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# HFG NIGERIA 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.

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To learn more, visit [www.hfgproject.org](http://www.hfgproject.org)

## ENHANCING HEALTH SYSTEMS, MAKING AN IMPACT IN NIGERIA

### Estimated public health impact of key HFG reforms



**\$150 million** (₦ 51 billion)  
**ADDITIONAL  
FUNDING COMMITTED  
to primary health care**

through successful political engagement  
by the Legislative Network for  
Universal Health Coverage (UHC)



**22,000 AIDS deaths &  
10,000 new HIV infections  
WILL BE AVERTED**

with HFG's help to increase  
resources for HIV in Lagos state



**More than 31,000 child deaths  
& 1,500 maternal deaths  
WILL BE AVERTED**

with HFG's support to establish state  
health insurance schemes in five states

# HFG OVERVIEW IN NIGERIA



## CHALLENGES

Fueled by its oil exports, Nigeria became the largest economy in Africa in 2014. However, this wealth has not yet translated into significant increases in health budgets or improved health outcomes. With only 4 percent of its total annual budget set aside for health in 2018 the Nigerian Federal Government falls far short of health financing targets, including the 15 percent Abuja Declaration. According to its most recent Demographic and Health Survey from 2013, life expectancy is 51 years, and maternal, child, and infant mortality rates have remained among the highest in the world (DHS 2013).

Over-reliance on donor funding and inadequate domestic funding for health programs are a concern for many infectious disease programs such as HIV/AIDS and TB. According to UNAIDS, around 3.2 million Nigerians are living with HIV (UNAIDS 2017). Donor funds account for more than 70 percent of the country's financial resources for

the HIV/AIDS response, and external funding is projected to decline. Nigeria ranks among the top five high-burden tuberculosis (TB) countries worldwide, and it is eleventh among the 27 high multi-drug resistant (MDR-TB) burden countries (WHO 2017). Donors account for 15 percent of the country's TB expenditures and the government only 10 percent, while households bear the burden of over 70 percent of the cost of TB services. As in many high-burden countries, TB testing and results reporting is a lengthy process in Nigeria, impeding the country's ability to account for and treat TB patients promptly.

Although there is an urgent need for increased funding to improve and sustain health programs—especially as donor funds decline—health financing has not been a priority at the federal or state level.



## CHANGE

Since 2012, the HFG project has collaborated closely with the government and other partners in Nigeria to address these pressing challenges. Building on previous health finance and governance programs and strategies, we worked with a broad range of partners to strengthen the health system and improve access to quality health services for Nigerian families and communities. We have helped strengthen TB and HIV programs, increased financial access to health care, and enhanced multisectoral collaboration for the sustainable improvement of state health systems.

This report describes health finance and governance transformations that are leading to better health outcomes for families and communities across the country. HFG's key results over the past six years include:

- Expanded use of innovative technology to improve Nigeria's TB response
- Increased country resources for HIV, TB, and reproductive, maternal, newborn and child health programs

- Enhanced multisectoral collaboration for stronger health systems and universal health care
- Establishment of state health insurance schemes to increase access to health care
- Strengthened capacity of state ministries of health to increase health resources

To achieve these results, HFG has worked closely with several institutions within state governments.



*“With technology, health service provision and delivery [have] been made easier and timely.”*

*~ Dr. Khaliru Al Hassan, Former Minister of Health*

Former Minister of Health Dr. Khaliru Al Hassan launches GxAlert rollout.

*Credit: HFG Project*



## MAKING A DIFFERENCE



### RESULTS

#### **Expanded use of innovative technology to improve Nigeria's TB response**

With HFG's support, Nigeria scaled up an innovative, mobile-based solution that has had a tremendous impact on the TB response in Nigeria. By expanding the use of the mobile technology GxAlert, more than 300 clinics across the country have been able to reduce the time between a patient's positive DR-TB diagnosis and the initiation of treatment, limiting the spread of the contagious disease. The country's notification rate for DR TB has increased three-fold since 2014.

Previously, TB testing and results reporting was a lengthy process in Nigeria—partly due to a reliance on paper records, overburdened labs, and slow data transit systems—making it difficult for the National Tuberculosis and Leprosy Control Programme to account for and enroll patients diagnosed with DR-TB promptly. Prompt enrollment minimizes transmission, making it critical to epidemic control.

#### **A Faster Response to TB in Nigeria**

**By connecting all the rapid GeneXpert diagnostic machines to GxAlert, health facilities can:**

1. Report TB results in real-time
2. Send targeted alerts by SMS or email to TB program managers
3. Deliver real-time disease surveillance data to the GxAlert database, linking to the national electronic TB Manager
4. Prevent GeneXpert cartridge stockouts, track usage for order accuracy, and monitor maintenance/warranty issues

The country relies on the GeneXpert system—an automated diagnostic test that can identify TB DNA and resistance—to diagnose DR-TB. But the test result data can take weeks, or even months, to be manually compiled and reported to the national TB program.

