

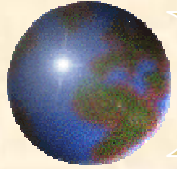


# *World Bank Financing for e-Health Activities*

Dominic S. Haazen

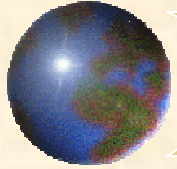
Lead Health Policy Specialist

The World Bank, Washington, DC



## *Overview of WB Financing*

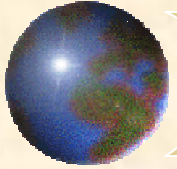
- ❖ Total value of HMIS/e-health components in region - ~ \$200 million
  - ❑ about 10% of total loan/credit amounts
- ❖ About two-thirds of health projects have had HMIS/e-health components
  - ❑ Most new projects have such components
- ❖ But ... implementation continues to be problematic (as with MIS projects everywhere)
  - ❑ Recent WB Quality Assurance Group evaluation of ICT project components (next)



# *Primary Problem Areas – ICT*

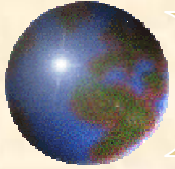
*(including both health and other sectors)*

- ❖ Challenges are incorrectly assumed to be primarily technical in nature;
- ❖ Problems are frequently glossed over by managers, peer reviewers and evaluators;
- ❖ Special ICT risks are frequently overlooked and recognized only when disaster strikes;
- ❖ ICT procurement requirements are not properly recognized or addressed;
- ❖ There is frequently a mismatch between the importance and resource intensity of ICT operations work and the corresponding time and budget allocations;

