

Sector definition	<p>Based on DAC definitions, the Health sector comprises the following elements:</p> <ul style="list-style-type: none"> • Health policy and administrative management; • Basic and primary health care programmes; • Basic health infrastructure; • Basic nutrition; • Infectious disease control; • Tuberculosis control; • Medical education and training; • Medical research; • Medical services; • Health education; • Training of health staff for basic health care services; • Population policies and programmes and reproductive health; • STD control including HIV/AIDS. <p>DAC codes: 120-130.</p>
DCF donors	Austria/ADA, Canada/CIDA, France, Italy/IC, Japan/JICA, the Netherlands, Sweden/SIDA, Switzerland/SDC/SECO, USA/USAID, the EC, UNDP, UNICEF, and the World Bank.
Other key international organizations (IOs)	The World Health Organization (WHO), the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), and United Nations Population Fund (UNFPA).
Key government partners	The Ministry of Civil Affairs (MoCA), the FBiH Ministry of Health, the RS Ministry of Health and Welfare, the Brčko District Department of Health, Cantonal Ministries of Health (FBiH only), Health Insurance Funds, and Public Health Institutes.
Total donor allocation to the sector in 2007	€ 8.97 million.
Sector strategies	Each Entity and the Brčko District have their own health strategies, but there is no comprehensive state-level sector strategy. BiH has entity- and state-level Strategies for Primary Health Care and there is an RS Secondary and Tertiary Health Care Strategy. An HIV/AIDS strategy exists at the state-level and is currently under revision. A Tuberculosis strategy, connected to the DOTS programme, has also been developed, focusing primarily on outreach and medication.
International obligations	International Health Regulations; Obligations arising from membership in international organizations, such as the World Health Organization (WHO).
Donor coordination	Ad hoc coordination meetings, focused on specific issues or projects.

Overview

Health spending has traditionally been seen as a purely social issue, rather than an investment in economic and personal progress. Over the last decade, however, there has been a growing recognition of the link between health and economic development. In Bosnia and Herzegovina (BiH), where reforms have shifted focus from postwar stabilization and reconstruction to economic growth, job creation, and the promotion of efficient public spending, this link is all the more crucial. After all, there can be no economic growth without a healthy population and conversely, “underlying health determinants of a socioeconomic nature (primarily income, education and employment) also play a role in causing vulnerability to health risks.”²²

When compared to other countries in the region, the fact that BiH allocates 7.4% of government expenditure to the Health sector²³ is considered adequate. However, due to major inefficiencies in the system, the outcomes that such spending would normally indicate, such as high immunization rates or universal access to basic services, have not been attained.²⁴ This is, in part, because there is not enough emphasis on the reduction of risk factors and prevention; instead, the common practice is to provide expensive treatments at the hospital level. Consequently, hospital expenditures are high, and basic services at the primary care level are still insufficient.

The health system follows BiH's general administrative structure. There are two entity-level ministries of health the Federation of BiH (FBiH) Ministry of Health and the Republika Srpska (RS) Ministry of Health and Social Welfare and the Brčko District Department of Health. In the

²²Highlights on Health in BiH (WHO, 2005). Retrieved from www.euro.who.int/document/E88283.pdf.

²³Bosnia and Herzegovina: Addressing fiscal challenges and institutional review (Washington D.C.: World Bank, 2006).

²⁴Country Cooperation Strategy at a glance (WHO, 2007), 1. Retrieved from http://www.who.int/countryfocus/cooperation_strategy/ccsbrief_bih_en.pdf

case of the FBiH, responsibility for providing health care is further decentralized across the ten Cantons. Overall coordination among jurisdictions is the responsibility of the BiH Ministry of Civil Affairs (MoCA).

