



# Ministry of Health

## PROGRESS, CHALLENGES AND WAY FORWARD

**National Annual Review**

**22<sup>nd</sup> September 2017**

# **Nepal Health Sector Strategy : Key Outcomes**

1. Rebuilt and strengthened health systems: Infrastructure, HRH management, Procurement and supply chain management.
2. Improved quality of care at point-of-delivery
3. Equitable utilization of health care services
4. Strengthened decentralized planning and budgeting
5. Improved sector management and governance
6. Improved sustainability of health sector financing
7. Improved healthy lifestyles and environment
8. Strengthened management of public health emergencies
9. Improved availability and use of evidence in decision-making processes at all levels

# MoH - 26-point commitments

## 26-point Commitments of the Ministry of Health

August, 06, 2017

In the present context of historic transition toward the institutionalisation of Federal Democratic Republic as per the Constitution of Nepal (promulgated in 2072 [2015]), the Ministry of Health (MoH) will be fully committed to formulate policies and programs and for their implementation to establish health as the citizen's rights and responsibility.

After the people's movement in 2062/63 [2006], our leadership introduced basic free health care program for ultra poor, helpless and underprivileged segment of the population as well as provisioned partial subsidy for the treatment of selected health conditions/diseases such as cancer, heart and kidney. Similarly, Safe Motherhood Programme was launched during the same period and Primary Health Care Revitalization Division was also set up. Health related rights were incorporated in the interim constitution at that time and state responsibility in citizen's health was also conceptualized by launching different health programs, one after another. Successive governments have continued those policies and programmes.

Accessibility, quality, availability, health system strengthening (medicine, equipment, human resources, information, physical infrastructure and organizational structure) and communicable as well as non-communicable diseases are major problems in the health sector. On the one hand, MDGs have not been fully accomplished yet, while on the other hand, additional responsibilities are to be fulfilled as stated in the SDGs. In such context, we have an opportunity to progress further towards materialising health rights of the citizens by addressing aforementioned health problems. Making "Healthy Nepal- Prosperous Nepal" will be our thrust.

By adopting the concept of social inclusion, we aim to accomplish the above stated responsibilities through following commitments. Our special focus will be on the health of majority of farmers, labourers, Dalits, women, children, differently able people and senior citizens. Marginalized communities, who were deprived, will be empowered through health and development cooperatives towards materialisation of constitutional spirit.

1. Health rights enshrined in the Constitution of Nepal will be firmly implemented. The rights of every citizen to receive free basic health services from the state will be executed at all levels.
2. Free basic health services will be made available as per the constitutional provision while the additional health services will be covered [financed] under the health insurance policy. Nevertheless, it will be the state responsibility to provide the premium on behalf of the poor, underprivileged and targeted groups as well as persons with severe disabilities for their coverage in health insurance. The coverage of services and benefit packages will be expanded to safeguard the financial risk. Ultra poor and underprivileged families of 25 districts identified by the Government of Nepal will be covered through health insurance scheme by making immediate arrangement of necessary contribution amount. Gradually, other health security schemes will be implemented for the coverage of poor and target population in all districts and levels. Individuals whose treatment is not possible in public health facilities will be referred to the private health institutions. Private institutions should provide health services to poor and targeted population in a transparent manner under their corporate social responsibility mechanism. Ministry of Health will facilitate and regulate such mechanism. The health services of the private health institutions will be managed by updating and implementing the classification of standards under different categories.
3. Expenses incurred in health sector is not a burden, it's an investment. Investment in health contributes many folds in economic growth as shown by WHO study. MoH will make necessary efforts to ensure financial commitment of the state in order to establish health as a fundamental right and responsibility of the citizens. Under a slogan of 'Healthy Nepal- Prosperous Nepal', and with necessary structure, MoH will play a key role to take forward the concept of 'health in all policies' through multi-sectoral collaboration.
4. After the peoples' movement 2062/63, the government- with our leadership in the past- had secured 7.2% of the national budget for health towards the execution of the health rights as provisioned in the interim constitution. Nepal's constitution has further expanded the health rights and number of health facilities is to be substantially increased under the federal structure. On top of the 4.2% budget allocated for health for this fiscal year, arrangement will be made to secure additional budget for the health. Our goal for the next fiscal year is to attain 8% of the national budget for health. By raising the tax on harmful products such as tobacco and alcohol, resultant revenue will be used to ensure universal health coverage for all as per the constitutional rights. In order to improve health service provision and to realize the health rights, access to quality health care services will be made for all which will contribute to achieve the progress against the goals set for health.

