**	
6	10 min	**Evaluation Survey**	
7	20 min	**Workshop Wrap Up**	Logan Brenzel, Bill & Melinda Gates Foundation Alexis Mourou Moyoka, LNCT Steering Committee Member, Republic of Congo

Understanding immunization financial flows and financing in decentralized contexts

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Immunization financing and financial flows in decentralized systems

April 2021

Ravi P. Rannan-Eliya, Institute for Health Policy, Sri Lanka Presenting

Key concepts and issues

Why is health service delivery decentralized?

- Often not for reasons to do with health!
  - A solution for a non-health problem
  - A legacy of assembling a country from different states, e.g., USA, Australia, Malaysia, India
- Accountability and Preferences —
  - Empowering local communities to exercise control
  - Ensuring services match local preferences
- Needs and Equity –
  - Greater responsiveness to patients and public
  - Better ability to match services to local needs
  - Fairer distribution of national resources
- Efficiency —
  - Efficiencies from having closer supervision and control

Possible challenges that occur with immunization

- Preferences
  - Local communities/politicians usually prioritize public health interventions less
  - They might not prioritize immunization
- Efficiency
  - Immunization uses specialized inputs, skills and technology. Economies of scale for some aspects might work only at national levels
  - Vaccination benefits more than the vaccinated individuals. Efficiency and impact may require national planning and allocation
  - Local governments have less ability to plan and manage service delivery
- Equity
  - Some communities have less capacity to contribute money
  - Local governments have less ability to plan and manage service delivery
  - Both problems may be worse in areas that suffer most from vaccine diseases

Local versus National preferences

QUESTION:

In your experience, do or would local communities, politicians and governments in your country prioritize money for immunization more than national government?

1. No
2. Yes
3. Maybe/Don't Know

What needs to be funded in immunization

- Vaccines
- Other operating costs. e.g., syringes, transport
- Cold chain
- Human resources
- General facility operating costs
- Procurement process
- Management, monitoring and supervision
- Public education and communications
- Information systems and surveillance

Financing issues and flows

Three issues in financing immunization in decentralized systems

Where does the money come from?

- Government budgets/Taxes [+/- donors]
- Insurance Funds
- Patients

How does it flow?

- Flow of funds from top to lower levels
- Type of transfers

Who allocates/makes budgets and who spends it?

- Which levels of government allocate the money?
- Which levels of government spend the money?

Where does the money come from?

- Typically, government budgets
  - Costs are predictable and don't vary
  - Much of the spending occurs at higher levels than the facility giving the vaccines
- Small or zero patient contributions
  - Individuals don't appreciate the full public benefits of being vaccinated, e.g., protecting others or understand the risks of rare diseases
  - Cost barriers make high coverage difficult
- Very rarely from insurance
  - E.g., Not in Japan, Taiwan, Australia, Vietnam, Korea
  - Routine vaccination is not an insurance risk—Every child should be vaccinated, and cost is known in advance
  - Sometimes used to compensate extra costs of providers

How does money flow between levels of government?

- All money held in national budget and spent to buy program inputs and to pay local governments and/or providers directly
  - E.g., Australia, Malaysia
- Transfers from national to local governments
  - Unconditional or block grants
  - Conditional or performance grants
  - Matching grants
  - Decentralized lines in central budget
  - Non-cash transfers, e.g., vaccines, staff, etc.
- Transfers of funds might not be effective if key inputs set by national government, e.g., staffing
- Requirements for local contributions often not effective – differing priorities and capacities at local level result in mixed outcomes

Bottlenecks in funding flows

- Problems in disbursement and release of funds affect all systems, but more potential for this to happen in decentralized systems
  - May be complicated if lower levels depend on funds from multiple sources
  - More likely if funding flows through multiple levels

- Immunization programs cannot solve all problems in public finance
  - No money! Treasury lacks cash or MOH lacks cash
  - Competing priorities for use of available funds
  - Inefficient release and transfer of funds

- Solutions
  - Advocate for increased priority to be given to immunization if cash is constrained. Explain to policy-makers why disruptions in funding have larger effects. E.g., Sri Lanka persuaded MOH to prioritize available cash for supplies always to vaccines.
  - Track and report funding flows and shortages. E.g., Vietnam
  - Simplify funding flows by using direct transfers from Treasury/MOH to providers or lower levels. E.g., Australia, Congo
  - Negotiate for flexibility in reallocation of budget lines
  - Maintain greater buffer stocks

Which levels of government allocate budgets?

