



Health Financing, UHC and Budget Advocacy Training for Uganda

*Session 3: Strategic purchasing, budget cycles and political
economy*

TRAINING REPORT

Prepared by:

1. Moses Mushime
2. Moses Mukuru

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1. Training Activity Summary

Attribute	Response
Activity	Session 3: Strategic purchasing, budget cycles and political economy
Activity date	9 th September 2021
Location	Online (Zoom)
Persons in Charge	Moses Mushime (Facilitator) Moses Mukuru (Facilitator) Moses A. Nsubuga (Administrator)

Activity Duration	4 hours 53mins (9am – 1:53pm)
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1. Summary of the training participants

Gender	Number
Male	7
Female	13
Total	20

See annex 1.1 for details of the training participants

2. Objective(s) of the session

The objectives of session three were to enable participants to:

- I. Consolidate their understanding of strategic purchasing and its provisions in Uganda's NHIS bill
- II. Improve their understanding of budget cycles and budget monitoring
- III. Improve their understanding of Uganda's political economy reforms for Universal Health Coverage

4. Details of the session

4.1. Overview of Session 2

The session commenced with a participant, Labila, delivering a recap of the previous session.

4.2 Segment one: Introduction to strategic purchasing strategic

Moses Mukuru took participants through an overview of strategic purchasing. He clear made a distinction between strategic purchasing and passive purchasing and made the case why strategic purchasing is an enabler of universal health coverage.

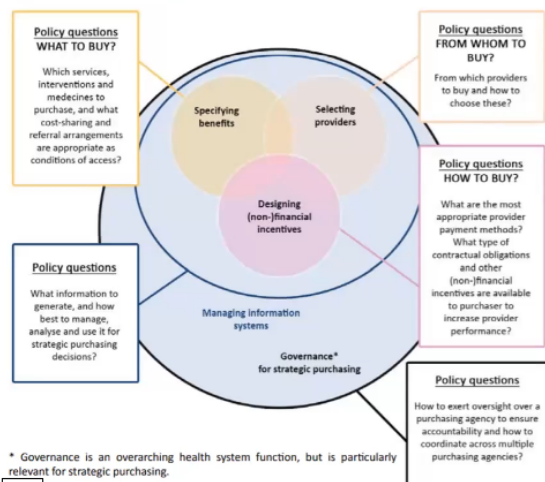
An overview



- **WHO defines three core functions of health financing: 1) revenue raising; 2) pooling of resources; 3) purchasing of services**
- **Purchasing refers to the allocation of pooled resources to healthcare providers for the delivery of services on behalf of certain groups or the population**
- **Realization of UHC requires a shift towards strategic purchasing**
- **Linking funding and incentives with information on provider performance and the health needs of the population they serve (WHR, 2010)**
- **Complexity of the purchasing landscape: Multiple purchasers, multiple providers, multiple morbidities**

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Considerations for strategic purchasing



Preker et al., 2007

- **Defining a benefit package: decide to include and what to exclude (can be challenging in high burden settings) beneficiaries of their entitlements related access conditions**
- **Provider selection: Defining the levels, provider categories and intervention packages (in some places, the choices may be limited or not there at all)**
- **Information systems: you need clinical, financial, quality and service-delivery outputs data to inform decisions about allocation according to need, provide performance and behavior**
- **But are the data systems interlinked? Is there capacity to collect quality and timely data? How about capacity to process it for decision making? Patient info exp access?**

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Reactions

- Esther sought for clarity on the nature of flexibility expected from the service providers. In response, Mukuru clarified that the set rules do not have to be rigid so as to enable the providers room for creativity to assemble the input required to provide the necessary service.

