

Fifth Annual Health Financing Forum Part II Health Financing Resilience during a Prolonged Pandemic November 2020

Introduction

The 5th Annual Health Financing Forum (AHFF) focuses on health financing resilience, defined as the ability of health financing to respond to unexpected health shocks, in this case the COVID-19 (coronavirus) pandemic. The shock suddenly increased the need for health spending while also reducing both household incomes and the capacity of governments to generate revenue.

Part I of the AHFF, which took place in July 2020, explored key areas of this theme through a series of virtual sessions. Discussions included a look at developments in government revenue mobilization, public financial management strategies to move funds more rapidly and flexibly to frontline services, financing arrangements to ensure that non-COVID-19 essential health services are maintained, changes in purchasing arrangements to assure a rapid scale-up of health service capacity, such as the increased use of telemedicine, and the impact of COVID-19 on financial protection. A concluding session focussed on lessons learned so far in the pandemic about modifications to health financing arrangements that could help foster stronger health financing in the future.

A Community of Practice (CoP) on Health Financing Resilience was also established before Part I. It hosted three Learning Round-ups on the topics that were covered during the Forum plenaries. Participants in the Learning Round-ups shared pandemic health financing challenges and insights with peers, establishing a safe space for dialogue among health financing practitioners.

Since Part I took place, it is clear that the pandemic will last considerably longer than initially thought and that it is premature to start talking about health financing sustainability in a recovery phase. Countries are also at different stages in facing the pandemic. One group of countries, including some of the largest economies in the world, can be characterized as not yet having controlled the first wave of the pandemic. A second group controlled the first wave but are now facing a second wave. In a third group, mostly low- and middle-income countries, coronavirus cases seem to have peaked for the moment.

The immediate health financing concerns of these groups are different. Countries in the first two groups need to develop financing arrangements that will allow them to: keep containing COVID-19 cases and deaths, meet the needs for other essential health services, and continue to mitigate the consequences of the pandemic on household incomes, the viability of firms, and economic growth. Questions of how to continue to raise government revenue and ensure adequate spending on essential services, including health, in a prolonged recession and possible multiple waves of infection, are paramount.

In contrast, countries in the third group are moving back to thinking about stimulating their economies, while progress towards the health-related SDGs is again on the agenda rather than addressing the immediate needs of the pandemic. However, the continued global recession and

declines in international trade mean that their capacity to generate domestic growth and revenue are reduced.

Everywhere, uncertainty abounds: about whether new waves of infection will take place, the extent to which attempts to reduce infection will further reduce economic activity, and whether global economic growth can bounce-back while countries adapt to living with coronavirus while waiting for a vaccine or effective treatment.

AHFF Part II: Health Financing Resilience during a Prolonged Pandemic

Part II is scheduled for November 9 – December 10, 2020. There are two objectives.

- **A.** The first is to host the first Adam Wagstaff Memorial Lecture, to commemorate the influential work of Adam in the area of health economics and financing.¹ The lecture will focus on Adam's recent work on measuring progress towards universal health coverage.
- **B.** The second is to discuss a set of pressing health financing questions facing countries in what promises to be a longer recession than initially expected, with possible waves of infection, and considerable uncertainty.

These objectives will contribute to:

- Deepening participants' understanding of policies that increase health financing resilience when the initial health and economic shocks continue for a considerable time
- Fostering a debate about which of the responses to the pandemic to date offer the potential to improve health financing resilience in future shocks and sustainability in the longer term.

Part II of the Forum is jointly hosted by the World Bank Group, the U.S. Agency for International Development (USAID) and the Global Financing Facility (GFF), in collaboration with the Joint Learning Network (JLN) and co-sponsored by the German Agency for International Cooperation (GIZ). It is the fifth in a series that started in 2016. The annual Forums were designed to be a platform to advance sharing of the latest scientific knowledge and country experiences in developing and implementing health financing policy, and to stimulate dialogue between practitioners and academics. The topics were, in order, revenue generation (2016), efficiency (2017), equity (2018) and frontiers in health financing (2019).

By bringing the finance and health sectors together, the Annual Health Financing Forum created one of the few global spaces that convenes key actors responsible not just for health financing, but also for fiscal policy more broadly. Each year, between 200 and 400 experts on public finance and health financing have participated, including representatives from Ministries of Finance and Health from low and middle-income countries, and staff from bi- and multi-lateral institutions, the private sector, civil society, think tanks, and academia. Participants have come from more than 40 countries. Part I of the 5th AHFF was the first virtual forum, with a total of 521 people participating in at least one session.

Date and Format

Part II will also be virtual. It will take place over the period of November 9 - December 10, 2020.

Five plenary sessions will take place on November 9th, 12th, 17th, 24th and December 8th. All plenary sessions will take place from 8:00am – 9.30am EST USA and Canada.

¹ Adam passed away in May 2020. At the time of his passing, he was Research Manager in the Development Research Group (Human Development) at the World Bank.

A pre-session for Session 1 will take place on November 9th, from 7:00am to 7:50 am EST.

A Forum wrap-up session on December 10th will outline key lessons from Part I and Part II and offer suggestions for developing more resilience health financing during the remainder of the pandemic.

