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Social Health Insurance Project: Improving Access, Quality, Efficiency and Financial Protection (P152625)

EUROPE AND CENTRAL ASIA | Kazakhstan | Health, Nutrition & Population Global Practice |
IBRD/IDA | Investment Project Financing | FY 2016 | Seq No: 6 | ARCHIVED on 26-Dec-2018 | ISR35175 |

Implementing Agencies: Ministry of Health, Ministry of Health, Republic of Kazakhstan

Key Dates

Key Project Dates

Bank Approval Date: 27-Apr-2016
Effectiveness Date: 27-Jun-2017
Planned Mid Term Review Date: 30-Jun-2019
Actual Mid-Term Review Date: --
Original Closing Date: 30-Jun-2021
Revised Closing Date: 30-Jun-2021

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The proposed Project Development Objective is to improve accessibility, quality, and efficiency of health service delivery, and reduce financial risks to the population that are caused by serious health problems.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

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Components

Name
Component 1. Supporting implementation of the national mandatory Social Health Insurance system:(Cost $16.63 M) Component 2. Strengthening of health service delivery to support implementation of the national mandatory Social Health Insurance system:(Cost $62.94 M) Component 3. Project management, monitoring and evaluation, and communications strategy:(Cost $10.43 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	●Moderately Unsatisfactory	●Moderately Unsatisfactory
Overall Implementation Progress (IP)	●Moderately Satisfactory	●Moderately Satisfactory
Overall Risk Rating	●Substantial	●Substantial

Implementation Status and Key Decisions

Project restructuring. Based on a formal request from the Ministry of Finance, a Project restructuring was approved by Bank management on December 11, 2018. The restructuring, focused on adjusting the Project performance indicators to maintain their relevance and ability to track the progress towards achievement of the Project development objectives, was necessitated by the changed policy context whereby the significant progress of the health sector reform could not be reflected in full by the Project indicators.

More specifically, implementation of the health sector reform has continued, with significant progress demonstrated to date. In the first phase of the reform currently under implementation, the entire financing mechanism of health services was changed. Since January 1, 2018, budget proceeds, instead of flowing directly to health providers rendering services under the State Guaranteed Benefits Package based on historic budget, are now channeled through the Social Health Insurance Fund, which conducts strategic purchasing and contracts services from public and private providers. Payments in this new system include: (i) per capita financing and fees for services in case of primary health care, (ii) the use of Diagnoses Related Groups in case of hospital-produced services, and (iii) fee-for-service for some specific health services. In addition, providers now have autonomy to use part of the received funds to implement adjustments in service delivery and provide incentives to their staff. The Fund also started collecting contributions from employers as of July 1, 2017, and pooling funds for the second-phase implementation. The second phase, which will start on January 1, 2020, will include the collection of contributions from employees and government-subsidized contributions for defined vulnerable population groups, with a simultaneous start of provision of an expanded package of health services to the insured.
Current status of the activities under each of the Project components is as follows:
Component 1. Supporting implementation of the national mandatory Social Health Insurance system: The implementation of this component is accelerating and will help the Social Health Insurance Fund expand the scope of its activities, put in place additional tools and processes aimed at improving efficiency and financial risk protection, including provision of institutional support for SHIF functioning, strengthening mechanisms of purchasing pharmaceuticals and health technologies, improving financial control mechanisms and technical audits to be used under the Mandatory Social Health Insurance (MSHI) system. When the second phase of MSHI implementation starts in early 2020, the SHIF will have strengthened the capacity and tools to act as a single strategic purchaser of health services and, consequently, will contribute to the efficiency of health services and financial risk protection for the population.
Component 2. Strengthening of health service delivery to support implementation of the national mandatory Social Health Insurance system: Project activities that contribute to improving accessibility and quality of health care delivery—such as health care standardization, strengthening primary health care, emergency care, and public health, roll out of disease management programs, and improving the quality of medical education—are being implemented regardless of the adjusted implementation timeline of the MSHI. In particular, the strengthening of emergency medical care is ongoing, and Disease Management Programs are being rolled out beyond the initial two pilot oblasts to selected polyclinics in the remaining 15 oblasts. Several strategic partnerships between local and international medical universities are also being implemented with the objective of improving quality and relevance of medical education.
Component 3. Project management, monitoring and evaluation, and communications strategy: The Ministry of Health has a clear understanding of the importance of a strong communications strategy to support the sector reforms. During the last year, efforts have been made to conduct population awareness-building through an intensive communication strategy and to establish citizen feedback processes through a staged approach to support the MSHI reform.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	Moderate	Moderate	Moderate
Macroeconomic	Substantial	Substantial	Substantial
Sector Strategies and Policies	Substantial	Substantial	Substantial
Technical Design of Project or Program	Substantial	Substantial	Substantial
Institutional Capacity for Implementation and Sustainability	Substantial	Substantial	Substantial
Fiduciary	Substantial	Substantial	High
Environment and Social	Moderate	Moderate	Moderate
Stakeholders	Substantial	Substantial	Substantial
Other	Substantial	Substantial	Substantial
Overall	Substantial	Substantial	Substantial

Results

PDO Indicators by Objectives / Outcomes

Improve accessibility, quality, and effeciency of health service delivery and reduce financial risk

▸Increase public expenditure share for PHC + consultation and diagnostic care + outpatient drugs (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	35.00	37.00	37.00	40.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track (based on data from Implementation Progress Report for Quarter 3, 2018).			

