



NEPAL HEALTH SECTOR STRATEGY (NHSS) MID TERM REVIEW (MTR)

EXECUTIVE SUMMARY

Introduction

The Nepal Health Sector Strategy (NHSS) aims for **universal health coverage** with four strategic pillars: **equitable access, quality health services, health systems reform and a multi-sectoral approach**. The strategy explicitly states its ambition for the progressive expansion of health packages and services with continuous improvement in quality of care being delivered, making these services more affordable and covering the larger vulnerable and poor populations.

To achieve these ends, the NHSS has defined nine outcomes (with 28 outputs) which encapsulate the different components of the health system. The nine outcomes are:

1. Rebuilt and strengthened health systems: Infrastructure, Human resource or health management, Procurement and supply chain management.
2. Improved quality of care at point-of-delivery
3. Equitable utilisation of health care services
4. Strengthened decentralised planning and budgeting
5. Improved sector management and governance
6. Improved sustainability of health-sector financing
7. Improved healthy lifestyles and environment
8. Strengthened management of public health emergencies
9. Improved availability and use of evidence in decision-making processes at all levels

The strategy was finalised in 2015, and was revised in 2016 to address the needs and the impact caused by the earthquakes in 2015. Implementation of NHSS is taking place not only as the country continues to rebuild after the earthquakes, but also during the transition from a 'unitary' system of government to a 'federal' one – requiring major reorganisation and realignment of government functions in general and in Nepal's health sector in particular.

This Mid-Term Review (MTR) was carried out by a group of independent consultants under the guidance of the Technical Working Group (TWG) formed by the Ministry of Health and Population (MOHP). It draws on information from face to face interaction with wide range of stakeholders at federal, provincial and local level as well as review of key health sector reports to take stock of progress against expected results. The review also assesses the relevance, efficiency, effectiveness of NHSS in relation to health sector priorities. The review and further discussions at the MOHP identifies key gaps and challenges faced and makes key recommendations to relevant actors to address these.

This brief is prepared by the Mid-Term Review TWG, based on the report submitted by the independent consultants and further review of health sector data and information from other sources and updates since the review was conducted in early 2019.

Methodology

The Mid-Term Review (MTR) adopted a mixed methods approach, including:

- A **desk review** of all relevant reports, policies, strategies, workplans and data from a variety of sources, relating to NHSS and the health sector and also to the on-going development of federal structures.
- Review and analysis of information shared in the **2018 National Annual Review (NAR)**
- A series of **field visits** with a focus on rural and hard to reach communities, stakeholder consultation at province and local governments, sub-national Health Offices, hospitals and health posts.
- Interviews with **key informants**, including Heads of Department / Division / Centres in the Ministry of Health and Population (MoHP) and key line ministries at federal level, external development partners (EDPs), civil society organisations, academia, etc.
- Holding **focus group discussions** with representatives of key groups, including the NHSS Programme Development Team, the M&E Technical Working Group (TWG) etc.
- Analysis by NHSS outcomes, including a **Critical Pathway Analysis (CPA)**, a Political Economy Analysis (PEA) at the Provincial and Local levels, a Critical Capacity Analysis (CCA) and a Social and Environmental Impact Assessment (SEIA)
- **Review and discussions** with the NHSS MTR TWG members and other key officials of the MOHP

Key Findings

This MTR showed the evidence of significant progress in some areas (e.g. setting federal level policies and guidance, improvement in some health indicators) and notably no significant deterioration in health indicators or breakdown of health services. Clarity between the tiers of government over roles, responsibilities, processes and procedures in the new structure needs to be further addressed. Expansion of services to deliver equitable services, capacity building of providers for quality of care and ensuring proper recording, reporting and use of data for programmatic use should be further strengthened.

During the NHSS period, Nepal has developed good policies and plans, and now should focus on effective implementation. Strong performance was observed in policy and plans at the national level; however, it was apparent that translation of these policy and plans to relevant instruments at the provincial and municipality levels was a work in progress. The situation was encouraging at federal level, and now focus should be at provincial and local levels for effective communication and implementation.

The chart below summarises the findings at each level of government, assessing (appropriate to each level) achievement of global aims, national goals, development of legislation, regulation, policy, strategy and strategic plan, operational plan and guidance.