The GxAlert software, developed by Abt Associates Inc. and SystemOne, works by connecting the GeneXpert system to the Internet and phone lines, allowing results to be sent via the application and transferred into a central, secure database in real time. GxAlert shortens the reporting period from days or weeks to seconds, resulting in faster referral of patients into appropriate care. HFG worked with the national TB program to train local staff on the installation and use of GxAlert across the country.

As a result of the success of the GxAlert scale-up, the Nigerian government has decided to use the system for the testing and reporting of all TB cases. Building on HFG's successful scale-up strategy, the Global Fund will continue expanding the technology to more health facilities across the country.

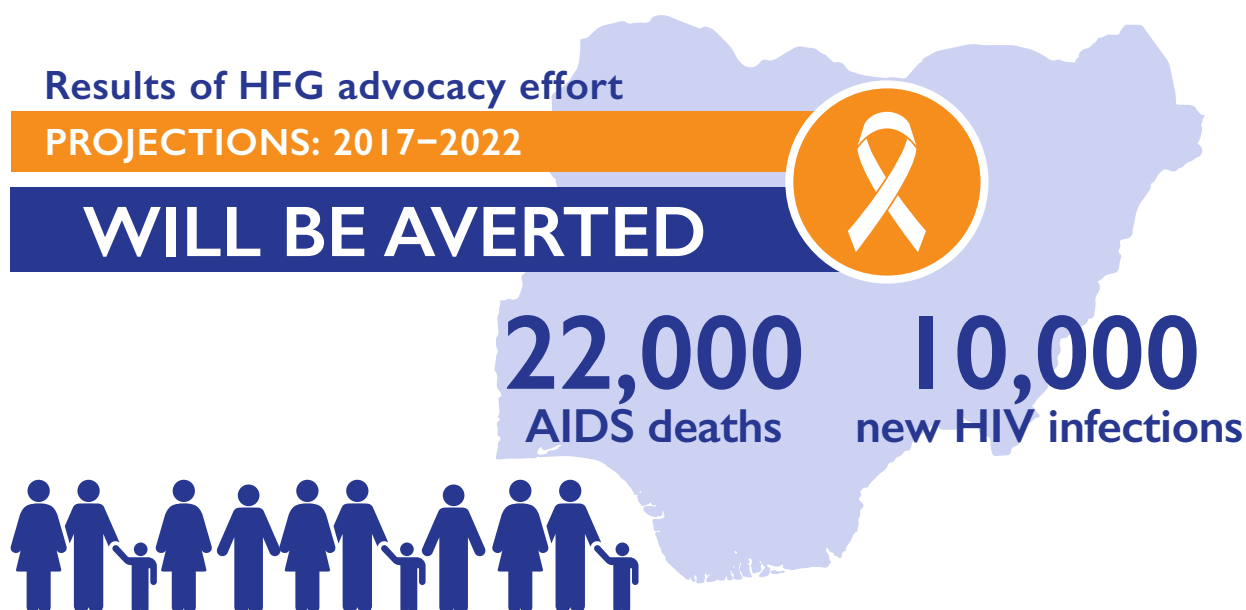
### **Increased domestic resources for HIV programs**

Our advocacy efforts have contributed to critical increases in state funding for HIV programs. Increasing domestic resources is an important step towards creating ownership for, scaling up, and sustaining Nigeria's HIV prevention, care, and treatment program. An analysis conducted by HFG projects that our support to Lagos State will avert 22,000 AIDS deaths and 10,000 new HIV infections over five years.

### **Evidence, politics and engagement**

HFG strengthened the advocacy efforts of the Lagos State AIDS Control Agency and the Multisectoral Technical Working Group by developing evidence-based advocacy briefs, performing political economy analysis to identify the institutions and stakeholders that can impact budget allocations to HIV programs, and conducting high-level advocacy visits with messages that were not only evidence based but that also aligned with existing state priorities and development plans. The Lagos State AIDS Control Agency worked with the state Domestic Resource Mobilization Technical Working Group for HIV to use evidence from resource tracking to successfully

## **HIV Impact: Resource Mobilization and Health Insurance**



advocate for increased funding for HIV. In 2016, HFG collaborated with the agency on the State HIV/AIDS Spending Assessment, an approach that tracks resources for HIV programs from their financing sources -- including public, private, individual, and donor sources -- to their end uses in the health sector. In 2017, the agency undertook this analysis independently.

Resource tracking evidence was key to engaging the Ministry of Economic Planning and Budgeting staff members who served on the technical working group. These staff engaged their ministry colleagues to raise awareness of the state's low public spending on HIV/AIDS and over-reliance on external funding. With ongoing transition of previously donor-supported HIV/AIDS services to the government and an impending co-funding requirement for a Global Fund grant, the economic planning and budgeting ministry realized the importance of mobilizing additional domestic resources for the HIV/AIDS response, thus transforming from an audience for advocacy into advocates themselves.

#### **Moving from budgets to expenditures**

Not only has Lagos State achieved a 449 percent increase in the budget allocated to HIV/AIDS— from ₦ 114,850,000 (US\$375,326) in 2016 to ₦ 630 million (US\$2 million) in 2017 -- but 71 percent of this budget has been released and spent with no absorptive capacity issues. With these funds, the government has been able to procure more rapid test kits, print tools for capturing data, and conduct supportive supervision.

