



المجلس الوطني للتطوير الاقتصادي و الاجتماعي

National Economic & Social Development Board

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## Executive summary

# The Health System reform and improvement project



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## Executive Summary

### The Health System reform and improvement project

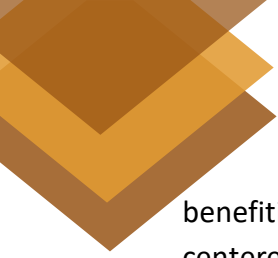
#### 1) General overview:

The purposes of the health system in any country are not limited only to providing medical services and the necessary thereof construction of facilities, acquisition of equipment, and purchase of medicines, supplies, and operators. Rather, the health system has three other main purposes; including Responding to citizens' non-medical expectations, such as good treatment, waiting time, ease of access to services, respect ...etc., Protecting people from financial and social risks resulting from illness or treatment costs; Preventing excessive spending or wastage of various system resources.

Universal health coverage means that all individuals and communities receive a complete package of the health services they need without being exposed to financial hardship as a result (this does not necessarily mean that these services are free). The package includes necessary and good health services, starting from health promotion to prevention, treatment, rehabilitation and Palliative care. Universal health coverage ensures that these services are good enough to improve the health of the people who receive them.

On 12 December 2012, the United Nations General Assembly passed a resolution urging countries to accelerate progress towards achieving universal health coverage, the idea that proposes everywhere access for everybody to quality, affordable health care, being an indispensable priority for international development. On December 12, 2017, the United Nations, by its resolution 72/138, also declared the designation of the 12<sup>th</sup> of December of each year as an international day to celebrate universal health coverage, aiming to raise awareness of the necessity of establishing strong and resilient health systems, and to work towards Achieving universal health coverage with multiple stakeholder partners.

Achieving universal health coverage requires strengthening health systems, providing solid financing structures, and in some countries, as in the case of Libya, radical structural changes in the health system. Improving coverage of health services and achieving good health outcomes depend on the availability of health workers, the possibility of



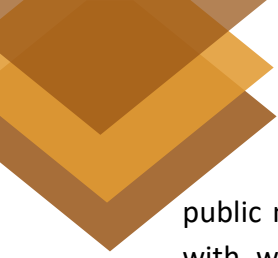
benefiting from their services and their ability to provide integrated, high-quality, people-centered care. Although there are eight main steps to implementing comprehensive health care, the most important of them are the existence of a clear general policy for implementation, a commitment to work on implementing the insurance system, and placing primary health care at the forefront of health service priorities.

Health services in Libya are witnessing a significant decline in the provision of services, both spatially; as some areas lack most basic services, as well as specialized types of services such as dialysis or intensive care and qualitatively; as there is a deficiency in the quality of services and the available services lack quality and patient safety principles. Most of the services provided are not comprehensive; for example, it is not possible to obtain basic medicines for chronic diseases even if patients are received and treated in public health facilities. Although many services are sometimes available in the private sector, most citizens lack the financial resources necessary for these services, and out-of-pocket spending at the time of receiving services in Libya is considered higher by (40%) compared to many similar countries. Accordingly, the country is classified as one of the countries whose citizens are at risk of extreme poverty. Recently, the patient would be asked to pay before providing treatment, despite the need for it. In fact, the intervention the patient would often be terminated and replaced with another due to the lack of sufficient financial coverage while receiving treatment.

It is necessary to work on several axes to enhance the availability of services. There is a wide package of reform measures that can be applied to develop the health system, which were based on a number of attempts and studies conducted during the past years (attached table), including the various programs adopted by the National Center for the Development of Health system, the health insurance fund, as well as a comprehensive reform work proposal for the health and public administration aspects, which was prepared in consultation with the Ankara-based Strategic Studies and Statistics Center of the Organization of Islamic Countries (SESRIC). Real reform requires years of comprehensive, careful work and, in particular, political commitment. However, in the early stages, the many bottlenecks must be solved, especially providing services, ensuring the smooth supply of medicines and equipment, and fair distribution.

Despite its economic impact, whether in terms of spending or job creation, health is essentially a social service and not a commercial commodity that is subject only to market mechanisms in an uncontrolled manner. Measures to build confidence between the citizen and the government, the citizen and the health sector, the health sector and the government, and the health sector and its workers are all considered essential tasks for economic and societal development. This trust cannot be built without providing services to the citizen.