4.2.1 Break out session 1

The training participants broke out into 4 groups for a 20 minutes' session as follows;

- a) Groups 1 & 2 were assigned to discuss;
 1. What are the strategic purchasing arrangements in Uganda's health financing strategy 2015/16 – 2024/25?
 2. What are the current challenges to the strategic purchasing arrangements?
 3. What other strategic purchasing tools are not envisaged in the health financing strategy?
- b) Groups 3 & 4 were assigned to discuss;
 1. What are the strategic purchasing provisions in the National health insurance scheme bill?
 2. Do you think that these provisions are sufficient to guide strategic purchasing in Uganda?
 3. What are the institutional arrangements for strategic purchasing under the NHIS bill?

4. 3.2 Plenary reports

Strategic purchasing arrangements in Uganda's health financing strategy 2015/16 – 2024/25

- Build capacity for purchasing in the health sector by establishing a Strategic Purchasing Unit at MoH
- Building institutional capacity at MoH and among stakeholders to conduct results-based financing.
- Input-based payment – revise allocation formula to reflect the need & build capacity of facility managers
- Process-based provider payments – institutionalised contracting mechanisms to handle reimbursements
- Delivery of a benefits package

Current challenges to the strategic purchasing arrangements

Uganda doesn't have necessary incentives to encourage equity, efficiency and provision of quality services

- The Provider-Purchaser split is not there
- Limited capacity

Strategic purchasing tools are not envisaged in the health financing strategy

- Gender-based strategic purchasing
- Establishing a distinctive role between the purchaser and provider

Strategic purchasing provisions in the National health insurance scheme bill

- Contracting clause – 37 (4)
- Payment method-reimbursement/result-based financing after verification– clause 27(1)
- Gate keeping - clause 26(2)(a) & (b)
- Co-payment – clause 26(4) with exclusion of the indigents (26(5))
- Capitation/advance payments - clause 29
- Per capita budgeting by the NHIS – clause 30
- Accreditation of health care providers -clause 38
- Quality assurance (quality of care, medical procedures and administration of medicines) – clause 40
- Safeguards against over and underutilization of health care- clause 40
- Offences and penalties – clauses 43 and 44
- Design of a comprehensive Service benefit package – schedule 1. Need for rules on negative listing and referrals

NB: The bill was amended before it was passed by parliament and therefore the numbering of clauses/sections could have changed. Check the amended bill for proper referencing

The institutional arrangements for strategic purchasing under the NHIS bill?

- Establishment of the NHIS Board
- Establishment of regional tribunals
- Establishment of committees

Reactions

As a wrap up of the session, Mushime highlighted some of the specific provisions on strategic purchasing in the NHIS Bill 2019, as well as some of the challenges of strategic purchasing.

4.3 Segment two: Budget cycles in Uganda

Participants had a brainstorming session on the budget cycle process to identify the different stages in the cycle as well as the stakeholders, their roles, the documents, and CSO role in advocating for UHC at each of those stages.

Ronald Mugobera highlighted the 4 major stages as;

- Preparation
- Approval
- Implementation
- Monitoring & audit

What type of budget documents are produced at every stage of the budgeting process?

What role(s) can CSOs play at every cycle to influence UHC

Stage	Stakeholder	Roles	Documents	What role can CSOs play to advocate for UHC
Preparation stage Starts around August each year; budget conference	Ministry of finance	Determining the resource envelope	First budget call circular	Key advocacy tool/well researched document on UHC which can be delivered to different influencers
	MDAs	Discussion of the budget strategy	National budget framework paper prepared by MDAs and LGs submitted to parliament by 30 th December	Generate evidence on UHC/ situation analysis highlighting priorities backed by evidence
	Parliament	LG consultative meetings (districts come together)	Parliamentary report on NBFP	Partners at LG level who can give information to support a policy brief
	LGS	Inter-ministerial budget consultative meetings	Budgeting tracking reports	Getting in touch with parliamentary
	CSOs	District budget conferences -each individual district	Simplified budget guidelines	
		Subcounty budget conferences		