▸Percent of all surgeries included in the “outpatient elective surgeries” list performed as outpatient surgeries in project-supported hospitals and outpatient facilities (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5.00	5.00	27.80	40.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track (based on data from Implementation Progress Report for Quarter 3, 2018). The list of “outpatient elective surgeries” recommended to be performed as outpatient surgeries was approved in 2018.			

▸Percent of all contracted inpatient services subject to technical audit (annually) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20.00	20.00	20.00	30.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track (based on data from Implementation Progress Report for Quarter 3, 2018).			

▸SHIF is fully functional based on predefined criteria (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track (based on data from Implementation Progress Report for Quarter 3 2018). Since January 1, 2018, budget proceeds under the State Guaranteed Benefits Package are channeled through the Social Health Insurance Fund (SHIF), which conducts strategic purchasing and contracts services from public and private providers. The following criteria of SHIF functionality are currently being met corresponding to partial functionality of the SHIF: i) Law on Social Health Insurance is adopted, and relevant by-laws are updated ii) SHIF signs contracts with providers for specific sets of services v) SHIF has positive balance between revenues and expenses vi) Health facilities receive payments for services contracted by SHIF in accordance with payment schedules specified in their contracts.			

▸Proportion of the bottom 40% of households spending 10% and more on health services and non-food goods in the health sector out of total expenditure on paid services and non-food goods (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.50	10.50	11.70	12.80
Date	30-Jun-2016	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator if off-track given an increase in households' out-of-pocket health spending (based on 2017 data from Implementation Progress Report for Quarter 3 2018).			

Overall Comments

4 out of 5 PDO indicators show positive progress and are on track for achievement by the end of Project implementation.

Intermediate Results Indicators by Components

Component 1. Supporting implementation of the National Mandatory Social Health Insurance System

▸Percent of population for whom SHIF received SHI contributions/subsidies (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	31.80	24.00	83.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This is indicator is on track (contributions are currently collected only from employers until Mandatory Social Health Insurance System enters the second phase of implementation in January 2020).			

▸Achievement of key benchmarks for functioning social health insurance system (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Partial	Yes
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track. The Road Map for MSHI implementation was approved through MoH Order No.764 dated October 16, 2017. Since January 1, 2018, budget proceeds under the State Guaranteed Benefits Package are channeled through the Social Health Insurance Fund (SHIF), which conducts strategic purchasing and contracts services from public and private providers.			

▸Key adjustments in the contracting methods are adopted to include incentives for providers to improve quality (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes

Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track (partial progress towards achievement). The related MoH Order No.138 on incentivizing quality of health services rendered as part of the SGBP was signed on March 29, 2018.			

Component 2. Strengthening of health service delivery to support implementation of the national mand

▸Number of fully functional regional PHC excellence centers (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	16.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track for achievement as scheduled.			

▸Number of regions implementing disease management programs with evidence-based effectiveness, including incentives for health providers and patients (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.00	7.00	16.00	16.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	This indicator is on track. All 16 regions have launched preparatory activities for implementation of disease management programs.			

▸Number of educational programs developed and implemented in medical education institutions based on competence-based approach and professional standards through strategic partnerships (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	2.00	3.00	5.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	On track. Educational programs on nursing at technical and vocational, academic bachelor's, and master's levels have been developed or updated in 2018.			

▸Unified register of human resources for health implemented (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	On track. Acceptance tests of the Health Information and Interoperability Platform, which includes a module on human resources for health, are close to completion.			

▸Health personnel receiving training (number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target

Value	0.00	350.00	541.00	3,400.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021

▸Health facilities constructed, renovated, and/or equipped (number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	1.00	50.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	The 2018 budget allocated to the MoH does not include funds for procurement of any equipment. Procurement of the planned equipment will start in 2019.			

▸Percentage of patients reporting improved health services (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	n/a	n/a	n/a	+10% over baseline
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	The measurement methodology of this indicator was adjusted as part of the recently approved Level 2 restructuring in light with the revised MSHI implementation timeline. Namely, the proposed semi-annual sociological opinion surveys of patients in the country's regions will be launched in 2019. Given the timeline of the survey, the baseline for this indicator will be established in Year 3 (2019). During the last year, efforts were also made to conduct awareness-building (through an intensive communication strategy), establish citizen feedback processes, and develop a robust CE plan for the remainder of the Project. In addition, a well-staffed national call-center has been established in the MoH and is not only managing incoming citizen complaints but also analyzing the information to support MoH policy inputs in lagging areas.			