It is necessary to immediately begin providing medical services of urgent nature or that have a serious impact on the individual's health by all available means, while preserving



public money and preventing waste, which has many facets and is not only concerned with withholding spending, while ensuring the quality of the services provided and adhering to the controls set by the Ministry of Health for supervision and control. The state must ensure that citizens are not exposed to the failure of institutions in providing the service resulting from the patient having to pay all expenses out of his own pocket when providing the service, especially in some emergency cases that must be included in the benefits schedule. The schedule of benefits must specify a special list of priority services, such as heart diseases, accidents, neurological and vascular surgeries, newborn incubators, and others.

It is also important to enhance confidence, build a real partnership with the private sector, dispel its fears, benefit from its advantages and integrate them with the advantages of the government public sector, and avoid the defects of the two sectors to ensure providing the best services to the citizen who is at the heart of health services. Documentary credits, prior agreements on the type and number of interventions such as benefit schedules, appropriate service procurement strategies, and disciplined referral mechanisms can all support building trust and protecting the private sector from harm.

## **2) Project objectives:**

1. Improving the quality of care: raising the level of health services to improve patients' experience and ensure that their needs are met.
2. Enhancing access: Expanding the scope of health services and improving access to them, especially in remote areas.
3. Infrastructure development: modernizing and enhancing health facilities and medical technology to meet modern requirements.
4. Improving organization and management: Strengthening the structure of the health system and improving management of resources and operations
5. Strengthening preventive guidance: Encouraging prevention and health education to reduce diseases and care costs.
6. Enhancing training and development: developing the skills of health personnel and training them to ensure the provision of high-level services.

## **3) Project partners:**

1. The National Council for Health System Development.
2. Information and Documentation Center at the Ministry of Health.
3. Health Institutions Accreditation Center.
4. General Health Insurance Fund.
5. Federation of private clinics.
6. Independent experts.

#### **4) Project outcomes:**

##### **1. Universal Health Coverage Initiative:**

The initiative includes the objectives of the health system, the axes of strengthening health services, and the reform measures that can be applied to develop the health system, in addition to a comprehensive reform action proposal for the health and public administration aspects, which was prepared in consultation with the Center for Strategic Studies and Statistics of the Organization of Islamic Countries (SESRIC), based in Ankara. To solve the many bottlenecks, especially the availability of services and ensuring the smooth supply of medicines and equipment and fair distribution.

##### **2. Regulations for the availability of health services:**

The project's outputs also included reaching an advanced regulatory list for the laws and legislations concerned with the health sector, in line with the aspirations of the sector at the present time, where 48 articles were proposed, divided into 8 chapters, representing definitions and governance within the framework of providing health services, obtaining primary health care services, regulating medical products and technologies, in addition to including a special chapter on health facility obligations, health care financing mechanisms, and other materials that contribute to improving the provision of health services to those entitled to them.

##### **3. A procedural matrix for proposed government interventions to reform and develop the system:**

The outputs also included a matrix of government interventions that would reform the system in the short term, by defining the intervention, its justification, the entity responsible for implementation, and its time frame.

#### **5) The most important data/statistics**

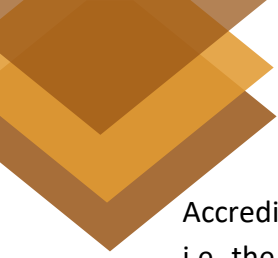
None Available

#### **6) Conclusion**

##### **Interventions required to enhance the provision of medical services:**

###### **Governance:**

- Involving various parties in the services development project (the National Economic and Social Development Board, the Health System Development Center, the Health Insurance Fund, the Ministry of Health, the Primary Care Corporation, the General Health Council, the Training Deanship Council, the Documentation and Information Center, the Health Institutions Accreditation Center, and the National Council for planning).
- Forming a steering committee to manage the comprehensive reform portfolio, which consists of several programs and projects.
- A number of the various main bodies needed for reform are represented in the committee (the National Center for Health System Development, the Health Insurance Fund, the Primary Care Corporation, the General Health Council, the Training Deanship Council, the Documentation and Information Center, the Health Institutions



Accreditation Center, and the National Planning Council, in addition to the original body, i.e. the Ministry of Health. It also included the departments or agencies concerned with providing treatment in the public and private sectors.

- Working in integrated health regions with a research university hospital in the middle (third-level service facilities) and a network of public and rural hospitals (second-level services), each of which must contain the five basic services as a minimum (general internal medicine, general surgery, obstetrics, gynecology, pediatrics, and ambulance), by One hospital per 100,000-300,000 population. Each public hospital must also be in the middle of the surrounding network of primary care units and centers (first-level services) to ensure the quality of services therein.