				<p>Position papers on NBFP -the primary audience id parliament/committee on health</p> <p>Under LGs there is DEC and planning department</p> <p>Monitoring</p>
<p>Approval January and march</p> <p>Debates</p> <p>Tax bills</p>	<p>Parliament</p> <p>MDAS</p>	<p>Parliament approves the NBFP</p> <p>Committees of parliament consult with different MDAs</p> <p>SCOs submit their position papers to parliamentary sector committees</p>	<p>Budget estimates</p> <p>Budget speech</p> <p>*15th June every year</p>	<p>Develop position papers</p> <p>Identify issues on health financing in the position paper</p>

<p>Implementation</p> <p>What will be done in the budget</p>	<p>Ministry of finance</p> <p>MDAs & LGs</p>	<p>Cash flow plans</p> <p>Monitoring and evaluation</p>	<p>Second budget call circular on how to spend the money</p> <p>Quarterly performance reports</p> <p>BMAU reports</p>	<p>Visibility</p> <p>Participate in the costing of EMPHS</p> <p>Unplanning the primary audience is key: parliament</p> <p>Tracking the budget</p>
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Auditing	Office of the auditor general		AG consolidated reports	<p>Advocate for transparency and accountability</p> <p>It is important to follow the budgeting process from the first budget call circular</p> <p>Diversion or misuse of funds</p>
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4.3.1 Reactions

- Ronald noted that it is important that CSOs are visible at all the stages of the budget cycle to be able to effectively influence the processes.
- Ronald also encouraged participants to go through the Public Finance Management Act that sets the dates for the documents and frameworks.
- Elliot noted that MoFED has a department on Budget Monitoring that ensures budget implementation is in line and as such providing an avenue to engage as the budget is being implemented, especially on gender and equity aspects.

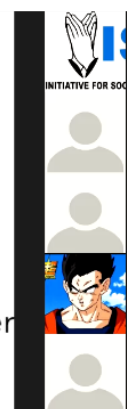
- Mushime promised to share a refined tabulation of the details identified during the brain storming session for regular reference while doing advocacy
- Mukuru noted that it is critical that participants get acquainted with all the relevant policy documents as well as the set processes because they are the basis for impactful engagement with the policy makers in government.
- *Elliot requested for another session on the budget cycle processes so as to get a much deeper understanding of the subject and also appreciate the entry points for advocacy at each stage.*

4.4 Segment three: Political economy of UHC reform in Uganda

Moses Mushime delivered a presentation on political economy of UHC reform in Uganda. He emphasised the need to understand different politics around UHC, the stakeholders and their interests and how they can be navigated to push the UHC policy agenda.