- National governments may delegate budget allocations to local governments or allocate money for local governments to make final decisions on
- When local governments have discretion, may be harder to ensure sufficient budget allocations
  - Local political priorities may differ, be stronger than technical priorities
  - Management capacity/influence may be weaker
- Solutions
  - Advocacy by local managers; use of local champions.
  - Evidence indicates that having an explicit line item in budgets (national or local) contributes to sustainability of financing
  - National guidelines on budgeting or on minimum service standards to steer local governments
  - Retaining control of key inputs at national level

Who allocates and spends budgets? — Procurement and vaccines

QUESTION:

Which level of government procures vaccines?

1. National level only
2. National level with some local level procurement
3. Mostly local level

Who allocates and spends budgets? — Procurement and vaccines

- Strong argument for doing procurement at national level, with vaccines being distributed to local levels, supports holding procurement budgets centrally
  - More efficient when done at high volume
  - Requires some expertise
  - Ensures better equity in vaccine quantities
- Not many examples of successful decentralized procurement
- Solutions
  - Negotiate pooled purchasing/delegate authority to national government, e.g., Pakistan
  - Negotiate national procurement contracts with firms that allow local governments to purchase from pre-selected sellers using nationally negotiated prices, e.g., Malaysia, South Africa, UK
  - Decentralize functions only to local areas with capacity
  - Recentralize responsibilities, e.g., Sri Lanka (medicines)

Who allocates and spends budgets? — Human resources

- Depends on how much immunization relies on dedicated staff, i.e., how verticalized is delivery?
- Most personnel costs typically involve routine clinic staff, so financing depends on how these are financed.

- Potential issues:
  - Staff might need/want additional incentives to do immunization and this may be accepted practice—May need to budget or need to budget additional incentives for vaccination.

- Solutions
  - Understand incentives and motivations of staff to decide if this needs attention
  - Better to pay at facility or provider level, than individual staff level
  - Budget locally for additional payments if local level has resources, but can introduce inequity at national level
  - Maximize use of existing routine staff

Who allocates and spends budgets? — Other operational expenses

- Potential issues:
  - National government provides vaccines, but does not pay for additional operational costs, e.g., fuel, cold chain consumables, etc.
  - National government makes partial financial contribution to operational expenses, but expects local governments to provide additional funds

- Solutions
  - Awareness and analysis of what operational costs are critical
  - Advocate for additional, ear-marked transfers from national governments for other operational costs
  - Raise awareness of need for additional funding with local decision-makers
  - Include line item for vaccination operational costs in local budgets

Who allocates and spends budgets? — Program management

- Potential issues:
  - Limited local capacity to plan, supervise and manage immunization services

- Solutions
  - Role for limited use of “national” program personnel with expertise to fill supervisory and monitoring functions at local level, e.g., Sri Lanka
  - National or local investment in training, particularly in public health expertise and program management – Usually difficult to organize only at local level
  - Regular supervision and monitoring of local immunization program managers
  - National forums to identify problems, share lessons and experience

Impact of COVID-19 on immunization in decentralized systems

Possible impacts of COVID-19 on immunization

- Budgeting and procurement
  - Little impact, since COVID-19 vaccine procurement remains mostly by national governments
- Implementation
  - Larger target groups and mostly adults can make delivery challenging
  - May require additional human resources/staffing
  - May disrupt other service delivery
  - Funding needs at local level?
- Strategies include:
  - Using alternative agencies and human resources
  - Involving private sector in distribution

Impact of COVID-19 on immunization in decentralized systems

QUESTION:

What kinds of problems have you experienced in implementing vaccination at the decentralized levels?