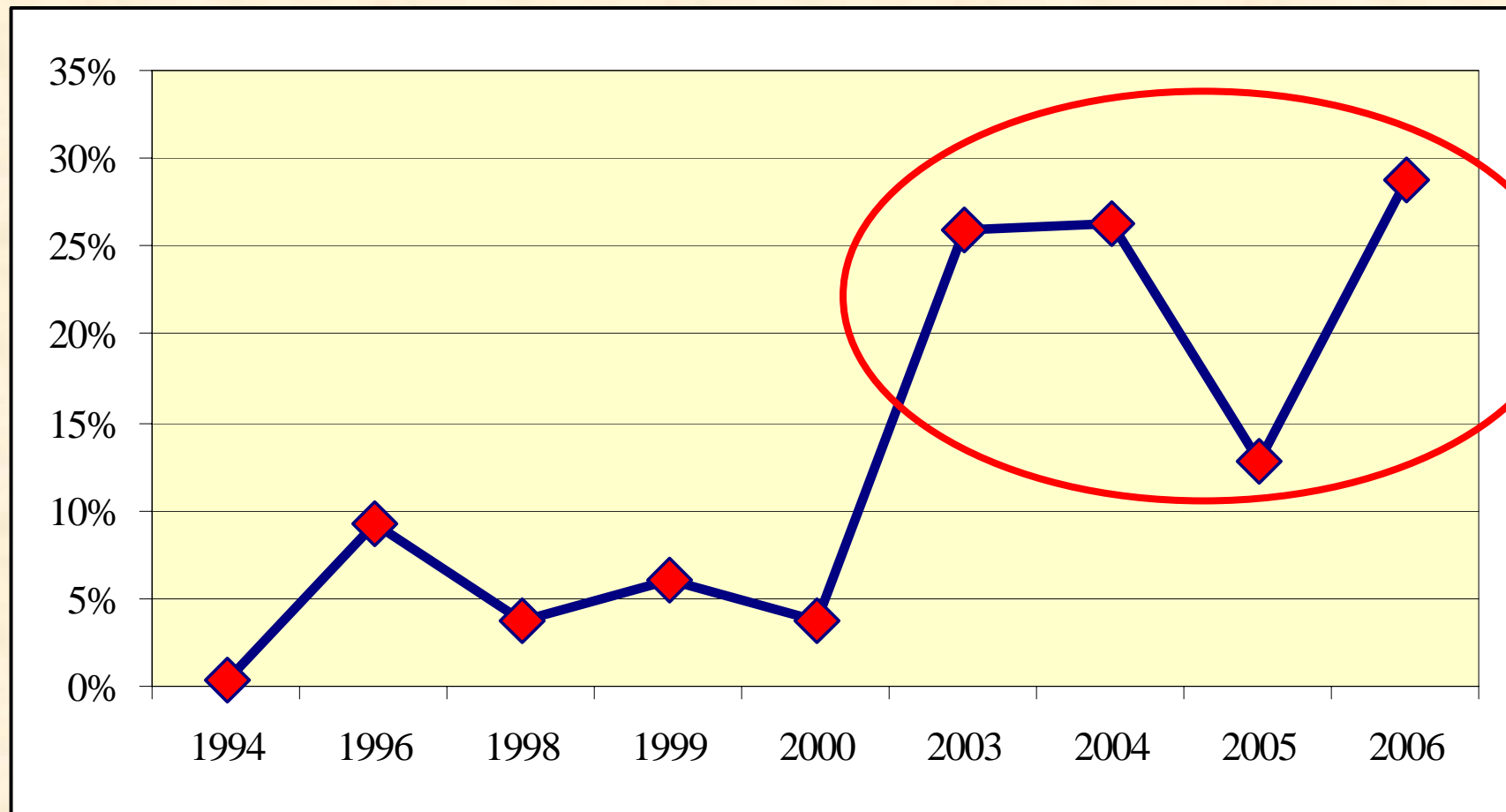


## *Mitigation Measures*

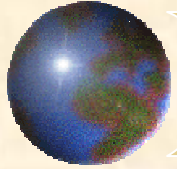
- ⊕ Focus on both business and technical aspects - emphasize need for business process re-engineering;
- ⊕ Increasing size of ICT components generates more management attention (next slide);
- ⊕ Ensure that robust project management arrangements are in place *a priori*;
- ⊕ WB IT procurement specialists help to improve the quality of bidding documents and monitor process;
- ⊕ Use specialized consultants to help to (a) define needs, (b) develop specifications and bidding documents, (c) supervise evaluation and (d) monitor contractor performance;
  - ⊞ Helps to support clients and “level the playing field”



## *e-Health Financing – Western Balkans*

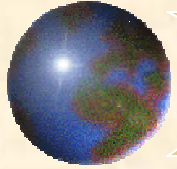


Percent of Loan/Credit Funds Allocated by Year of Approval



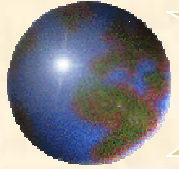
## *Focus of HMIS/e-Health Activities*

- ✦ Earlier projects focused on pilot or limited national activities in specific areas (hospitals or health insurance)
- ✦ Lately there has been an increasing focus on e-health related activities, including EHR and integration/sharing of information across various parts of the health system



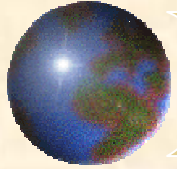
## *Focus of Activities – Reason for Change*

- ❖ Impending/aspiring EU accession - countries want "EU-standard" health information systems
- ❖ Increased recognition of need for information sharing - to support cost control, improved efficiency better quality of care
- ❖ Administrative burden and cost of manual systems (both on providers and insurers)
- ❖ Desire to implement new provider payment approaches (e.g., capitation, DRG, Rx)
- ❖ Patient demand for higher quality care and improved access



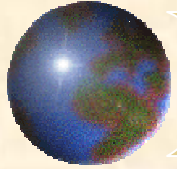
## *Focus of Activities – Drivers of Change*

- ❖ Senior decision-makers (Ministers and HIF Directors) leading change
- ❖ Sector-wide viewpoint of key decision-makers drives requests for broader scope
- ❖ They are concerned over health care cost increases, low quality, inadequate control
- ❖ More widely disseminated e-health information helps to focus attention on alternative approaches and their potential benefits
- ❖ Budget financing for such multi-year activities continues to be problematic
  - ❑ WB loan financing easier
  - ❑ Comes with technical assistance/support



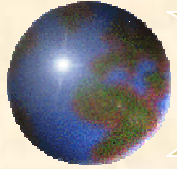
## *Focus of Activities – Implications*

- ❖ Larger e-health components means more attention required on planning and implementation
  - ❖ Now if an e-health component fails, the whole project may be deemed a failure ...
- ❖ Need for specialized resources and TA to assist in both development and execution
- ❖ Put more emphasis on learning from the experiences of other countries
- ❖ (Try to) Steer clients towards a phased approach (not pilots), with subsequent phases building on initial success



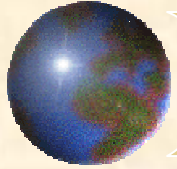
## *Project Appraisal – Methods/Tools*

- ❖ Economic Analysis - done on the basis of the entire project (CBA or CEA common)
- ❖ Groundwork - usually long-term e-Health strategy is required/desired prior to initiating investments, or included as part of project
- ❖ Monitoring - through results framework, but specific/robust indicators related to e-health activities are rare
- ❖ Ex-post Evaluation - mostly qualitative at this point due to size of components
- ❖ Further work needed in this area



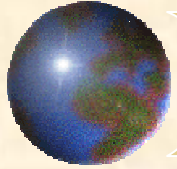
## *Best Uses of WB Financing/Support*

- Help to put e-health within the context of the broader health reform agenda (key part of overall reform program)
  - Provider payment reform (e.g., DRG, capitation)
  - Control of pharmaceutical expenditures
  - Improved quality of care and monitoring
  - Key aspect of health system strengthening
- Assist MOH/HIF in thinking through concepts and then building a business case for e-health with MOF/other central agencies
  - Basis for continued funding after WB project is finished