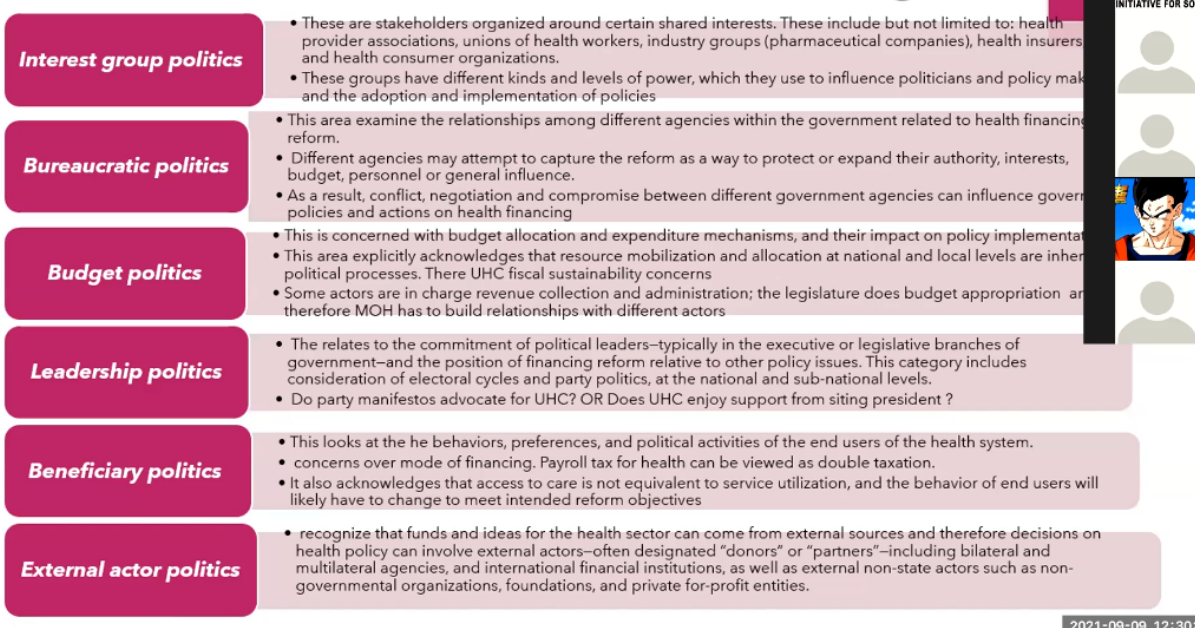
INTRODUCTION

- Health financing reform is an inherently a political process that alters the distribution of **entitlements, responsibilities and resources** across the health sector and beyond.
- Changes in health financing policy affect a range of stakeholder and institutions in ways that can create **political obstacles and tensions**.
- Political economy analysis provides a structured way to assist practitioners/activists in navigating key areas of contestation
- It is very important to Understand the political economy dimensions of reform, the power and position of different actors, the culture of using **evidence for decisions** and **leadership** as enabling factors for successful reforms underpinning UHC.



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Politics of health financing



4.4.1 Break out session

Participants broke out into 4 groups for a 20 minutes' session as follows;

- c) Groups 1 & 2 were assigned to discuss;
 1. What are the political economy challenges & opportunities associated with Uganda's health financing strategy?
 2. What strategies can be used to address the political economy challenges to advance UHC?
- d) Groups 3 & 4 were assigned to discuss;
 1. Identify key stakeholders in the political economy of health financing in Uganda
 2. What are the political factors/concerns/interests that shape their opinion on UHC reforms?
 3. What strategies can be used to navigate key areas of contestation?

4.4.2 Plenary reports

Political economy Challenges on UHC financing

- No clear engagement of the private sector and CSOs by MoH
- Lack of prioritization of the health sector (in terms of budgetary allocations)
- Population growth that puts a strain on resource allocation
- Disintegration of services brought about by the creation of numerous districts, municipalities & cities without the necessary budget allocations for them to access services

- High dependence on development partners
- Unregulated privatization of the health sector
- Inadequate budget transparency
- Lack of evidence and data to back up advocacy

Political economy opportunities on UHC financing

- Administrative structures are in place and only need strengthening & financing
- Training of partners & stakeholder on UHC & health financing/budgeting to understand the processes and hold stakeholders accountable
- Results-based financing which allows payment of service providers based on the quality of service offered.
- Judgement in Petition 16 (CEHURD Vs AG) on underfunding maternal health services
- Decolonizing health aid by CSOs & local communities

Strategies to address the political economy challenges to advance UHC

- Increased investment in the health sector – at least an incremental approach should be evident
- Continuous training for stakeholders
- Availing tools to monitor & evaluate progress of the strategy
- Assent to NHIS bill
- Organising actors

Key stakeholders in the political economy of health financing in Uganda

- Insurance companies
- Private hospitals
- Pharmaceutical companies
- Medical/health staff associations
- End users /consumer groups
- Line ministries ie MoH, MoFED, State House
- Development partners
- CSOs
- Political leadership/ politicians
- Public health facilities

Political factors/concerns/interests that shape their opinion on UHC reforms

- Failure to make profit margins – Private insurers losing business
- Public law suits instituted against private hospitals
- Contract & bidding process for pharmaceuticals to be included in the purchasing chain
- Medical association need for improved services for the people
- CSO concern for the high out-of-pocket expenditure
- Rent seeking by political leadership