As in Part I, the COVID-19 Health Financing Resilience Program's Community of Practice will again host three Learning Round-up sessions which will constitute an opportunity to build on discussion on plenary sessions and capture additional country and regional experiences. These sessions will take place on November 13th, 20th and December 3rd.

Content

Session 1: Meeting Growing Spending Needs During a Prolonged Pandemic

Pre-session: Monday 9 November 2020: 7:00 to 7:50 am EST (USA and Canada) Zoom meeting (with Spanish and French interpretation)

To provide context for the Session 1 plenary discussion, a pre-session will be held an hour before, to share new results from a multi-country survey by the World Bank on how revenue generation and health spending have changed because of COVID. The pre-session will also debut global estimates of the impact of the pandemic on health spending based on the most recent IMF macroeconomic projections.

Forum Welcoming Remarks: Monday 9 November 2020: 8:00 to 8:05 am EST (USA and Canada) Zoom meeting (with Spanish and French interpretation)

Plenary Session: Monday 9 November 2020: 8:05 to 9:00 am EST (USA and Canada)

Zoom meeting (with Spanish and French interpretation)

The plenary will move straight to a panel selected from policy-makers, including from countries that responded to the survey described in the pre-session. Panelists will represent countries that: have not yet controlled the first wave; are experiencing second waves; and seem to have controlled the first wave without any apparent large-scale outbreaks since.

They will address the following questions:

- To what extent has government health spending increased in 2020 to meet the needs of the pandemic?
- What are the needs for maintaining or increasing health spending in 2021 and beyond?
- How feasible is it going to be to continue or increase current levels of health spending?
- What are some of the options the government is considering for raising additional revenues, including for health, at a time of economic recession/contraction?

Session 2. Purchasing arrangements and the Private Sector during COVID-19 Thursday 12 November 2020: 8:00 to 9:00 am EST (USA and Canada)

Zoom meeting (with Spanish and French interpretation)

This session will address how the COVID-19 pandemic has triggered a global surge in demand for health services. Countries are striving to urgently increase their capacity to test, trace and treat COVID-19 patients while also maintaining their essential health services.

Session 3. Equity and the Allocation of Scare Resources during a Prolonged Pandemic: Fair Allocation of Coronavirus Vaccines within a Country

Tuesday 17 November 2020: 8:00 to 9:30 am EST (USA and Canada)

Zoom meeting (with Spanish and French interpretation)

The pandemic has highlighted a number of areas where health financing policy decisions involve tradeoffs with important equity implications, including how much to spend on the COVID-19 response compared to maintaining existing health services and how much to spend on the health response compared to maintaining employment and incomes. A looming question is how any COVID-19 vaccine(s) will be distributed within a country once available. Drawing on the experiences of countries that have already developed criteria for distributing any coronavirus vaccine, the session will explore:

- What is a fair process for making this type of decision?
- What is a fair allocation mechanism and would it clash with the principle of maximizing population health?

Session 4. First Adam Wagstaff Memorial Lecture and Discussion

Tuesday 24 November 2020: 8:00 to 9:30 am EST (USA and Canada)

Zoom meeting (with French interpretation)

This session commemorates the work of Adam Wagstaff, who at the time of his passing, was Research Manager in the Development Research Group (Human Development) at the World Bank. His work in health economics was seminal in areas such as the demand for health, equity in health financing and tracking progress towards universal health coverage.^{2,3,4} He had the capacity to bring his intelligence and extensive knowledge of economic theory to practical problems facing the world in health economics and financing, with a focus on making the world better for people who were poor and disadvantaged in other ways.

One of his long-term collaborators, Professor Eddy van Doorslaer from the Erasmus University of Rotterdam, will give the First Memorial Lecture discussing some of the most important contributions Adam.

Session 5. Health taxes during the COVID-19 pandemic: is this the right time? Tuesday 8 December 2020: 8:00 to 9:30 am EST (USA and Canada) Zoom meeting (with French interpretation)

This session will focus on providing multi-disciplinary perspectives on the introduction/increases/modifications in health taxes during the COVID-19 pandemic and its immediate aftermath. It will consist of presentation from 3 countries that have recently changed or considered changing their health tax regimes, and a round table of experts form the International Monetary Fund, the World Bank, and [TBD], that will focus on the implication of the COVID-19 pandemic context on health taxes as public health interventions and revenue rising methods.

Session 6. Wrap up (Title TBD)

Thursday 10 December 2020: 8:00 to 9:30 am EST (USA and Canada)

Zoom meeting (with Spanish and French interpretation).

This session will present the main takeaways from AHFF Part I and Part II and will set the scene for the upcoming 6th Annual Health Financing Forum which will focus on how to get progress back on track

² <u>https://www.worldbank.org/en/about/people/a/adam-wagstaff</u>

³ <u>https://www.ohe.org/news/memoriam-adam-wagstaff-1959-2020</u>

⁴ <u>https://www.healtheconomics.org/page/inmemoriamadamwagstaff</u>

towards the health-related SDGs and to build more sustainable and resilient health financing in the longer run.

Muhammad Pate, Global Director of the Health, Nutrition and Population Global Practice at the World Bank and Director for the Global Financing Facility for Women, Children and Adolescents (GFF); and Alma Golden, Assistant Administrator for USAID's Bureau for Global Health will close the 5th Annual Health Financing Forum.