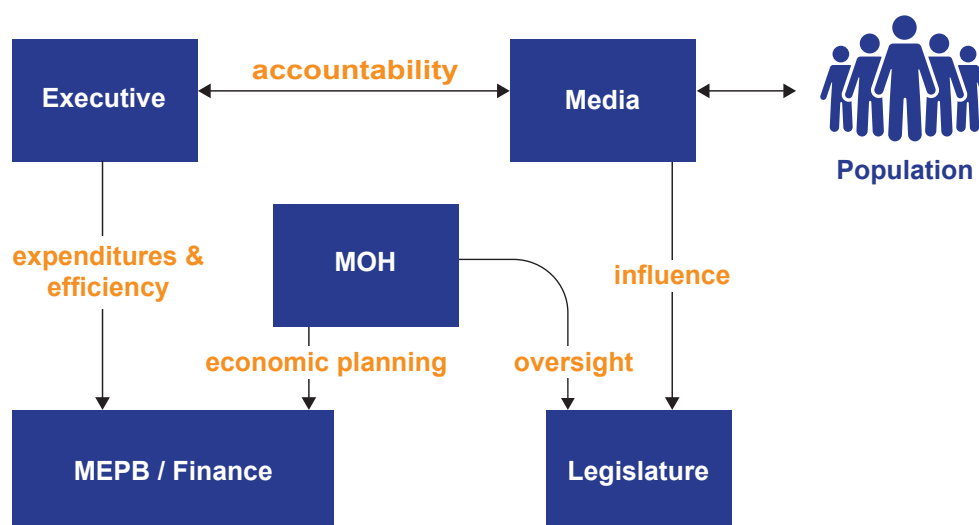
#### **HIV and health insurance: using evidence**

HFG also advocated for the inclusion of HIV services in benefit packages offered by state-supported health insurance schemes in Lagos and Rivers states. Again, evidence was critical. We demonstrated with an actuarial analysis that adding HIV services, including antiretroviral therapy, would raise the cost of the proposed health benefits package under 200 naira (60 cents) per person -- less than 5 percent of the annual premium. Our analysis convinced key stakeholders that HIV services should and could be included in the benefit package. With states planning to pay for health insurance on behalf of vulnerable groups, this decision to include HIV in the health insurance package will broaden financial access and sustainability of HIV services for those who need it most, as well as provide a long-term strategy for financing HIV services domestically.

#### **Enhanced multisectoral collaboration to prioritize financing universal health care and strengthen health systems**

Due to HFG's support, health sector stakeholders, especially the Ministry of Health, now appreciate that strengthened collaboration across various government and nongovernment sectors is an effective tool for achieving major policy change. Throughout the HFG project, health stakeholders used collaborative approaches to improve governance/accountability, increase domestic resource mobilization, and implement health insurance.

## **Multisectoral Collaboration: Embracing Complexity**



### Collaboration is complex but critical

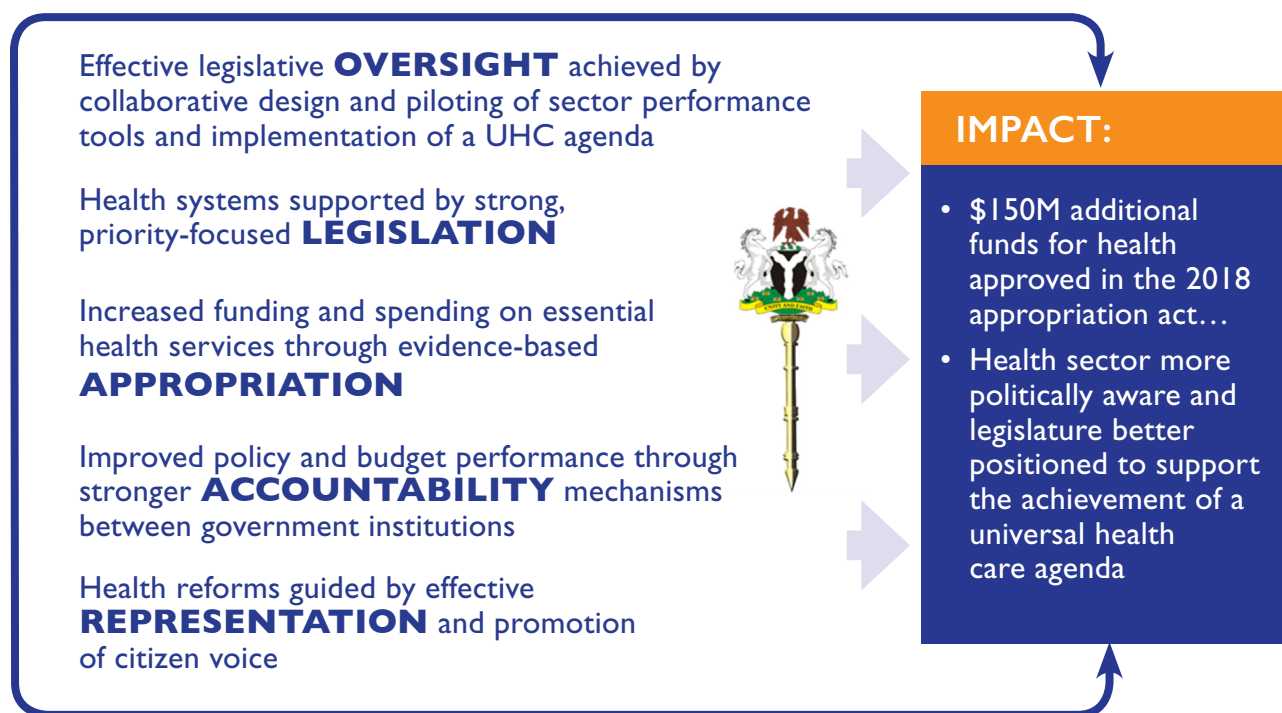
Early in the project, we recognized the need for broader and stronger multisectoral collaboration when initial public financial management assessments identified problems to domestic resource mobilization whose solutions lay outside the health sector. By conducting governance and political economy assessments we were able to identify institutions and players outside the health sector that had a critical part to play. For example, key stakeholders, the media, legislators, local government area chairman are critical to implementing new health financing policies, like state-supported health insurance and the prioritization of health in government budgets, yet they were not being strategically engaged by ministries of health. Furthermore, these institutions have complex interdependencies that can impact the health sector. HFG collaborated with the Ministry of Health and health financing units to build their capacity to identify the potential role of these sectors and to engage them with evidence of need, effective argument for prioritizing health and concrete actions to take.

