



PEPFAR

U.S. President's Emergency Plan for AIDS Relief

Sustainability: Challenges at an Inflection Point

Michael Ruffner | July 26, 2018

15 YEARS OF SAVING LIVES THROUGH AMERICAN GENEROSITY AND PARTNERSHIPS

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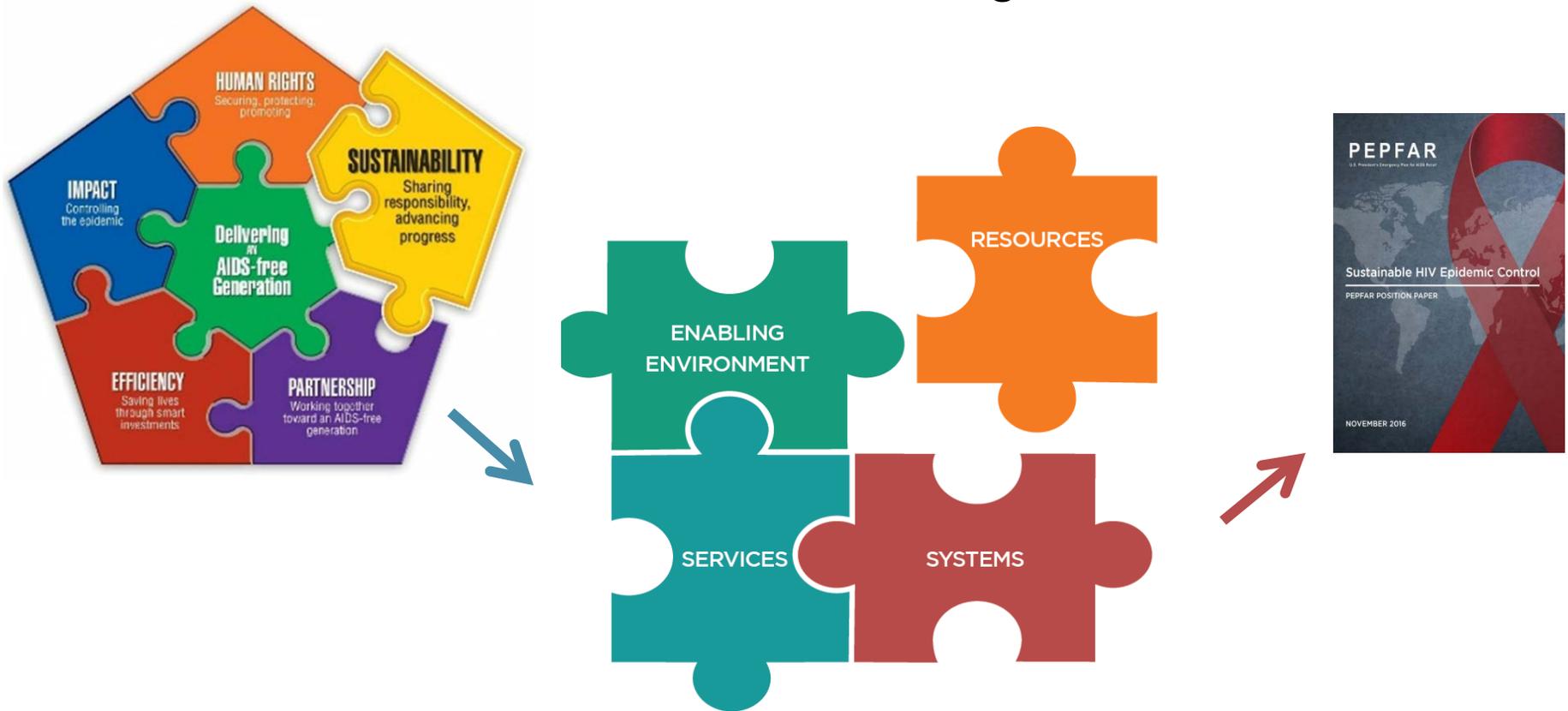


