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# Institutionalization of National Health Accounts (NHA). Role of LAC Regional Network in Supporting Institutionalization Activities

**Report on the Action Plan to  
Promote Institutionalization in  
The REDACS Annual Meeting**

**Magdalena Rathe**

**Santo Domingo, DR  
September 2010**



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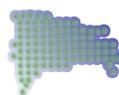
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## **REPORT ON THE ACTION PLAN TO PROMOTE INSTITUTIONALIZATION OF NHA DURING THE ANNUAL REDACS MEETING, Sept 15-16, 2010**

**Magdalena Rathe  
REDACS Coordinator**

On September 15-16<sup>th</sup>, 2010, in Punta Cana, Dominican Republic, the annual meeting of REDACS took place, after a two days discussion for the revision of SHA (third LAC consultation financed by WHO). (See attached list of participants).

In order to promote institutionalization during the REDACS meeting the following activities were completed:

- Inclusion of the Bank Global Strategic Action Plan (GSAP) in the CD to be distributed at the meeting.
- Submission of a questionnaire on how the participants' assess the institutionalization commitment in their respective countries.
- Submission of a questionnaire requesting the participants' opinion on the role of REDACS to foster institutionalization at the country level.
- Presentation of specific points of the World Bank Global Strategic Action Plan (GSAP) in the meeting, such as: importance of institutionalization, definitions, constraints, seven core dimensions, steps in the process of institutionalization, factors influencing it, commitment in countries.
- Distribution of the results of the LAC countries' study for their revision and comments.
- Discussions on the role of REDACS as the participants' perceive it – as a part of the strategic planning which will be accomplished.
- As a product of the meeting on the Strategic Planning, a document with strategic guidelines for the REDACS in five years will be delineated, establishing working a working group to elaborate an action plan for year 2011.

### **Results of questionnaires on institutionalization**

The participants were asked to fill in a questionnaire with their perception on: (1) commitment of the government in their countries in the production and use of health accounts; and (2) quality of the process of production and use of health accounts. Attached you will find the participants' list and it is understood that the answers to the questionnaire reflect their opinion and no their institutions.

The results are in detail in the attached tables. The following graphics summarize the results.

Regarding government commitment, the factors considered were: (1) legal mandate; (2) unit of health account established in a public institution, with permanent full-time staff; (3) budget to finance the unit included in the national budget; (4) inter-institutional committee existing and operating regularly; (5) consistent routinely production of health accounts; (6) utilization of NHA data for policy purposes; (6) use of a standard methodology of health accounts.

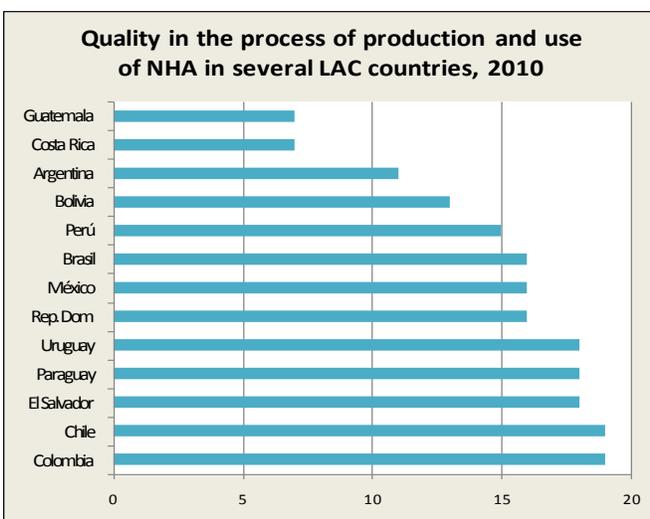
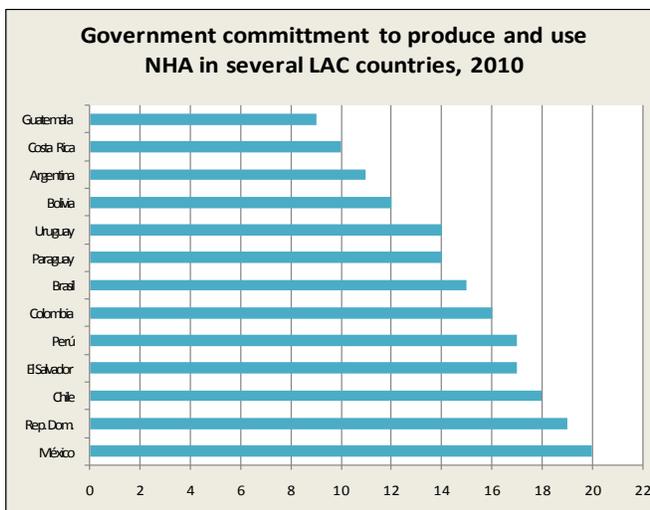
The second graph summarizes the responses to the questionnaire on the aspects considered as critical to the institutionalization process, which are: (1) strengthening the environment, (2) resources (physical, financial and human), (3) data collection and estimation methods, (4) managing the data to generate NHA tables (such as using modern data management technology), (5) clearly defining and improving information products, (6) improving the quality of data collected and produced, (7) and improving the data dissemination and policy use.

