U.S. Agency for International Development Report to Congress on Health Systems Strengthening for Fiscal Year 2021

The U.S. Agency for International Development (USAID) submits this report pursuant to Section 7019(e) of Division K of Public Law (P.L.) 117-103, the Department of State, Foreign Operations, and Related Programs Appropriations Act (SFOAA), 2022, which incorporates by reference the FY 2022 Joint Explanatory Statement (JES) and House Report 117-84. Specifically, the report includes information required by the JES and House Report provisions below relating to health systems strengthening. USAID developed the report in coordination with the Department of State's Office of the U.S. Global AIDS Coordinator (OGAC).

The JES includes the following requirement:

> *The USAID Administrator and U.S. Global AIDS Coordinator shall submit a report to the Committees on Appropriations, not later than 120 days after enactment of the Act, detailing progress on the integration and joint funding of health systems strengthening activities. In addition to the requirements enumerated under the heading Health Systems in the House report, the report should include: (1) a baseline accounting of ongoing systems strengthening contributions from each program line in the table under Global Health Programs; (2) detail on reporting and performance indicators used to track and coordinate such efforts; and (3) a description of steps taken, or planned to be taken, to ensure systems strengthening investments are sustained by host countries.*

The House Report contains the following additional requirement:

> *The USAID Administrator and United States Global AIDS Ambassador are directed to submit to the Committees on Appropriations, not later than 120 days after enactment of this Act, a report detailing progress on the integration and joint funding of health systems strengthening activities including the implementation of the 10 percent directive. The report should include a description of how USAID and OGAC are designing these integrated efforts by operating unit, including Washington-based programming, and the expected result of this integration on improved performance of country health systems. The report should include cross-cutting efforts to strengthen local health workforces.*

Progress on the integration and joint funding of health systems strengthening activities

Cross-cutting health system strengthening (HSS) activities are defined in the Foreign Assistance Standardized Program Structure and Definitions (SPSD) as "overarching activities that are supported with multiple health element funding." These activities are expected to impact and support multiple health program areas and are called for where a comprehensive approach would result in system-wide efficiencies and/or improved integrated health system performance as compared to program area-specific interventions. Cross-cutting HSS activities do not account for other HSS activities that are undertaken within individual program areas within the Global Health Program (GHP) account, which apply different SPSD definitions related to specific program aspects of service delivery and health systems. In addition, USAID continues to take steps to better integrate HSS activities across programs, guided by the Agency's Vision for

Health System Strengthening 2030,[1] which serves as the overarching Agency policy on strengthening health systems.