Starting at the End

PEPFAR Sustainability Position Paper

<https://www.pepfar.gov/about/agendas/sustainability/index.htm>

- Describes Elements of Sustainability
- Lays out Short, Intermediate and Long term Plan of Action



The Sustainability Index and Dashboard (SID)

<https://www.pepfar.gov/countries/cop/sids/index.htm>

Sustainability Analysis for Epidemic Control: Haiti

Epidemic Type: Generalized
 Income Level: Low income
 PEPFAR Categorization: Long-term Strategy
 PEPFAR COP 17 Planning Level: \$ 101,500,000

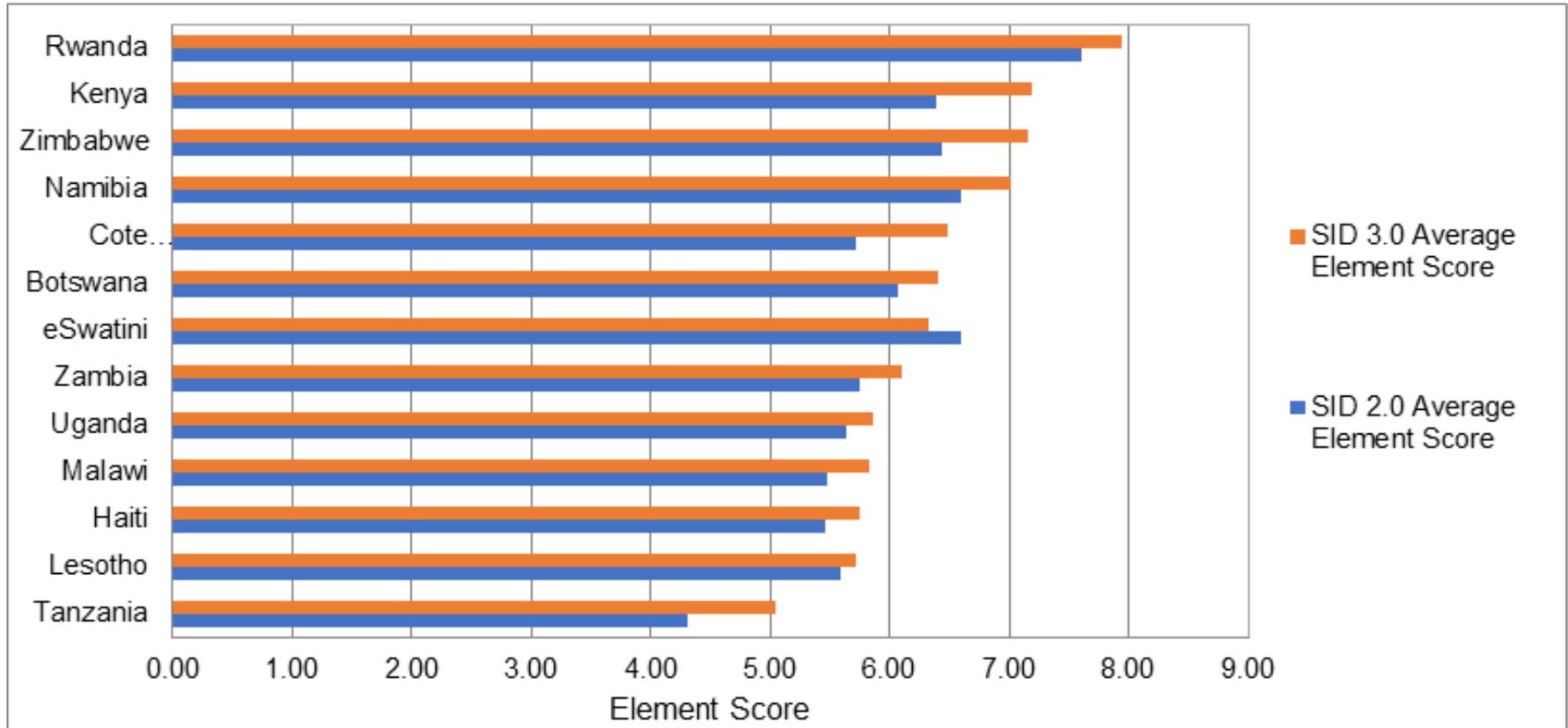
	2015 (SID 2.0)	2017 (SID 3.0)	2019	2021
Governance, Leadership, and Accountability				
1. Planning and Coordination	8.33	8.12		
2. Policies and Governance	5.41	6.29		
3. Civil Society Engagement	5.76	4.46		
4. Private Sector Engagement	3.19	1.67		
5. Public Access to Information	8.00	7.00		
National Health System and Service Delivery				
6. Service Delivery	4.49	4.31		
7. Human Resources for Health	6.08	7.01		
8. Commodity Security and Supply Chain	3.10	2.56		
9. Quality Management	9.05	8.48		
10. Laboratory	6.71	5.67		
Strategic Investments, Efficiency, and Sustainable Financing				
11. Domestic Resource Mobilization	1.94	3.85		
12. Technical and Allocative Efficiencies	2.58	4.06		
Strategic Information				
13. Epidemiological and Health Data	5.81	6.67		
14. Financial/Expenditure Data	5.42	9.17		
15. Performance Data	6.29	6.83		