### More money for health is a political decision

A notable example of a failure of the health sector to fully recognize non-health actors is the underperforming relationship between state ministries of health and the state legislatures. Legislators, upon assuming office, received no formal training on legislative function and so did not recognize their own critical role in collaborating with state ministries of health to achieve universal health care. Legislators are responsible for passing legislation that can institutionalize and protect the state-supported health insurance scheme initiative; they are also responsible for appropriating resources across different sectors and for overseeing the health ministry's performance. Yet, in many states, ministry-legislature interactions were limited to ministry officials defending their budgets to legislators, rather than working with them as collaborative partners.

To address this issue, we worked with the Nigerian Senate to establish the Legislative Network for Universal Healthcare. This new institution has developed a health training workshop in partnership with the Nigerian Institute of Advanced

## Legislative Network for UHC: Leveraging Legislative Functions



Legislative Studies, so that legislators can effectively carry out their legislative functions and collaborate with state ministries of health on UHC and other health initiatives.

As a result of effective collaboration, relationships between the state ministries of health and legislatures have improved. Five state legislatures have passed state health insurance scheme bills into law in under a year, and they have appropriated budgetary provisions for implementing state health insurance schemes of at least 1 percent of their states' annual revenue. In addition, legislatures in five states – Cross River, Bauchi, Lagos, Rivers, and Sokoto – have increased budget allocations for HIV/AIDS.

Working with state ministries of information and health, HFG trained local media on health financing issues, including the benefits of health insurance and investment in health. HFG helped create a sustainable, effective collaboration between the media and ministries of health that can build

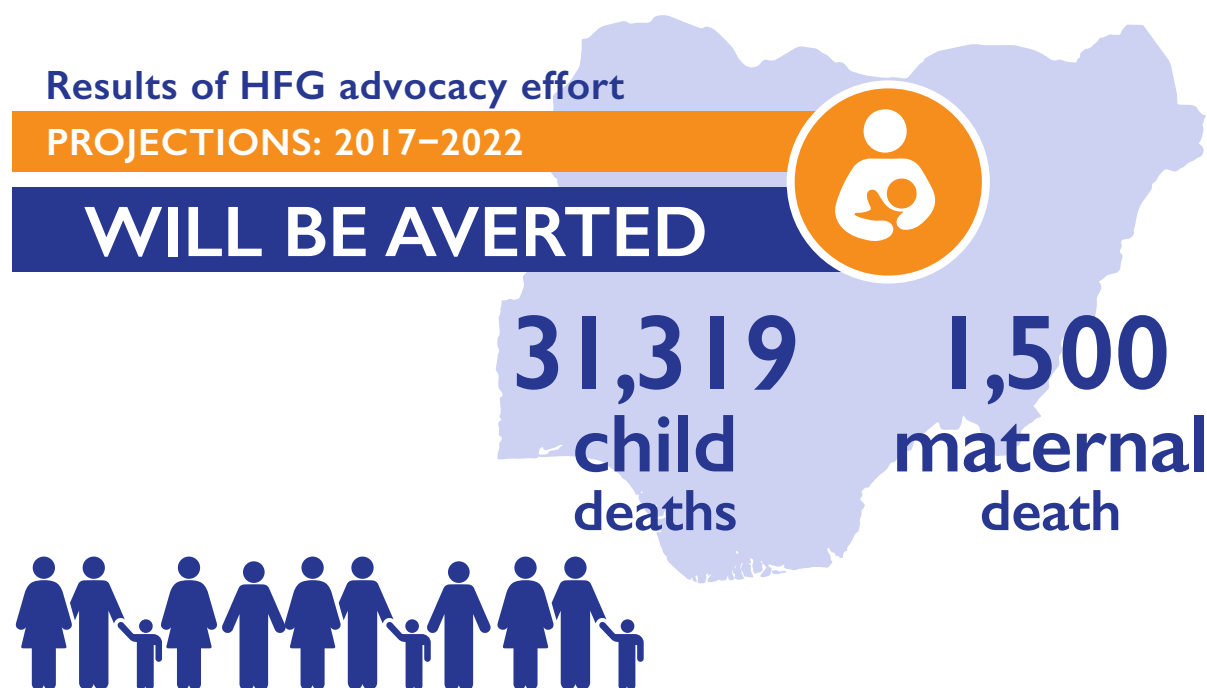
Nigerians' support for health financing. As a result, more journalists understand health financing issues and regularly cover health financing topics in traditional and social media, at no cost to the Ministry of Health.