Panel: Strategies for overcoming financial challenges

Expanded Programme on Immunization

Chaninan Sonthichai, M.D.
Chief of Vaccine Preventable Diseases Section

Division of General Communicable Diseases,
Department of Disease Control,
Ministry of Public Health, Thailand

Expanded Programme on Immunization in Thailand

1. Vaccine Management

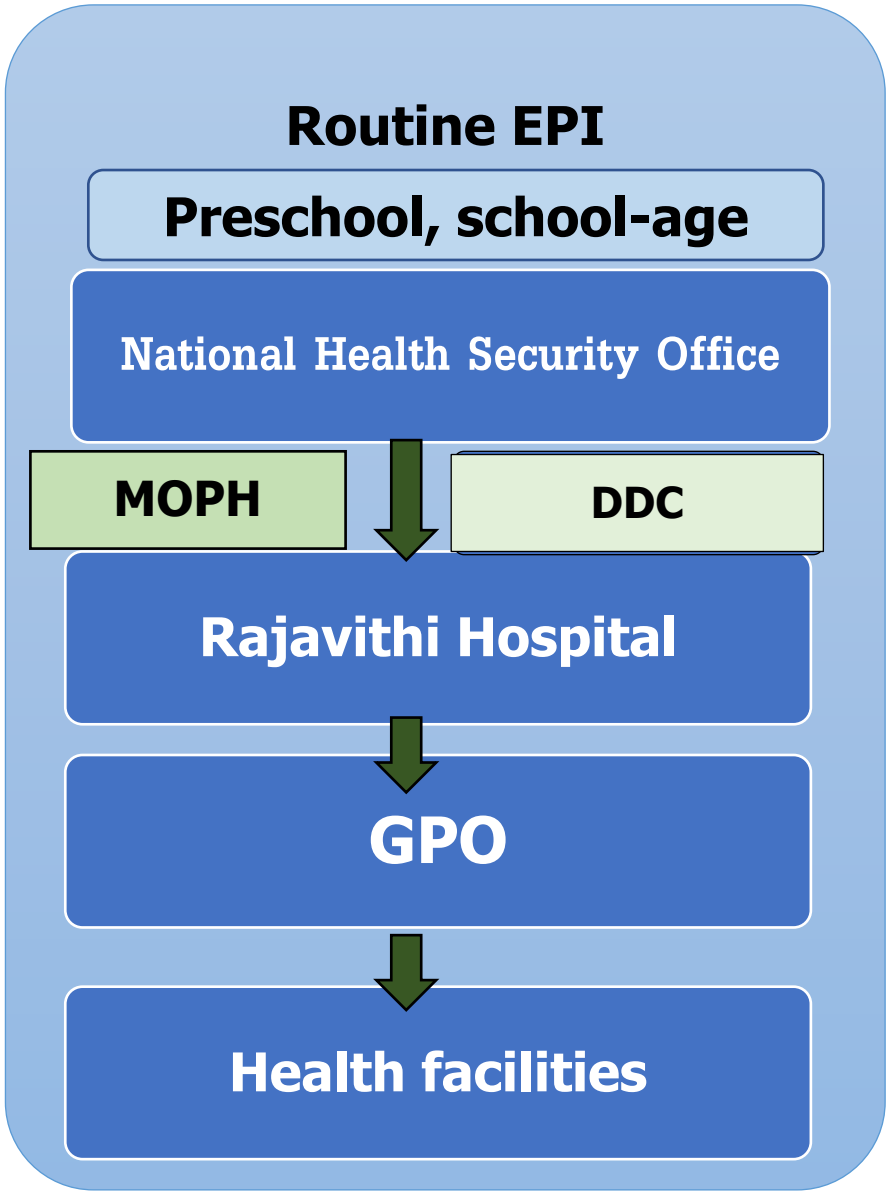
- Financing, Procurement and Distribution
- KPIs, Goal Routine Immunization and New Vaccine Introduction

