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**DIRECTORATE FOR EMPLOYMENT, LABOUR AND SOCIAL AFFAIRS
PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE**

**Draft Agenda: 2nd HEALTH SYSTEMS JOINT NETWORK MEETING FOR CENTRAL,
EASTERN AND SOUTH-EASTERN EUROPEAN COUNTRIES**

The financial sustainability of health systems - Improving the dialogue

**1-2 December 2016
Tallinn, Estonia**

Contact(s):

[Camila VAMMALLE](#), Economist, +(33-1) 45 24 91 67

[Chris JAMES](#), Health policy analyst, +(33-1) 45 24 89 69

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Draft Agenda: 2nd HEALTH SYSTEMS JOINT NETWORK MEETING FOR CENTRAL, EASTERN AND SOUTH-EASTERN EUROPEAN COUNTRIES

The financial sustainability of health systems - Improving the dialogue

1-2 December 2016

Tallinn, Estonia

Organised by the OECD, the Global Fund, the WHO and the Estonian Ministry of Social Affairs

Thursday 1 December 2016

9:00 -- Opening Remarks by:

Jevgeni Ossinovski, Minister of Health and Labour, Ministry of Social Affairs, Estonia

Nicolas Cantau, Regional Manager for Eastern Europe, The Global Fund to Fight Aids, Tuberculosis and Malaria

Hans Kluge, Director, Division of Health Systems and Public Health, WHO/Europe

Camila Vammalle, Economist/Budget Policy Analyst, OECD

Chris James, Economist/Health Policy Analyst, OECD

Thursday, 1 December 2016 .../(cont'd)

9:00-10:30 **1. Sustainability and Transition - Why, How, When?**

As many countries aim to improve coverage and quality of health services provided, ensuring fiscal sustainability of health systems is key, and requires good coordination between health and finance officials. For some countries which have traditionally relied on external aid to finance some of their health programmes, economic development and “graduation” from such a support also requires strengthening national health financing systems. Taking the Global Fund example, this includes transition from support altogether and transition to a decreased level of support due to improvements in income and/or disease burden. This session will provide information on how the Global Fund aims to support sustainable responses for epidemic control and successful transition. But the sustainability challenges involved are relevant to all countries that have other forms of time limited external sources of financing, such EU structural funds and bilateral supports.

Speakers

- **Nicolas Cantau**, Regional Manager for Eastern Europe, The Global Fund to Fight Aids, Tuberculosis and Malaria
- **Maris Jesse**, Deputy Secretary General, Ministry of Social Affairs, Estonia

Discussion

10:30-11:00 **Coffee break**

11:00-12:30 **2. Structure and governance of financing of health systems**

Health financing systems vary greatly across countries. Some countries rely more on general tax revenues, while others depend on social health insurance or mandatory private health insurance schemes, with private administrators. Boundaries have become blurred as the trend in Europe is moving towards mixed revenue sources with increasing reliance on government budget transfers to health insurance funds (public or private) within a publicly financed system. Voluntary private insurers are also present in many countries. Some countries have multiple financial schemes in place, which can create challenges to coordinate, monitor and enhance efficiency in health systems. Private, out-of-pocket payments for health services play a significant role in financing health systems in Europe and Central Asia.

Issues for discussion

This session aims to discuss different ways of financing health systems and respective challenges to improve performance and ensure sustainability.

- How is the health system financed and what level of financial protection is provided?
- What are the main actors involved, how are responsibilities shared among them in your country?
- What is the level of fragmentation of the system?
- What is the role of sub-national governments in health financing and provision?

Speakers

- **Tamas Evetovits**, Senior Health Financing Specialist, WHO Barcelona Office for Health Systems Strengthening
- **Kārlis Ketners**, State Secretary, Ministry of Health, Latvia
- **Steve Wright**, Executive Director, European Centre for Health Assets and Architecture

Discussion

12:30-14:00 **Lunch**

14:00-15:00 **3. Budget formulation process**

This session aims to understand the different ways in which health expenditure is managed in countries' budgeting processes. In particular, it aims to understand the complex interactions that take place during the budget formulation process for health and the different actors that play a key role in defining health expenditure levels and allocations.