### ***Established state health insurance schemes to increase access to health care***

With HFG's support, more vulnerable Nigerians will have access to vital health services through state supported health insurance schemes. The federal government has mandated these schemes, requiring that state funds go toward health care premiums for vulnerable people, pregnant women, and children under five.

HFG worked with state governments and legislators in Bauchi, Cross Rivers, Sokoto, Lagos, and Osun states to develop appropriate and funded policies for establishing and funding the state health insurance schemes. Through work with the Legislative Network for Universal Healthcare

## **MCH Impact: Strengthened Infrastructure/SSHIS in 5 States**







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①LR-Godwin Iyala, DG Cross Rivers State Health Insurance, ②Sunday Inah Akwa Ibom State SPC, ③Dr Beta Edu Cross Rivers Primary Health Care Development Agency, ④Dr Inyang Asibong Commissioner Ministry of Health Cross Rivers State, ⑤Dr Sylvester Akande Health Financing Advisor, ⑥Ibiam Azu Cross Rivers SPC Joseph Bassy, Permanent Secretary Cross Rivers state Ministry of Health at the HFG Joint learning Network workshop in Abuja.

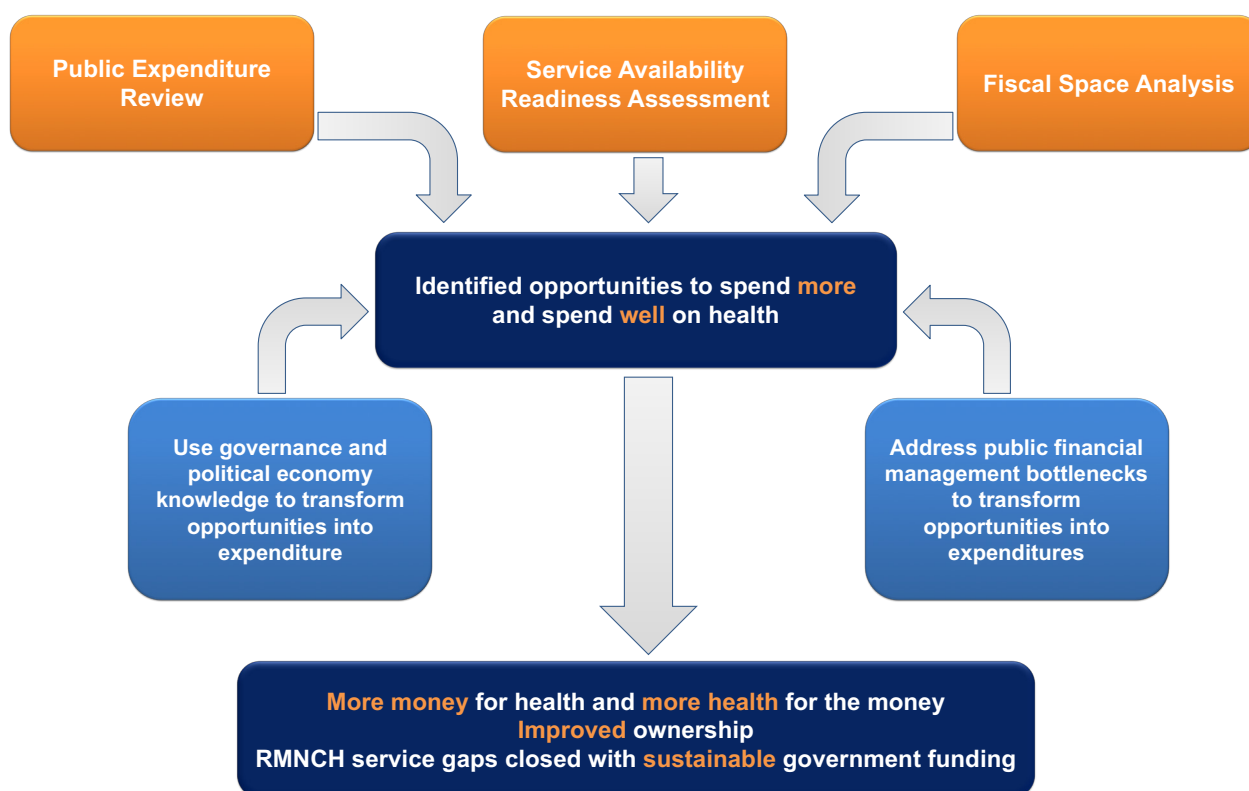
and engagement of the media, we helped state ministries of health ensure that the new laws were backed with sustainable budget resources. We also provided training and mentorship through embedded advisors that worked with state government-established health insurance agencies to develop operational guidelines and establish processes for functional schemes.

