

Comment Unit 10

RESPONSE TO MEETING OF HEALTH ACCOUNTS

Summary

This note is in response to the presentations at the Meeting of Health Accounts Experts, October 8-9. The following document has been prepared by Jonathan Cylus for USAID's Health Systems 20/20 project and is intended to briefly address some issues which have been highlighted by lower-income African countries as having particular significance.

Author Jonathan Cylus
Affiliation USAID's Health Systems 20/20
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UNIT 10

ISSUE- IMPORTANCE OF OPTIONAL “SOURCE OF SOURCE” TABLE

Though it championed a “transparent picture of flow of funds” Unit 10 did not strongly advocate for the SHA 2.0 to allow for optional multiple layers of financing agents. These optional tables would show the intermediate transfer of funds that takes place before funding ultimately reaches providers, giving countries the ability to identify inefficient financing agents that charge high administrative costs. There is great need in countries with pluralistic systems to recognize administrative costs at each financing agent level to identify inefficiencies. What if the MoH gives money to an NGO? Currently, health accountants would be forced to assign this spending to only one of these financing agents. An optional series of tables to track flows between financing agents would be useful for many countries, while not requiring those countries that do not want to utilize the tables to do so.

The proposal also seemed to have only one government health level, making no distinction between MoH, District government, etc.. This government category also appeared to reflect payments to provide insurance but was unclear on how to address bundled payments that fund providers. We hope this will be addressed in the revision.

CONCLUSION

The issues discussed above represent a sample of the incompatibilities with the SHA proposals outlined at the OECD meeting and some of the NHA needs of lower-income countries. We are excited about the progress that has been made thus far on the SHA revisions and are looking forward to reviewing the units after the regional consultations. Clearly, while many presentations have already emphasized that the key challenge to revising the SHA is considering for differences in the priorities and statistical capabilities between higher and lower income countries, there is still more work that can be done.

Additionally, we would also like to state our preference for Units 9 and 10 to be rolled out to African countries (and other regional meetings) prior to the second round of meetings in the Spring. Let us not forget that countries in the early stages of NHA development will adopt SHA as their national standard for managing health spending; it is imperative that their policy relevant issues are sufficiently addressed in the revisions.