SUSTAINABILITY DOMAINS and ELEMENTS

The SID: Describes the Steady State, Focuses on Form *and* Functionality, Charts Progress, Takes a Systems approach

The SID is NOT decisional, does NOT dictate investment

Focused Effort on SID Results in Progress



Sustainability is Hard-Wired into Policy, Process, Strategy and Budget



Challenges and Initial Thoughts

Epidemic Control is a Precondition of Sustainability



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How to Bring the Future into Annual Budget

- Sustainability and Systems-Building take multiple years
- The SID only describes the end point, not the steps on the path
- “Table 6” is the mechanism to make systems investments equal to annual targets
 - Describe outcome
 - Create timeline to completion
 - Validate Baseline
 - Set annual benchmarks
 - Correlate to SID and monitor functionality
- Systems strengthening is a time limited investment
 - What is good enough?

Table 6 Example

Approach	Site/Above-site	COP18 Activity (above-site, above-service delivery)	Key Systems Barrier	Expected Outcome	Expected Timeline for Achievement of Outcome (1, 2, or 3 years)	Relevant Indicator or Measurement Tool	COP18 Baseline Data	Year One (COP18) Annual Benchmark (Planned)	Year Two (COP18/ROP19) Annual Benchmark	Year Three (COP18/ROP20) Annual Benchmark
Workforce development, pre-service training	Above Site	Provide scholarships for 70 GoM social welfare staff to upgrade to degree level	Inadequate HRH to implement quality targeted HIV service delivery at the site and community level	All supported students graduated at degree level and providing services in Ministry of Gender, Children, Disability and Social Welfare	2 years	# of social workers graduated (HRH_PRE) (IP Reports)	Zero Social Workers graduated; 70 in the training pipeline (IP Reports)	33 Social workers graduated	Remaining 37 social workers graduated	n/a
Technical area guidelines and tools	Above Site	Support development of an effective Child Protection HIV sensitive Case Management program for the Ministry of Gender, Children, Disability, and support relevant trainings for child protection workers	Limited host country institutional capacity for evidence-based management of HIV program	A functional HIV sensitive Child Protection Case management system developed and in-place	1 year	# of child protection workers trained in HIV sensitive case management; HIV sensitive Child protection system in place; National Plan of Action for Vulnerable Children in Malawi 2015-2019 (Objective 3)	Current Child Protection Case Management System does not have HIV sensitive benchmarks	A functional HIV sensitive Child protection Case Management System in place; 58 additional child protection workers trained; additional 50 trainers trained on HIV sensitive case management	n/a	n/a
Host country institutional development	Above Site	TA provided to MOH-DHA through placement of one subject matter expert in Ministry of Health (RHD) for quantification support of commodity (condom & lubricants) stocks	Limited commodity management and storage capacity at national, district, and facility levels	Improved availability and access to condoms and lubricants	3 years	Stock out rates for condoms and lubricants (OpenLMIS and KP commodity dashboard from HP+)	5.3 % stock out rate for female condoms; 8 % stock out rate for male condoms; zero for lubricants (OpenLMIS and KP commodity dashboard from HP+)	Achieve average of 5% stock out rate for condoms (male and female); maintain zero percent stock out rate for lubricants	Achieve average of 4% stock out rate for condoms (male and female); maintain zero percent stock out rate for lubricants.	Achieve average of 3% stock out rate for condoms (male and female); maintain zero percent stock out rate for lubricants

