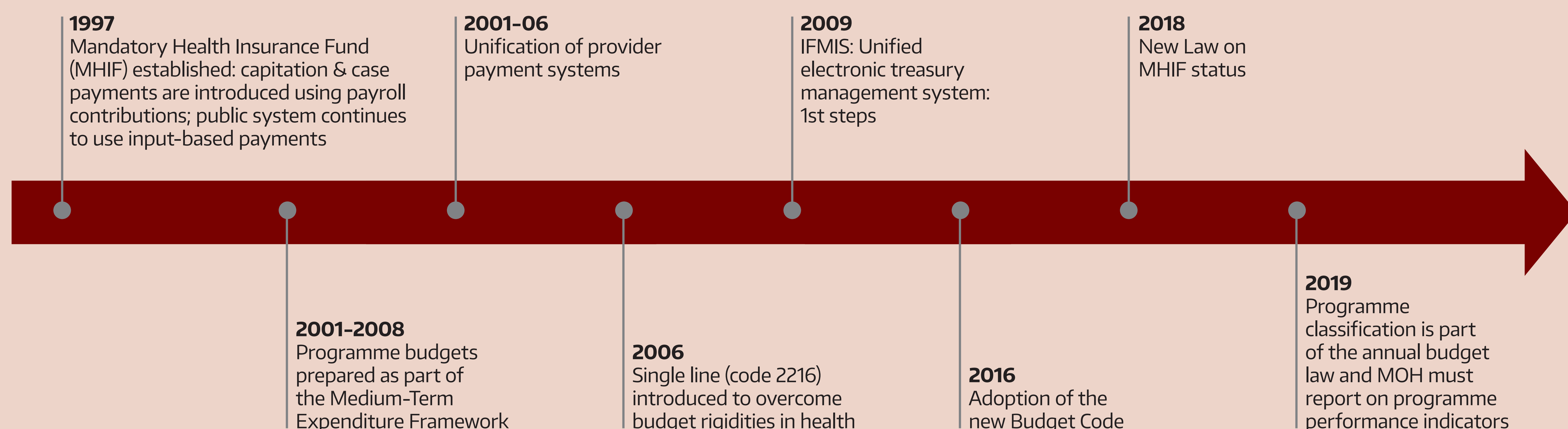




## PROGRAMME-BASED BUDGETING FOR HEALTH

### TIMELINE OF PURCHASING AND PROGRAMME-BUDGETING REFORMS



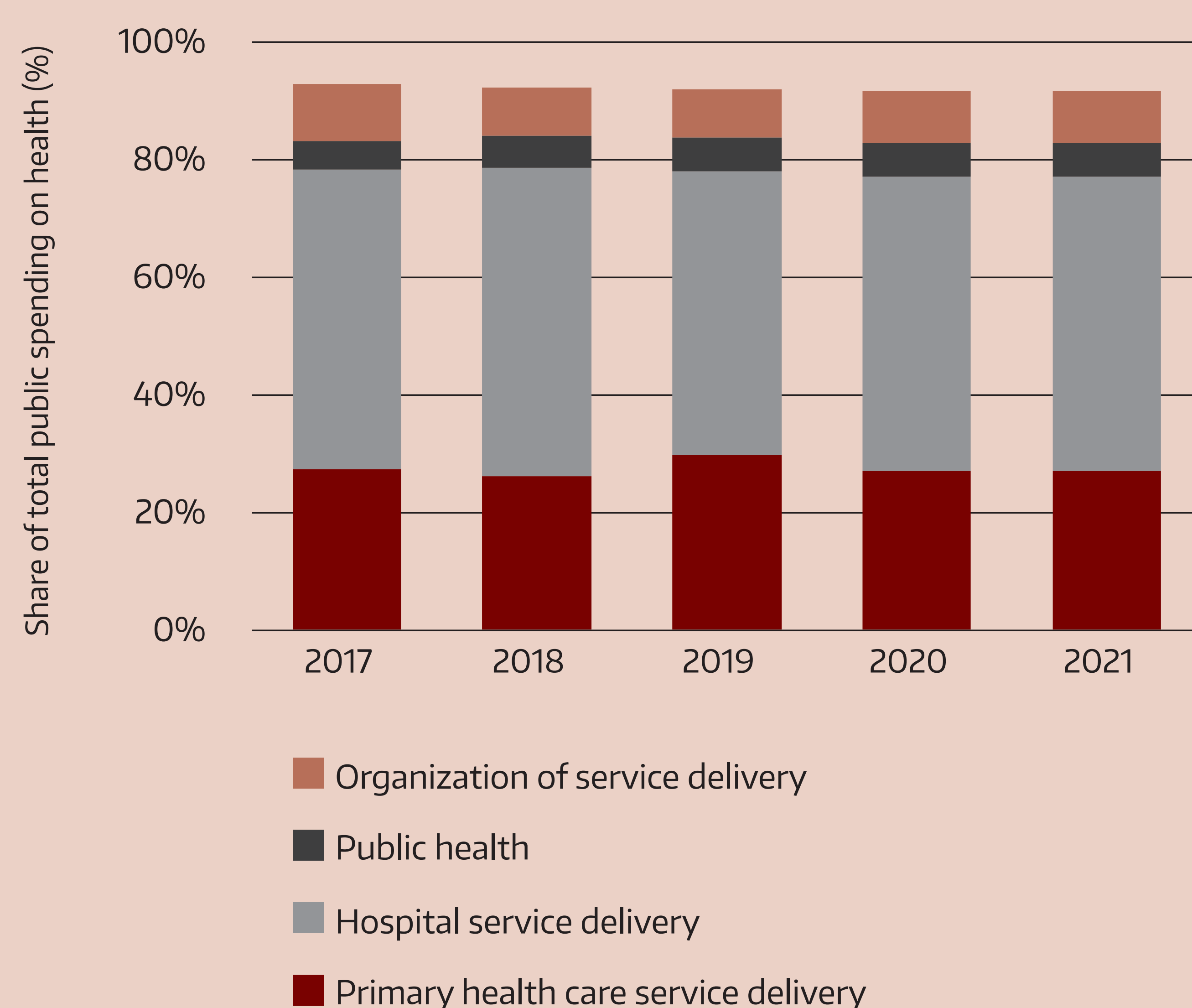
### KEY OUTPUTS

- Budget transparency has improved: the legislature and the public can link budgets more closely to the purposes of spending (e.g. one can easily identify budget allocation and spending for key priorities such as outpatient drug package)
- Performance measures are part of the annual budget documents, gradually shifting the focus from input controls to accountability for results
- Savings from staff optimization to be retained at provider level, although there is residual distrust in the health sector
- Ex ante controls of resource shifts across providers have been removed with elimination of facility-level caps which were previously imposed during the post appropriation stage by the MOF, enabling the purchasing agency to shift funds across providers and line items

### REMAINING CHALLENGES

- Budget is still formulated based on historic trends (previous year's budget) and does not account for the expected growth in the cost of health services, including the guaranteed benefits package
- Programme budgeting is not yet used for budget prioritization and budget allocations do not seem to reflect the stated priorities (e.g. primary health care)
- In 2019, programme classification is still used mainly for information as an alternative presentation of the budget, though the law requires it to be the main basis of appropriations
- Budgetary programmes in health are of mixed quality when it comes to programme design
- Alignment issues between MoH and MHIF programmes and performance measures

### BUDGET ALLOCATION ACROSS FOUR MAIN PROGRAMMES, 2017 – 2021



### MOVING FORWARD

- Prioritize detailed review of regulations and audit/inspection methods that continue to restrict changes to the input mix in MOH, MHIF and healthcare providers
- Review programme and sub-programme definitions to allow improved prioritization of spending on the basis of programmes and alignment of programmes across MOH and the MHIF
- Revise budget formulation process to ensure that programmes receive appropriate funding to deliver on the policy commitments and achieve the set targets
- Invest in complementary efforts to strengthen financial management capacity in MOH and healthcare providers
- To address the legacy of concern about punitive use of performance measurement articulate a clear policy on how performance targets and indicators will and will not be used, and communicate this clearly to budget and programme managers in line Ministries, MOF own staff, staff involved in inspecting/auditing, and legislators