



HFG BANGLADESH FINAL REPORT

USAID's Health Finance and Governance (HFG) project helps to improve health in developing countries by expanding people's access to health care. Led by Abt Associates, the project team works with partner countries to increase their domestic resources for health, manage those precious resources more effectively, and make wise purchasing decisions.



ABOUT THE HEALTH FINANCE AND GOVERNANCE PROJECT 2012-2018

The Health Finance and Governance (HFG) Project works to address some of the greatest challenges facing health systems today. Drawing on the latest research, the project implements strategies to help countries increase their domestic resources for health, manage those precious resources more effectively, and make wise purchasing decisions. The project also assists countries in developing robust governance systems to ensure that financial investments for health achieve their intended results.

With activities in more than 40 countries, HFG collaborates with health stakeholders to protect families from catastrophic health care costs, expand access to priority services – such as maternal and child health care – and ensure equitable population coverage through:

- Improving financing by mobilizing domestic resources, reducing financial barriers, expanding health insurance, and implementing provider payment systems;
- Enhancing governance for better health system management and greater accountability and transparency;

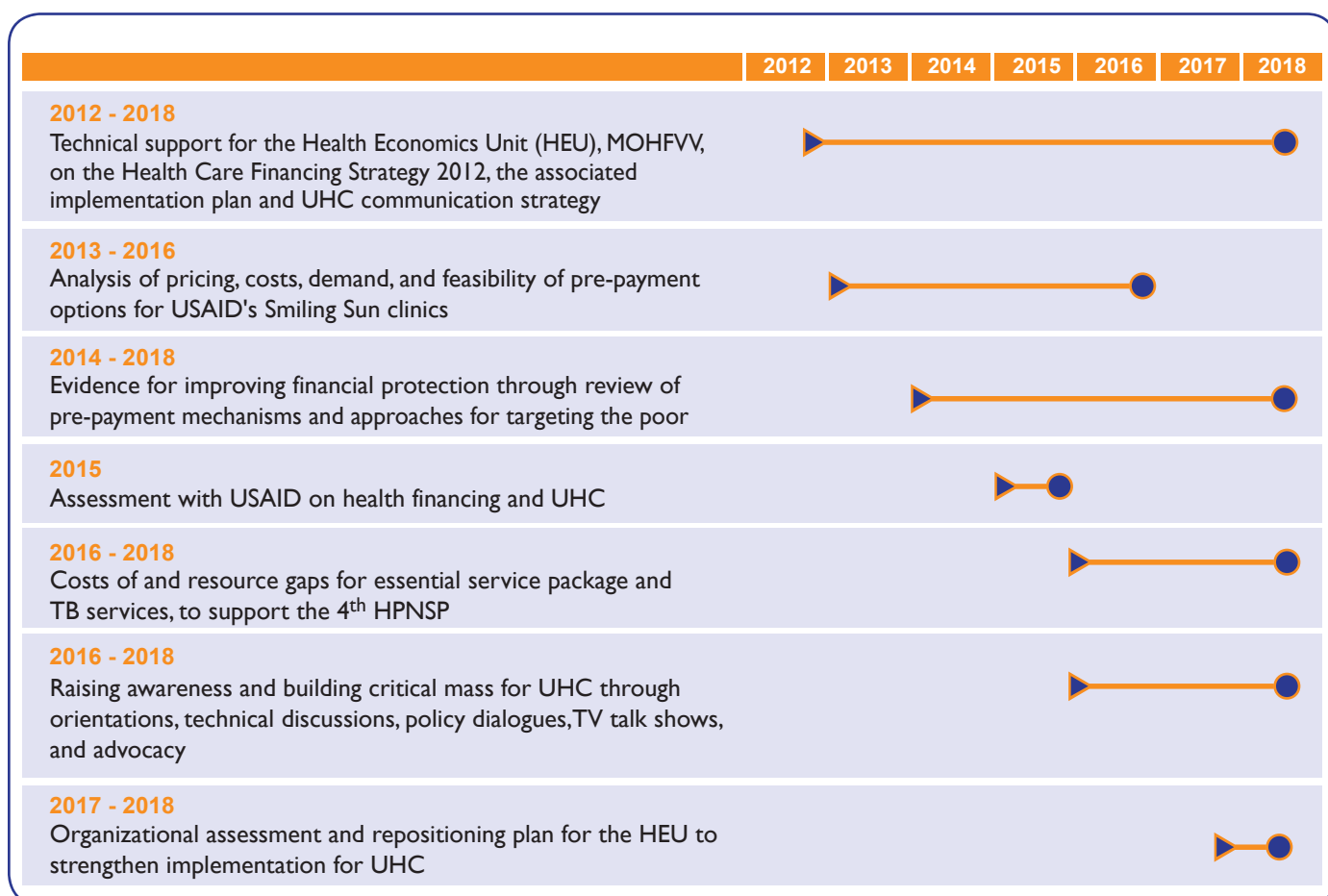
- Improving management and operations systems to advance the delivery and effectiveness of health care, for example, through mobile money and public financial management; and
- Advancing techniques to measure progress in health systems performance, especially around universal health coverage.