We know what we pay, but what does it cost?

- A lower cost, more efficient system is a sustainable system
 - PEPFAR is focused on efficiency to continue gains against flat budget, but also to lower overall costs.
- Problem: What are our actual activities? What do those activities actually cost? What activities are correlated with outcomes?
- Innovations:
 - Evolution of Expenditure Analysis
 - Assuring Fidelity of Work Plan to Strategy
 - Activity-Based Costing systems

What Does PEPFAR Really Do?

What is Said

- Care and Treatment

What is Heard

- Direct Services

What Really Happens

- “Package of Activities”
 - 2/3rd Above Service Delivery

Aligning Budgets and Expenditures

HIV Resource Alignment *

Budget Data Profile

Tanzania

Categorization	Source	PEPFAR	Global Fund	Domestic
		COP 2017 PBAC	GF 2018-2021 Country Funding Application	GF 2018-2021 Country Funding Application
Implementation timeframe		01 Oct 2017 - 30 Sep 2018 (USG Fiscal Year)	01 Jan - 31 Dec 2018 (Calendar Year)	01 Jul 2017 - 30 Jun 2018 (Country Fiscal Year)
Programs		\$269,531,492	\$23,116,345	\$21,587,295
Prevention		\$87,946,922	\$17,720,154	\$10,971,519
Orphans and Vulnerable Children		\$33,170,584	\$0	\$0
HIV Testing Services		\$28,732,924	\$980,167	\$0
Care and Treatment		\$119,681,062	\$4,416,024	\$10,615,776
Commodities		\$121,802,082	\$82,279,609	\$6,000,000
Condoms		\$0	\$3,246,416	\$6,000,000
Rapid Test Kits		\$9,149,039	\$2,100,469	\$0
ARVs		\$74,295,677	\$34,999,761	\$0
Other Essential Drugs		\$2,816,850	\$2,854,356	\$0
Laboratory		\$6,602,973	\$21,315,166	\$0
Male Circumcision Kits and Supplies		\$5,527,564	\$0	\$0
Other		\$23,409,981	\$17,763,441	\$0
Systems and Strategic Information/Data		\$44,618,845	\$6,871,621	\$1,530,855
Systems		\$31,141,320	\$5,564,104	\$1,530,855
Strategic Information/Data		\$13,477,525	\$1,307,517	\$0
Program Support and Management		\$86,654,138	\$8,470,384	\$25,774,601
Implementation Level		\$49,492,406	\$8,470,384	\$25,774,601
Donor Level		\$37,161,732	NA	NA
Total		\$522,606,557	\$120,737,959	\$54,892,751

The Reality of Current Functional Responsibilities

Functionally, countries are already leading critical areas:

- Governance and policy
- Strategic management of the response
- Countries provide infrastructure and most of the manpower
- Financial contribution is underestimated and grossly underestimates importance of Domestic investment

Donor assistance supports government through:

- Commodities
- Technical assistance
- Financing surveillance
- Financing health systems strengthening
- Supporting capacity building and salary support

Funding Local Organizations for Sustainable Epidemic Control

- PEPFAR has been investing in indigenous organizations as a pathway to sustainable epidemic control; this approach will be accelerated, aiming for **70% of funding to indigenous partners as primes** across the program by the end of FY 2020.
 - Indigenous partners can be governmental or non-governmental, including community-based organizations, universities, among others
- Key components of PEPFAR's approach to sustainability include:
 - Engaging community-led civil society organizations as partners in the delivery of health services to reach underserved and marginalized communities
 - Promotion of systems that support funding and engagement of civil society organizations (CSOs) and that reduce donor dependence