5. By retaining relevant policies and strategies of National Health Policy 2071 (2014), which was formulated before the promulgation of the Nepal's Constitution, a new health policy 2074 will be formulated in line with the new constitution. Health related different laws and regulations including Public/Health Act, Drug Act and Tuberculosis [Act] will be made compatible to the federal structure and will accordingly be implemented. A high level committee will be formed to monitor and evaluate health policy, federalism, consumer's rights and good governance in the health sector.
6. The MoH will remain committed to fulfil the targets set in the SDGs. The NHSS, NHSS IP and programs identified/documentated through the JAR, which is to be organized jointly with health development partners, will be implemented with due priority.
7. Health workers will be encouraged to stay in remote and challenging areas as per the sanctioned positions of the health facilities by providing opportunities such as for career development. Health facilities in those remote areas will be connected with specialty hospitals through telemedicine services to enhance competency of health workers/doctors, delivery of quality services and to strengthen two-way referral mechanism. HR positions will be defined as per population size, geography, services package as per the federal structure. Discussion on the concept of 'at least one doctor in each health facility' will be started for the consensus.
8. Medical ethics of the health workers towards health security of the public and individual patients will be strictly implemented. In coordination with concerned agencies, Health Workers and Health Institution Protection Act 2066 will also be duly enforced for the protection of health workers.
9. Good governance will be strictly adhered in health. The policy of 'zero tolerance against corruption' will be adopted. Reward and punishment approach will be implemented in a fair manner by adopting an effective monitoring and evaluation system. Performance contract approach will be implemented while assigning with leadership and management responsibility in public health institutions.
10. Anomalies around the health management will be made transparent and will be addressed . Similarly, career development of health workers and staff positions will be properly managed during staff adjustment process while recruitment, transfer and promotion will be made transparent and systematic.

11. Procurement and distribution of medicines will be managed as per the concept of 'central bidding, local purchasing' in line with the framework contract, G2G [government to government] and other necessary legal framework. The authority [procurement] will be delegated to local and province level as per the federal system. Deviating from the current practice of procurement- which is 70% at central level, 10% at regional level and 20% at district level- arrangement will be made for 60% of the procurement at local level, 20% at province level and 20% at central level. This will be further expanded after institutional development of the local levels. Vaccines, health products and super specialty equipment will be generally procured at the centre while gradual arrangement will be made for the procurement at province level. Availability, usage and distribution of medicines and equipment will be made effective. An arrangement will be made to prioritize the procurement of medicines produced by the industries such as Nepal Drug Limited and Singhadarbar Vaidyakhana for their usage in free health care programme. Quality production of all essential medicines will be facilitated by enhancing the capacity of Nepal Drug Limited.
12. Development of the public health institutions will be ensured. An environment will be created to upgrade existing Health Posts and PHCCs with adequate infrastructure, respectively to PHCCs and Community Hospitals. In the similar manner, Community Health Unit will be expanded at ward level considering geography and population. Such Units will be operationalized by ANMs with the support from FCHVs and they will gradually be expanded as Community Reproductive Health Service Centres.
13. A policy will be adopted to establish community based health, nutrition and insurance (?) cooperatives in coordination with the local levels which will also provide support to FCHVs. A special program will be launched for the services and social protection of the FCHVs who have been instrumental for awareness and health promotion in Nepal's health system. Special focus will also be given for the involvement of mothers' groups to strengthen community health system.
14. Arrangements will be made for the rapid reconstruction of health infrastructure in the districts affected by the earthquake- by strengthening the existing structure (PCU) in line with the federal context in a transparent manner- for the continuity of health services through increased level of government investment and partners' cooperation. Initiatives such as emergency fund and air ambulance will be considered for the management of accidents, disaster management and epidemics.