### ***Built the capacity of state health ministries to advocate for increased resources***

HFG was integral to building the capacity of state ministry of health officials to advocate for increases in state health funding. With HFG's skill-building support on identifying and gathering strategic evidence and using evidence in policy making and stakeholder engagement, several state ministries of health successfully advocated with their ministries of budget for increased funding for vital health programs. As donor funds decline, these lasting skills will become even more valuable.

To increase domestic resources, HFG worked to support advocacy efforts at the state level. Notably, the project collaborated with multisectoral domestic resource mobilization technical working groups to conduct health financing assessments and help the state ministries of health use health financing diagnostic assessment findings to advocate for increased health funding. To identify, synthesize, and use evidence, HFG developed the Diagnosis to Action Framework. This tool helped state ministries of health and domestic resource mobilization technical working groups to synthesize evidence on opportunities for improved spending on health, identify key actions, and develop and implement domestic resource mobilization strategies and implement them. For example, Lagos state's budget allocation for health increased from just under 7 percent of all government spending in 2017 to nearly 9 percent in 2018.

# Diagnosis to Action Framework



## MOBILIZING FINANCIAL RESOURCES IN BAUCHI STATE

In Bauchi state, working with the SMOH, HFG estimated that only 7 percent of the state's vulnerable population would be covered by the proposed earmarked funds for the new state health insurance scheme. However, working with several state actors on a fiscal space analysis allowed the MoH to identify more potential opportunities for mobilizing and earmarking additional funds from the local government.

Armed with this information, the state MoH advocated to the house of assembly, the state internal revenue service, and the ministry of local government for increased funds for the health insurance scheme. As a result, stakeholders jointly came up with the idea of a State Health Trust Fund, which will ultimately bring in an additional NGN 561 million (\$1.6 million) annually to the health sector. The state will use the funds to subsidize coverage to a third of the state's vulnerable under the health insurance scheme and to revitalize primary health centers.

# BAUCHI STATE

## Evidence for Decision-Making



### Service Availability and Readiness Assessment Can facilities deliver high quality health services?

- Over one-third of facilities do not have electricity.
- Less than 34% of facilities have a skilled health worker.



### Costing Service Provision Gaps How much funding can meaningfully improve service delivery quality at health facilities?

- NGN 400 million is needed to upgrade 50 primary health centers (PHCs) to standards.



### Fiscal Space Analysis What realistic options exist for generating additional health funding?

- NGN 6 billion naira if 15% of state expenditure and 1% CRF earmark allotted to health.



### Public Expenditure Review How does the state government obtain and spend its health funding? What works and what doesn't?

- Actual spending of budget allocated to capital goods is low: 36% in 2013-2015, and 3% in 2016.

## Evidence to Inform Implementation



### Governance Assessment What are the roles, strengths, and weaknesses of health institutions?

- Weak capacity for generating and using health financing data.
- Inadequate mechanisms for inter-sectoral and multi-sectoral collaboration.