The HFG project (2012-2018) is funded by the U.S. Agency for International Development (USAID) and is led by Abt Associates in collaboration with Avenir Health, Broad Branch Associates, Development Alternatives Inc., the Johns Hopkins Bloomberg School of Public Health, Results for Development Institute, RTI International, and Training Resources Group, Inc.

The project is funded under USAID cooperative agreement AID-OAA-A-12-00080.

To learn more, visit www.hfgproject.org

BOLSTERING BANGLADESH'S PROGRESS ON THE PATH TO UNIVERSAL HEALTH COVERAGE



HFG OVERVIEW IN BANGLADESH



CHALLENGES

Since its independence almost five decades ago, Bangladesh has made rapid and remarkable progress on many health indicators and outcomes, such as child and maternal mortality rates and immunization coverage. This is largely the result of a marked increase in access to and high coverage of select health interventions, particularly in rural areas. However, the country continues to battle several challenges that undermine the health of its people: imbalance between demand and supply of health services, lack of readiness at the facility level, inefficiency in resource mobilization, and high out-of-pocket (OOP) expenditures on health.

Financing for health is one of Bangladesh's biggest challenges in ensuring robust health care access. Delivering on its commitment to achieving universal health coverage (UHC) by 2030 will require urgent efforts to address the challenges of limited fiscal space and low government spending for health. The current high financial burden on households

in Bangladesh, with household OOP spending at 67 percent of total health expenditures (Ministry of Health and Family Welfare [MOHFW] 2017), is widely regarded as a key obstacle to achieving UHC.

The Government of Bangladesh recognizes that health care financing reform is imperative for achieving its health targets under the Sustainable Development Goals (SDGs) and fulfilling the UHC agenda. The MOHFW has adopted the Health Care Financing Strategy (HCFS) 2012–2032, titled Expanding Social Protection for Health: Towards Universal Coverage. The strategy identifies three major challenges: inadequate resources in the health sector; inequity in health financing and utilization, and low levels of efficiency in healthcare financing. To address these challenges, the strategy calls for interventions and actions to design and implement social health protection scheme, strengthen financing and provision of public health care services, and strengthen national capacity.



CHANGE

The United States Agency for International Development's (USAID's) Health Finance and Governance (HFG) project collaborated with government ministries, academia, non-governmental organization (NGO) partners, development partners, media, and civil society in Bangladesh to strengthen the governance and technical capacity, knowledge base, and evidence that will enable the country to make progress toward UHC. We supported implementation of the HCFS, the guiding strategy for the UHC agenda in Bangladesh, and the 4th Health, Population, and Nutrition Sector Programme (4th HPNSP; 2017–2022), both of which aim to improve access, equity, quality, and efficiency of health care and secure financial protection for the poor.

The HCFS was finalized just as the HFG project started in 2012. We supported the Health Economics Unit (HEU) of the MOHFW, along with other partners, to finalize the HCFS and develop the implementation plan and the UHC communication strategy linked to the HCFS. Our initiatives to strengthen UHC awareness supported the MOHFW's UHC communication strategy, and strongly complemented government efforts to develop a critical mass of professionals in the public, private, and NGO sectors to implement the UHC agenda. Work on this front increased attention to

people's health needs and the UHC agenda and built a common understanding of UHC and its financial significance, particularly the need to reduce financial barriers and address high OOP spending on health.

Another significant HFG contribution was in providing data to the government to improve services planning under UHC. The costing study and resource modeling analysis that we conducted to help plan the implementation of Bangladesh's revised essential service package (ESP) are important pieces of work that will enable the country's policymakers to assess costs and identify and close resource gaps to ensure attainment of health service coverage goals. HFG also marshaled evidence to inform the design of financial protection options to reduce financial barriers to access for poor Bangladeshi households. Besides generating evidence to promote informed decision-making, our project helped strengthen the health system by building the implementation capacities of organizations and stakeholders who play a major role in steering Bangladesh's UHC agenda.

This report describes the key accomplishments of our work in Bangladesh and shows how the HFG project worked closely with the government and other partners on the ground to strengthen the country's march toward UHC.

HFG Work Geared to USAID's Evidence-based Priorities Aligned with the Government of Bangladesh

In 2015, USAID/Bangladesh involved the HFG project in its health financing assessment, the objective of which was to inform the investments USAID would make in health financing and governance in Bangladesh (Cavanaugh et al. 2015). The purpose of the assessment was to identify USAID's comparative advantage over the next five years in advancing the health financing and governance strategies of the Government of Bangladesh as it journeys toward UHC.