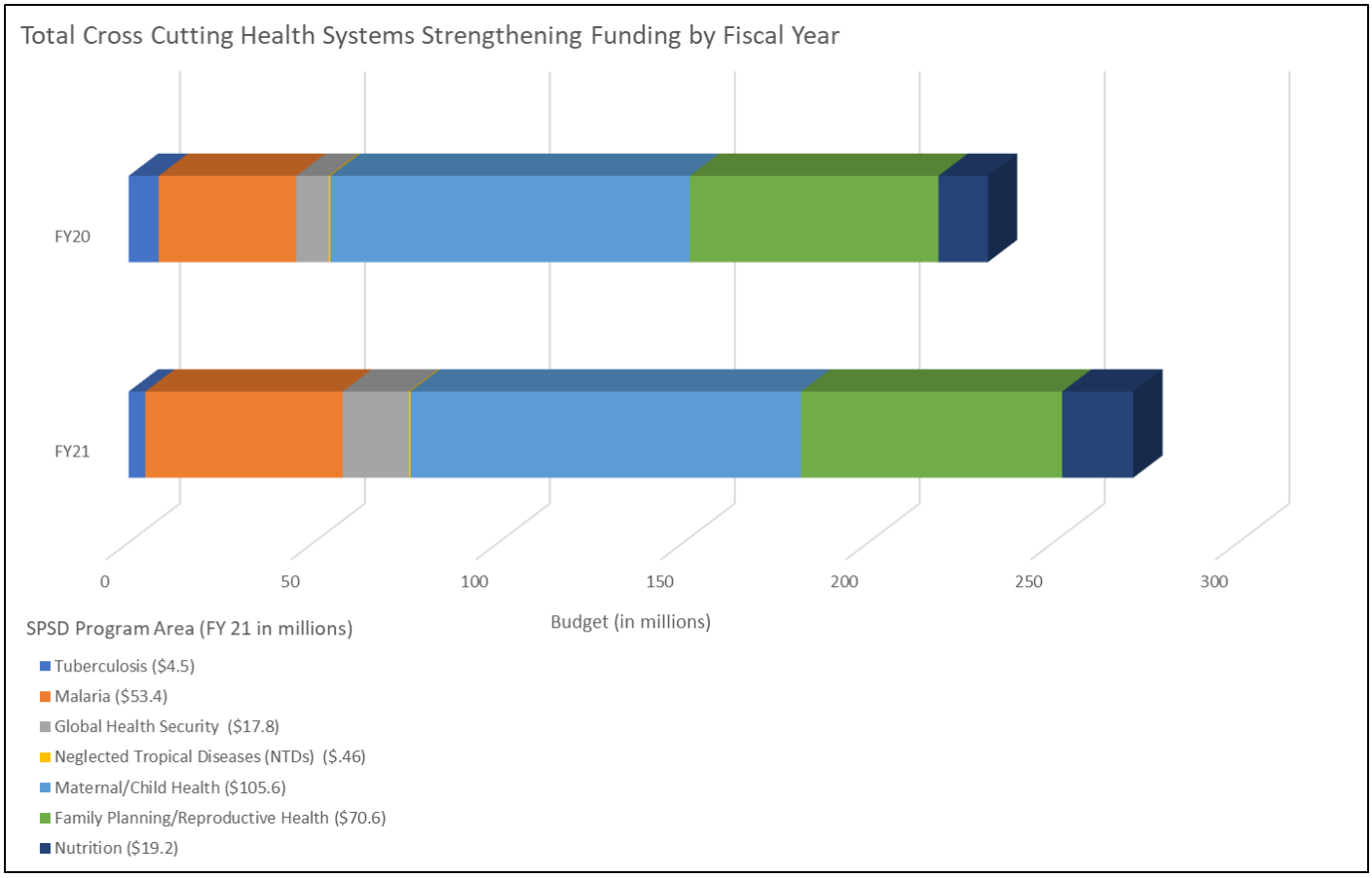
To address the House Report 10 percent directive, the Bureau for Global Health (GH) has updated the FY 2022 Operational Plan Technical Considerations and other programming guidance for all operating units to ensure that the directive language is added. The Office of Health Systems (OHS) has taken a number of critical steps to plan for the implementation of this important directive, including meeting with all technical offices to ensure they understand what will be required, as well as presenting the directive and its implications for programming to the USAID's GH Field Advisory Council. OHS is also conducting further outreach to USAID Regional Bureaus and Missions with health programming through webinars and through GH's Country Team structure. OHS will continue to work closely with program area technical experts to provide Operating Units (OUs) technical assistance as they proceed with integrated efforts to meet the directive. In addition, individual program areas are developing illustrative examples of integrated HSS investments that align with program area objectives that can be shared with the field.

Within USAID OUs, teams from each program area are reviewing their cross-cutting HSS programming, identifying any challenges within program areas to meet the directive, as well as how additional investments and/or shifted relevant attribution are needed to meet the directive and advance investments in cross-cutting HSS. These investments will be programmed in the FY 2022 Operational Plan process, which captures all Global Health Programs with the exception of HIV/AIDS. PEPFAR's Country Operational Planning (COP) process was used to plan increased and better integrated cross-cutting health system strengthening programming for COP22. PEPFAR's COP 2022 guidance emphasized that critical public health systems capabilities must be addressed for long-term HIV epidemic control.