15. Continuous orientation on public health, which is one of the strong aspects of Nepal's health sector, will be further promoted and enhanced. The MoH will ensure the rights of service users by forming Task Force to resolve the issues in medical sector. Not to deprive anyone from the emergency care due to financial reason, necessary plan and programmatic arrangement will be made within one month's period to ensure such services from central to local level hospitals. Different public health programs will be implemented with priority for the control, prevention, elimination and eradication of communicable diseases.
16. Towards the goal of materializing the constitutional rights of 'every woman shall have rights on safe motherhood and reproductive health', 'Aama Suraksha Program' will be further accelerated with high importance as it was introduced during our leadership in the past. Towards this end, priority will be given for the production of doctors (MDGP, DGO, DCH, and Anesthesia) and number of institutions to provide skilled birth attendants and trained midwiferies will be rapidly increased. The ministry will remain committed to ensure the rights of child development as provisioned in the constitution. Similarly, NICU and SNICU will be expanded in order to make the newborn care effective.
17. Besides priority on prevention, treatment, control, elimination and eradication of communicable diseases, epidemics and natural disaster; attention will be given on prevention and management of non-communicable diseases. All different kind of systems such as Ayurveda, Naturopathy, Yoga, Homeopathy, Sorippa (Aamchi) will be taken forward in an integrated manner. Appropriate policy and program will be initiated to combat with antimicrobial resistance.
18. In light of the current context of global campaign to promote awareness on mental health, a sustainable plan for Nepal will be formulated on mental health. Additionally, existing provision of 50% discount for the protection of senior citizen's health will be strictly implemented.
19. With special priority on protection and promotion of Ayurveda health system, as Nepal's traditional treatment system, policies on Ayurveda and other treatment systems will be formulated and implemented. Focus will also be given on protection of Aamchi, Homeopathy, Naturopathy and other traditional treatment systems, as well as their quality and access.
20. High priority will be given to the research, so that health policies will be formulated on the basis of evidence. By enhancing the capacity and scope of Nepal Health Research Council and National Ayurveda Research Council, coordination will be done with other institutions, academies and universities depending on medical system and professional expertise for health research

21. Besides the implementation of federalism as per the constitution, development oriented work plan on public health will be prepared and strictly implemented while maintaining the progress made so far in the health sector. Similarly, in addition to giving the health related responsibilities to local level, activities will be initiated from seven provinces to manage the health services in an organized manner.
  22. On top of the existing programmes, specialist services for underprivileged citizens in remote areas will be expanded by increasing the number of teaching districts for the academic institutions and medical colleges. Required human resources will be produced by enhancing the capacity of academic institutions such as Karnali Academy of Health Sciences.
  23. Necessary initiatives will be taken to properly address demands raised through different movements/strikes as regards the issues related to medical education. Such initiatives will contribute to health service related legislative bills including Integrated Medical Education Bill.
  24. Health service for the victims of people's war, public movements and other movements including Madesh movement will be appropriately managed.
  25. Priority will be given in the research and treatment of diseases such as Sickle cell anemia, Thalassemia and Hemophilia.
  26. Continuity will be given to all other relevant policies and programs existing in the health sector.
- Implementation process of these commitments will be initiated by developing a work plan with timeframe within seven days.



स्वास्थ्य मन्त्रालय

२६ बुद्ध प्रतिवद्धता अनुरूप स्वास्थ्य क्षेत्र सुधारको कार्ययोजना- २०७४

प्रतिवद्धता न.	मुख्य क्रियाकलापहरू	सहायक/ उप क्रियाकलाप	जिम्मेवारी (मन्त्रालय)	जिम्मेवारी (विभाग)	नयाँ / निरन्तरता	यस आ.व.मा	विनियो जीत रकम	आवश्यक पर्ने थप रकम	समय	सूचक	समुह वर्गिकरण
१	संविधान प्रदत्त स्वास्थ्यका अधिकारहरू परिभाषित गरी कार्यान्वयन गर्ने	संविधान प्रदत्त स्वास्थ्यका अधिकारहरूको सूची तयार गरी परिभाषित गर्ने	PPICD	PHCRD	नयाँ	नभएको			भाद्र मसान्त	संविधानप्रदत्त स्वास्थ्यका अधिकारहरूको पहिचान भएको हुनेछ	स्वास्थ्य सम्बन्धी अधिकार
१	संविधान प्रदत्त स्वास्थ्यका अधिकारहरू परिभाषित गरी कार्यान्वयन गर्ने	संविधान प्रदत्त स्वास्थ्यका अधिकारहरू कार्यान्वयनका लागि विस्तृत कार्ययोजना बनाई लागू गर्ने	PPICD	PHCRD	नयाँ	नभएको		500,000.00	भाद्र मसान्त	आधारभूत स्वास्थ्य सेवाको परिभाषा स्पष्ट हुनेछ ।	स्वास्थ्य सम्बन्धी अधिकार
१	संविधान प्रदत्त स्वास्थ्यका अधिकारहरू परिभाषित गरी कार्यान्वयन गर्ने	आधारभूत स्वास्थ्य सेवाको विद्यमान प्याकेजलाई परिमार्जन गर्ने (आयुर्वेदिक सेवा समेत समावेश गरी)	PPICD	PHCRD	नयाँ	नभएको		2,000,000.00	भाद्र मसान्त	आधारभूत स्वास्थ्य सेवाको परिभाषा स्पष्ट हुनेछ ।	स्वास्थ्य सम्बन्धी अधिकार
१	सबै तहका स्वास्थ्य संस्थाहरूमा आधारभूत स्वास्थ्य सेवा निशुल्क गर्ने	आधारभूत स्वास्थ्य सेवाको परिमार्जित प्याकेजलाई सबै तहका स्वास्थ्य संस्थाहरूबाट निशुल्क रूपमा प्रदान गर्ने	CSD	PHCRD	नयाँ	नभएको			३ महिनाभित्र	सबै तहका अस्पतालहरूमा आधारभूत स्वास्थ्य सेवा निशुल्क प्राप्त हुनेछ	निशुल्क कार्यक्रम