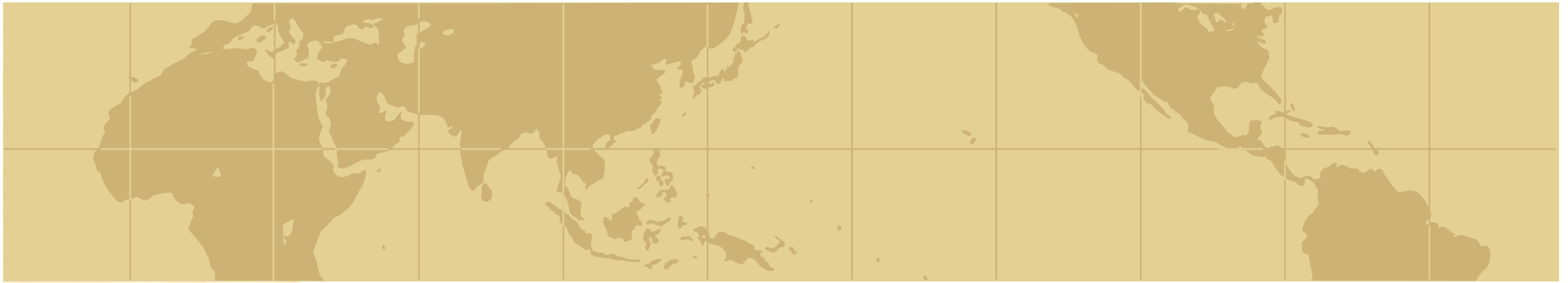
## *Best Uses (cont'd)*

- Provide a catalyst for future development effort
  - Strategy development, action planning and sequencing
  - Demonstration/initial implementation
  - Capacity building (e.g., NHIC, health informatics discipline development)
- Assisting in preparing proposals for use of pre-accession or structural funds
  - SF represent key source of "after-WB" financing - currently used in Lithuania



## *Limitations of WB Financing*

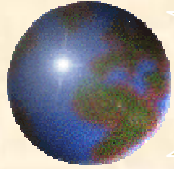
- ❖ Only available for countries that have not graduated, although TA may still be available for a limited time;
- ❖ Health needs to compete with other sectors for available financing (overall envelope for WB funding is limited);
- ❖ ICT projects have "bad rep." in the Bank for being difficult to implement, rarely meeting the original objectives
  - ❑ More structured approach to development and implementation may change this view (e.g., more use of TA, formal project management arrangements)



*Thank you!*

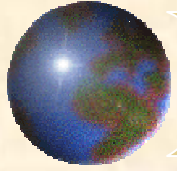


*Additional  
Information –  
Examples of Recent  
WB Activities*



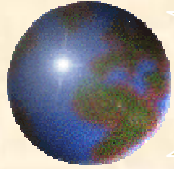
## *Examples of Typical Project Approaches*

- Technical assistance to develop key aspects of the system (e.g., Slovakia - \$2.5 million)
  - Standards development: (i) messaging, (ii) code sets, vocabularies, and classification systems, (iii) security and privacy, (iv) information management, and (v) shared data sets/electronic health record
  - Development of a National Health Information Center
- Implementation financed from other sources



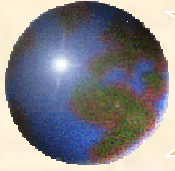
## *Examples (cont'd)*

- ❖ Technical assistance for development and initial implementation, together with financing for hardware/software (e.g., Kazakhstan - \$80 million - moving to negotiations)
  - ❖ TA for project management, development, and initial deployment (including training national staff)
  - ❖ TA for development of a National Health Information Center
  - ❖ Equipment for first 3 regions
  - ❖ Rest of the country to be rolled out using national resources



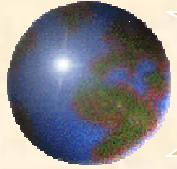
## *Examples (cont'd)*

- ❖ Development of strategy and initial implementation work (e.g., Lithuania - EUR 3.8 million)
  - ❑ TA for initial development of e-Health strategy
  - ❑ "Step One" e-health implementation - National e-Health core with tools for ensuring exchange of information, and implementation of the national-level e-Health system Pilot installation of main functions of the national-level eHealth system.
  - ❑ Subsequent steps to be financed by government's own resources or EU structural funds - initial allocation of EUR 5.5 million from SF



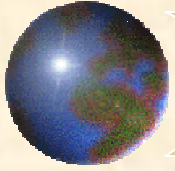
## *Examples (cont'd)*

- ❖ Focus on developing one part of the system, ensuring "hooks" for further e-health development when resources become available (e.g., Albania - EUR 2.5 million)
  - ❑ TA for development specifications for Health Insurance Institute information system, including prescription processing, enrollment with GP's and payment for primary health care
  - ❑ TA includes assistance in selecting implementing firm and monitoring performance
  - ❑ Two-stage bidding procedure to supply and install required services (turn-key)



## *Examples (cont'd)*

- ❖ Develop overall e-health approach, focusing on information exchange between various parts of the system (e.g., Macedonia - EUR 3.0 mln)
  - ❑ TA for development specifications for e-Health implementation including on-line submission of claims to the Health Insurance Fund
  - ❑ TA includes assistance in selecting implementing firm and monitoring performance
  - ❑ Limited installation in selected hospitals, primary health care centers and pharmacies
  - ❑ Further roll-out through government budget, additional financing (WB loan), or other sources



# Example – e-Health Concept MK