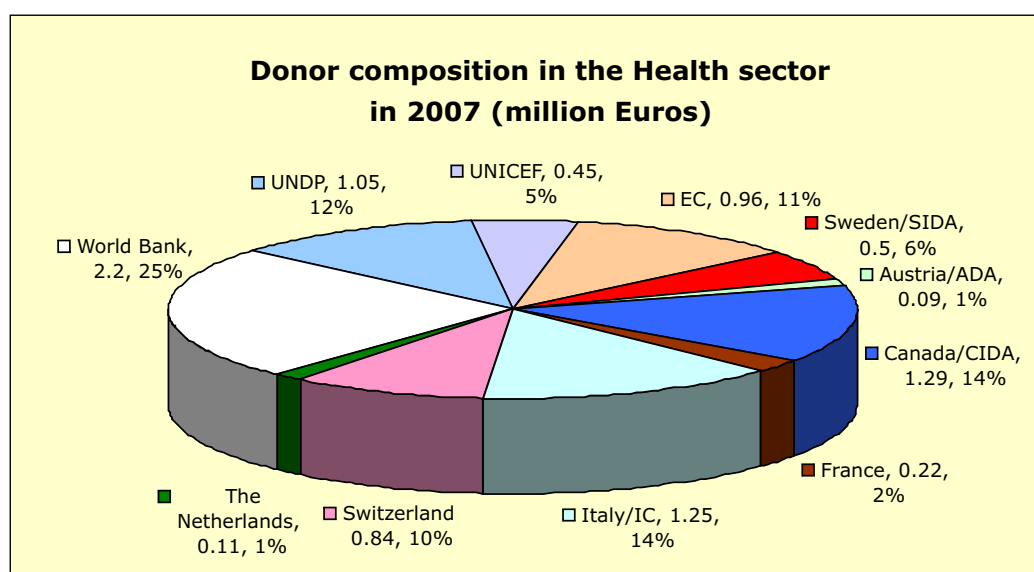
There is differing quality of and accessibility to treatments across the Entities, Cantons and Municipalities. Services are non-transferable between the Entities. Although access to care is considered to be nominally universal, in reality as much as 16.7% of the population is not fully covered by health insurance.²⁵ The emergence of a two-tiered system of private and public health services is contributing to the already existing inequities in access to health care. Additional issues within the sector include lack of financial sustainability, inefficient service delivery, and institutional fragmentation.

To address these issues, BiH, with the assistance of several donors, has begun to introduce the family medicine model, which is seen as a priority in many other Central and Eastern European and Central Asian countries as well.²⁶ This model aims to create a more efficient, self-sustainable, patient-friendly system of care, reorienting the focus from hospital treatments to primary health care, and giving greater attention to public health, health promotion and disease prevention.²⁷

This primary care reform has been coupled with the reform of the non-competitive, regionally-based health insurance system. This system relies on public financing, which depends on the contributions of both employers and employees, or other institutions in charge of protecting the unemployed, retired and other uninsured groups.²⁸ To ensure greater efficiency in the system, some donors have also focused on the improvement of the public administration within the sector. The overall challenge is to "continue to make progress towards achieving health system objectives, namely improving population health status and providing protection against the financial costs of illness, while ensuring the financial sustainability of the Health sector."²⁹

Donor activities in 2007

The DCF donors involved in the Health sector are Austria/ADA, Canada/CIDA, France, Italy/IC, Japan/JICA, the Netherlands, Sweden/SIDA, Switzerland/SDC/SECO, USA/USAID, the EC, UNDP, UNICEF, and the World Bank. In 2007, they contributed a combined € 8.97 million. The most prominent international organization in the sector is the World Health Organization (WHO). All agencies support the realization of the Millennium Development Goals (MDGs), specifically the reduction of child mortality, the improvement of maternal health and the fight against HIV/AIDS, malaria, and other diseases. Some of the work is tied to one MDG specifically, whereas other activities address several goals simultaneously.³⁰



²⁵ *Social Inclusion in Bosnia and Herzegovina, National Human Development Report 2007* (UNDP, 2007), 114.

²⁶ Rifat A. Atun, et al., "Diffusion of complex health innovations: implementation of primary health care reforms in Bosnia and Herzegovina," *Health Policy and Planning* (2007) 22(1):28-39, 28. Retrieved from <http://heapol.oxfordjournals.org/cgi/reprint/22/1/28>.

²⁷ "Implementation of Family Medicine in BiH: Misunderstandings and Misconceptions." Retrieved from <http://post.queensu.ca/~geddesj/Misund.htm>

²⁸ *National Human Development Report* (UNDP, 2007), 113.

²⁹ Caryn Bredenkamp and Michele Gragnolati, "Sustainability of Healthcare Financing in the Western Balkans: An Overview of Progress and Challenges," *Policy Research Working Paper 4374* (The World Bank, October 2007), 3.

³⁰ This total allocation does not include Japan/JICA, Norway, Sweden/SIDA, USA/USAID, as their financial allocations to this sector are either for 2006 or 2008.