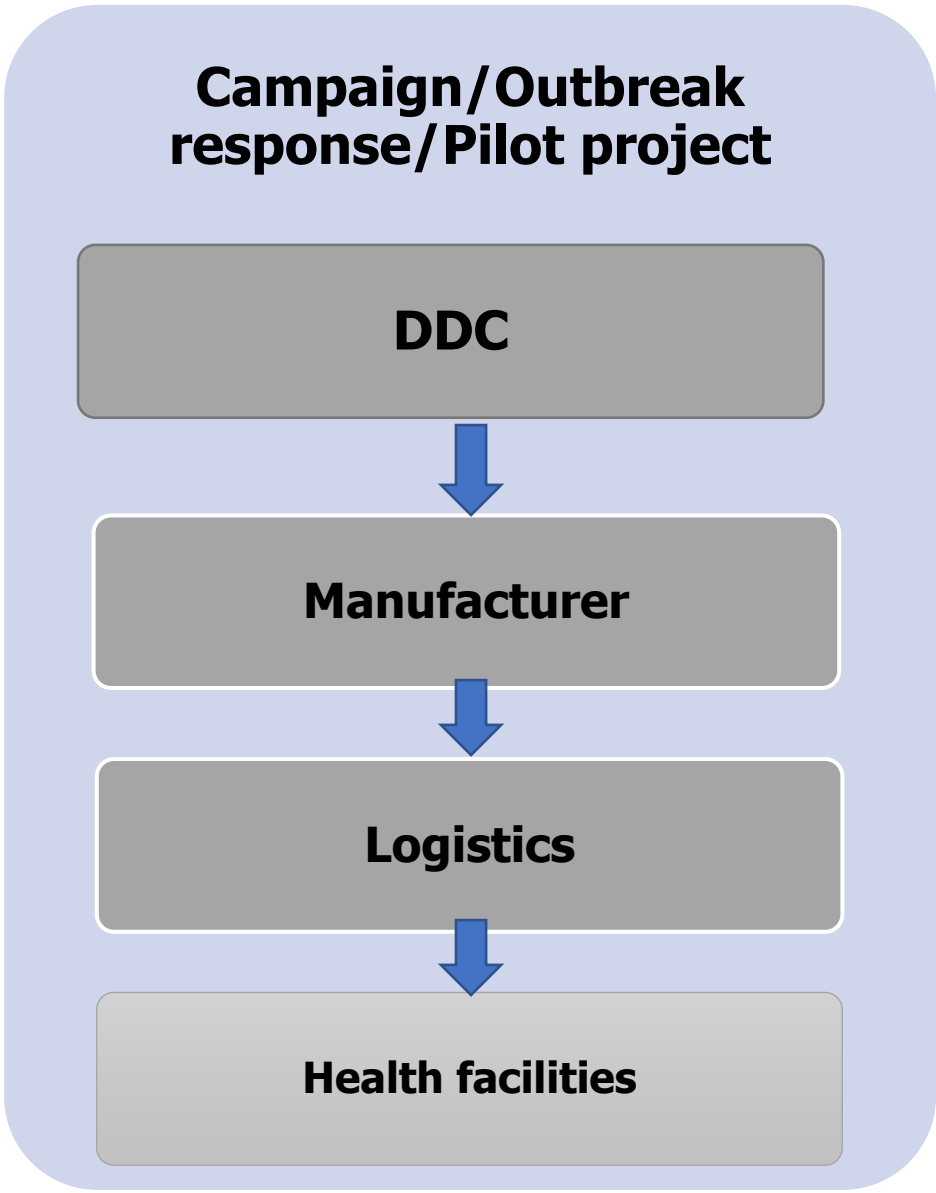
2. COVID-19 Vaccine

- Procurement Plan
- Prioritization Target Group and Vaccine Implementation

EPI Vaccine Management

Financing and Procurement System





Financing and Procurement System

National Health Security Office

EPI Routine
Pre-school, school-age

Influenza campaign for
Risk population

Antitoxin (DAT)

Department of Disease Control

Elimination and eradication program

New vaccine introduction

Immunization response

Influenza campaign for HCW

Traveler vaccine

The Organization Responsibilities

National Health Security Office	• Routine immunization plan • Budget support
Department of Disease Control	• Implementation and monitoring • Immunization schedule
Rajavithi Hospital	• Vaccine procurement
Government Pharmaceutical Organization	• Vaccine logistics and distribution
Division of Health Economics and Health Security	• Budget support for migrant