# **Progress and way forward**

# Overview on Disbursement Linked Indicators (DLIs)

- DLI is a mode of funding in which disbursement of agreed amount is done based on the verification of the achievements of specific agreed milestones for the indicator
- Current EDPs providing funding to MoH based on DLIs - DFID, GAVI and World Bank
- MoH completed first year of DLIs based funding
- MoH and all its entities ranging from central level to the local level health institutions are responsible for achieving the DLIs, based on the nature of the indicator

## DLIs : Year 1 status and Year 2 target

<b>DLI number</b>	<b>DLI</b>	<b>Year 1 - Status</b>	<b>Target for year 2 (2017/18)</b>
<b>DLI 1</b>	% of contracts managed by LMD through PPMO's online e-procurement portal	Partially Achieved	At least 60% of value of total contracts managed by LMD done through online e-procurement of year 2
<b>DLI 2</b>	Production and submission of annual report on grievances received and addressed	Achieved	Web-based Grievance Redressal mechanism established and functioning, and training completed for various levels of staff responsible for grievance handling.
<b>DLI 3</b>	% of procurements done by LMD using standard specifications	Achieved	For year 2 procurement, 70% of procurement of basic package of free drugs based on the use of standard specifications
<b>DLI 4</b>	% of district stores reporting based on the LMIS	NA	LMIS installed in all warehouses of the center and district stores of two regions

<b>DLI number</b>	<b>DLI</b>	<b>Year 1 - Status</b>	<b>Target for year 2 (2017/18)</b>
<b>DLI 5</b>	% reduction of stock-outs of tracer drugs	NA	No target
<b>DLI 6</b>	% improvement in EVM score over 2014	NA	Average EVM score of 70% (based on 2016 survey), with any 3 attributes in EVM score achieving 80%
<b>DLI 7</b>	% of MoH spending entities submitting annual plan and budget using eAWPB	Achieved	eAWPB used for planning and budget submission by MoH and all departments, divisions, and centers
<b>DLI 8</b>	% of the MoH's annual spending captured by TABUCS	Achieved	80% of MoH's spending in year 2 captured by TABUCS
<b>DLI 9</b>	% of Audited Spending units responding to the OAG's Primary audit queries within 35 days	Achieved	10 percentage points increase in audited institutions responding to primary audit queries within mandated 35 days over the baseline

<b>DLI number</b>	<b>DLI</b>	<b>Year 1 - Status</b>	<b>Target for year 2 (2017/18)</b>
<b>DLI 10</b>	% of districts which have all facilities reporting annual disaggregated data using DHIS2	Achieved	Reports based on DHIS 2 available from all DHOs
<b>DLI 11</b>	Operationalisation of the citizen feedback mechanisms and systems for public reporting	Achieved-	Pilot of the citizen engagement mechanism piloted in 6 target districts
<b>DLI 12</b>	Equity in essential health service utilization improved. Three tracer indicators will be: (1) family planning (2) safe motherhood and (3) sick child care	Achieved	Average 5% improvement in equity gap in each tracer indicator
<b>DLI 13</b>	Infrastructure: health infrastructure better able to withstand to earthquakes.	NA	To be confirmed very soon
<b>DLI 14</b>	Improved equity access to immunization services in targeted districts	NA	No target for this year. By year 3: 60% of low performing districts have fully immunized VDCs (assess through WHO/UNICEF Full Immunization Survey)