The **World Bank's** primary focus through the *Social Insurance Technical Assistance Project* (SITAP) has been to provide BiH authorities with the most up-to-date policy advice. The main outcomes of this project include: recommendations for the rationalization of the health service network, a pilot exercise in modern provider payment systems, and policy advice on the basic package of health services. It is expected that, on the basis of this work, the BiH authorities will develop a comprehensive reform programme that may be supported by donors at some point in the future. The World Bank has also been implementing the *Health Sector Enhancement Project*, which aims to roll out the family medicine model in many municipalities.

Switzerland/SDC/SECO also works towards popularizing family medicine on a municipal level. This model requires the introduction of new incentive and payment mechanisms for doctors, a new organizational model, different protocols, a revamped information management system, as well as improved management technologies, public campaigns, and innovation funds. Ultimately, it aims to enhance the efficiency of the health care system and strengthen the policy-making process. Therefore, the World Bank's and Switzerland/SDC/SECO's work, while addressing issues of primary health care, also aim at broader sectoral reforms.

Throughout 2007, the **EC** has continued to implement the recommendations of the 2004 Functional Review, which aim to improve the public administration of the Health sector. Part of this effort has been to set up the Department of Health (*Sektor za Zdravstvo*) in MoCA and to provide technical assistance and capacity building for the Department, Entity Ministries of Health and the Brčko District Department for Health. The EC has also supported the establishment of a Conference of Ministers of Health, and the development and update of strategic documents for the Department for Health in MoCA and the Brčko District. A set of documents was also produced, identifying the priorities for BiH's Health sector in preparation for EU integration.

In 2007 and the beginning of 2008, the EC conducted a pre-feasibility study of biohazardous waste management schemes in BiH, in particular the handling of medical and animal waste. The study's recommendations will be used for planning future EC assistance in this field under the Instrument for Pre-Accession Assistance (IPA) funds.

In 2007, **WHO** focused on the development of health system strategies in BiH endeavouring to cohere and integrate previous policy and strategy work.³¹ Supported by a grant from Canada/CIDA, WHO made significant progress in the implementation of the *Strengthening the Health System in BiH* project, an initiative which aims to introduce new models of management and service provision to primary health care. On the legal front, WHO, in partnership with the EC, has been supporting the development of a BiH Law on Medicines and Medical Devices, and the establishment of a state-level Pharmaceutical Agency for Medicines and Medical Devices.

UNICEF worked on early childhood development and promoting child survival, in order to ensure that all children under five years of age have equal access to quality basic services within the primary health care system. UNICEF continued to advocate for a safe and uninterrupted immunization programme and provided support to different levels of governments in BiH to ensure that vaccinations were available for all children, particularly children from marginalized groups who are growing up un-immunized.

To complement partnerships established in the area of community-level health services, support was provided for the development of state-level strategies necessary to address the needs and basic rights of young children and their families. Specifically, UNICEF guided the

Family Medicine Model

Family Medicine in municipal health centres called *Dom Zdravlja* (DZ) should become the main pillar of public health in BiH.

Family Medicine is a primary health care model whereby general practitioners' skills are enhanced in order to enable them to address a large proportion (up to 80%) of health issues directly, including health promotion, and without referral, thereby reversing the costly reliance on the secondary and tertiary levels of care. This system is not only considered to be more cost-effective, but also more holistic and humane, especially in a postwar setting, since patients from the child to the elderly should have in their family doctor a trusted counterpart for practically all their health concerns.

General practitioners/family doctors are specialist physicians trained in the principles of the discipline. They are personal doctors, primarily responsible for the provision of comprehensive and continuing care to every individual seeking medical care irrespective of age, sex and illness.

³¹ For example, the WHO-supported development of the entity- and state-level Strategies for Primary Health Care (2006), Nursing Action Plan (2006), National Medicines Policy (2006), Mental Health Policy (2005), and the BiH Pandemic Influenza Preparedness and Response Plan (2006).

development and adoption of two strategies in 2007: the Strategy to Prevent Iodine Deficiency Disorder and an innovative, multi-sectoral Strategy on Early Childhood Development that targets the needs of poor and socially-excluded children.

UNICEF also developed and proposed a community-based "good parenting" model to entity governments that promotes holistic child development, particularly for the most vulnerable families, through integrated social services for young children and their families. The focus is on early child development, child health, nutrition, and childcare.

Data indicates that public health reform has been inadequately addressed in BiH, but several donors have contributed to changing this situation. For example, **Sweden/SIDA** and UNICEF have been involved in HIV/AIDS prevention work targeting the most at-risk adolescents through a series of initiatives. These include the conducting of stronger evidence-based research on risk behaviour, and the analysis of the legislative context for the provision of services and information to adolescents. The HIV/AIDS prevention initiative also focuses on drafting a strategy to reduce drug misuse, and supporting the finalization of protocol on voluntary counseling and confidential testing.