Each question had three options: green or three, if the aspect was considered achieved, yellow or two, if it was in the process and red or one, if there were substantial weaknesses.

Regarding the use of a standard methodology, the graph on the next page shows the situation. Most countries consider they are using a standard methodology, though some are still in the process of deciding what to use or do not routinely produce health accounts and therefore it cannot be considered they are doing so.

The countries which are presently using SHA are:

- Guatemala
- Mexico
- El Salvador
- Bolivia



- Dominican Republic
- Colombia
- Uruguay
- Paraguay (in process)

The countries which are using satellite accounts are:

- Chile
- Brasil
- Perú

Costa Rica and Argentina have initiated both types of accounts but none of them produces them in a consistent way.



### Strategic Planning

A session of strategic planning was held at the meeting, and the results are included in the meeting report which is in preparation at the moment. All participants committed to promote institutionalization in their countries and believed that the network can be an instrument to help in this process.

During the exercise, the mission, vision, values and strategic objectives of the network were discussed and approved, as well as a work plan for year 2011. This will be available in the next few days to be shared and approved by all participants.

## Annex I

### List of participants to the REDACS meeting

LISTA DE PARTICIPANTES REUNION REDACS			
PAIS	NOMBRE		INSTITUCION
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## Annex II Responses to the Institutionalization Questionnaires

Government Commitment	Brasil	Paraguay	Uruguay	Costa Rica	Guatemala	México	El Salvador	Bolivia	Chile	Perú	República Dominicana	Colombia	Argentina
	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1
1. Legal mandate	3	3	2	1	1	3	1	1	3	3	3	2	2
2. NHA unit in a public institution with permanent full-time staff	2	2	3	2	1	3	3	2	3	2	3	2	2
3. NHA unit financed with national budget	2	2	3	2	3	3	3	1	3	2	3	3	2
4. Inter-institutional NHA committee operating	2	2		2		3	2	1	2	2	3		1
5. Consistent and routinely production of NHA	2	3	3		1	3	3	2	3	2	2	3	1
6. Consistent use of NHA for policy process	1	2		1	1	2	2	2	1	3	2	3	1
7. Use of a standard international methodology for the production of NHA	3	2	3	1	2	3	3	3	3	3	3	3	2
<b>Total</b>	<b>15</b>	<b>16</b>	<b>14</b>	<b>10</b>	<b>9</b>	<b>20</b>	<b>17</b>	<b>12</b>	<b>18</b>	<b>17</b>	<b>19</b>	<b>16</b>	<b>11</b>