Issues for discussion

How does the budget process in your country affect programmes and projects developed by the Ministry of Health?

- How does the budget process in your country affect programmes and projects developed by the Ministry of Health?
- What could ministries of Finance change/improve to make the health planning and budgeting process easier for ministries of Health?
- What should ministries of Health do to help ministries of Finance in the allocation of resources to health?

Speakers

- **Ana María Ruiz Rivadeneira**, Policy Analyst, OECD
- **Lyubomir Kamboshev**, Health Expert, Budget Directorate, Ministry of Finance, Bulgaria

Discussion

15:00-16:00 **4. Budget execution**

Operational management issues in the health sector can create difficulties during the budget execution phase, which can lead to over or under execution of the budget. Likewise, rigid public financial management rules could prevent efficient allocation of resources. For example, while in OECD countries, budget over-execution in health is frequent, in some low and middle income countries on the contrary, report to have lower expenditure levels than the ones initially programmed in the budget. This session will explore what the situation is in CESEE countries and why, as well as possible strategies to improve efficiency during the budget execution phase.

Issues for discussion

- Does your country face budget over-execution or under-execution? What explains this?
- What are the main difficulties faced in budget execution by sub-national governments? What is being done to address them?
- To what extent does the ministry of Health has flexibility to move funds allocated to health from one programme to another, from a specific budget line to another?
- What are the main challenges your country faces in the execution phase of the health budget?

Speakers

- **Chris James**, Economist / Health Policy Analyst, OECD
- **Eva Helena Zver**, Social Welfare & Social Development Division, Institute of Macroeconomic Analysis and Development, Slovenia

Discussion

16:00-16:30 **Coffee Break**

16:30-17:30 **5. Performance budgeting, reporting and monitoring**

Performance budgeting, reporting and monitoring are key tools to ensure the fiscal sustainability of health systems. Many countries have started to introduce performance budgeting in the health sector, shifting the attention from inputs and process towards healthcare outcomes and results. Despite the progress made, there is still space to improve the way performance information is used to inform budget allocation decisions. There have also been initiatives to introduce periodic reporting and monitoring systems. However, these practices tend to be applied only to health expenditure that is included in the central public budget.

Issues for discussion

- What is your country's recent experience in performance budgeting, reporting and monitoring in the health sector?
- How long does it take for information on health spending to be reported to the ministry of Finance?

Speakers

- **Camila Vammalle**, Economist / Budget Policy Analyst, OECD
- **Jakub Haas**, Head of Healthcare and Public Health Insurance Unit, Ministry of Finance of the Czech Republic

Discussion

From 18:15 **Official dinner hosted by the Estonian Ministry of Social Affairs**
 Restaurant Scheeli (old city).

Friday 2 December 2016

8:30-10:00 **6. National Health Accounts**

National Health Accounts are a tool to track the use of financial resources spent on health care in a country. OECD, Eurostat and WHO have jointly developed the “System of Health Accounts 2011” as an international health accounts framework to measure the consumption of health care goods and services around three core dimensions of provider, financing and function. But the applicability of SHA 2011 goes beyond this core system by allowing detailed breakdowns of health spending to aid policy. For example, analysing the different revenues of financing schemes can help both Finance and Health ministries assess fiscal sustainability of public financing arrangements.

Issues for discussion

- Does your country produce information on health spending according to the System of Health Accounts? How does it contributed to better monitoring of health spending?
- Do you use the information more as tool to benchmark your country against other countries? Are you also using it in the preparation and evaluation of policy reforms?