- Amending existing legislation regarding medicines, including cost lists and generic drugs, and strengthening and developing the role of supply, with the establishment of a pricing department in the Ministry's Pharmacy Department that establishes two lists; The first is an external reference and the second is a local list of prices as is the practice in most countries, in addition to the necessity of registering medicines and not being limited to registering manufacturing companies For these medications.

### medical services

- University hospitals in each health region are concerned with localizing treatment and transferring expertise from outside the country or from another region within the country and then spreading it horizontally within the region according to need.

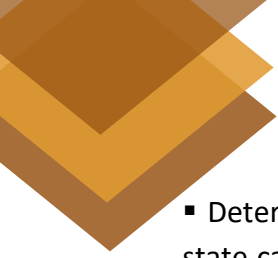
- University hospitals are responsible for referring the patient abroad, following up on his condition with treating doctors abroad, and following up on patients after their return, as well as evaluating the level, quality, and various safety aspects of the services provided to their patients in hospitals abroad.

- The entity responsible for health services in the region, through its university hospital, provides health services that are not available in the region and are available in any of the other regions, whether by contracting with the necessary human resources or transferring skills.

- Determining lists of health service packages at different levels and reclassifying health facilities according to need and proper scientific planning.

- Coordination with national experts abroad to provide services locally in university hospitals and train local personnel.

- Follow up and ensuring the status of various scientific societies and associations in medical specialties, and obligate each specialized scientific association and relevant departments in university, public and rural hospitals to develop at least a five-year plan to develop services and therapeutic interventions within the scope of specialization, which includes a road map for transferring knowledge and introducing the required services, whether in the country, the region or In different provinces and municipalities as needed.

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- Determining a classified list of benefits, including diseases and interventions, that the state can assign to participate with the private sector; Due to its seriousness, the danger of delaying its treatment, or the high costs of its treatment, which are exhausting for the citizen.
  - Patients are referred abroad under the supervision and follow-up of the treating physician in the third-level specialized centers, in coordination with the health attachés, which must allocate files to the hospitals, departments, specializations, and services that Libyan patients receive abroad. It follows that university hospitals can recommend or select the best health facilities abroad and communicate with them regarding the transfer of knowledge and availability of services at home.
  - Motivating the public sector to expand and develop the level of services provided by linking the hospital budget to activity indicators (number of patients, number of operations, bed occupancy rate) and introducing a system of payment for workers for performance (P4P) in the required specialties. The activity and services provided by the health facility will determine the hospital's budget in the following years.

#### Primary care

- Registering Libyans in primary care centers and linking this to their residency and health numbers within a national health information system.
- The primary care physician has an essential role in the referral system, especially for non-urgent cases, as this referral opens up the possibility for registered families to benefit from treatment of cases, whether in specialized, university, or private hospitals.

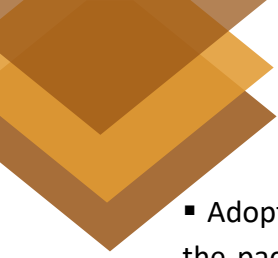
#### private sector

- Expanding the partnership with the private sector, whether by purchasing services independently, such as heart surgeries, vascular or nerve surgeries, and newborn incubators, or providing the service within public government facilities, especially in remote areas (establishing, operating, transporting, or operating) or introducing modern technologies in government facilities in urban areas. This can apply to all priority services, such as dialysis, neonatal care, and multiple surgeries.
- Ensuring the flow of due finance to the private sector as a priority to prevent the cessation of services while gradually expanding the services covered.
- Involving the private sector in providing primary health care services.

#### Finance

- Allocating an independent budget to the Steering Committee, and contracting with it for agreed-upon accomplishments that are due for delivery during specific periods within the multiple time stages set for the portfolio (short-term, medium-term, long-term).
- University hospitals are allocated budgets that differ from other hospitals in order to be able to follow up on special and complex cases and to be able to take the necessary measures to transfer knowledge and localize treatment.