Canada/CIDA's projects mainly address the design and implementation of primary health care reforms in key areas, such as policy development for youth health, strategic planning and human resource management, while dealing with youth and gender equality as cross-cutting themes. Since CIDA will withdraw from BiH by March 2010, it is currently solidifying existing projects and not engaging in new programming.

UNDP, as manager of the Global Fund projects, has been implementing two multi-faceted programmes, one dealing with HIV/AIDS and the other with Tuberculosis (TB). The former is primarily targeted at vulnerable groups and is therefore, also classified under Social Protection. It aims to improve prevention of the spread of HIV, increase survival rates and build national capacity to manage HIV/AIDS issues effectively. To implement the latter goal they will establish a laboratory network and monitoring system for TB cases, as well as provide first line drugs to TB patients.

Japan/JICA has been working to improve the pain therapy treatment skills of medical staff in major cities in BiH. **Italy/IC** contributed to the reconstruction of hospital infrastructures and programmes, focusing on the treatment of victims suffering from Post Traumatic Stress Disorder and people with special needs. Italy/IC also worked to train health sector personnel, and to raise public awareness about the prevention of common pathologies. By establishing psychosocial counseling centres, **Austria/ADA** supported the recovery of traumatized children. Through financial assistance to the Srebrenica-based NGO *Snage Žene*, **the Netherlands** provided psychosocial, medical and other care to vulnerable groups. **France** organized regular exchanges between French and BiH specialists and students, as well as trainings and partnerships between French and BiH hospitals.

From 2008, several agencies, such as WHO, UNDP, UNICEF, the EC, USA/USAID and the World Bank will work together to implement Avian Influenza Preparedness projects. The overall development objective is to minimize the threat posed to humans and the poultry industry by Highly Pathogenic Avian Influenza infection and other zoonoses, and to prepare for, control, and respond to an influenza pandemic and other infectious disease emergencies among humans. As part of this initiative, **USA/USAID** will support a community-based information campaign implemented by UNICEF.

Sector strategies

Both Entities and the Brčko District have comprehensive health sector strategies that address primary and secondary care. In addition, BiH has entity- and state-level Strategies for Primary Health Care, state-level HIV/AIDS and TB strategies, a Nursing Action Plan, a National Medicines Policy, a Mental Health Policy, BiH Pandemic Influenza Preparedness and Response Plan, and RS Secondary and Tertiary Health Care Strategy. These were mostly developed with the support of WHO/EU projects. There is, however, no state-level strategy providing guidelines for the whole Health sector, the lack of which is an acute problem recognized by donors.

To address this gap, WHO, through its regular programme of collaboration, assisted the domestic authorities in developing a health systems strategy in BiH, aiming to ensure the coherence of previously developed policies and strategies. The state-level health system strategy is planned to be submitted for adoption during 2008.

Although reform of the Health sector is not identified as an Accession criterion per se, health is mentioned in 28 of the 45 *acquis communautaire* chapters. Therefore, a Road Map of European Integration priorities and requirements is being developed by the EC, under the current *Strengthening of Health Care System in BiH for EU Integration* project.

In addition, under the IPA 2007 and IPA 2008, the EC aims to improve capacities for public health policy planning and to support the development of a public health reform strategy. This new strategy will divide service provision, policy, and advice, thus redirecting the role of Public Health Institutes from service provision to prevention and health promotion.

Positive developments and challenges in the sector in 2007

One of the key achievements of 2007 is the strengthened and expanded Department of Health within MoCA. The EC has been providing capacity-building support and technical assistance to this Department. Although there is a recognition that the Department needs more time and staff for full coordination, donors have noted many positive changes and have found an improvement in capacity. A new internal rulebook, jointly prepared by the MoCA staff and experts engaged by the EC, introduces an innovative model of work for the Department based on its functions: coordination, international relations, and EU integration. This new internal organization will enable the staff in the Department to work more efficiently with the limited resources available.

In addition, a Conference of Ministers has also been established, bringing together the BiH Minister of Civil Affairs, the Entity³² and Brčko District Ministers of Health. As a result, there has been progress towards resolving the institutional fragmentation. Canada/CIDA's regional conference on human resources in the Health sector has helped to highlight the need for effective administration in the sector.