		Outcome 1: Rebuilt and Strengthened Health Systems	Outcome 1.a Infrastructure	Outcome 1.b Human Resources for Health	Outcome 1.c Procurement and Supply Chain Management	Outcome 2: Improved Quality of Care at Point-of-delivery	Outcome 3: Equitable Distribution and Utilisation	Outcome 4: Strengthened Decentralised Planning and Budgeting	Outcome 5: Improved Sector Management and Governance	Outcome 6: Improved Sustainability of Healthcare Financing	Outcome 7: Improved Healthy Lifestyles and Environment	Outcome 8: Strengthened Management of Public Health Emergencies	Outcome 9: Improved Availability and Use of Evidence
Federal	Global Aims												
	National Goal												
	Legislation												
	Regulatory Framework												
	Policy												
	Strategy												
	Strategic Plan												
	Operational Plan												
	Guidance												
Provincial	Policy												
	Strategy												
	Strategic Plan												
	Operational Plan												
	Guidance												
Local	Strategic Plan												
	Operational Plan												
	Guidance												

Green = in practice, Yellow = Initiated or in practice but not optimal; Red = Not in practice or non-functional.

The table below highlights key areas of progress and gaps and priorities for remaining NHSS period, by the NHSS outcomes:

Outcomes	Progress	Gaps and Priorities
Rebuilt and Strengthened Health Systems: Infrastructure, Human Resources for Health, Procurement, & Supply Chain Management	Nepal Health Infrastructure Development Standards (developed); Human resources for health strategic roadmap (being prepared); and Standard bidding documents for health sector procurement (drafted)	Institutional structure and functions of in federal context to be further clarified; Levels of absenteeism of health care providers to be addressed; Delays in procurement to be addressed
Improved Quality of Care at point of delivery	National Public Health Act and Safe Motherhood and Reproductive Health Rights Act(prepared); National action plan for Anti-microbial resistance and the Drug Policy 2074 (drafted); Minimum Service Standards (developed)	Roles between quality governance structures and various autonomous entities to be clarified; Practice of analysing routine data to measure quality of care to be institutionalized; Reporting linkages between different levels of government structures to be strengthened; Existing standards and guidelines to be reviewed and updated to reflect the care provision by levels of facilities in federal context.
Equitable Distribution and Utilisation of Health Services	Health care utilization among the poorest quintile increased (e.g. CS rate); Access to health facilities improved (e.g. time to reach a facility for institutional deliveries reduced; Basic healthcare package (drafted); National Strategy on Reaching the Unreached (endorsed); Remote Area Guidelines for IMNCI (endorsed);	Legal framework for the basic health service package to be developed; Service provision in remote areas to be expanded; Alignment between health insurance and free health care program to be strengthened; Neglected health problems (e.g. disability, mental health services, adolescent sexual reproductive

Outcomes	Progress	Gaps and Priorities
	Ten Year Action Plan on Disability Prevention and rehabilitation 2073-2083 (endorsed)	health) to be highlighted; A strategy for health equity based on the local context to be strengthened
Strengthened Decentralized Planning and Budgeting	Capacity on planning and budgeting functions (enhanced); Budget and planning guidelines (developed), Budget planning as per Local government operation act (implemented); Planning and budgeting based on the federal structure (practiced)	Planning and budgeting practice as per new institutional structure to be reviewed and updated; Conditional grants need to cover the priority programmatic needs; Evidence based planning and budgeting in all three levels of government to be strengthened
Sector Management and Governance	Many health sector guidelines (developed); Roles of Provinces and Local Levels being further defined and clarified through practice and communications	Accountability of Local levels to province to be clarified and strengthened; Motivation of health care providers to be maintained, Enabling all facilities to provide basic health care services; Model legislature/regulatory framework for Province&Local level to be developed and practiced; Private sector regulatory framework to be institutionalized; One Health Strategy (among MoHP, Agriculture and Livestock Development & Forests and Environment) to be formalized and strengthened
Improved Sustainability of Healthcare Financing	Government health expenditure (increased); Per capita health spending (increased); Health insurance program (expanded)	Expediting expenditure on health to achieve universal access to primary care services; Strategies to reduce out-of-pocket expenditure to be strengthened; Health financing strategy (to be developed), Health insurance program to be strengthened, with focus to poor and to improve annual renewal.
Improved healthy lifestyle and environment	PEN protocol (endorsed and piloted); Mental health policy (revised); Health National Adaptation Plan (H-NAP) on climate change (endorsed)	Multi-Sectoral coordination and collaboration to be strengthened; Multi-Sectoral Action Plan for the Prevention and Control of Non-Communicable Diseases to be developed and implemented; Mental health issues to be prioritized by all levels; Services provision on non-communicable diseases to be expanded; Social mobilization and behavior change communication to improve health lifestyle to be strengthened
Strengthened Management of Public	National protocol and operational guidelines for emergency situation (developed); Partnership with non-	Guidelines development and allocation of resources for health emergencies to be prioritized;