Critical institutionalization Aspects	Brasil	Paraguay	Uruguay	Costa Rica	Guatemala	México	El Salvador	Bolivia	Chile	Perú	República Dominicana	Colombia	Argentina
	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1	3 2 1
1. Strengthening the environment	2	3	3		1	2	1	1	3	2	3	2	2
2. Availability of resources (human, financial, physical)	3	2	2	2	1	3	3	2	2	2	3	2	3
3. Data collection and estimation methods	2	3	3	1	1	2	3	2	3	3	2	3	2
4. Managing the data to generate NHA tables	2	3	2	1	1	2	3	2	3	1	1	3	1
5. Clearly defined information products	2	3	3	1	1	3	3	2	3	2	2	3	1
6. Improving the quality of the data collected and produced	3	2	2	1	1	2	3	2	3	2	2	3	1
7. Improving the data dissemination and policy use	2	2	3	1	1	2	2	2	2	3	3	3	1
<b>Total</b>	<b>16</b>	<b>18</b>	<b>18</b>	<b>7</b>	<b>7</b>	<b>16</b>	<b>18</b>	<b>13</b>	<b>19</b>	<b>15</b>	<b>16</b>	<b>19</b>	<b>11</b>

## Annex III

### Regional NHA network perspective on supporting institutionalization of health accounting

*Background:* Regional networks have played a significant role in promoting the *production* of health accounts information in low and middle income countries. They have largely been responsible for organizing training activities and holding knowledge-sharing and networking workshops at the regional level. Given their primary focus on production activities, this is where we currently see regional networks as having the greatest impact.

The Global Strategic Action Plan (GSAP) considers a country as institutionalized when it produces health accounts data in a consistent manner annually; uses the information for improving health policy and health outcomes; follows a standard health accounting methodology; and has adequate financial, human and institutional capacity to routinely produce and use health accounts information. Sustained production and sustained use are vital to successful institutionalization.

Given this information, we are eager to obtain your views on the role that can networks can play in promoting the institutionalizing of NHA in countries, To help us better understand, please answer the following questions:

1. What impact the network has had on the following elements of institutionalization of health accounting in the region? (Please see the table below.)

#### Promoting institutionalization of health accounting

	Impact of the network activities since its inception	Preparedness for future
<b>Strengthening the environment</b>		
Creating political demand	The original LAC network had a key role in creating a political demand, as there were no NHA and most countries today have them.	REDACS is now much stronger than in its origins, as the network has been reactivated as an initiative of the countries and has searched for funding, and not the contrary. The original LAC network was donor driven.
NHA mandate	This role corresponds to the country (government) and not to the network; however it has probably influenced the decision.	The same can be said for the future. In fact, most of the participants in the last REDACS meeting were decided to work in this direction on their respective countries.
Supporting a coordinating mechanism e.g. NHA steering committee	Idem as previous.	Idem as previous.
<b>Building financial, human and institutional capacity</b>		
Financial	Idem as previous.	Idem as previous.
Human	The original LAC network created the first group of health accountants in the region.	REDACS can train the new generation of health accountants and can be a well of resources both for producers and users.
Institutional	Idem as financial (government function)	Idem as financial (government function)
<b>Supporting data collection, management and quality</b>		
Data collection		Idem as financial (government function). However, the REDACS can offer training on techniques for data collection.

Data management		In this area there is an opportunity for the network to support countries, as there is a clear need of automatic data management techniques, for example, easy to use software for the tables processing which would reduce the possibilities of errors. This could shorten the time of the production of health accounts and would improve the quality of the data.
Estimation and analysis		There is an important need in the countries of better analysis. Training is required and, most importantly, to promote comparative research which, by itself, will improve analytical capacities. The REDACS aspires to have an important role in this area.
Data quality		REDACS can help in the revision of data to improve quality. One of the ways could be to organize a group of experts who could be contacted through the webpage (this would require funding for the network) or through the building of a professional data bank. The countries could then hire technical assistance directly and the network just would provide the service of information.  Presently, we answer some methodological requests and discuss aspects with WHO assistance.
<b>Supporting dissemination, analysis for policy use and policy use of health accounts information</b>		
Dissemination		REDACS can play an important part in the dissemination of information, through: publications, comparative research, policy briefs, newsletters, conferences, meetings to share experiences and other dissemination activities.
Analysis for policy use		This area – analysis for policy use – is where REDACS can play the most important role. As has been expressed before, production is more a government role but analysis for policy use requires of different expertise. The participation of academic and research persons and institutions in the network, the promotion of comparative research, as well as data users and experts in health financing can ensure high quality analysis. Another important activity could be the use of communication techniques to make the data understandable for policy makers.
Policy use		Once more, policy use itself is a government function. However, the network can promote this through information.
<b>Overall</b>		REDACS can play a very important role in the region to promote the production and use of NHA, which in turn will certainly promote

		institutionalization at the country level. In order to so, the network itself requires financial resources to become institutionalized itself.
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2. How does the network view/plan working closely with the different stakeholders at the country level?
- a) Focus on policy makers in Parliaments and Executive Branch
  - b) Fostering links with different entities in national and sub national governments who have a role in production and use of health accounts information
  - c) Linking with private sector, civil society, academic institutions, research and policy institutions in the region and also work with other regional institutions
  - d) Communicating effectively with all stakeholders