The assessment showed that Bangladesh has high institutional capacity to deliver on several key elements of UHC, but that the extent to which this capacity was being effectively used varied. Based on a substantial situational analysis, the assessment identified five focus areas for USAID investment:

1. Increase awareness of and demand for UHC among a broad range of stakeholders.
2. Establish institutional capacity on core UHC functions.
3. Establish quality mechanisms with incentives for enforcement.
4. Support phased implementation and rollout of a financial protection and service delivery model for the poor and near-poor.
5. Improve public dissemination and policy use of data and evidence.

Beginning in 2015, HFG directed its work and activities toward addressing recommendations 1, 2, and 5. Result Area 1 below reflects HFG's accomplishments toward recommendations 1 and 2, while Result Areas 2 and 3 reflect recommendations 2 and 5.

MAKING A DIFFERENCE



RESULT AREA 1 Greater awareness and governance capacity for UHC

The HFG project undertook a number of governance-focused activities to ensure success. Our significant investment in strengthening awareness and knowledge of UHC helped foster a unified, informed, and proactive engagement with the UHC agenda among a range of government and non-government stakeholders in Bangladesh. A USAID-HFG assessment (Cavanaugh et al. 2015) had identified awareness building as critical for clear, strengthened priority setting on UHC. While the government had endorsed UHC, limited understanding meant little action, with many equating UHC with the current 'free' public provision of health care. Working closely with the HEU at MOHFW, HFG addressed this knowledge gap through multiple activities: customized orientation sessions for different stakeholders, short courses on UHC, policy dialogues with practitioners and experts, multi-stakeholder dialogues at the regional level, technical discussions with journalists, and TV talk shows.

We also contributed to improving the implementation capacity of government ministries that will steer Bangladesh toward UHC. This support came not only through orientation and stakeholder discussions but also through efforts aimed at organizational strengthening. We also strengthened the governance capacity of MOHFW officials through new attention to implementing their operational plan activities with a UHC focus. More details on these HFG initiatives are provided below.

Strengthening the MOHFW's governance capacity for UHC

To bolster governance capacity for UHC, the HFG project conducted detailed working sessions with the operational plan teams of the 4th HPNSP, reaching more than 100 MOHFW officials, especially those at the manager level. Through these discussions, the participants generated ideas and inputs on implementing the activities under operational plans

in the field with a clear focus on UHC. This would include bringing health services closer to the community to reduce financial barriers to access and improving financial protection for the poor. During these sessions, the 4th HPNSP operational plan leadership made commitments to focus on UHC as part of operational plan implementation, for example, including UHC in their future trainings.

HFG worked closely with the James P. Grant School of Public Health (JPGSPH), at BRAC University, to customize the global Flagship course on UHC and health system strengthening for Bangladesh.

This course was offered twice in partnership with HEU, the World Health Organization (WHO), and the World Bank. The participants included representatives from government, including

MOHFW and other ministries, and non-government.

HFG has helped clarify the role that HEU—a key stakeholder in UHC implementation—will play for UHC. Expansion of the unit’s mandate over the years, in the context of UHC, HCFS, and the 4th HPNSP, resulted in it taking on too many activities and roles. The HEU leadership requested support for an organizational review to strengthen the HEU’s role in advancing UHC. In partnership with USAID’s MaMoni-HSS project, we led an organizational review of the HEU and developed a plan for its repositioning. The review proposed renaming the HEU, updating its mandate to reflect the UHC focus, and establishing four structured units with increased staffing to execute functions more efficiently.

“Our constitution has anticipated health for all. Now we in the media must promote UHC through clear and innovative messaging so that our audiences are informed and encouraged.”

~ Sebika Debnath, Staff reporter,
The Daily Sangbad

BUILDING A CRITICAL MASS FOR UNIVERSAL HEALTH COVERAGE ACTION

10 districts and the capital, Dhaka, reached to raise awareness about UHC

More than **130** experts from more than **80** organizations engaged to raise UHC awareness

Over **130** print and electronic media journalists connected on UHC awareness for action, resulting in more than **150** UHC-related news articles published

More than **3,350** individuals—including local health professionals, civil society, teachers, students, elected and government officials, journalists, and private sector—reached through HFG’s UHC awareness activities

Over **5,500** participant-hours of orientation/training provided to high-level public- and private-sector officials on implementation skills to promote the UHC agenda



Mobilizing local resource persons and media for UHC awareness

HFG mobilized more than 130 resource persons—academics, technical experts, and administrators—from more than 80 organizations to develop and deliver clear messaging on UHC. By relying on in-country resource persons, we not only ensured broader reach for the awareness-building initiative, but also fostered local capacities that can promote future UHC advocacy and communication. We also held UHC sessions for USAID and its implementing partners.

HFG delivered a series of orientation sessions on UHC in partnership with JPGSPH. The sessions reached more than 500 representatives from government and non-government sectors, academia, and the media. A subsequent rapid assessment found that 79 percent of the session participants could recall the core concepts of UHC and 77 percent shared these concepts with their peers.