Vaccine Distribution (by GPO)

International Manufactures

Airport

Country Manufacturer
(Thai Red Cross, GPO-MBP)

Government
Pharmaceutical
Organization (GPO)

Central
distribution
center

VMI Program

District
hospitals

Regional
Distribution
centers

Health
Centers

Immunization Schedule 2021

Age	Vaccines
At birth	BCG, HB1
2 Month	DTP-HB-Hib1, OPV1, Rota1
4 Month	DTP-HB-Hib2, OPV2, IPV, Rota2
6 Month	DTP-HB-Hib3, OPV3, (Rota3)
9 Month	MMR1
12 Month	LAJE1
18 Month	DTP4, OPV4, MMR2
$2^1/_2$ Year	LAJE2
4 Year	DTP5, OPV5
11 Year (Gr 5: girl)	HPV1 & HPV2
12 Year (Grade 6)	dT
Pregnant woman	dT 3 doses (depend on vac. history) Seasonal Influenza

KPI

- Routine immunization coverage
  higher than 90%
- Except MMR and school immunization
  higher than 95%

Goal

	2020	2021	2022
Measles	1/million pop. (8.7)	0	0
Diphtheria	0.015/100,000 pop. (0.01)	0.015/100,000 pop.	0.015/100,000 pop.
Pertussis	0.08/100,000 pop. (0.02)	0.08/100,000 pop.	0.08/100,000 pop.

New Vaccine

	2023	2024	2025
IPV (+1 dose)	✓		
Tdap (pregnancy)	✓		
PCV		✓	
DTP-HB-Hib-IPV			✓

COVID-19 Vaccine

Procurement Plan

Sinovac	2,000,000 doses
200,000 doses	February 2021
800,000 doses	March 2021
1,000,000 doses	April 2021

AstraZeneca	26,000,000 doses
6,000,000 doses	June 2021
10,000,000 doses	July 2021
10,000,000 doses	August 2021

AstraZeneca	35,000,000 doses
10,000,000 doses	September 2021
10,000,000 doses	October 2021
10,000,000 doses	November 2021
5,000,000 doses	December 2021

Prioritization Target Group and Phase for Supply Vaccine

Phase 1 : Vaccine supply limitation

Objectives: (1) Prevent severity and death
(2) Maintain health system

Target

1. Frontline public and private health care worker
2. Population with underlying disease
   - Chronic respiratory disease
   - Cardiovascular disease
   - Chronic renal failure
   - Cerebrovascular disease
   - Cancer with chemotherapy
   - Diabetes mellitus
   - Overweight
3. Elderly 60Y and above
4. High risk Covid personnel

Prioritization Target Group and Phase for Supply Vaccine

Phase 2 : Sufficient vaccine supply

Objectives: (1) Maintain economy, social and national security

(2) Raise population immunity

Target

1. Phase 1 target
2. Other health care worker
3. Tourism industry
4. International traveler
5. General population
6. Diplomats
7. Industry/Service worker

Current Situation

- **Limited number of vaccine supply**

Way Forward

- **Increase number of vaccine sufficient to reach target immunity level**

Thank you

5-MINUTE BREAK

Open Discussion Forum

My country is adequately taking advantage of the momentum of the COVID response to address long-standing weaknesses in our immunization system.

A) Strongly Agree
B) Agree
C) Disagree
D) Strongly Disagree

Mon pays profite de manière adéquate de l'élan de la riposte à la COVID 19 pour remédier aux faiblesses dejà anciennes de notre système de vaccination.

A) Entièrement d'accord
B) D’accord
C) En désaccord
D) Pas du tout d'accord

Generally speaking, my country’s decentralized structure has aided our COVID response.

A) Strongly Agree
B) Agree
C) Disagree
D) Strongly Disagree

De manière générale, la structure décentralisée de mon pays a aidé notre riposte contre la Covid 19.

