

Chapter 25:

# Sector Guidelines for Countries Proposing Health Programs



REDUCING POVERTY THROUGH GROWTH



## Health Sector Activities

### Preliminary Guidance for Countries considering Health Sector Activities

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This document is intended to provide an overview of the way MCC conducts due diligence on a programs containing health sector activities.

Investing in people, through health services and targeted programs to improve health status, is an important precondition for sustained economic growth. These priorities are reflected in MCC's country selection criteria. Health systems include those services, functions, and resources in a country or geographic area whose primary purpose is to affect the health status<sup>1</sup> of the population. This covers both the public and private health sector, and the full range of health services, including community health, prevention and health promotion, and primary, secondary, and hospital services. It also includes the administrative and financial systems for health, the body of legislation relevant to the health system, and ancillary institutions that affect health services or health status.

MCC expects proposals for MCA funding to emphasize those interventions that support economic growth and enhance labor and productivity, particularly for the poor. These might include, for example, child health programs that reduce mortality and morbidity, and improve physical and mental development and ability to learn; programs aimed at reducing mortality and/or morbidity in adults from communicable and/or non-communicable diseases; and programs that ensure healthy work force entry and promotion of healthy lifestyles among adolescents and young people. Proposed projects are reviewed for their contribution to poverty reduction and economic growth. Projects must clearly indicate how the activity will impact both short-run (5 – 7 years) and long-term (7 years and beyond) opportunities for economic growth. Evidence from the health sector indicates that this will likely result from improved health status (reduced mortality and disability) and/or cost savings in the health sector (improved cost-effectiveness). In many countries, improving infrastructure for primary and district health services delivery, improving health services quality, increasing private sector involvement in various aspects of the health

<sup>1</sup> Health status is defined as the level of illness or wellness of a population at a particular time, and is measured through life expectancy, mortality, disability and disease prevalence rates

system, and developing human resources for health will be important economic investments.

Proposed investments will probably fall under one of the following three categories:

### **1) Interventions to Directly Strengthen Health Outcomes**

Illustrative activities that have clear evidence for generating strong economic contribution outcomes in many countries include:

- Micronutrient and expanded childhood immunization programs
- Antenatal, delivery and health services for mothers and newborns
- HIV/AIDS, tuberculosis, and malaria prevention, treatment, and disease control
- Primary care and district hospital strengthening
- Disease specific needs – e.g., ancillary infrastructure for a national anti-retroviral treatment program for HIV/AIDS
- Support for communicable and non-communicable disease prevention strategies

### **2) Interventions to Improve Cost-effectiveness of the Health System**

Illustrative activities that increase the effectiveness of resources utilized for health include:

- Improved monitoring and surveillance for program design and evaluation
- Targeting of public expenditures to population subgroups with poorer health status
- Rationalization of hospital infrastructure and health staff
- Drug management and logistics; laboratory and blood bank improvements
- Strengthening public sector management systems hardware, software and training; performance-based outsourcing

### 3) Interventions Beyond the Health Sector

Optimizing health impacts of interventions beyond those in the health system should also be considered. Illustrative interventions that have large impacts on health status include investments in:

- Sustainable access to good quality water sources
- Urban and rural sanitation
- Girls' primary and secondary education
- Improved cook stoves for reduced indoor pollution
- Urban air pollution clean up

#### Proposal Requirements

Proposals must include definitions of the problem being addressed and an explanation of why the problem is important. It must also include a complete description of the proposed steps to address the problem, the risks of implementation, and the expected outcomes and benefits of the investment. At a minimum, it should address the following:

#### *Problem Definition:*

- Provide a description of the physical dimensions of the problem (population or geographic region affected) and the efforts to date in addressing the problem. If possible, provide an estimate of the impact of not addressing the problem.
- Provide indicators, if available, of life expectancy, mortality and morbidity, access to services, or other measures that will provide a dimension that will quantify the magnitude of the problem and serve as measures of the effectiveness of the solution.<sup>2</sup>

<sup>2</sup> Important indicators for countries to review and compare against more developed countries, and against other countries of similar GNP and health expenditure per capita, include life expectancy at birth and at age 5; infant and child mortality rates; the maternally mortality ratio; major causes of death for adolescents and adults; incidence and rate of new infections of HIV/AIDS; and mortality and disability from tuberculosis, malaria, diarrhea and pneumonia. Important non-health indicators include the percentage of health expenditure on prevention programs, the percentage of government budget spent on public health and health services for the poor, measures of access to services, and levels and quality of human resources for health.

*Proposal should address and answer those of the following questions that are applicable:*

- Describe in detail the investment that is proposed to address the foregoing problem. Explain why it is an effective solution.
- Describe the impacts of the proposed activity on financial and human resources for health. Identify beneficiaries as precisely as possible, e.g., by demographic or geographic target populations.
- Describe any regulatory, policy or legislative changes required. Describe the steps necessary to secure these changes.
- If applicable, describe the role of the private sector in providing a solution. Describe how its role can be expanded or otherwise strengthened.
- Describe the likely poverty and gender impacts of the proposed activity.
- Describe other interventions to address this or similar problems in the country. Is the proposed activity consistent with lessons learned from similar projects or activities in the country or in other countries with a similar problem and context?
- Provide budgets and implementation plans that describe adequately the pace of implementation and the significant steps that need to be followed during implementation. Describe risks of implementation and how they might be addressed. Articulate how the activity will be sustained beyond the initial intervention period.

Hallmarks of a strong proposal include thorough review of epidemiological conditions, assessment of the effectiveness of the current health system in addressing critical issues of mortality and morbidity, and emphasis on evidence-based interventions for improving health status.