The members of the network at the country level are the ones who have to communicate effectively with all stakeholders. The network itself does not plan to work closely with any national stakeholder. It can indirectly influence them by sending newsletters, information on activities, publications' references, and other means of dissemination of information.

3. With the focus largely being on supporting NHA production, we are now expecting to observe a shift to supporting *sustained production* and sustained use. How does the network propose to change its activity mix, if at all?

The focus will be to sustained use, as the sustained production is mostly a government activity at the country level. REDACS intends to help in this process too by facilitating access to new methodologies, technical assistance and training. But the most important activity we think is comparative research, training, publications and dissemination of information.

**Improving network governance, structure and network finances**

5. Is there a scope for improvement in network governance? Does the network perceive any weaknesses in its governance and if so, how does it propose to overcome these?

There is not perceived weakness in governance, as the network is already part of a network of networks, which is the LAC Health Observatory. However, there is a strategic planning process which will address all these aspects.

6. The networks have a scope to expand their membership in the region and include countries that are currently not represented in the network. How does the network view including such countries as their members and creating sub-networks?

The REDACS intends to be a network of the Americas. In that connection, all countries will be invited to participate. At the moment, only Spanish speaking countries are active, but with little more resources we would have a well maintained website with new content in several languages. The last three meetings already had simultaneous translation, as they were financed by WHO to support the discussions on the SHA revision. Of course, the expansion of the network would require funding for this kind of activities, which we expect we can organize every two years.

7. How does the network decide on accepting new memberships from the countries?

At the moment there is no established process. Any person interested to participate can be a member.

8. Some of the networks have had prolonged periods of inactivity/dormancy mainly due insufficient funding. How does the network propose to sustain its activities in the absence of donor funding?

REDACS operates with a low budget and we rise funding for specific projects (the SHA revision, as an example, with WHO funding). We are working on a strategic plan now and one of the issues is financial sustainability. There is a group of very committed people who presently volunteer their time.

## Communication

9. At present only one network has a website and its content is dated. Efficient, open and sustained communication of the network with all its internal and external stakeholders is important if the networks are to successfully support institutionalization. How does the network propose to improve its internal and external communications?

REDACS has a new webpage that has to be updated (see [fundacionplenitud.org/redacs](http://fundacionplenitud.org/redacs)). We believe this is going to be the most important mean of communication, as well as newsletters, video and teleconferences, webseminars and e-training.

10. Would the network be willing to participate in the GSAP and support institutionalization of health accounting in the region? What are the challenges that it may face? What are network's expectations from the multilateral and bilateral organizations supporting the GSAP?

Yes, the GSAP was presented in the meeting of REDACS in September and all the members are very interested on it. We believe that the multilateral and bilateral organizations support to GSAP will have an enormous impact in the process of institutionalization of the production and use of NHA in the region.

11. Any other views, not covered above

In the LAC region we have had in the past some confusion with the separation among some health accounts producers because of lack of understanding on different methodological approaches. I'm referring specifically to the satellite and the NHA approaches.

The REDACS has overcome this separation, by uniting in the same network researches who work on both methodologies. Most of the basic data and information sources are the same, and the health accounts producers (mostly government units) in each country can decide which methodology to use. And the researches in the countries that presently produce satellite accounts (Brazil and Chile) are willing to work also with the new version of SHA, which intends to be the international standard methodology.

In that connection, this GSAP is a great opportunity to expand the use of SHA in the region, in order to have comparative statistics, each time with greater data quality, which will be the basis of better analysis and consequently, better evidence to support policy making.