In another important local collaboration, HFG worked with the Institute of Health Economics (IHE), the University of Dhaka, and the Bangladesh Health Reporters' Forum to organize technical discussions on UHC with journalists. Through this partnership, we continued to orient health journalists from leading news agencies on UHC, focusing on health financing and risk protection. As a result of our efforts, both English and Bangla media outlets gave extensive coverage to UHC Day 2016 and 2017 and World Health

Day 2018. The coverage generated considerable buzz around people's health care needs and the imperatives for addressing them. Over 130 health journalists were engaged and have already published more than 150 articles in more than 100 print and electronic news media channels. This engagement and training of health journalists is expected to increase transparency and accountability, impact policy, and trigger demand in the community.

We also used the Healthy Bangladesh civic platform, supported by HFG partner Power and Participation Research Centre (PPRC) and the Municipal Association of Bangladesh, to organize a series of regional dialogues for raising awareness around UHC. Through these dialogues, we took the message on UHC to multiple local and national stakeholders, including community representatives, health service providers, teachers, students, and members of local government.

From dialogues to district action plans for UHC

The multi-stakeholder regional dialogues and civic walks organized by the HFG project in 10 districts and the capital city of Dhaka carried the UHC messaging to a broad audience. A series of TV talk shows aired through a popular news channel took the district dialogues to an even larger audience. These efforts created momentum on the ground, and local champions emerged to spur action on UHC. HFG capitalized on this momentum by organizing a national event with district UHC champions, who developed district action plans to support districts' accountability to communities (through monitoring and oversight of these plans) and promote the UHC agenda at the local level.



“The support that USAID’s HFG and MaMoni-HSS projects have provided to the Health Economics Unit (HEU) in organizational assessment vis-à-vis its mandate is crucial for repositioning the unit. This support will enable HEU to effectively deliver on its role as the focal point and coordinator of UHC activities in Bangladesh.”

~ Md. Ashadul Islam, Secretary
Director General, Bangladesh Employees Welfare
Board, Ministry of Public Administration;
former Director General, HEU, MOHFW, Bangladesh

Increased Media Attention on Universal Health Coverage





RESULT AREA 2

Rigorous data for decision-making – costs and resource gaps in provision of the essential service package

A major achievement for the HFG project in Bangladesh was the vital data analysis support we provided for the preparation and planning of the government's revised essential service package (ESP). The MOHFW updated the ESP in 2016 for the 4th HPNSP. At the request of the HEU and the Planning Wing at MOHFW, we supported costing of the ESP, working in partnership with the WHO and the WHO-supported International Centre for Diarrhoeal Disease Research, Bangladesh (icddr,b).

Bangladesh's government spending on health has been low, at less than 1 percent of gross domestic product, for many years (Vargas et al. 2016). Implementation of the ESP will require proper planning and resource allocation at each step. In addition to ESP costing, HFG supported resource modeling analysis to equip MOHFW with a data-informed understanding of the resources required to implement the ESP, which will be a crucial step

toward UHC. The evidence generated with our support will equip the MOHFW with a stronger, data-driven argument for advocating with the Ministry of Finance (MOF) for greater investment in the health sector.

Detailed ESP costing using the OneHealth Tool and analysis to identify the resource gap

Bangladesh's updated ESP has six core services covering more than 200 interventions provided through 10 delivery channels ranging from the community level to district hospitals, including urban primary care facilities. HFG supported costing of the ESP and found variation in cost of provision by type of service and type of delivery channel. The detailed costing data will enable MOHFW to ascertain the resources it needs to extend the ESP to the people of Bangladesh.

In an important initiative led by the HEU and in partnership with the WHO, HFG's international experts trained more than 30 in-country costing experts on the OneHealth Tool¹ used for ESP costing and on the TB Impact Model and Estimates (TIME). This was a significant step toward institutionalizing and building local capacity for rigorous costing. The trained local experts are expected to continue providing data to strengthen MOHFW's planning and policy decisions.

HFG estimated resource gaps for the ESP, tuberculosis (TB), and immunization programs, particularly for reaching the specified targets of the 4th HPNSP. To estimate resource availability, we looked at recent spending patterns and future earmarks from the government and donors. The findings will support better planning of health programs. Improved planning for the TB program, for example, is critical given the likelihood of a gradual reduction in funding from donors such as the Global Fund. This analysis will support domestic resource mobilization efforts by