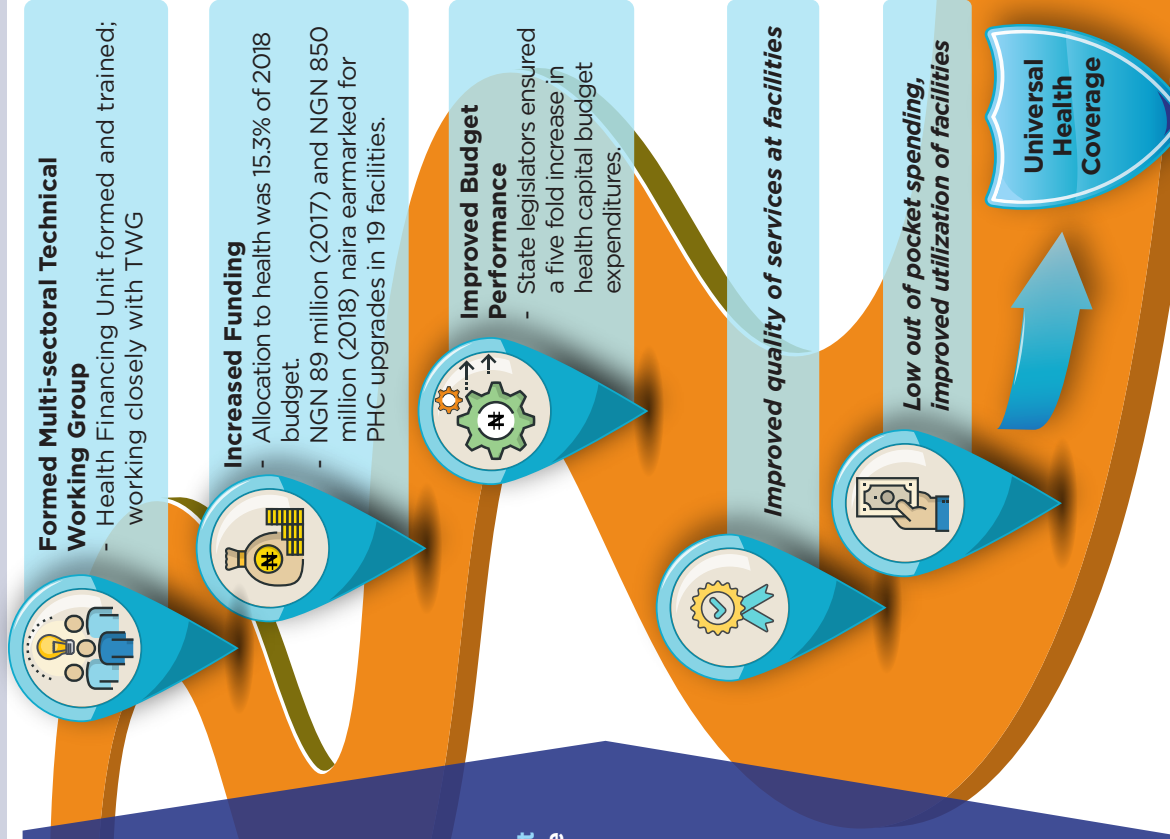
### Public Financial Management What bottlenecks exist in the health budget planning, executions, and monitoring cycle that prevents the government from spending well?

- Unrealistic budget plans: actual revenue was only 50-70% of the budget 2013-2015.



### Political Economy Analysis Which actors have power to influence change?

- State legislators don't use their influence and power; lack processes and information.





# LOOKING FORWARD



## SUSTAINABILITY

The transformations described in this report will make a lasting impact on health systems and continue to improve health outcomes in Nigeria. The improved demand for and use of evidence and the strengthened institutions and relationships will not only improve health outcomes immediately, but they will stand as health systems elements that can be used over and over for beneficial purposes. They will help Nigeria continue its work to mobilize domestic resources, strengthen the oversight and implementation of primary health care for UHC, and build an effective response to noncommunicable diseases. The HFG Nigeria program and its government partners learned and adapted over time, enabling them to extend their experience beyond domestic resource mobilization for HIV to other disease programs and produce measurable increases in health resources.