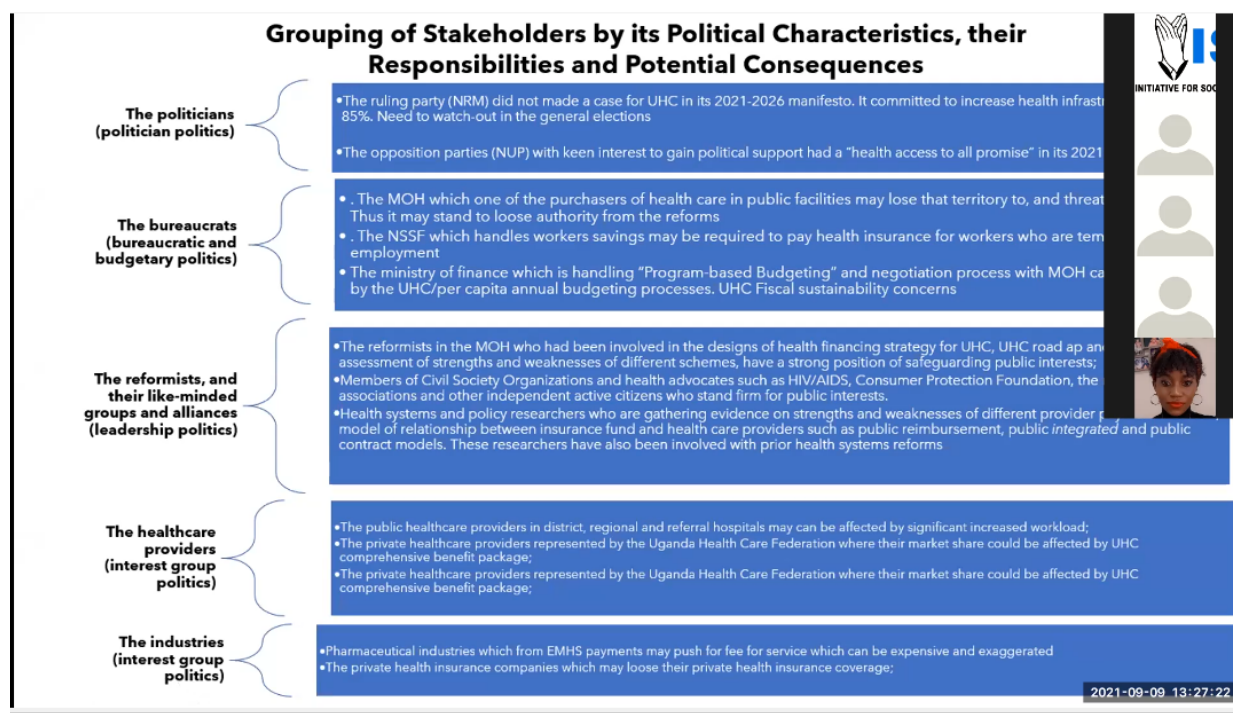
- Development partners' interest in promoting equity in access to quality health care
- Data

Strategies to navigate key areas of contestation

-
- Equal opportunity for contracting & bidding
- Enrolment of all medical facilities into the NHIS

4.4.3 Wrap up on political economy of UHC reforms

Mushime delivered presentation slides to wrap up the discussion



Bureaucratic Politics: Purchaser-Provider Split and the Tension between MOH and NHIS

- The purchaser-provider split is a governance model of the relationship between insurance funders and health facilities, in which third-party payers are kept organizationally separate from service providers.
- It advocates for an establishment of a unified, single payer health insurance scheme
- This, however may be hampered by “**Path Dependency**” – a phenomenon where what has occurred in the past persists because of resistance to change. The resistance to change could be based on the financial implications or because policymakers are making cautious or uninformed decisions in the political climate or bureaucratic politics.
- This arrangement is believed to lead to improvements in service delivery, such as improved cost containment, greater efficiency, organizational flexibility, better quality and improved responsiveness of services to patient needs.
- What is proposed in the act is that NHIS will take over the purchasing function from the MOH. This meant that the MOH role as a purchaser (or direct financier) would be terminated and transferred
- The MOH only maintains service provision and other regulatory functions, while its budget holder function for health service provision may almost totally transferred to NHIS except for major capital outlays
- Ultimately, the overall resources available for the health service provision increase