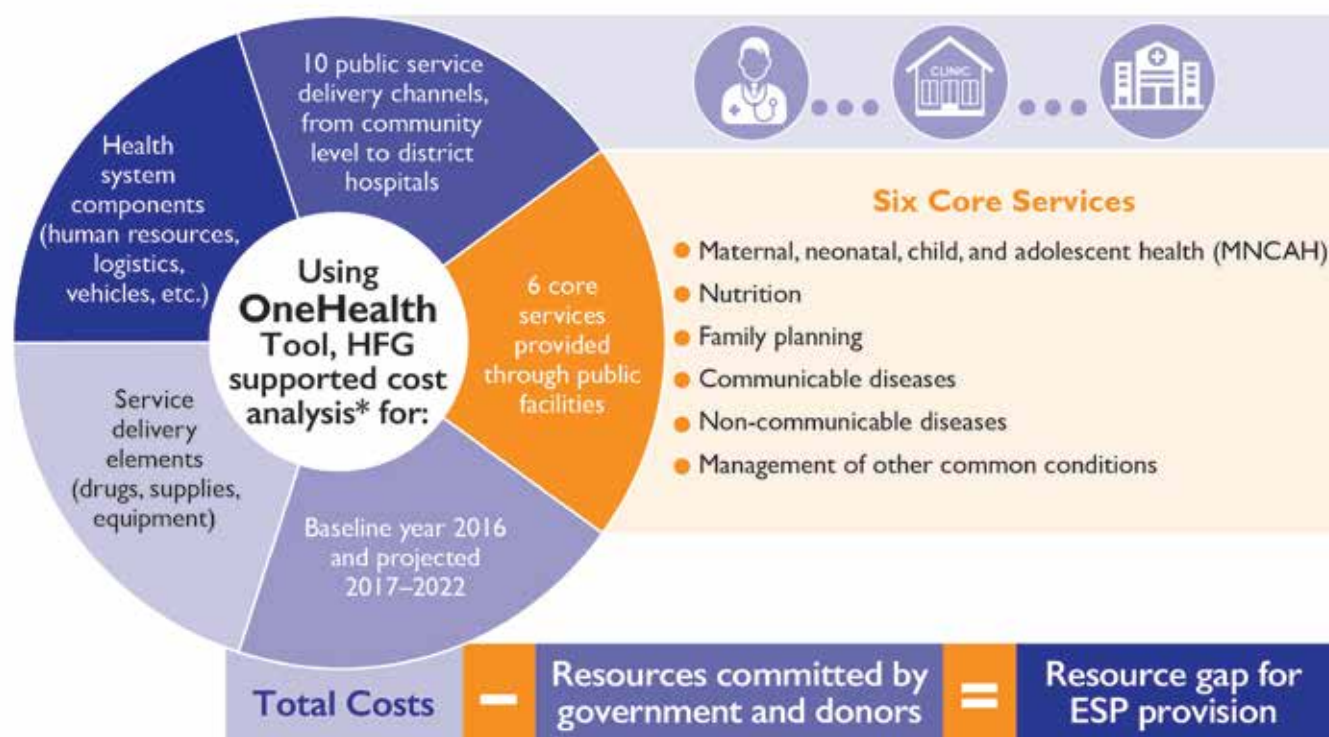
presenting various resource gap scenarios, which the government can use as part of its advocacy efforts to secure additional funding for successful program implementation.

Supporting data use for planning and resource mobilization

We engaged with two major stakeholders—the MOHFW and the MOF—to facilitate increased use of costing and related data for planning and advocacy. Through global joint learning workshops, we supported the capacity development of MOHFW, MOF, and the academic sector, enabling deliberation and joint identification of common barriers, opportunities, and feasible options for increasing and allocating resources.

HFG is also partnering with USAID's Research for Decision Makers (RDM) project for detailed costing of TB services, using the OneHealth Tool and TIME. This builds on the in-country capacity that we have developed for costing and production of quality costing studies and data for planning and resource mobilization.

ESTIMATING COSTS AND RESOURCE GAPS FOR THE ESSENTIAL SERVICE PACKAGE



* USAID's HFG project partnered with WHO and icddr to cost the ESP at the request of the Health Economics Unit and Planning Wing of the MOHFW.

¹The OneHealth Tool supports medium- to long-term (3 to 10 years) strategic planning in the health sector. It has informed strategic planning processes in more than 30 low- and middle-income countries to date.

Modeling impact for ESP provision — Lives saved and deaths averted

This section describes the results of an impact modeling analysis HFG conducted to examine the impact of successful implementation of the ESP, as per MOHFW's 4th HPNSP. HFG supported the 4th HPNSP with costing of ESP, undertaken together with WHO and icddr,b, and also analyzed the resource gap for its implementation.

For the impact modeling, we assumed that the Government of Bangladesh will take into account the ESP costing and resource gap analysis, and will allocate additional resources to support ESP implementation, in line with HFG's resource gap analysis findings. We carried out impact modeling analysis² of two scenarios: the status quo, where 2016 coverage levels and service package continue, and the scale up, where 4th HPNSP target coverage rates are achieved for existing and new services through additional financial and human resources allocations.