# Infrastructure

- Establishment of Project Coordination Unit
- Integrated infrastructure development project
- More than 1000 ongoing construction through DUDBC
- 256 New health institution building construction including 85 Primary Hospital in Palika through Health Infrastructure Development Project.
- New Building Construction of Bir Hospital, MCH Building in BPKIHS, OPD in Gangalal Heart Center, MCH in Pokhara

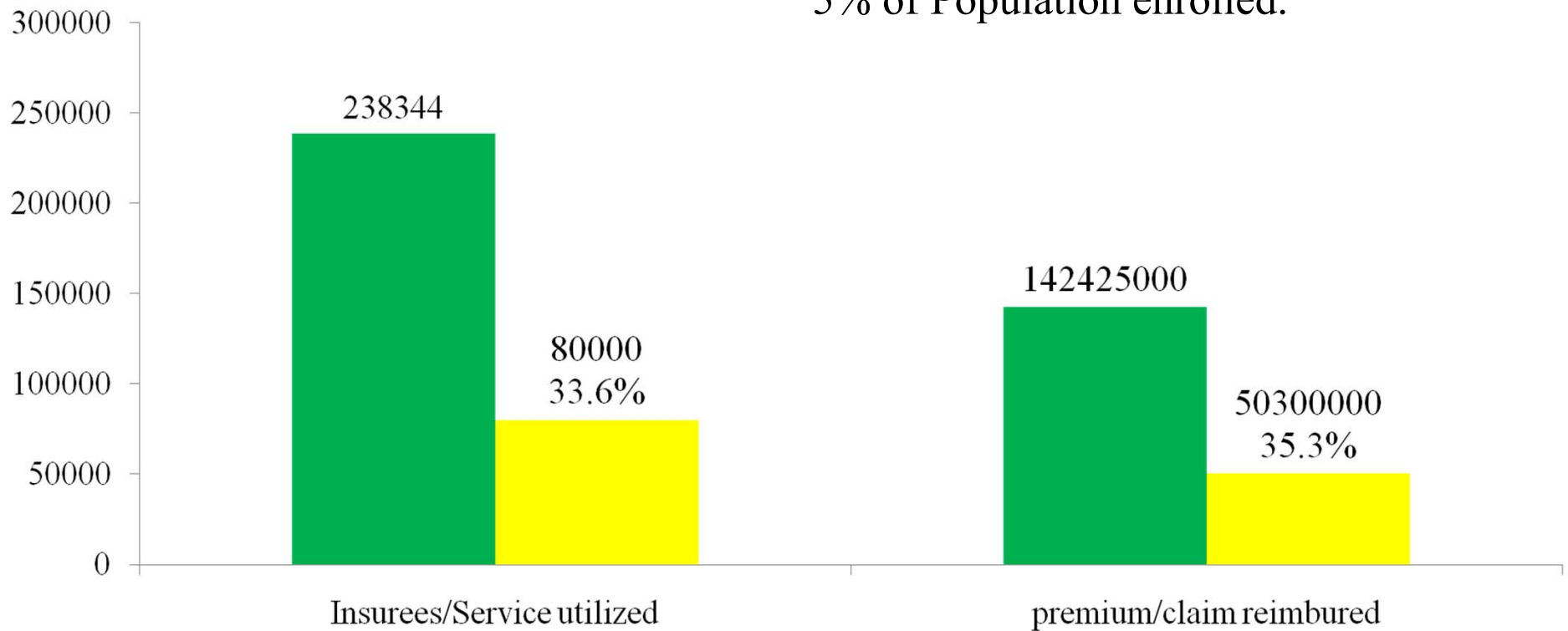
# Health Insurance

- Established through formation order(Social Health Security Development Committee) in 2015
- Contributory scheme; voluntary enrollment.
- Premium Rs 2500/5 member family /year.
- Cashless system Up to Rs 50,000 /5member/year excluding all free health services.
- Provider mostly public facilities, private service provider for referral services.
- Case based and fee for service method for provider payment.
- Computerized web based information system.
- Provision of subsidy for poor families.



# Insurance: Present situation

Implemented in 15 Districts/38 Target.  
5% of Population enrolled.