The directive implementation will also support efforts to strengthen the health workforce. A comprehensive, trained, protected, well-equipped, and supported workforce is a key component of any health system[2] and is the backbone for primary health care, as it allows for the expansion of equitable access to public health services and health care across the globe[3]. Comprehensive and sustainable investments in a country's health workforce not only improve health outcomes, but also create jobs and career pathways, which support broader economic development.

[1] USAID's Vision for HSS 2030
[2] FACT SHEET: The Biden-Harris Administration Global Health Worker Initiative
[3] WHO: Primary health care: closing the gap between public health and primary care through integration

FY 2020 and FY 2021 Operational Plan baseline accounting of ongoing systems strengthening contributions from each program line in the table under Global Health Programs



As illustrated in the chart, among the GHP-USAID account program areas, maternal/child health and family planning/reproductive health (FP/RH) accounted for the largest share of cross-cutting HSS activities.[4] In FY 2021, maternal/child health funding accounted for 39 percent of all GHP-USAID funding attributable to the cross-cutting Health Systems Strengthening when applying the SPSD, and FP/RH accounted for 26 percent. These figures represent integrated health system strengthening investments, which are programmed in addition to ongoing health system capacity building that supports individual programs.

USAID is starting to generate preliminary baseline estimates specific to the 10 percent directive as required for each program area at the OU level. As the directive requires joint funding of HSS activities, the baseline calculations identify funds programmed under the cross-cutting HSS SPSD codes defined above, which capture HSS activities supported by OUs with two or more health elements. With FY 2021 funding, of approximately 50 OUs annually receiving more than one type of GHP funding, approximately 10 OUs already meet or exceed the 10 percent thresholds, 11 OUs significantly invest overall in cross-cutting HSS even though some program areas do not individually reach that benchmark, and 28 OUs have been instructed to identify

[4] GHP-USAID HIV funds are excluded from this analysis - See Annex 1. USAID and OGAC are developing methodologies to capture where HIV funding is integrated for cross-cutting HSS programming.

opportunities for additional investments and/or improved reporting as part of the FY 2022 Operational Plan process. As every OU consists of a unique composition of health funds, assessing the opportunities and challenges to increase cross-cutting Health Systems Strengthening requires engagement with each OU, which OHS is leading in partnership with other key stakeholders within USAID.

In 2021, PEPFAR expended about $1.1 billion (See Annex 1) on workforce training, strengthening lab systems and supply chains, improving health management information systems and financial management as well as assisting partner governments to develop appropriate policy, planning and coordination capabilities. However, this figure does not represent funding programmed as part of integrated health system strengthening efforts across OU program areas. OGAC and USAID are exploring new methodologies to capture where HIV funding is integrated for cross-cutting HSS programming–for example to support health information system interoperability, joint quality improvement processes for HIV and non-HIV services, and resource alignment at multiple levels of a country's health system–in addition to single program area HSS.

Reporting and performance indicators used to track and coordinate such efforts

USAID utilizes the annual Performance Plan and Reporting (PPR) process to understand how program results contribute to meeting Agency goals for all funding approved in the Operational Plan process, which includes all health funding with the exception of HIV/AIDS funding. The PPR includes both indicator and narrative reporting. OHS utilizes three annual PPR indicators to measure USAID investments in health system functions, including the provision of quality essential health services, financial risk protection, population coverage/equity, and health system responsiveness — all of which contribute to better health outcomes. Missions are increasingly utilizing these HSS indicators as defined in the SPSD, and in FY 2022 OHS expects that the majority of Missions will be able to incorporate these indicators into their program monitoring and reporting and GH Headquarters staff will proactively support missions to do so.