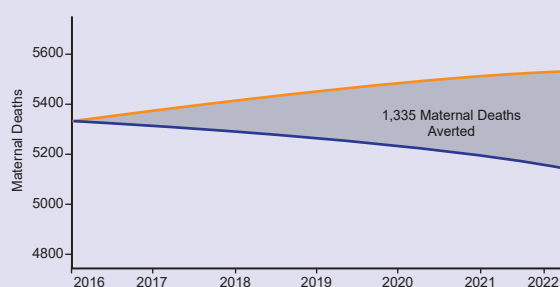
Estimates of the impact on maternal and child health are presented in the figures below. As seen in Figure 1, expanding the ESP coverage would avert more than 1,300 maternal deaths in the period 2017–2022. Figure 2 shows the corresponding number for children: nearly 27,000

neonatal deaths and more than 12,000 deaths of children 1–59 months would be averted during the same period. Important interventions contributing to these gains for neonates are case management of neonatal sepsis and pneumonia, neonatal resuscitation, use of chlorhexidine, and folic acid supplementation in mothers. For children 1–59 months, oral rehydration solution (ORS), pneumococcal vaccine, treatment for malnutrition, vitamin A supplementation, and breastfeeding promotion will result in improved outcomes. These interventions for neonates and children 1–59 months account for 80 percent of deaths averted in both age groups by the year 2022. The number of stunting cases averted for children 0–59 months would be 66,497, of which 58 percent would be children 24–59 months.

The results are conservative estimates of the actual impact of ESP if it were to meet its coverage targets by 2022; many ESP interventions could not be modeled for impact due to lack of data. The effectiveness of interventions in bringing about mortality reductions are based on global and regional effectiveness rates, which may vary by countries and individuals.

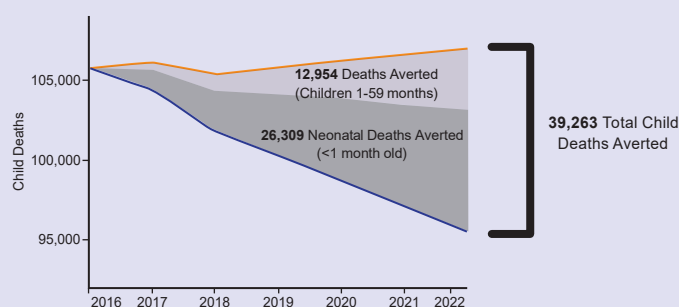
ESTIMATED NUMBER OF DEATHS AVERTED OVER 2017–2022, IF ESP IS SUCCESSFULLY SCALED UP

FIGURE 1: MATERNAL DEATHS AVERTED



Scenario 1 - Status quo (baseline of 2016 ESP implementation)

FIGURE 2: CHILD DEATHS AVERTED



Scenario 2 - Scaled up ESP implementation (as per the 4th HPNSP)

²The analysis relied on the baseline and target coverage from the 4th HPNSP, which was also used to estimate the cost of implementing the ESP. These coverage levels were entered into the corresponding Spectrum impact models in order to estimate the mortality (and in some cases, morbidity) impact of achieving the goals of the ESP. The Lives Saved Tool (LiST) was used to estimate the maternal and child health impact, while the Spectrum NCD model was used to model the impact of interventions for non-communicable diseases (NCDs).



RESULT AREA 3

Improved evidence for financial protection of the poor

With one of the world's highest levels of OOP health expenditure—at 67 percent of total health expenditures—Bangladesh urgently needs to implement feasible options for improved financial risk protection of the poor. The HFG project conducted multiple studies to build the evidence base on prepayment as a mechanism for improved access and decreased OOP expenditures.

This work will support USAID's existing investments in the area³ and the implementation of HCFS. Our partners on the research effort included independent consultants, HEU, IHE, PPRC, JPGSPH, and USAID's NGO Health Service Delivery Project and its partner, Brandeis University.

We supported training and secondary data analysis for national Health Accounts (HA) to improve understanding of high OOP expenditures on health.

Lessons for improved viability of health insurance

HFG studied the feasibility of provider-based prepayment mechanisms in Bangladesh to ascertain the prospects for establishing health insurance. Our landscape review of prepayment mechanisms revealed significant barriers to their growth and highlighted specific issues to be resolved (Hamid 2016). The barriers included the lack of an insurance culture, lack of trust, limited provider networks (both geographically and in terms of providing a continuum of care), and limited financial protection. As in other countries, prepayment schemes can only provide significant protection if they are supported by the government through a positive regulatory framework and premium subsidies for the poor.

We also examined the potential of community-based health insurance in Bangladesh and concluded that it was hindered by some of the

same cultural and system barriers as micro-health insurance: the absence of an insurance culture, lack of trust, and limited provider service networks. Combined with other factors, such as lack of awareness and affordability of premiums, these barriers have stymied the growth of health insurance in the country. In February 2014, we facilitated a workshop on community-based health insurance and micro health insurance initiatives/schemes. Workshop participants identified the need to improve the regulatory framework, particularly for micro insurance, as a key next step. For provider-based health insurance schemes, another need identified was to link NGO providers into wider networks to offer a larger range of services to a broader population.