Speakers

- **Michael Mueller**, Health Policy Analyst, OECD
- **Ali Nurgozhayev**, Head of the Centre for Economic Research in Healthcare, Kazakhstan
- **Gier Lie**, Health Financing Specialist, The Global Fund to Fight Aids, Tuberculosis and Malaria

Discussion

10:00-10:30 **Coffee break and group photo**

10:30-11:30 **7. Social contracting**

Evidence across the world suggests that forming a stable, meaningful partnership between governments and civil society organizations can enable more effective national responses in the health sector. But as countries transition from donor funding to domestic reliance and such partnership are i) not clearly defined, ii) legal frameworks are not in place, and, iii) contracting and funding mechanisms not present, there is a risks to the funding for, and implementation of the responses and its sustainability, especially for key populations most at risk. To foster an open

debate and lively interaction this Davos style session (no formal speeches or presentations) each speaker will be making a 10 minute introduction to social contracting in his/her country before discussion with the audience takes place

Issues for discussion

- Does your country have ongoing partnerships between the government and civil society organizations to provide services in the health sector?
- What are the main characteristics of such partnerships and the key elements that enable more effective national responses in the health sector?
- Which are the main determinants to ensure that these partnerships can bring cost savings and efficiencies as well as increased effectiveness?

Speakers

- **Geir Lie**, Health Financing Specialist, The Global Fund to Fight Aids, Tuberculosis and Malaria (Facilitator)
- **Aljona Kurbatova**, Head of the Infectious Diseases and Drug Abuse Prevention Department, National Institute for Health Development of Estonia
- **Iva Jovovic**, Executive Director, Life Quality Improvement Organisation Flight, Croatia

Discussion

11:30-12:00 **8. Closing remarks and ways forward**

Interested delegates are invited to join discussion on arrangements for the next activities of the OECD Joint Network of Senior Health and Finance Officials in CESEE countries.

- Would you be interested in implementing a *Survey on budgeting practices for health* in CESEE countries?
- Would a country be interested in having an in-depth analysis of their health financing and budgeting practices by the OECD, with recommendations on how to improve these?
- Would delegates be interested in continuing the dialogue through similar meetings of the OECD Joint Network of Senior Health and Finance Officials in CESEE countries?

12:00-13:30 **Lunch**

13:30-15:30 **9. Global Fund session on Sustainability and Transition policy in action: moving towards patient-centred tuberculosis (TB) care in EECA**

The Global Fund Sustainability and Transition policy envisages support for countries to increase domestic resource mobilization and to use existing resources more efficiently, including through introduction of innovative health financing instruments and approaches. This session builds on previous sessions and discusses how Sustainability and Transition policy can be translated into action in the area of TB care and in addressing other public health challenges. TB-REP, a regional project involving 11 EECA countries, is implemented by the Centre for Health Policies and Studies (PAS Centre) in strategic partnership with WHO and aims at building political commitment for sustainable change in health systems and at supporting countries to implement effective and

efficient patient-centred TB care model with sustainable financing and innovative provider payment methods. Current TB service delivery systems in EECA are heavily dependent on the Global Fund's funding and often underperform as suggested by high burden of TB and MDR-TB.

Issues for discussion:

- How do we make an investment case for sustainable and efficient financing of TB?
- How do we trigger the change from hospital based to ambulatory patient-centred TB care?
- How do we incentivize the change to patient-centred TB care through innovative provider payments methods?

Speakers:

- Brief introductions from the Global Fund, WHO and PAS Centre
- Country cases

Discussion

Annex 1: PURPOSE AND KEY THEMES

Finding policies to make health spending more sustainable, whilst continuing to make progress in expanding coverage and improving the quality of health care, is perhaps the biggest challenge facing CESEE health systems today. Effective co-operation between health ministries, finance ministries and social security institutions is crucial – but typically insufficient.

This policy dialogue brings together senior officials from health and finance ministries, and social security institutions, to discuss challenges in health system budgeting, and identify effective policies to ensure the financial sustainability of health systems. Four critical themes will be explored in depth:

- How are **health systems** structured? Who are the main actors involved, how are responsibilities shared among them? How is health **financed**?
- How is health care **expenditure** formulated, approved and managed in countries' public budgets? Are the right considerations taken into account?
- How is **execution** of the allocated health system budget enabled and supervised? Do countries face under-execution or on the contrary, over-execution problems in the health sector, and if so, what are the causes and consequences?
- How can smart budgeting practices improve health system **performance**? What must health systems in CESEE and Central Asian countries do to improve accountability and value?

In each of these topics, the issue of decentralisation will be addressed: How does **decentralization** impact on effective health system budgeting? How can national and sub-national governments work together to strengthen the financial sustainability of health care?