Although donors recognize that reforms have been slow, their overall assessment of 2007 has been positive. Most donors have noted that even in the absence of a state-level strategy and BiH Ministry of Health, there has been a common strategic direction: introducing family medicine as the overarching means to address the inefficiencies and inequities within the system. The family medicine model's greatest advantages are a patient-centred approach, lower service delivery costs, and a strong focus on preventive treatments, which could directly improve the general health of BiH citizens. With the assistance of Switzerland/SDC/SECO, more than 800 doctors, ambulance workers, and nurses have been retrained in elements of the model. The World Bank has also trained 1,170 doctors and specialists and 1,044 nurses. Moreover, common post-graduate curricula in family medicine and community nursing as well as for continuing professional training have been introduced in both Entities.

Positive developments have also been noted in terms of financing. The World Bank's study on financing and the rationalization plan have been adopted by both Entities, thus becoming *de facto* government policy. Both high-level policy and technical staff have participated in the *Flagship Training on Health Care Reform and Sustainable Financing*,³³ a recognized programme supported by, among others, the World Bank Institute and WHO. The issue of hospital rationalization is an especially difficult and political issue to tackle.

Donors also registered progress in areas such as consumer protection, reform of mental health services, and change in reporting standards to meet EU requirements.

International agencies identify the biggest obstacle in this sector to be the structure of the health system itself and the discrepancy between agreements about and implementation of programmes. Therefore, even though donors have strongly felt the absence of a state-level strategy, there has been some skepticism expressed about whether such a document would lead to concrete results. Moreover, the sector suffers from a lack of balance in principal-agent relationship, in that doctors' strong influence makes the system very difficult to reform. This especially impacts secondary health reform, which will require the reorganization of hospital networks to bring them in line with the rationalization plan.

³² The FBiH Minister of Health represents all cantonal Ministers of Health at the meetings.

³³ The training was organized by the Health Services Management Training Centre.

Despite the progress in the implementation of the family medicine model, some donors have also expressed concern that there are divergences between the models implemented in the two Entities. In addition, some warn that this model may not be successful in BiH because it will require the elimination of low-performing health providers and introduce competitiveness into the field.

Coordination and ownership

Donor activities within the Health sector are coordinated on an ad hoc basis. During 2007, there was no regular forum for all stakeholders to discuss progress, share information, and establish common platforms.

Nevertheless, several smaller coordination initiatives exist. For example, Canada/CIDA, WHO, United Nations Population Fund (UNFPA) and the World Bank have agreed to carry out a joint analysis of primary care reform efforts and, in the process, these four agencies will meet frequently. Members of the UN Development Assistance Framework also take part in regular gatherings. Specifically, WHO and UNICEF have joint programming on immunization issues. The EC is increasingly taking leadership positions in the sector. In the field of TB and HIV/AIDS, the Global Fund's Country Coordination Mechanism (CCM) brings together the relevant UN agencies as well as donors, such as Sweden/SIDA, Canada/CIDA and the Netherlands. This mechanism also ensures regular and structured communication with the ministries.

The United Nations Theme Group (UNTG) on HIV/AIDS and the Joint UN Team on AIDS were active throughout 2007. Some members of the UNTG also participate in the National Advisory Board on HIV/AIDS, which is chaired by MoCA. These linkages facilitated the provision of strategic support to the state-level government and enhanced collaboration among the UN agencies in the provision of support to national and NGO project implementation.

In general, donors assessed their cooperation as adequate and did not express any need for more frequent meetings. The sector functions well with only a few overlaps. Nonetheless, it was noted that donors are not always using their funds in the areas where they are most needed. Therefore, it has been suggested that donors should invest in better organizing their programming and choosing partners more carefully. Moreover, international agencies noted a need to focus on limited areas and align behind concrete priorities, rather than trying to address every aspect of the reforms needed.

On the domestic front, the Department of Health within MoCA is responsible for coordinating the sector. According to some donors, the newly initiated Conference of Ministers has contributed significantly to sectoral coordination and has had a very beneficial impact on the functioning of the sector. Other international agencies have not been as positive in their assessments, especially noting that MoCA has so far not taken the step of coordinating agencies' involvement, and several stakeholders have identified a need for this.

Donors reported that the domestic institutions have very strong ownership of health issues, clear buy-in and tangible resources allocated. In some instances, the authorities have been able to assume responsibility for the implementation of projects and where this has not happened, donors are encouraging them to do so. International agencies in this sector have aligned their projects to the locally developed strategies. In the case of the Global Fund projects, UNDP is acting as the implementer, but this has been at the direct request of the authorities. UNDP envisions handing over this responsibility.