We also studied the feasibility of provider-based prepayment options for the USAID-funded Smiling Sun clinic network (Derriennic et al. 2016). We conducted price elasticity (HFG 2013) and discrete choice experiment studies (HFG 2015) at Smiling Sun clinics. The studies revealed that, more than price, continuum of care and provider quality impacted patients' choice of a clinic. We also generated costing estimates of services at Smiling Sun clinics to support decisions on rates for strategic purchasing of health services. USAID is using these findings for its Advancing Universal Health Coverage project.

Better targeting approaches to reach the poor

Using comparative analysis and detailed review of six social sector programs for the poor, we documented the pros and cons of the targeting approaches used by different sectors in Bangladesh. The review, done in partnership with PPRC, highlighted some practical and effective approaches to identify the poor. This information will help program designers and planners, including government and USAID projects, to target interventions more effectively for the poor and minimize errors in implementation.

³USAID supports the Smiling Sun clinics, which provide a package of essential health services through a wide network of local NGO clinics, and is expected to provide health insurance in the future through its Advancing Universal Health Coverage project.

Analytical studies to support USAID's flagship investment in Bangladesh for ESP provision through Smiling Sun clinics

USAID/Bangladesh asked HFG to conduct a series of studies for their Smiling Sun clinic network; the network also receives funding from the U.K.'s Department for International Development (DFID). The findings would inform the network's efforts to improve financial protection on the demand side and financial viability and sustainability on the supply side. We conducted these studies in partnership with the James P. Grant School of Public Health at BRAC University.

Assessment of the price elasticity of demand for health care services in the Smiling Sun Franchise Program (HFG 2013)

Study highlights

- HFG analyzed longitudinal utilization data (by month) of maternal health services from October 2007 through September 2012 to determine the effect of a 2010 price increase and estimate the price elasticity of demand for these services.

Key findings

- Price elasticity of demand for antenatal and postnatal care (ANC/PNC) services was found to be inelastic (at those price levels). This may be due to the price increase having been small relative to clients' incomes and/or the price of competitor services.
- Results for utilization of delivery services were not conclusive; the 2010 price increase was higher for deliveries (in absolute amount) than for ANC and PNC.

Understanding client preference to guide the prioritization of interventions for increasing demand at NGO Health Service Delivery Project clinics in Bangladesh (HFG 2015)

Study highlights

- HFG quantitatively assessed the factors influencing the demand for maternal and child health services in the catchment population of USAID's Smiling Sun clinics.
- HFG collected preference data from 600 urban and peri-urban households within the clinics' catchment areas. Utilities were estimated for provider attitude, provider type, comprehensiveness of maternal health care, comprehensiveness of child health care, price, drug availability, facility cleanliness, availability of diagnostic services, accountability, and waiting time.

Key findings

- For maternal health care, households expressed the highest preferences for the availability of brand name drugs, comprehensiveness of delivery services (especially C-section services), and provider politeness.
- For child health care, high preference was seen for availability of brand name drugs, polite providers, facility cleanliness, availability of phone lines for registering complaints, and availability of diagnostic services.
- Notably, households did not express a strong preference for free services.
- The households were informed users and were able to differentiate between providers and services; they would go to certain providers for certain services, and price was not a significant attribute.

Feasibility analysis of Bangladesh NGO provider-based prepayment schemes (Derriennic 2016)

Study highlights

- The analysis was based on costing, competitor analysis, and demand analysis studies.
- Costing study: HFG estimated unit costs of services at four urban Smiling Sun clinics. The study included prescription analysis and an analysis of provider time allocation across services.
- Competitor analysis: Consultation fees at Smiling Sun clinics were compared with those of competitors within a 1km radius.
- Demand analysis: HFG assessed the demand for four carefully designed service packages through the willingness to purchase the prepaid package. The study also tested respondents' knowledge of prepayment/insurance schemes.
- Feasibility study: Building on the results of these studies, HFG helped determine the conditions under which provider-based prepayment schemes would be feasible.

Key findings

- Costing study: Drugs and medical supplies constitute the majority of unit costs across services. There is a positive difference, i.e., margin between the prices charged to patients and unit cost of ANC, IMCI, and LCC, at all of the static clinics.
- Competitor analysis: There are many potential competitors near Smiling Sun clinics; most charge fees higher than Smiling Sun clinics, suggesting likely scope for Smiling Sun clinics to increase their minimum consultation fees.
- Demand analysis: There is little prior knowledge among respondents about prepayment for healthcare. Once informed, respondents preferred the comprehensive maternity package to the ANC package and the basic family package over the extended family package from the prepayment options offered to them during the study.
- Feasibility study: Of the four packages presented, the basic family package, with unlimited visits but no lab and drugs, was the most attractive. The comprehensive maternity package was well received, especially by clients who were aware of the cost of C-section. There is likely to be little demand for a prepayment scheme covering all the services offered. Much work will be needed to raise awareness about the benefits of insurance/prepayment schemes, build client trust in the system, and offer quality services. In addition, other barriers, as identified in the landscape analysis of prepayment schemes in Bangladesh, need to be addressed: lack of continuum of care, especially the link between the primary care and referral; network of providers; and the need to subsidize packages to make them affordable.