Each session will start with a brief introduction by the Secretariat or the Chair, to introduce the topic and give some perspective based on the OECD and non OECD experience and *surveys on budgeting practices for health*. Two or three nominated discussants, from both health and finance ministries, will then reflect on national experiences before opening the floor to discussion.

This policy dialogue has been organised by the Ministry of Social Affairs, Estonia; the Global Fund to Fight Aids, Tuberculosis and Malaria; the World Health Organisation; the Senior Budget and Health Officials Joint Network of the OECD; and the CESEE Senior Budget Officials Network. An important output of this policy dialogue will be a document summarising challenges and best practices identified.

Annex 2: Practical information

PRACTICAL INFORMATION

1. Visa requirements

Estonia is part of the Schengen visa area.

Delegates who need a visa should apply at the foreign representations of the Republic of Estonia. **Please contact WHO Country Office in Estonia in case you need a visa invitation: eurowhoest@who.int**

2. Venue/conference location

Park Inn by Radisson Meriton Conference & Spa Hotel Tallinn ****

Toompuiestee 27, Tallinn 10149

Tel +372 628 8100 <http://www.parkinn.com/hotel-meriton-tallinn>

Centrally located near Old Town and Parliament, the Park Inn by Radisson Meriton offers Free Wireless High-speed Internet, air conditioning and tea and coffee provisions. The abundant spa facilities include an Aqua & Sauna Center, a Wellness Spa and a Sports Club.

3. Room reservations

Participants are responsible for making their own hotel reservations and covering their own accommodation expenses. Reservation should be guaranteed by a credit card provided by the traveler.

- Please contact **Park Inn by Radisson Meriton Conference & Spa Hotel Tallinn**
- **Email:** reservations.meriton.tallinn@rezidorparkinn.com
- **Reservation code:** "OECD CESEE Joint Network meeting".

Price: Superior Single/Double room with breakfast – 60/70 EUR **This price is guaranteed only for the bookings made directly via e-mail before 10th November 2016.**

4. Simultaneous interpretation

Simultaneous interpretation in English and Russian will be available throughout the meeting.

5. Social events

Lunches will be provided on the 2 days of the meeting. Delegates are invited to an official dinner on Thursday, 1 December at 19:00 at restaurant Scheeli in the old town (<http://scheeli.eu/en/>). Departure from the hotel is scheduled at 18:30, to walk via the old town.

6. Local transportation

The **Park Inn by Radisson Meriton Conference & Spa Hotel Tallinn** is situated approximately 7 km from airport, which is up to 15 minutes (in low-traffic hours) by taxi. Taxi from airport to the hotel costs approximately 10 EUR, including a 3.65 or 3.90 EUR starting fee, paid in EUR and mostly in cash, some accept also debit/credit cards. Taxis are safe and available right outside the airport (<http://www.tallinn-airport.ee/en/transport/leaving-the-airport>).

The official taxi partners of Tallinn Airport are Tulika Takso, Tallink Takso and Tulika Business, whose cars will be waiting for passengers right in front of the terminal doors.

Taxi call numbers:

- Tulika Takso: +372 612 0000 or local short dial 1200 (<http://www.tulika.ee/defaulten>)
- Tallink Takso: +372 640 8921 or local short dial 1921 (<http://www.tallinktakso.ee/front-page>)

8. Climate

At this time of the year it is winter weather in Estonia. The weather may be quite cold, it is also quite dark and roads may be icy. It may snow and the average temperature is minus 5 degrees Celcius although temperatures may drop down to -20 degrees at night. Please don't forget a warm coat, proper footwear, a scarf, lined gloves, and a hat!

Should you have any queries about logistics, please do not hesitate to contact:

- **WHO Country Office in Estonia** World Health Organization Gonsiori Str 29, Tallinn 10147, Estonia Phone: +372 62 69 350
- Mob: +372 523 3327 Fax: +372 62 69 353 E-mail: eurowhoest@who.int
- [Http://www.euro.who.int/Estonia](http://www.euro.who.int/Estonia)