Additionally, OHS has addressed the need for measuring health system performance as articulated in the 2019 OIG report 4-936-20-001-P[5] on USAID's Health Systems Strengthening Efforts through the development of an innovative digital web-based High Performing Health Care (HPHC) tool to assess health system performance and its correlates in cost-efficient and cost-effective ways. The tool collects perceptions on health systems outcomes such as equity, quality, responsiveness, and resilience, as well as on HSS processes, to understand their relationships with outcomes and assist in developing policies, programs, adaptive management, monitoring, evaluation and research. The tool facilitated timely decision-making and allows comparisons over time. Implementation began in March 2022, and Pakistan and Philippines data are available now. Additional organizations and countries are planning to use the tool, including Senegal, Ethiopia, Nigeria, and Peru. The results of the HPHC tool can be triangulated with PPR indicator results and with other monitoring, evaluation, and learning activities within individual country portfolios for a deeper understanding of implementation progress and achievements. PEPFAR has also developed a suite of tools that assist the field teams and headquarters to

[5] USAID Office of Inspector General: More Guidance and Tracking Would Bolster USAID's Health Systems Strengthening Efforts (2019)

understand, assess, and create the conditions required for sustainable programs. These tools bring together the functional and financial areas to provide a landscape of the country level position in relation to sustainability. These data provide the teams with an informed way of programming in a more targeted and impactful manner. As PEPFAR continues to program towards resiliency and sustainability, the ability to analyze and utilize a multitude of data will be important for co-planning and implementation.

Description of steps taken, or planned to be taken, to ensure systems strengthening investments are sustained by host countries.

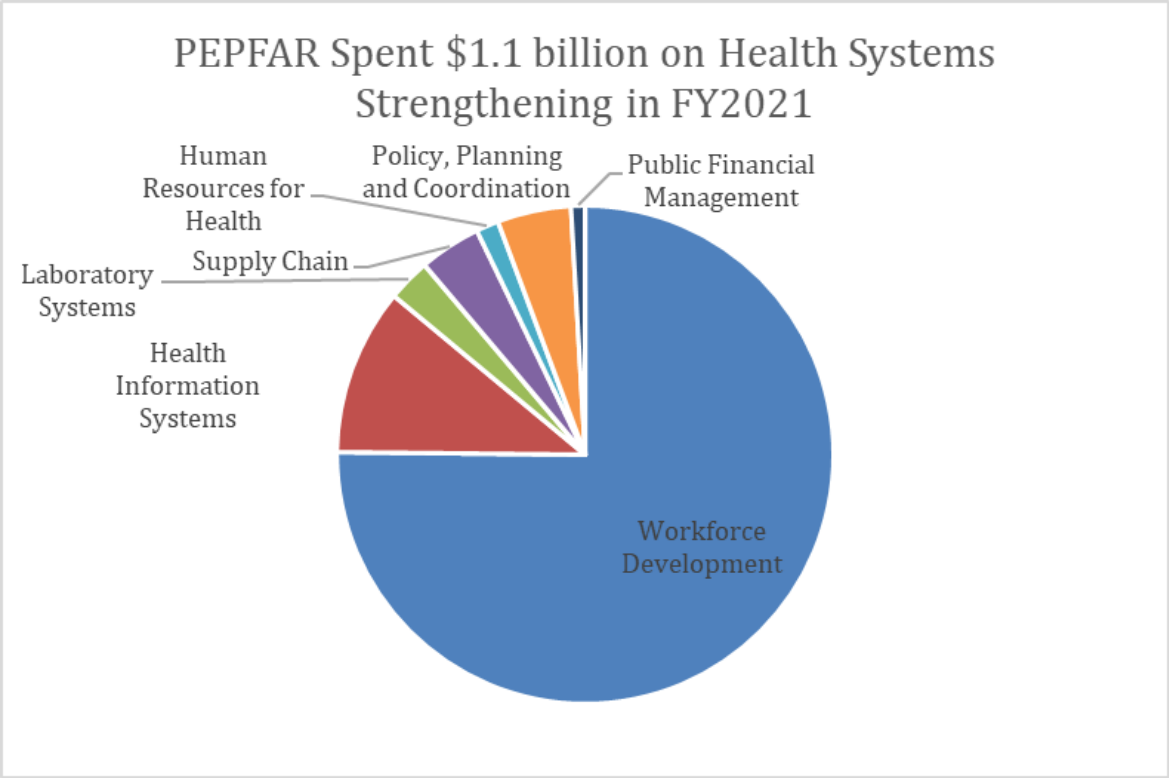
Host-country, USAID, and PEPFAR shared priorities guide cross-cutting HSS investments. USAID has provided guidance to missions and is supporting them to implement integrated activities that will increase sustainable results through particular attention to three overarching approaches. First, activities should be grounded in locally-derived solutions led by local organizations. National, regional, and other health system leaders including district and facility managers, leaders of public nonprofit and faith-based health care organizations, and local communities need to be empowered and capable of identifying and collaborating to resolve health care problems as they occur. Second, social and behavior change methods and approaches should be more explicitly incorporated into integrated activities. Across HSS efforts, there is a need to shape and empower demand, while also addressing and supporting the behaviors of health care providers at both clinical and managerial levels who are essential to the equitable provision of quality care. This cultivates a shared responsibility for health between the health system and its beneficiaries. Third, national health priorities are more likely to be achieved if they are enacted through inclusive, country-led partnerships. The creation and support of links among relevant stakeholders inclusive of communities, the public- and private-sectors, and across all levels of the health system will increase impact and sustainability. For example:

- In **Rwanda**, USAID supported a public health insurance management system to adopt mobile operability and payments, while simultaneously generating demand among clients. As a result, Rwandans accessing care for all of USAID's global health priorities could pay premiums by mobile device and in affordable installments. This sustainable improvement increased insurance uptake, reduced waiting times at clinics via digital insurance verification, and reduced out-of-pocket and catastrophic health spending. The updated system also contributed to resilience during COVID-19, as payments could be made from home during lockdowns and reduce unnecessary exposure to the virus; and
- Strengthening an existing, government-owned information system in **Cambodia**, USAID supported the General Secretariat of the National Social Protection Council to begin collecting disaggregated data for many critical health indicators as part of its monitoring and evaluation system. Critical indicators include new beneficiary enrollment, dropouts, and service utilization for all social protection schemes and programs, disaggregated by sex and province. Similarly, USAID worked with the secretariat's research team to insert new questions into the national Cambodia socio economic survey questionnaire. This will enable analysis of data on perceptions of public and private sector health care quality, and access to social protection benefits according to sex and female-headed households.

These interventions will remain in place as part of country-owned systems and processes after donor funding has ended.

Similarly, PEPFAR has identified working toward sustainability of PEPFAR funded activities and pivoting to sustained epidemic control programming as the important next phase of the in-country programs. PEPFAR has long invested in above-site investments to strengthen and fill the partner country system gaps, impacting the capacity and quality of services provided by local governments and providers. However, according to the 2019 Responsibility Matrix, most of the core programs in treatment and prevention remain the primary responsibility of PEPFAR and the Global Fund to Fight AIDS, Tuberculosis and Malaria. Country ownership and leadership of the HIV response is central to sustained epidemic control of HIV and a transformed program. During the COP22 process, each PEPFAR country team gave initial insight into where there may be potential opportunities to increase domestic responsibility of the HIV response and actions that can be taken during the next COP implementation year (FY 2023) as part of a broader, long-term approach to achieving sustainable control of the HIV epidemic. PEPFAR recognizes that a truly country-owned process will take time to accomplish. There are a number of successes within the current programs which provide a roadmap for other countries: in Namibia, for example, extensive work has been done to align the health workforce supported through PEPFAR to the government's pay scale and categorization to enable the government to absorb the health workers, and this critical cadre have now been recognized by the government.