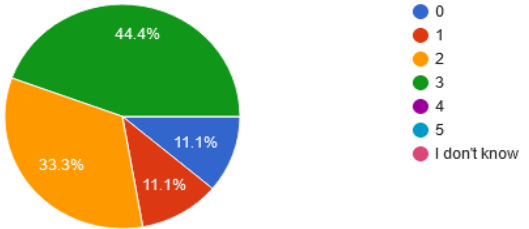
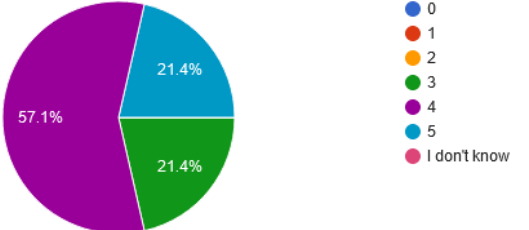
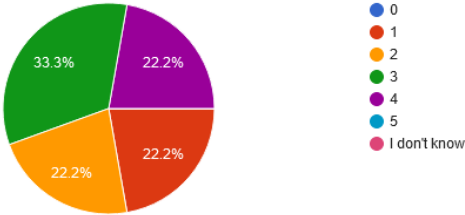
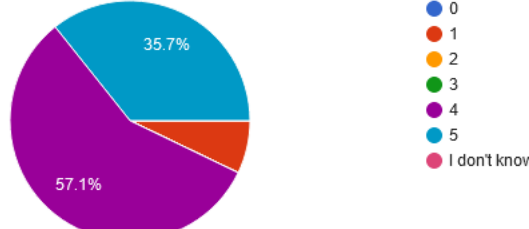
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5 Pre and post session surveys

5.1 level of understanding of session topics

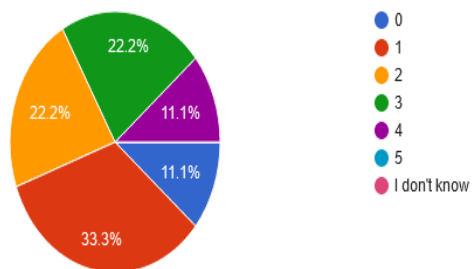
A survey with 3 questions was shared for pre and post session survey and the results of the survey in table 5.1 below

Table 5.1 level of understanding of session topics

Pre-Session Evaluation	Post Session Evaluation																																
<p>1. On a scale of 0 - 5 (with 5 being the highest), what is your level of understanding of strategic purchasing?</p> <p>9 responses</p>  <table border="1"> <thead> <tr> <th>Level</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>11.1%</td> </tr> <tr> <td>1</td> <td>11.1%</td> </tr> <tr> <td>2</td> <td>33.3%</td> </tr> <tr> <td>3</td> <td>44.4%</td> </tr> <tr> <td>4</td> <td>11.1%</td> </tr> <tr> <td>5</td> <td>0%</td> </tr> <tr> <td>I don't know</td> <td>0%</td> </tr> </tbody> </table>	Level	Percentage	0	11.1%	1	11.1%	2	33.3%	3	44.4%	4	11.1%	5	0%	I don't know	0%	<p>2. On a scale of 0 - 5 (with 5 being the highest), what is your level of understanding of strategic purchasing after this session?</p> <p>14 responses</p>  <table border="1"> <thead> <tr> <th>Level</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0%</td> </tr> <tr> <td>1</td> <td>0%</td> </tr> <tr> <td>2</td> <td>0%</td> </tr> <tr> <td>3</td> <td>21.4%</td> </tr> <tr> <td>4</td> <td>57.1%</td> </tr> <tr> <td>5</td> <td>21.4%</td> </tr> <tr> <td>I don't know</td> <td>0%</td> </tr> </tbody> </table>	Level	Percentage	0	0%	1	0%	2	0%	3	21.4%	4	57.1%	5	21.4%	I don't know	0%
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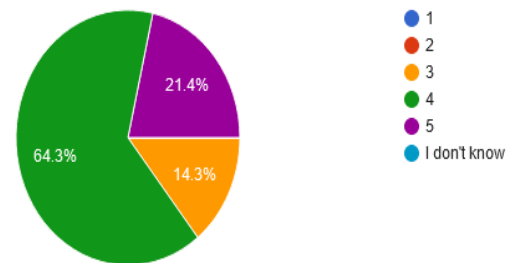
3. On a scale of 0 - 5 (with 5 being the highest), what is your level of understanding of the political economy of UHC Reform in Uganda?