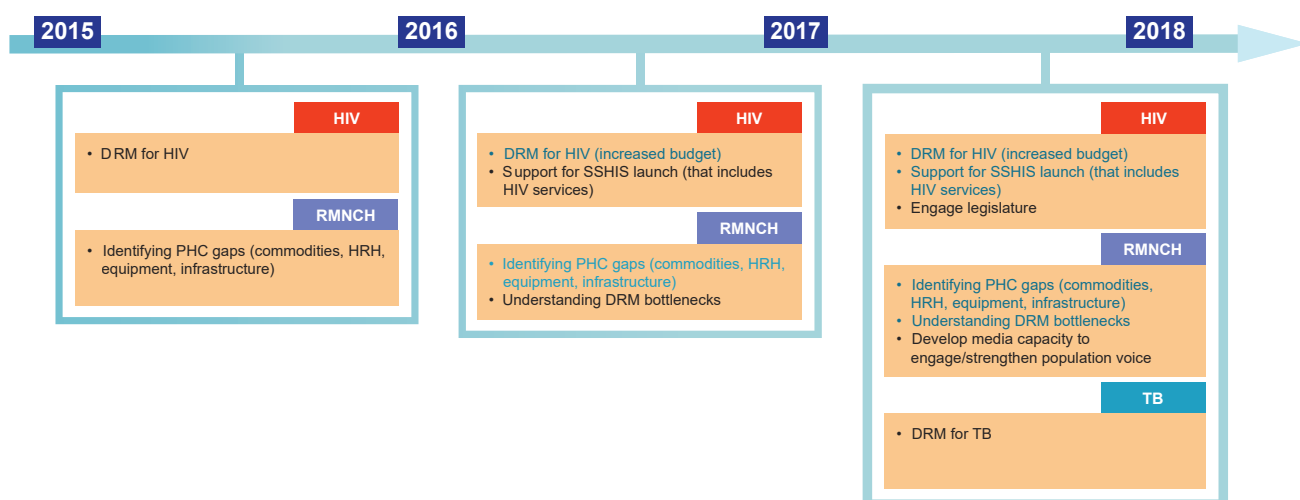
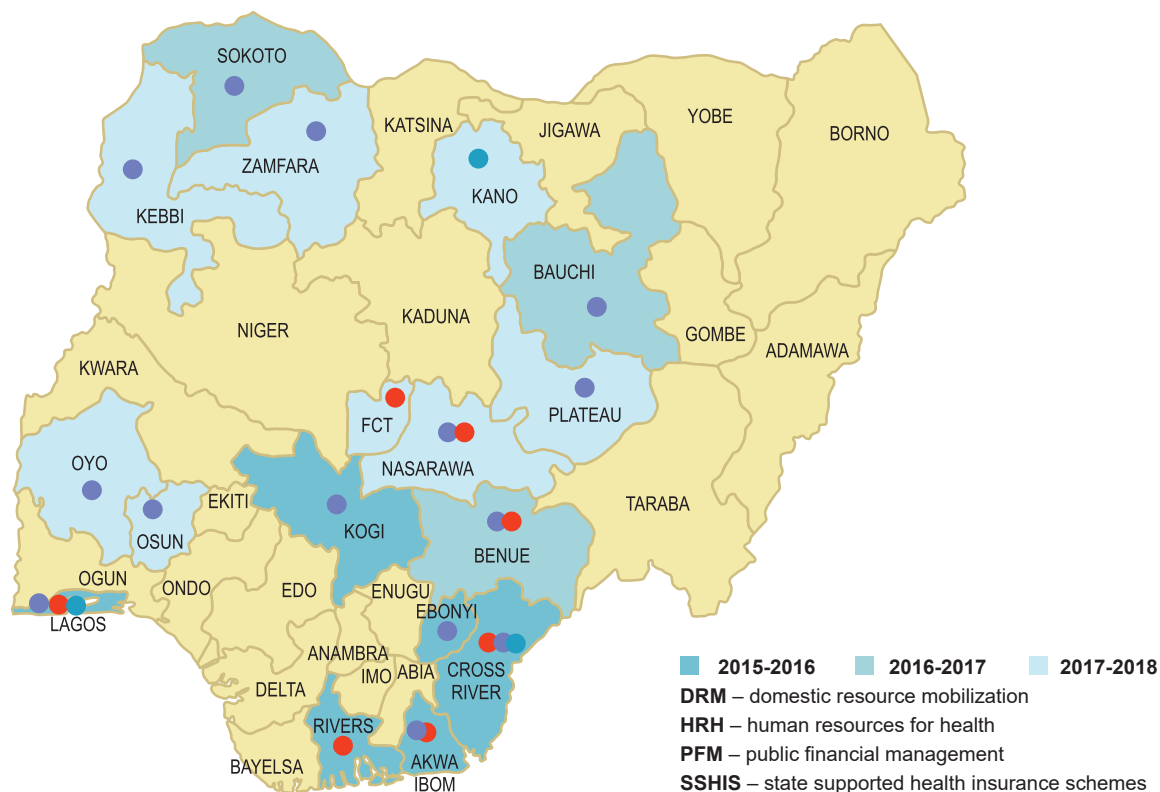
Notably, HFG helped establish several institutional structures and strengthened the capacity of participants who will continue to lead health finance and governance reforms. We were integral to the process of states forming multisectoral technical working groups for domestic resource mobilization for HIV that expanded to include TB and in some states, expanded to improving financing for the health sector in general. We facilitated the establishment of several state health financing units and insurance agencies. And we helped launch of the Legislative Network for Universal Healthcare. Due to HFG's support, these structures are poised to have a long-lasting impact because they have delivered results, established

mutual accountability, and are aligned with local policy directives.

The mutual accountability that has been established between the broad range of sector stakeholders supports sustainability, as there are now expectations of performance across the stakeholders. These stakeholders understand the need for multi-sectoral action. They know how to engage with legislators, they understand the role that the media can play to amplify that engagement, and they know how to use expenditure and infrastructure gap analysis to advocate effectively with economic planning units and others. Most importantly, all these stakeholders have a clear picture of what role they have to play in strengthening the health sector, and are willing to advocate on behalf of health. The technical working groups and health financing units now know how to better align their strategies with routine functions such as budget or election cycles to maximize effectiveness.



# HFG Nigeria: Learning and Adapting





## LESSONS LEARNED

- **Mobilize expertise from outside institutions.** Technical working groups were key to implementing domestic resource mobilization. States benefited from including different sectors, the media, civil society organizations, the private sector, and the Governor's office in technical working groups. Potential leaders for these working groups include the heads of finance or budget and planning sectors.
- **Deepen political knowledge and relationships with key stakeholder.** Understanding political priorities and relationships was key to identifying the key stakeholders and establishing relationships that can remove bottlenecks or push for policies from outside the health sector. Such understanding proved critical to successful domestic resource mobilization.
- **Translate evidence to action through meaningful stories.** Building the capacity of stakeholders to understand and use evidence from financing assessments was key to advocating for increases in state health funding. Translating the evidence from these assessments into meaningful stories -- such as demonstrating how under-investment leads to dilapidated primary health care infrastructure -- is important when engaging stakeholders outside of the health sector, such as the media and parliamentarians.



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