# eHealth

## ■ eHealth Strategy 2017-2020 endorsed and implementation started

- Roadmap Developed
- Priorities set
- Activities planned & budgeted for 2074/75

## ■ Smart Health Unit established

- Harmonization of eHealth initiatives and resources
- Enhancing accountability, transparency and evidence-based decision making by leveraging technology

## ■ Key Initiatives

- Expansion of electronic reporting from facilities
- Electronic Medical Recording system
- Health Facility Registry
- File tracking
- e-attendance

# Monitoring & Evaluation

## Achievements in 2073/74

- Nepal Demographic Health Survey (NDHS 2016)
- Nepal Health Facility Survey (NHFS 2015)
  - Evidence base for SDG, NHSS RF, Program monitoring
- Finalized SDG indicators related to health for Nepal
- Health sector M&E in federal context – functions and structure

## Way forward

- M&E plan till 2030
- Further analysis of NDHS, NHFS
- Strengthening and expansion of Civil Registration, Vital Statistics (CRVS) in coordination with MoFALD
- Advocacy program on Social Determinants of Health (SDH)

# Regular monitoring visits

## Observations

- Regular monitoring visits acknowledged by all levels
- MoH directives are followed/implemented at majority of institutions
- Increased renewal & registration practices
- Effective utilization of MoH grants
- More effective SSU & OCMC

## Way Forward

- Strengthen monitoring system
  - *Integrated monitoring plans & practice*
  - *Increase sharing of findings, institutional feedback mechanisms*
  - *Strengthen response mechanisms*

# Mainstreaming GESI

- GESI incorporated in policies and plans
- Introduced GBV clinical protocol
- Revised one-stop crisis management centre (OCMC) guidelines; 29 OCMCs functional; and planned OCMC expansion upto district hospital
- 16 Social Service Units operational and 12 more SSUs planned for referral hospitals in 2017/18.
- Designed software for online reporting from SSUs
- Revision of health sector GESI strategy, Geriatric strategy and SSU strategy planned
- Expansion of Geriatric services up to secondary hospitals

# Curative Service –achievements

- Initiated OPD services for general public at Army and Police hospital
- Developed Human organ transplantation regulation 2073
- Developed Laboratory personnel hazard allowance guideline 2073
- Developed Hospital Pharmacy Guideline 2073
- Developed Free kidney transplantation service guideline 2073
- Developed motivation allowance guideline 2073
- Initiated new mode of partnership:
  - Established academic sites in zonal hospitals
  - Partnership between Gangalal hospital and Janakpur hospital to start heart surgery
- Members nomination standard for MoH related institutions and management committees, 2073
- Developed climate change and health related strategy and action plan

# Curative service

## Ongoing Activities

- Ayurveda and alternative medicine policy, 2074 (in process)
- Nursing and midwifery policy (in process)
- Mental health policy 2074 (in process)
- Home based nursing care guideline development (in process)
- Revision of “Health workers and health institution security fund act 2066” (in process)
- Pre-departure health care policy for migrants (in process)

## Way forward

- Capacity enhancement program for low performing hospitals
- Partnership with academia, NGO/INGO and private sectors for capacity enhancement of hospitals
- Expansion of teaching districts of academia and medical colleges
- Use of skilled professionals in teaching activities

# Scholarship

- **Total staffs traveled for short term training/seminar /workshop/meeting/observation** (representing the Ministry of Health)= 525
- **Nomination for Academic Courses:**
  - TU/IOM: BNS 10/23 Seats, MN 1 seat, MD/MS 25 seats, MPH/MPHN/MHP 5 Seats
  - BPKIHS: MD/MS 22 Seats
  - NAMS: BNS 6 seats, MD/MS 51 seats
- **Nomination for abroad Study**
  - South Korea: 2 seats MPH
  - Bangladesh: 2 seats MPH
  - China: 1 seat MD in TCM (Traditional Chinese Medicine)



# Current challenges

- Challenges in terms of moving into federal system
  - Effect on health programs/services
  - HR management
  - Work plan implementation and program reporting system
  - Managing mismatched budget and program
  - Effective mobilization of EDPs support in federal context
- Enhancing Budget utilization, especially in early phase
- Timely procurement and supply of quality drugs and equipment
- Timely completion of ongoing construction of health infrastructure

# Way forward

- Collective effort for the effective and smooth transitioning of health system in federal context
- Prepare a time bound action plan for the implementation of 26 points commitment (already done) and AWPB implementation at different level, implement the plan and timely monitor the progress
- Speed up the construction activities through the implementation of integrated health infrastructure development project
- Speed up the procurement at various level by utilizing the opportunity provided by the recent amendment of public procurement regulation

# .....Thanks to all Development partners

- DFID
- GAVI
- KFW
- USAID
- World Bank
- UNFPA
- UNICEF
- WHO
- GIZ
- GFATM
- KOICA
- JICA
- IOM
- UNAIDS
- Health related I/NGOs

**Thank you**