EXEMPLARS IN GLOBAL HEALTH

EMPOWERING LOCAL AUTONOMY FOR EFFICIENT HEALTH SYSTEMS

INTRODUCTION

Reforms that increase local autonomy within health systems can improve efficiency and responsiveness to users' needs.

Exemplars in Global Health (EGH) research on primary health care (PHC) systems focused on five countries—Bangladesh, Ghana, Peru, Rwanda, and Zambia—that have achieved higher levels of effective service coverage (a proximate measure of PHC performance) relative to peers who spent the same amount on health over the past 20 years. The five countries studied also demonstrated strong PHC outcomes, including reductions in neonatal, child, and maternal mortality, and delivered high-quality PHC services equitably. It is important to note that these five EGH countries are a representative sample of a larger group of positive outliers, and we expect that many findings may be replicated in the other positive outlier countries.

EGH asks: What attributes do these five countries' approaches to health system reform have in common? And how can other governments follow or adapt their pathways to success?

One attribute all five PHC systems share is that over the research period, each one implemented reforms that aimed to increase local (district and facility) autonomy within health systems while maintaining authority and oversight of key functions at the central level.

This is a complex approach to health system reform that can affect many functions, including planning, service delivery, financing, human resources management, and procurement. Each of the five countries balanced central coordination and local autonomy differently across those functions. Together, their experiences demonstrate that empowering local decision-making can improve health system efficiency, responsiveness, and outcomes in countries worldwide.

Key Insights

1. AUTONOMY IS NOT ALL OR NOTHING. IT SPANS MULTIPLE DIMENSIONS.

In EGH research, local autonomy was defined as, "the freedom of subnational units to manage and finance PHC services." While local autonomy is sometimes interpreted as only financial autonomy, in practice, countries have found a range of ways to increase autonomy at subnational levels.

- **Planning**: Having capacity to make strategic decisions by, for example, developing work plans and budgets, overseeing day-to-day operations, and feeding into national strategic planning processes
- **Financial management**: Having the capacity to raise revenue and allocate and spend funds with discretion
- **Human resource management**: Recruiting support staff and providing a degree of disciplinary oversight
- **Procurement**: Contributing quantification estimates and procuring directly in cases of shortfall
- **Service Delivery**: Determining the right mix of services to provide for a community within the contours of a nationally established essential services package

2. INCREASING AUTONOMY AT SUBNATIONAL LEVELS DOES NOT MEAN HAVING A WEAK CENTER.

Countries EGH studied balanced authority for health system functions across central and subnational levels to increase health system responsiveness to local needs while maintaining a well-defined center.

In general, they centralized the administration of key functions such as resource mobilization and allocation, human resources management, and procurement, but relied on districts and individual health facilities to provide input.

- In **Zambia**, the Ministry of Health recruits health workers and assigns them to local districts, where they are then deployed by the district to health facilities. Health facilities can initiate and escalate disciplinary processes, but Ministry officials make final decisions about staff transfer or dismissal.
- In **Ghana**, the essential benefits package is established at national level, but districts and facilities can determine their relative focus on different services according to the needs of the community.

3. LOCAL OWNERSHIP OF PLANNING IS ONE WAY TO INCREASE AUTONOMY EVEN WHEN SUBNATIONAL UNITS LACK THE POWER TO MAKE SPENDING DECISIONS.

EGH countries empowered officials at lower levels of the health system to contribute local recommendations, plans, and budgets that help shape national budget and procurement requests. Local officials also had ownership over the routine activity plans, determining how services would be carried out.

- In **Rwanda**, districts and health facilities feed local priorities into the annual planning process. The central Ministries of Health and Finance then incorporate those inputs into their negotiations before final allocation decisions and disbursements are extended back to districts.
- In **Ghana**, district health directorates and public health facility managers contribute to quantification and selection of centrally procured medicines and supplies.

4. SMALL AMOUNTS OF FLEXIBLE SPENDING CAN INCREASE SYSTEM RESPONSIVENESS.

A degree of discretionary funding (e.g., 10-38% of district cash budgets in Zambia and Rwanda) enabled subnational units in EGH study countries to respond to emergent local needs and fill critical gaps. Typically, these discretionary funds are a small proportion of the overall budget and come from internally generated funds such as user fees, insurance payments, and markups on drugs or supplies.

- In **Peru**, one district leveraged flexible funds to offer performance incentives to health workers, improving their motivation and retention.
- In **Zambia**, facility results-based funding (RBF) was used to supplement salaries to retain skilled clinical staff, or to supplement procurement and maintenance need, and this spending was at the full discretion of facility committees.

5. AUTONOMY AND ACCOUNTABILITY GO HAND IN HAND.

EGH countries thoughtfully implemented accountability measures alongside those encouraging greater local autonomy to enable the complementary conditions of oversight, transparency, and quality assurance.

- In **Peru** an independent public auditor of the Ministry of Health (SUSALUD) was established alongside decentralization initiatives. SUSALUD regularly monitors and publishes information on health facility operating conditions, medical services, and provider evaluations, ensuring transparency and encouraging quality of care delivery.

6. IMPLEMENTING REFORMS GRADUALLY ALLOWS FOR ADAPTATION AND IMPROVEMENT.

In EGH countries, decentralization over time made it possible to adjust plans for reform and enable continuous improvement. In some cases, a strong implementation research agenda helped feed information to inform adjustments.

- In **Rwanda**, decentralization took place in three phases over 15 years. The first phase focused on geographic and administrative restructuring. The second focused on enhancing the effectiveness of service delivery. The third focused on public accountability.
- In **Zambia**, decentralization began in the 1990s, with the establishment of the Central Board of Health (CBoH). While the CBoH strengthened management capacity in the system, it was abolished in the 2000s after facing political challenges, and managerial autonomy shifted to District Health Offices.

Enablers of local autonomy

Governments should not (and cannot) implement these reforms in isolation from the other systems strengthening measures that make them successful. Alongside reforms which bolster local autonomy, governments should consider:

Building managerial and financial capacity so that local authorities have the skills they need to make informed decisions and deploy health resources effectively

Creating responsive governance bodies and institutions at all levels of the system for planning, management, and oversight

Ensuring the availability and use of key data for decision- making—particularly for planning, budgeting, and deploying resources

Maintaining robust mechanisms for accountability that ensure transparency and fidelity to local health priorities and needs

Research Partners

ABOUT EXEMPLARS IN GLOBAL HEALTH

The Exemplars in Global Health (EGH) program is a global coalition of partners including researchers, academics, experts, funders, country stakeholders, and implementers. Our mission is to identify positive global health outliers, analyze what makes countries successful, and disseminate core lessons so they can be adapted in comparable settings. We aim to help country-level decision makers, global partners, and funders make strategic decisions, allocate resources, and craft evidence-based policies. EGH is part of the Gates Foundation's Global Development Division.

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