▸Increase in transparency, credibility, and effectiveness of the complaints handling system (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00
Date	18-Sep-2015	28-Jun-2018	17-Dec-2018	30-Jun-2021
Comments:	The measurement methodology of this indicator was adjusted as part of the recently approved Level 2 restructuring in light with the revised MSHI implementation timeline. Namely, the proposed semi-annual sociological opinion surveys of patients in the country's regions will be launched in 2019, which will include the questions on transparency, credibility, and effectiveness of the complaints handling system and provide the first measurement of this indicator. During the last year, efforts were also made to conduct awareness-building (through an intensive communication strategy), establish citizen feedback processes, and develop a robust CE plan for the remainder of the Project. In addition, a well-staffed national call-center has been established in the MoH and is not only managing incoming citizen complaints but also analyzing the information to support MoH policy inputs in lagging areas.			

Overall Comments

7 out of 11 Intermediate Result indicators in the revised Results Framework show positive progress and are on track for achievement by the end of Project implementation.

Data on Financial Performance

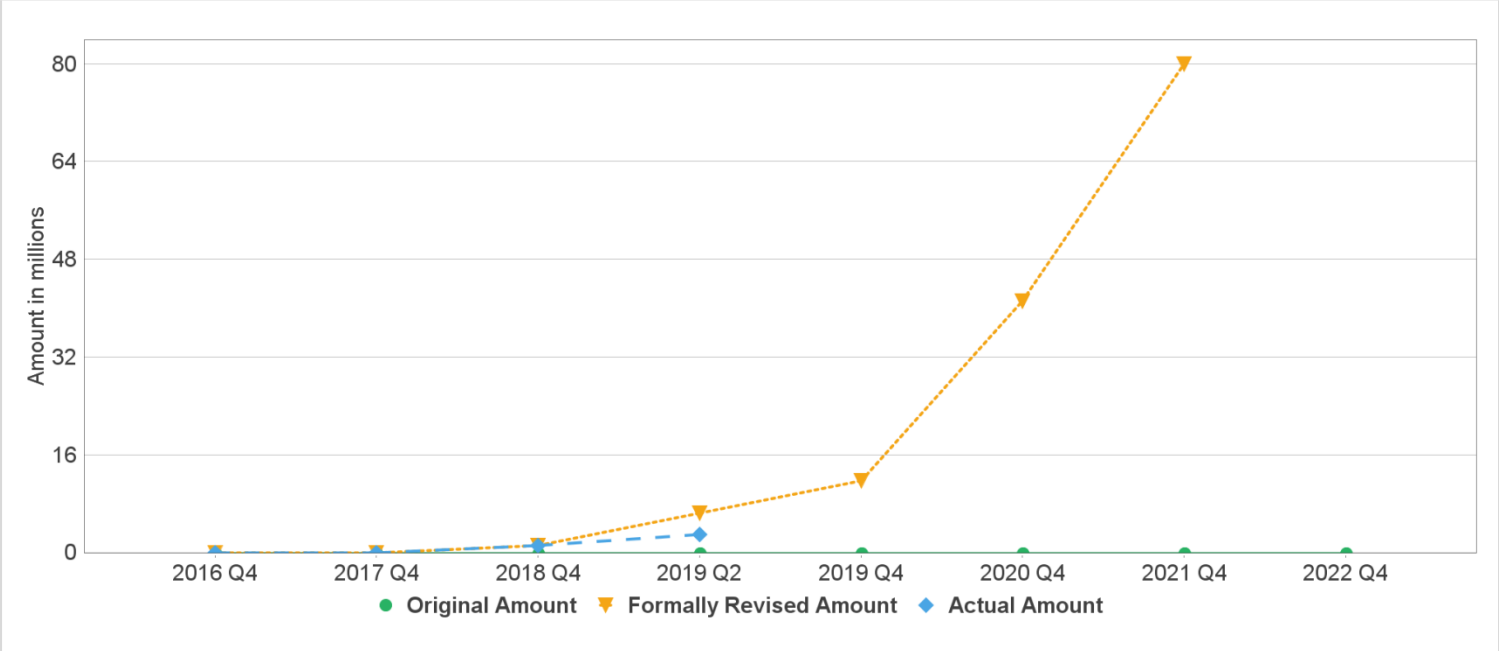
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P152625	IBRD-86170	Effective	USD	80.00	80.00	0.00	2.97	77.03	3.7%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P152625	IBRD-86170	Effective	27-Apr-2016	01-Nov-2016	27-Jun-2017	30-Jun-2021	30-Jun-2021

Cumulative Disbursements



Restructuring History

Level 2 Approved on 11-Dec-2018

Related Project(s)

There are no related projects.