Outcomes	Progress	Gaps and Priorities
Health Emergencies	government sector and sectorial agencies for emergency management (established); Implementation of NAPA framework for climate change induced disaster (developed); Post-earthquake response (handled well)	Institutionalization of progress made; Capacity building and mobilization of human resources to address impact of health emergencies
Improved Availability and Use of Evidence in Decision Making Processes at All Levels	National e-health strategy (developed); DHIS 2 platform for HMIS reporting (updated and functional); Unified coding system and web-based health facility registry (developed); Grievance management system (established); Multiple analytical studies (e.g. NHA-2018, NHFS-2015, NMSS-2016, NDHS-2016 and Steps survey for NCDs) conducted; A guideline and tools for health sector review at all government levels (developed).	e-health initiative at all levels to be standardized, developed and institutionalized; Central data repository to be operationalized; Effective implementation of the guidelines and tools at all levels of government to be promoted.

Key recommendations

- A legislative/regulatory framework covering accountabilities of all governments need to be strengthened and greater focus put on dissemination and awareness raising of these frameworks; roles and responsibilities across all levels of government.
- Multi-sectoral coordination among line ministries should to be strengthened and multi-sectoral platforms for lower tiers of government need to be established.
- To ensure equitable distribution of funding, resource-based formulas need to be developed.
- Continuous increases in annual government health expenditure are needed to ensure an adequate flow of funds to health services delivered at all levels of government.
- Expansion of services to deliver equitable services, capacity building of providers for quality of care and ensuring proper recording, reporting and use of data for programmatic use should be further strengthened.
- Improved availability and use of health sector data is needed for all levels. Tailored planning tools with process support are needed to promote bottom up approaches and evidence-based planning and budgeting.
- Further training and capacity development is needed to make budgeting and management systems effective.
- MoHP could consider appropriate models to optimise resource use and ensure specialist services reach all levels.
- MoHP should plan next health sector strategy in a federal context and the federal strategy should serve as the umbrella one for provincial strategic plan and the development should be driven from the local to provincial to federal level.

Conclusions

Over the last twenty years the people of Nepal have undergone a set of profound transitions in their social, economic and political circumstances – notably for the health sector, the transition from centralised, unitary government to a decentralised, federal model. Federalism demands for more accountable, responsive governance, however it also bears the risk of less consistent or effective monitoring and implementation. There is a need for clarification of roles and responsibilities across the different government levels - and for systems and processes.

Despite the changes and challenges, Nepal has made remarkable progress on improving the basic health, economic and social indicators, however these benefits have not been enjoyed equally or fairly by poor and marginalized. Some progression the major outputs has been seen, although the progress has been limited over the last two years. Better access to and use of health data is needed to support the development of evidence-based decision making at all levels. Prioritized and focused actions based on the findings and recommendations of this review will help the MOHP toward the attainment of NHSS objectives and Nepal's SDG ambitions.

Acknowledgements

The Ministry of Health and Population would like to thank the independent consultants (Jeffrey W. Mecaskey Deepak Kumar Amatya, Rakhee Gurung, Naresh Pratap KC, Raj Kumar Mahato, Uttam Paudel) and the members of the Technical Working Group (Bikash Devkota, Mahendra Shrestha, Giri Raj Subedi, Lila Raj Poudel, Guna Nidhi Sharma, Yeshoda Aryal, Sharad Sharma, Sagar Ghimire, Kabita Aryal, Manav Bhattarai, Susheel Lekhak, Shanker Pandey, Deepak Paudel, Nichola Cadge, Pradeep Poudel) to execute this review through participatory process and engagement of stakeholders at different levels. We would also like to thank all the respondents for their candid inputs on the performance of the health sector and ways to strengthen it further.