Future activities

In BiH, the "leading cause of morbidity and mortality is non-communicable diseases. About 50% of deaths are attributable to cardiovascular diseases and about 20% to cancer. The ageing population and unhealthy lifestyles associated with diet, alcohol and drug abuse are main contributors to the epidemiological profile."³⁴ Therefore, several donors suggest that keeping the focus on analyzing risk factors, changing behaviours, and raising general awareness about prevention must remain priorities.

³⁴BiH Country Cooperation Strategy at a Glance" (WHO, 2007). Retrieved from http://www.who.int/countryfocus/cooperation_strategy/ccsbrief_bih_en.pdf.

This line of thinking is justified by the expectation that a comparatively small investment in health promotion will bring vast improvements in health outcomes. This should be followed by expanding the scope of vaccination programmes and the reach of primary health institutions. Above all, special attention should be dedicated to Roma children, minority groups, and disabled persons, who are commonly even more deprived of medical access. Solutions need to be found for those who are not covered by insurance.

Closely related is the importance of institutional development and the establishment of state-level strategies, namely for the proper collection and handling of medical waste, for dealing with community diseases, and for the appropriate registration of diseases. Additionally, donors note that some independent agencies are needed, like an Agency for Radiation Protection and Nuclear Safety, Agency for Medicines and Medical Devices. Most importantly, an agency or a separate unit within the MoCA Department of Health responsible for collecting statistical information should be established to facilitate evidence-based planning.

Several donors argued that the position of medical doctors requires redefinition. The fact that the system is not regulated and doctors are allowed to work both in private and public structures has led to the development of a two-tier, inequitable system of care. This is exacerbated by the institutionalized corruption and expectation of out-of-pocket payments,³⁵ which limit access as well as quality of care.³⁶ To cope with this, donors proposed introducing salary reform, establishing a transparent procurement system and developing suitable incentives for leaving this practice behind. All these issues could be dealt with through appropriate strategies and policies, the development of which the EC is prepared to support. Harmonization of legislation with EU *acquis* and requirements is an important priority and will be addressed under the IPA 2008 programme.

Donors note that the reform of health financing should also be implemented. Increase in formal employment through the proper registration of employees and enforcement of health insurance schemes would ensure the collection of health insurance funds. Donors, moreover, recommend simplifying administrative procedures. Clearer registration processes would increase citizens' accessibility to health insurance and at the same time influence their awareness about the possibilities they have when in need of medical care. This is an urgent step in light of the fact that almost 17% of citizens do not have any health insurance.³⁷

³⁵ This is estimated to be up to 2.6% of GDP.

³⁶ *Common Country Assessment, Bosnia and Herzegovina* (United Nations, 2004), 35.

³⁷ *National Human Development Report 2007*, 114.

Conclusion

Prior to the war of 1992-1995, BiH³⁸ had a well-functioning and well-developed health care system. Health indicators were comparable to those in other countries in Europe.³⁹ But as a result of war-time destruction and subsequent economic difficulties, the previous system could not be maintained and significant reform initiatives were undertaken. These are still ongoing, addressing all elements of the health system.

However, investment in the Health sector is not merely about system reform. At the heart of the future developments lies the importance of the recognition that holistic policy approaches towards the Health sector are crucial.⁴⁰ Health is an outcome of social processes and lifestyle circumstances that operate at individual, household, and community levels,⁴¹ such as diet, healthy behaviour, clean water, sanitation, as well as access to clinical procedures and health coverage. Therefore building health-centred reforms into anti-poverty, unemployment, and education policies is necessary.⁴² The introduction of the family medicine model in BiH is one step towards the institutionalization of this multifaceted approach. However, the donor community and the domestic authorities need to jointly decide how to change behaviours and reduce the risk factors that lead to BiH's epidemiological profile. Only a healthy population can bring economic development to the country and therefore investments in the Health sector should be seen as investments in the general future of BiH.

³⁸ BiH was then a member of the Federal Socialist Republic of Yugoslavia.

³⁹ Rifat A. Atun, et al., 30.

⁴⁰ Ibid., 29

⁴¹ "Highlights on Health in BiH" (WHO, 2005). Retrieved from <http://www.euro.who.int/document/E88283.pdf>

⁴² *National Human Development Report 2007*, 155.