



CHECKLIST FOR EVALUATION OF FINANCIAL SUSTAINABILITY OF HEALTH PROGRAMS

This checklist serves as a general guide for the evaluation of the financial sustainability of health programs. It considers health project intervention areas – services and products, policy reform, and capacity building – and sectors in which they may focus – public, private, and civil society. Given the breadth and depth of these categories, this basic checklist may need to be adapted to a specific health program, adjusting for country context, program objectives, and stakeholders.

Key Questions	Notes/Comments
1. What are the components of the project with short-, medium-, and long-term financial implications?	Health projects centered on services and products and/or capacity building typically work with local counterparts that maintain budgets in these areas (e.g., procurement, service delivery, staff training, etc.), which enables potential evaluation of financial sustainability. On the other hand, this may not be the case for projects in policy reform. For such projects, this checklist may need to be adapted to evaluate the policies being promoted from a financial sustainability perspective — do the policies consider mobilization of resources, efficiency in use of resources, and reliability of resources required to implement the policy?
2. Does the project maintain an exit strategy? If so, are there financial considerations and what are they?	<ul style="list-style-type: none"> • What budget(s) will the program be maintained in (i.e., local, national, disease-specific)? • How will recurrent costs be funded?
Resource mobilization	
3. How are resources for the program obtained by local counterparts?	<ul style="list-style-type: none"> • What is the source and composition of the funds obtained by local counterparts for the program? • For example, are resources garnered principally from government budgets, donors, public-private partnerships, etc., and if a mix, how much is provided through each source? • Are the sources short-, medium- or long-term commitments?
4. What financial planning process is used by the local counterpart for the program?	<ul style="list-style-type: none"> • Is there a process established? If so, does it involve all funders? • What time period(s) does the financial plan cover (i.e., one year, multiple years, etc.)? • Are there line items in the national budget to cover program recurrent costs?
Efficient use of resources	
5. What is the process or structure for allocating resources to and/or within the program?	<ul style="list-style-type: none"> • What criteria are required/used for determination and approval of budgets? • Is there an evaluation process to assess whether the budget is allocated appropriately to achieve program goals (short- and long-term)?
6. How is allocation and use of resources monitored?	<ul style="list-style-type: none"> • For example, is there an accounting system where expenditures can be disaggregated by program components? • Does it fit within government priorities? • Is there a budgetary line item to secure continuous funding?
Reliability of resources	
7. What are the actual program costs relative to coverage attained?	This assesses whether program funds have been expended relative to achieving coverage and quality results. Analyzing actual expenditures will help determine unit costs. Sustainability is often dependent on the ability to lower unit costs either through economies of scale or finding more efficient way of implementing program components, such as training, procurement, etc.
8. If funds are obtained from external sources (donors or public-private partnerships), what is the length of commitment for funding by these sources? 9. How much have they committed over this time period?	This assesses the predictability and potential volatility of future resources. It also may identify whether and how much additional domestic resources may need to be generated to maintain the program in the long-term.

RESOURCES

There are a number of resources on health financing that may be used to better understand the context—the theory and practice—of the questions provided in the proposed checklist. Primary resources identified in the research for this technical brief include the following, all of which may be accessed through the FS Share website (www.fsshare.org).

Recommended Literature

Learning from experience: Health care financing in low- and middle-income countries. Produced by the Global Forum for Health Research, this report discusses and assesses health care financing in developing countries using the main functions of a health financing system—revenue collection, pooling of funds, and purchasing—as the framework. It further highlights various examples of successful country initiatives to address issues of these financing functions, and the factors that contributed to their success.

Health financing revisited: A practitioner's guide. Produced by the World Bank, this report provides a detailed overview of health care financing—the current thinking on tools, policies, challenges and lessons learned from implementation of various initiatives and programs to address health financing issues in developing countries.

The World Health Report 2000: Health systems: Improving performance. Produced by the World Health Organization, this provides a detailed overview of health systems—defining core components and functions, providing an index for measuring health systems' performance, and making policy recommendations to address system issues.

Health financing for poor people: Resource mobilization and risk sharing. Produced by the World Bank, this book analyzes health financing challenges—principally at the community level—faced in developing countries. It provides several country case studies in addition to discussion on global expenditure trends and gaps. It further provides recommendations for implementation of community-level health financing schemes.

Health Systems Assessment Approach: A How-To Manual. Developed by USAID's Health Systems 20/20 program, this approach is designed to enable assessment of health systems, and inform key stakeholders about systems' strengths and weaknesses, help set priority issues, and identify potential interventions.

Guidelines for Preparing a National Immunization Program Financial Sustainability Plan. Developed by the Financing Task Force of the GAVI Alliance, this document provides guidance and information on development of financial sustainability plans for countries seeking to obtain funding from the GAVI Alliance.

Recommended Web Sites

These websites are recommended as “gateways” to further resources on health financing.

The World Health Organization (WHO) (www.who.int/health_financing/en/)

The World Bank (www.worldbank.org)

Health Systems 20/20 (www.hs2020.org)

ELDIS (www.eldis.org/healthsystems/financing/)

PubMed (www.ncbi.nlm.nih.gov/pubmed)

id21 (www.id21.org/health/index.html)

Diseases Control Priorities Project (www.dcp2.org)

Country-level Data Sources on Health Financing

Health Systems 20/20 Database (<http://healthsystems2020.healthsystemsdatabase.org>)

WHO Statistical Information System (www.who.int/whosis/en/)

World Bank (www.worldbank.org)

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