9 responses



4. On a scale of 0 - 5 (with 5 being the highest), what is your level of understanding of the political economy of UHC Reform in Uganda?

14 responses

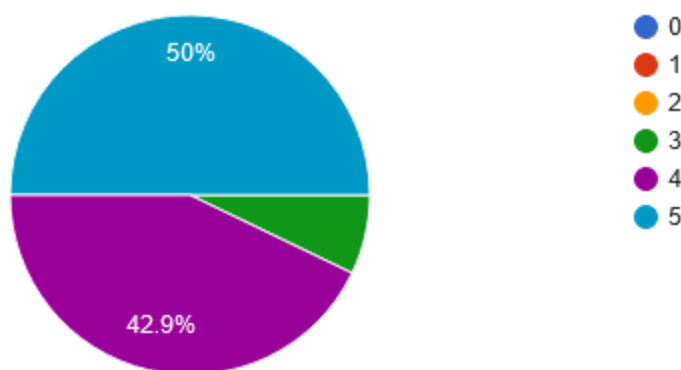


5.2 Overall rating of the session

Overall the participants rated the session as satisfactory. 50% rated the participants highly satisfactory while 42.9 rated it as satisfactory. Only 8 % rated the training as fairly satisfactory

1. On a scale of 0 - 5 (with 5 being the highest), how would you rate this session?

14 responses



5.3 Challenges during this session

- a) No
- b) Time management needs to be improved. the sessions are taking longer than expected
- c) Poor internet connectivity on my side.
- d) Lack of participation from members in the groups
- e) Yes, network issues
- f) Internet causing the speaker or me to jump off
- g) The internet connectivity on my side was really difficult, I did not attend any session on health and politics which I was excited to participate in. However, I will take it on Upon me so I read the slides and the documents shared prior to the session.

5.4 Learning/take away from this session

- a) CSOs have a lot to contribute to ensure proper budgetary allocations and expenditures
- b) Strategic purchasing is key to better quality health service delivery.
- c) How political economy affects the advancement of achieving UHC
- d) Understanding the budget cycles more comprehensively.
- e) That large part of funding should come from general tax revenues

- f) There is a great opportunity in building capacity of different stakeholders in strategic purchasing mainly politician and bureaucrats who are key influencer in many of the decisions made in regards to UHC.
- g) I have learnt strategic Purchasing.
- h) Budget cycles and ho CSOs can use the budget for advocacy
- i) The political economy determines prioritization and funding of the health sector
- j) Budget cycles in Uganda
- k) There is a multiplicity of factors at play in health financing and on the road to achieving UHC
- l) Strategic purchasing
- m) I now understand strategic purchasing
- n) As advocates, we have all the basis to support in the improvement of health services as this is provided for in all strategic documents. Strategic purchasing in National Health Strategy is very clear and we should advocate to bridge the gaps there in the health sector.