A) Entièrement d'accord
B) D’accord
C) En désaccord
D) Pas du tout d'accord

The biggest challenge facing my country for improving local accountability for immunization is:

A) Lack of political buy-in for immunization
B) Lack of transparent data and information systems
C) Weakness or absence of community groups/committees to oversee health activities
D) Weak public financial management infrastructure or capacity
E) Lack of disincentives/incentives for bad/good practices
F) Something else – I'll explain in the chat!

Le plus grand défi auquel mon pays est confronté pour améliorer la responsabilité locale en matière de vaccination est :

A) Manque d'adhésion politique à la vaccination
B) Manque de transparence dans les données et systèmes d'information
C) Faiblesse ou absence de groupes / comités communautaires pour superviser les activités de santé
D) Faible infrastructure ou capacité de gestion des finances publiques
E) Absence de désincitations / incitations pour les mauvaises / bonnes pratiques
F) Autre chose – j'expliquerai cela dans le bandeau de discussion !

In general, decentralization in my country has been good for immunization equity, but bad for overall coverage.

A) Strongly Agree
B) Agree
C) Disagree
D) Strongly Disagree

En général, la décentralisation dans mon pays a été bonne pour l'équité en matière de vaccination, mais mauvaise pour la couverture globale.

A) Entièrement d'accord
B) D’accord
C) En désaccord
D) Pas du tout d'accord

If I could pick one challenge related to decentralization in my country to magically resolve, I would choose:

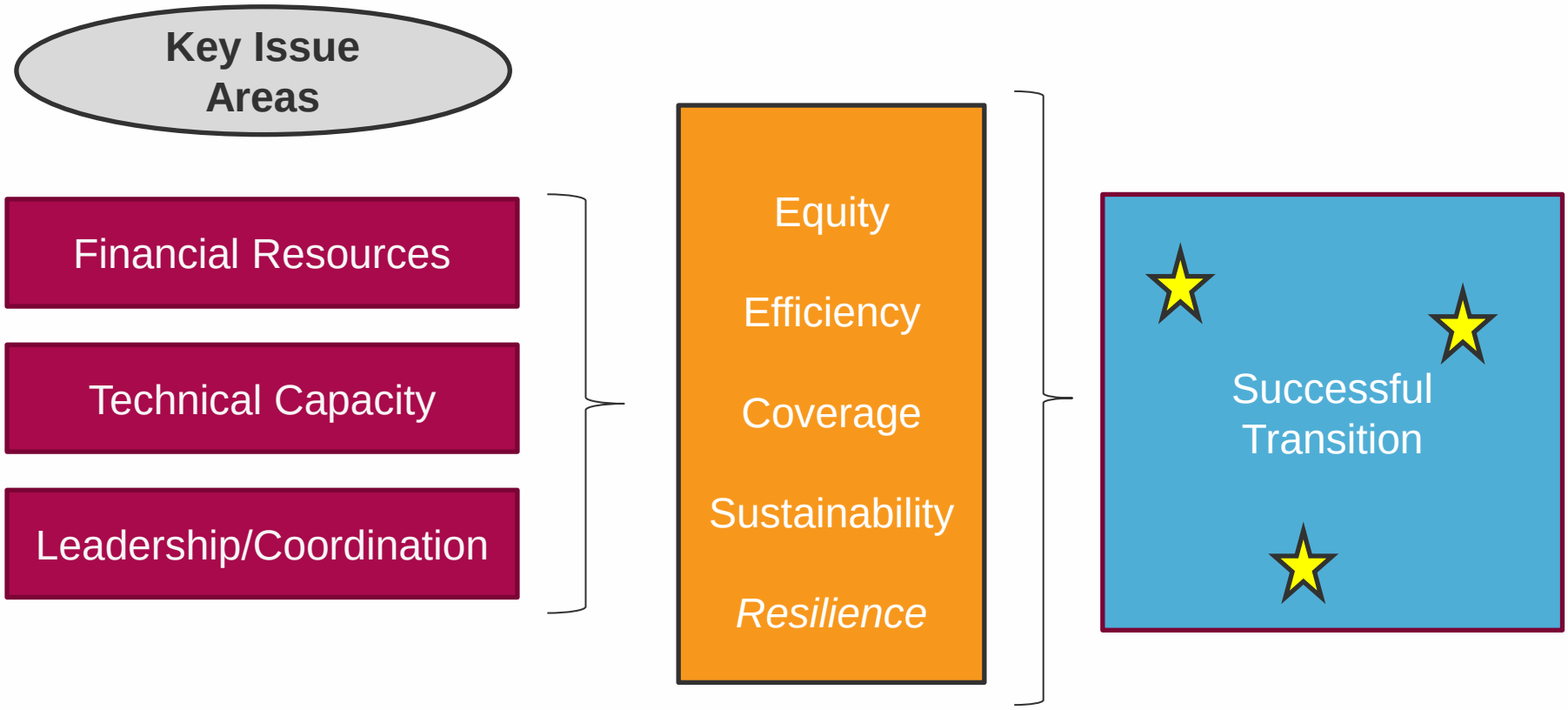
A) Funding flows / bottlenecks
B) Low program or financial management capacity at subnational levels
C) Inefficiently distributed roles and responsibilities for immunization
D) Lack of political will / need for subnational advocacy
E) Lack of accountability mechanisms
F) Lack of coordination mechanisms
G) Something else – I'll explain in the chat!