A Look to the Future

PEPFAR Spending will Change Over Time



We don't really understand how result is achieved, cost



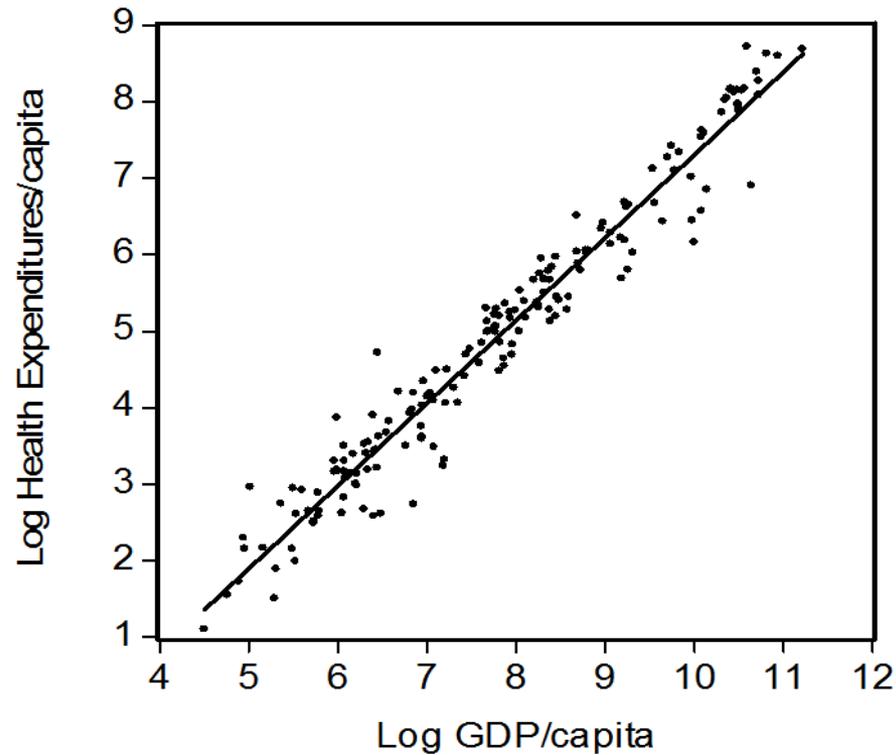
Programming changes,
Transfer Responsibility

- ❑ *Commodities will increase*
- ❑ *VMMC will decrease over time*
- ❑ *HTS will decrease over time*
- ❑ *HSS will decrease over time*
- ❑ *Training, TA and Mentoring will decrease over time*
- *What's left?*
- *What happens if we reduce it?*

End State is Clear,
Reality is Messy



“The First Law of Health Economics”



Long Term Financing

- Large scale health insurance/coverage takes a long time to set up and mature
- There is untapped ability and willingness to pay – public, private and individual levels
 - PEPFAR is stepping up SHI, Private Sector, Demand Side

A comprehensive, fully domestically financed response is not possible immediately after epidemic control

-- A continuing donor role is necessary

- Public Goods (eg disease surveillance)
- Comparative Advantage (pooled procurement)
- Key Populations
- Finishing Health Systems Investments

Vision for the Future: Sustainable Programs Through More Local Control and Shared Responsibilities

- Move all direct services from international to domestic IPs aligned with countries' sustainability vision
- Routinize resource alignment efforts
- Reduce costs and ensure long-term sustainability through, e.g., activity-based costing
- Support and enhance governments' ability to manage the response
- Integrate and align functions into existing government systems
- Continue to leverage government personnel and infrastructure
- Support systems improvements for long-term sustainability
- Continue donor support for critical functions such as technical assistance, disease surveillance, and commodities
- Determine what it should cost not what we are spending



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Thank You

Our work is far from done

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