

**Ethiopia Health Care Financing
reform:
The Achievements, opportunities
and
ways forward**

Global Financing Facility (GFF)
4th Investors Group (IG) Meeting

Federal Ministry of Health,
Ethiopia

Achievements - HCF (1998 – 2015)

Over all Health Sector Reform

HCF Reform (1st & 2nd Generation)

- ❑ Over all health budget increased
- ❑ Efficiency of resource allocation/utilization – Focus on PHCU
- ❑ Robust partnership platform: Harmonization and alignment to government priorities (one plan, budget and report);
- ❑ Pooling mechanism:
 - Pooled fund for on-budget resources (gov't and DP),
 - MDG performance fund (pools external aid and focuses on reaching MDG targets (11 Partners)
 - Health facilities pool funds (retained revenue, gov't allocation, CBHI and community contribution) .

- ❑ 400% increase in THE between 1996- 2012 (USD4.5bill to 20.77 bill)
- ❑ MDGPF: Underfunded areas got better share of funding, (55% of the fund used for RMNCH and health systems 2015/2016, total allocation was about 1 Bill million),
- ❑ Duplication of effort and huge transaction cost was reduced
- ❑ Rollout of CBHI is being implemented (30% of districts - 2016)
- ❑ Astronomic increase in access to PHC
- ❑ Outcomes/Impact: CPR (6 – 40), U5MR (166–88)

of partners have shown interest or committed to support the Health Care financing agenda (USAID, DFID, EU, Gates, WB, UN Agencies and possibly GF etc). USAID and Gates TF will complement the GFF-ET MDG PforR in support of the RMNCH and health financing agenda.

Challenges - Areas to work on

- Quality and Equitable access to services – Households still finance 34% of THE (as per NHA 2012)
- Improving domestic resource for health – Focus on DRM
- Strengthening harmonization - Improving the efficiency of different funding channels (Budget used outside of government system)
- Limited Capacity in HCF expansion – National and Sub national level

Areas to work on

- Capacity Building:
 - Institutional and organizational - Health Economics & financing unit, GMU, EHIA.
 - Technical support for implementation of the revised health care financing strategy - national and sub national level
- Evidence Generation and Decision Making
 - Policy implementation research
 - Joint Mid term review and

Opportunities

- **Strong Political Commitment:**
 - *A new national HCF Board/council – MOH, MOFEC, MRA, MOLSA, EHIA*
 - *A comprehensive HCF strategy (2015 – 2030) with emphasis on domestic resource mobilization*
 - *Sub national structures formed and endorsed by regional proclamations*
 - *Govt – DPs mutual accountability - innovative performance review by government and DPs (Vice versa)*

- **Renewed interest and strong commitment from partners to support HCF:**
 - More Development partners joining the MDG/SDG Pool Fund (World Bank, UK-DFID, European Union, UNICEF, UNFPA, WHO, Italian Cooperation (IC), Spanish Aid, Irish Aid, Gavi, Embassy of the Kingdom of the Netherlands (EKN)).
 - Development Partners commitment to support the implementation of HCF strategy : Gates Foundation, WB, USAID, UK-DFID
 - DPs Implementing counter partners strong interest and active participation in the HCF technical working panel

- **Ensuring Equity and quality health care is a priority of the government of Ethiopia**
 - The health sector has identified “transformation in equity and quality health care” as one of the four health care transformation agendas of the national health sector strategic period (2015/16 – 2019/20).
- **The Global Financing Facility Platform!!:**
 - Refreshed the in-country, regional and international discussions on sustainable domestic health financing. Its unique in a way that put Health Care Financing, specially Domestic Health Care financing, as a priority and cross cutting piece of the RMNCAYH agenda.

Ameseginalehu!
Thank you!
Asante Sana!
Mercy beaucoup!