Summary

Through these studies, HFG provided USAID with important information about how their Smiling Sun clients chose their providers, what attributes drove these choices, and the relatively little influence fees and costs had on these choices (at the price levels where Smiling Sun clinics were operating). These studies also provided a picture of Smiling Sun clinic users in urban areas as informed customers, with a wide choice of providers and little understanding of prepayment schemes.

Health Accounts secondary analysis – insights into data constraints

Bangladesh National Health Accounts (BNHA) Cell of the HEU requested HFG to support secondary analyses of the 2012 BNHA. HFG, collaborating closely with the World Bank, assisted the BNHA Cell to conduct two secondary analyses in 2015, using the 2012 BNHA: on reproductive, maternal, newborn, and child health (RMNCH) and urban health (Hossain 2016 and HFG 2015).

Urban health analysis: This secondary analysis produced estimates for urban vs. rural health expenditures by division. The definition of urban was based on the residence of the service beneficiaries, in consultation with the BNHA cell. Had the definition been based on the location of the services, most of the expenditures would have been classified as urban, since the great majority of health facilities (both state and non-state) are based in urban areas. However, it became clear that no data was available on the residence of the patients who were visiting urban facilities. In Bangladesh, many patients travel from rural to urban areas for health care. This lack of data limited the usefulness of the results.

RMNCH analysis: This secondary analysis followed the HA methodology and presented expenditures for RMNCH. Analyses revealed challenges in apportioning outlays by providers, given the dearth of patient data. As these are priority programs, the government was found, expectedly, to be the major funder of reproductive, maternal, and newborn expenditures, with external donors providing significant resources. For child health, the analysis revealed that households were the first sources of financing, most of it spent on drugs.

LOOKING FORWARD



SUSTAINABILITY

We geared our implementation approach in Bangladesh to ensure the long-term sustainability of our results: stronger awareness of and governance capacity for UHC, data-based decision-making for resource mobilization and planning of health services, and evidence to bolster implementation of financial protection mechanisms for the poor. We aligned our work with MOHFW's priorities and health-sector framework to secure government engagement and ownership. The MOHFW's HEU was the firm, and natural, anchor for our health financing work in Bangladesh. The HEU recognizes the HFG project's contribution in bringing rigor to policy guidance, and its leadership has committed to continuing our activities, including building awareness, conducting ESP costing and resource analysis, and building governance capacity.

Although anchored with the HEU, the project collaborated with a wide range of local partners from the health sector, including academia and civil society. We decided to engage local partners as part of the activity design to enable continuity beyond the life of the project. The work we have done with our partners will now transition to them. PPRC and IHE will continue to build awareness of UHC, with a focus on translating awareness into action. PPRC, our partner in reviewing approaches for targeting the poor, will continue to define clear approaches for targeting the poor in UHC-related programs, while IHE continues to build evidence for health insurance implementation in Bangladesh.

HFG gratefully acknowledges and thanks USAID Bangladesh, the HEU, the Planning Wing, the broader MOHFW, and all partners for their support and guidance over the years.



LESSONS LEARNED

The most important lesson from HFG's work in Bangladesh is the need to establish a strong relationship with the government based on trust and responsiveness. The project invested effort in, and benefited from, building a strong rapport and relationship with the HEU, which was the focal point for our engagement with the government. The rigor with which we attended to the HEU's emerging requests for technical assistance ensured ownership and support for its work from the government. We were successful in working with the former Director General of the HEU to write and publish an article in the international peer-reviewed journal *Health Systems & Reform* (Islam et al. 2018).

Importantly, we adopted a multi-sector approach in Bangladesh, going beyond government and engaging with other stakeholders. These stakeholders included other development partners such as the WHO and the World Bank, civil society, and technical institutes. Integrated health systems thinking, with financing and governance, enabled us to capitalize on a broad resource base and gain significant traction for our activities.

Working with partners helped develop and use local capacity and laid a foundation for continuity beyond

the HFG project. Doing so also meant that progress on activities took longer than originally planned. Our understanding of the pace and capacity of partners was crucial in effectively supporting them to achieve project results.

A fortunate reason for the project's success in Bangladesh has been the long-term relationship that Abt Associates, USAID's implementing partner for HFG, has had with the Bangladesh government and its health sector agenda. As the implementer of the earlier USAID-funded Health Systems 20/20 project, Abt had contributed to the planning for HCFS. HFG benefitted from that legacy, bringing a deep understanding of and engagement with the country's public health system, the sector framework, and the key areas to focus on for reforms.

Bangladesh's commitment to UHC provided the foundation for us to support health financing reforms in the context of health system strengthening. The government has committed to achieving UHC by 2030 under the SDGs. We capitalized on that intent by providing robust and timely technical inputs and evidence that will contribute to the country's strengthened progress toward its health service coverage and health system strengthening goals.



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