Acronyms:

BOD	Burden of Diseases
DSS	Disaster Surveillance System
FMR	Financial Management Report
GDP	Gross Domestic Product
HMIS	Health Management Information Systems
IHME	Institute of Health Metrics and Evaluation
MICS	Multiple Indicator Cluster Survey
MoHP	Ministry of Health and Population
NDHS	Nepal Demographic and Health Survey
NHSS	Nepal Health Sector Strategy
PHAMED	Public Health Administration, Monitoring and Evaluation Division
WHO	World Health Organization

NHSS Results Framework

NHSS Results Framework goal level indicators

Code	Indicators	Baseline			Milestone	Achievement*		2020/21
		Data	Year	Source	2016/17	2018	Source	Target
G1	Maternal mortality ratio (per 100,000 live births)	190	2013	WHO	148	239	NDHS 2016 WHO 2019	125
						186		
G2	Under five mortality rate (per 1,000 live births)	38	2014	NMICS	34	39	NDHS 2016	28
G3	Neonatal mortality rate (per 1,000 live births)	23	2014	NMICS	21	21	NDHS 2016	17.5
G4	Total fertility rate (births per 1,000 women aged 15–19 years)	2.3	2014	NMICS	2.2	2.3	NDHS 2016	2.1
G5	% of children under-5 years who are stunted	37.4	2014	NMICS	34	36	NDHS 2016	31
G6	% of women aged 15-49 years with body mass index less than 18.5	18.2	2011	NMICS	13	17.3	NDHS 2016	12
G7	Lives lost due to road traffic accidents per 100,000 population	34	2013	Nepal Police	23	9.5	Nepal Police 2019	17
G8	Suicide rate per 100,000 population	16.5	2014	Nepal Police	15	19	Nepal Police, 2019	14.5
G9	Disability adjusted life years lost due to communicable, maternal and neonatal, non-communicable diseases, and injuries	8,319,695	2013	BoD, IHME ¹	7,487,726	9,015,320	GBD Study 2017	6,738,953
G10	Incidence of impoverishment due to out-of-pocket expenditure in health	NA	2011	NLSS ²	20	NA	NLSS	Reduce by 20%

*Achievement against target- Green: 100%; Yellow: >50%, Red: <50%

¹Institute for Health Metrics and Evaluation

²Nepal Living Standards Survey

NHSS Results Framework Selected Outcome Level Indicators

Code	Indicators	Baseline			Achievement		2020/21
		Data	Year	Source	2018/19	Source	Target
OC1.4	% of health facilities with no stock out of tracer drugs	70	2013/14	LMIS	--	LMIS	95
OC 2.1	% of health facilities meeting minimum standards of quality of care at point of delivery	0.7	2015	NHFS	--	Information not available	90
OC 3.1	% of children fully immunized	70	2015/16	HMIS	68	HMIS 2018/19	>90
OC 3.3	% of institutional delivery	55	2015/16	HMIS	61	HMIS 2018/19	70
OC 4.1	% of MoHP's [district] budget disbursed as block grant	na	2015	Budget analysis	39.6% budget to sub-national govt	Budget Analysis 2017/18	5% increment
OC 5.1	Budget absorption rate (% expenditure of budget)	75.1	2013/14	FMR	80.4	Budget Analysis 2018/19	95
OC 6.1	Government health expenditure as percentage of GDP	1.4	2013/14	Budget analysis	1.9	Budget Analysis 2018/19	2
OC 7.1	Prevalence of diarrheal diseases among children under five years (%)	12 (422)	2014 (2015/16)	NMICS (HMIS)	na (385)	Population based data not available. HMIS	10
OC 8.1	Case fatality rate per 1000 reported cases due to public health emergencies	7.0	2013	DSS	7.0	Disaster Surveillance System 2018/19	na
OC 9.2	Children below one year whose births are registered (%)	32.8	2014	BMICS	56	CRVS/MoFAGA	na

Note: Selected outcome level indicators based on the data availability and relevance were selected and best available data/updates for 2018/19 is used to assess the progress by the TWG. In case where the data is not available, the TWG members reviewed the progress on some of the output level indicators to assess the progress.