5.5 suggestions on how to make the next sessions even better?

- a) Let's keep time, time, time.
- b) We need a physical meeting since the number is within the limit
- c) A hybrid session
- d) Having more time in the group discussions
- e) Put out notices to encourage more participation from participants in breakout rooms
- f) Possibly having a physical meeting and then there is avoidance of scenarios like bad network connectivity and full concentration.

Annex 1: List of training participants

No.	First Name	Last Name	Name of the Organization
1	Achilles	Kiwanuka	PPD ARO
2	Angella	Nalunga	Action 4 Health Uganda
3	Barbara	Amumpaire	HEPs-Uganda
4	Benjamin	Hafashimana	Open Health Network
5	Bridget	Jjuuko	ACTS101 Uganda
6	Edith	Sifuna	Center for Health Human Rights and Development (CEHURD)
7	Emily	Iradukunda	Alliance for life international
8	Esther	Nakkazi	Freelance
9	Fionah	Komusana	Akina Mama wa Afrika
10	Kato	Jacob	We Rise And Prosper.
11	Labila	Musoke	Initiative for Social and Economic Rights-ISER
12	Mable	Kukunda	Uganda National Health Users/Consumers' Organization
13	Margaret	Happy	ADVOCACY FOR QUALITY HEALTH UGANDA
14	Mark Donald	Mwesiga	Palliative Care Association of Uganda (PCAU)
15	Monica	Atim	Coalition on Girls' Empowerment (COGE)
16	Orizaarwa	Elliot	Women and Girl child development association (WEGCDA)
17	Pius	Suuna	Uganda Health Communication Alliance
18	Ronald	Mugobera	Civil Society Budget Advocacy Group
19	Sylvia	Nakasi	Uganda Network of AIDS Service Organisations (UNASO)
20	Wilson	Manishimwe	Journalist

1 participant, Rose Mukisa, did not attend the session and she did not communicate why.

Zoom Meeting You are viewing Mushime Moses' screen View Options

Moses A. Nsubuga Fiona Komusana Mushime Moses Moses Mukuru-Ugan... Achilles Kiwanuka, PP...

Recording... Activity 1 - Word Sign out Tell me what you want to do

File Home Insert Design Layout References Mailings Review View Help Acrobat Tell me what you want to do

Paste Cut Copy Format Painter Clipboard Font Paragraph Styles Editing Find Replace Select Create and Share Request Signatures Adobe PDF Adobe Acrobat

SESSION 3: ACTIVITY 1

Group 1 & 2

I. What are the strategic purchasing arrangements in Uganda's health financing strategy 2015/16 - 2024/25

- Build capacity for purchasing in the health sector -establish a unit at MOH for strategic purchasing
- Result-based financing- piloting under the maternal health project funded by WB
- Input-based payment. Allocation formulae reflecting the needs at the facility
- Process-based provider payment - initialized contracting mechanisms
- Delivery of the benefits package

II. What are the current challenges to the strategic purchasing arrangements?

- No incentives
- Lack of purchaser-split (NHIS law could cure this)

III. What other strategic purchasing tools that are not envisaged in the health financing strategy?

- Gender-based strategic purchasing??
- Distinctive role between the provider and the purchaser

Refer to pages 35 - 37 of the health financing strategy

Group 3 & 4

Page 1 of 2 329 words 100%

Unmute Start Video Security Participants Chat Share Screen Reactions Apps More End

Participants (23)

Find a participant

- Moses A. Nsubu... (Host, me)
- Mushime Moses (Co-host)
- Moses Mukuru-Ugan... (Co-host)
- Ronald Mugobera
- Achilles Kiwanuka, PPD ARO
- Alice Kayongo
- Barbara Amupaire
- Bridget N Jjuuko
- Edith Sifuna
- ELLIOT ORIZAARWA
- Emily Iradukunda (Alliance for li...
- esthernakkazi
- Fiona Komusana
- Hafashimana Benjamin

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