Si je pouvais choisir un défi lié à la décentralisation dans mon pays à résoudre comme par magie, je choisirais:

A) Flux de financement / goulots d'étranglement
B) Faible capacité de gestion des programmes ou des finances aux niveaux sub-national et périphérique
C) Mauvaise répartition des rôles et responsabilités en matière de vaccination
D) Absence de volonté politique/besoin de plaidoyer au niveau sub-national
E) Absence de mécanismes de responsabilisation
F) Absence de mécanismes de coordination
G) Autre chose – j'expliquerai cela dans « le chat », espace de discussion!

Workshop Wrap-up

Decentralization and Transition



Strategies to Strengthen EPI within Decentralization

- Clarify programmatic roles and responsibilities
- Step-wise transfer of programmatic and financial responsibilities
- Implement capacity building plans for subnational staff
- Strengthen advocacy to local decision makers to prioritize immunization
- Ensure availability and use of financial and programmatic data
- Advocate for structural changes such as line-item budgeting, adjustments to allocation formulas, simplified funding flows, and to have financing follow function
- Strengthen coordination and collaboration between national and subnational and across subnational immunization staff

Building back better: Immunization programs and COVID

- The pandemic is magnifying existing weaknesses in the immunization and health systems.
- Low- and middle-income countries risk building parallel and unsustainable systems for COVID
- Countries may not be doing enough to leverage the opportunity of the COVID vaccine deployment to strengthen health systems or RI
- A high-capacity immunization program remains a key aspect of epidemic preparedness
- Immunization is high on the agenda of decision-makers: leverage opportunity to mobilize (domestic and external) resources, strengthen critical country capacities, and “build (back) better”

Next Steps Activity

Instructions: Next steps activity

- In a moment, you will be automatically moved to a Zoom breakout group with your country delegation and your LNCT facilitator.
- You will have 30 minutes to work through a brief action planning worksheet.
- To access the worksheet on your laptop, click on the link in the chat.
- After 30 minutes, you will be automatically returned to the main Zoom meeting for a brief wrap-up to the workshop.

Questions for discussion:

- What are your key takeaways from the workshop?
- What are your next step action items for this workshop?

Country team facilitators

Country	Facilitators
Congo	Jhoney Barcarolo
Côte d'Ivoire	Miloud Kaddar
India	Amanda Folsom
Nigeria	Elizabeth Ohadi
Pakistan	Anuji Gamange
Vietnam	Cristiana Toscano

Country report-out

Help us improve LNCT activities!

Before you go, please fill out a short feedback survey!

We will use this to improve future LNCT activities.

The link is in the chat.

Workshop Closing

Closing Remarks

Logan Brenzel,
Senior Program Officer, Health Economics and Financing Vaccine Delivery, Bill & Melinda Gates Foundation

Closing Remarks

Dr. Alexis Mourou Moyoka,
LNCT Steering Committee Member