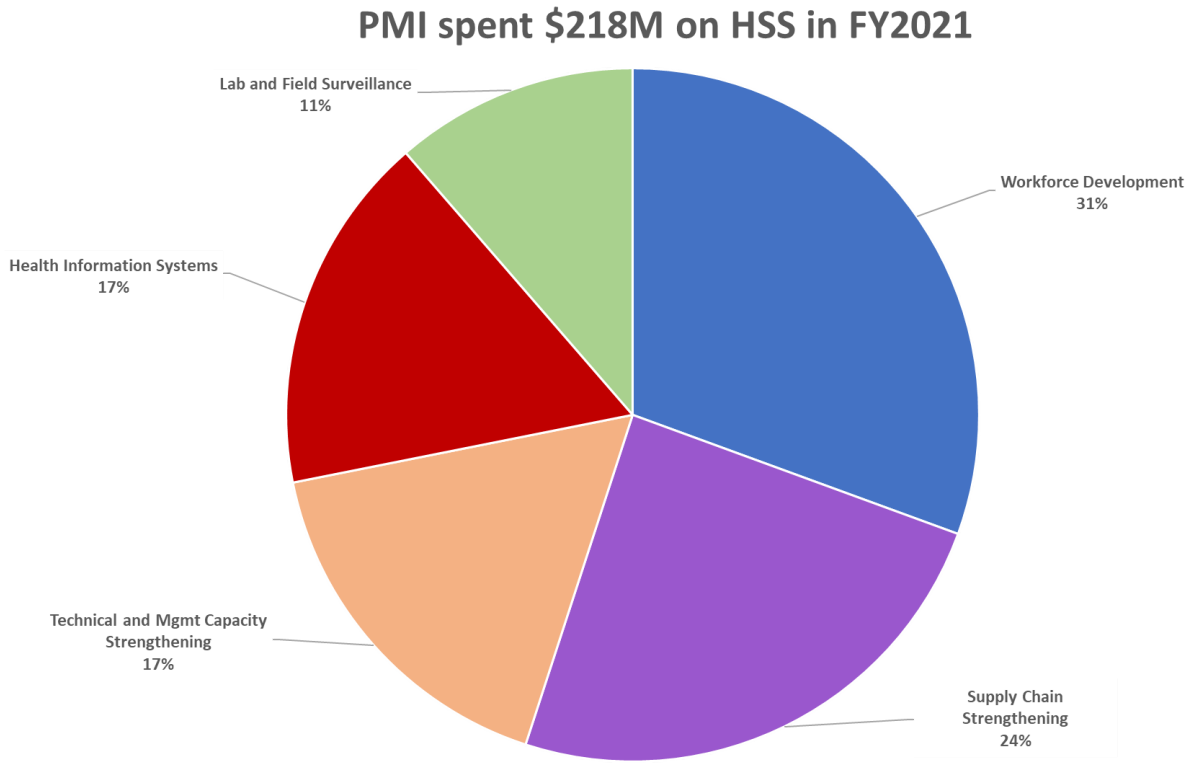
Annex 1: PEPFAR Investments and Definition



This graph represents investments through PEPFAR to build or support health system infrastructure and capacity, helping train 300,000 health care workers (HCWs) to deliver and improve HIV care and other health services; supporting more than 3,000 laboratories, 28 national reference laboratories, and 70,000 health care facilities (the vast majority in sub-Saharan Africa); and expanding partner country expertise in surveillance, diagnoses, and rapid public health response. PEPFAR has had a significant indirect impact on the broader health system, contributing to reduced all-cause mortality, and strengthening systems that support global health security and preparedness by better equipping partner countries to swiftly and effectively address disease outbreaks, including Ebola and COVID-19. PEPFAR has prioritized and made significant progress toward transitioning funding by agency to local partners. This approach has increased the delivery of direct services and established sufficient capacity, capability, and durability of these local partners to ensure successful, long-term engagement to strengthen the health system, sustain impact of HIV investments, and build resilience.

USAID and OGAC will continue efforts to harmonize measurement and program planning approaches to meet the directive's requirement for joint funding of health systems strengthening, aligned with country priorities for health system strengthening.

Annex 2. PMI Investments and Definition



This graph represents investments through PMI to support health system infrastructure and capacity, providing over 200,000 trainings for healthcare workers (HCWs) to deliver malaria prevention and treatment services and expanding partner country expertise in supply chain management, surveillance, diagnosis, and malaria program management and operations.

As with PEPFAR, USAID will continue efforts to harmonize PMI's measurement and program planning approaches to meet malaria objectives and country priorities for health system strengthening in alignment with the directive's requirement.