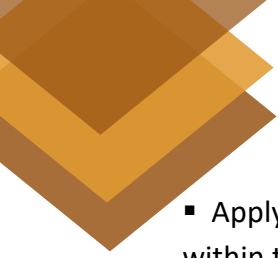
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- Adopting the third-party system (health insurance) in health services and accelerating the pace of its work, as it is the cornerstone of the decentralization of services, which includes within its package the principle of separating financing from service delivery, allowing to improve the quality of services and increase effectiveness (in terms of achieving results and rationalizing costs). Whether the application begins in specific health areas as integrated exploratory projects, or at the state level in providing part of the service package for specific age groups or segments of society, or at the state level in providing priority services (dialysis, neonatal care, oncology, heart surgeries, deformities, congenital heart disease and infertility) and authorizing it to purchase the service from the private sector while establishing the necessary controls that ensure the effectiveness and efficiency of spending (minimum spending), or one or more types of these services in a phased manner.
  - Gradual transition of hospitals to a unified budget system.
  - Initial estimation of budgets in the first year according to the average spending over the past 3-5 years as a basis for the budget allocation, and building upon it in the following years by increasing or decreasing according to the hospital's performance rates in the year of preparing the budget until the full transition to working with the health insurance system in an adequate manner. .
  - The technical team entrusted with determining the list of benefit schedules also determines the approved price booklet and adopts mechanisms that determine cases of patient self-referral, cases that require referral from the primary care physician, referral from the government hospital in the municipality or province, or referral from the university hospital of the health district. A small number of diagnoses are expected to account for the majority of hospital admissions. In the United States, for example, natural births, heart failure, neuroses, cesarean sections, births with serious health problems, angina pectoris, cardiovascular diseases, pneumonia, and hip/knee replacements account for more than a third of hospitalizations.
  - Developing cost and expenditure accounting in all health facilities in an experimental and gradual manner.
  - Adopting a unified schedule for the costs of medical services that adopts both the diagnosis group DRG (uniform cost for each disease regardless of length of stay or changes occurring during disease progression; to prevent waste, motivate institutions to reduce costs and prevent complications that prolong hospital stays, such as facility-associated infections); and the Points system, which determines in advance and on a fixed basis a certain number of points for each therapeutic intervention and determines the value of the therapeutic intervention. Variability is the value given to each point in it. This is done with complete flexibility according to the actual reality of the value of the Dinar or different socio-economic conditions.



- Linking the hospital budget to activity indicators (number of patients, number of operations, bed occupancy rate) and introducing a system of payment for workers for performance (P4P) in the required specialties with the aim of stimulating the public sector to expand and develop the level of services provided.
- Calculating the cost of priority services, such as neonatal care and dialysis, and allocating the necessary amount of money in a local documentary credit placed at the disposal of the Ministry of Health and the Health Insurance Fund based on the volume and percentage of work specified for each of these services from the private sector and from the public sector, provided that these percentages are reviewed annually In each health district and each service is providing facility,.
- Involving the private sector in providing primary health care services through health insurance with a specific deductible amount for each citizen (500 dinars per citizen, for example).
- Establishing controls to ensure the flow of due finance to the private sector as a priority to prevent the cessation of services while gradually expanding the services covered.

### Management and operations

- Coordinated and gradual synchronization of public administration reform in the State of Libya with the health reform program.
- The Steering Committee has the authority to appoint executive directors for programs and projects within the portfolio assigned to the committee.
- Nominating supervisory boards of directors (boards of trustees) for each health region/municipality that includes entities related to health services (the region/province/municipality, the Ministry of Health, associations of the sick and disabled, public figures or the local community, one or more expert doctors and nurses from the sector in the region in question, oversight bodies) whose mission is to ensure the implementation of the strategic plan for health in the health region or department concerned and to ensure its implementation in a satisfactory manner professionally, administratively and financially.
- Implementing the legislation in force regarding the application of the principle of efficiency in appointing hospital administrations and scientific departments through open advertisements stipulated in the Labor Law and periodic time changes in these positions, and granting the authority to supervise the decision to appoint and reward the director and head of the department nominated for the Board of Directors (trustees) of the health region, and approving Special contracts for hospital directors and department heads commensurate with the volume of work required, based on the number of beds, hospital coverage area, type of work, and number of patients.
- Appointing executive directors for municipalities, provinces and health districts (assistant agents/specialized professionals) as the case may be.

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- Applying known scientific solutions to the surplus of employees in public facilities within the process of transformation to work on economic foundations while maintaining social peace, good rehabilitation for work, and contributing to economic restructuring and reform.
  - Granting gradual independence to hospitals
  - Giving appropriate powers to hospital directors and binding them to contracts that include required quantitative performance rates, including rates of priority therapeutic interventions and localizing them internally, whether at the national level or the region in question.
  - Forming a technical team to determine a classified list for the benefits schedule.
  - Allocating a number of toll-free numbers and an operating room specialized in receiving requests and medical reports to refer patients to service provision facilities, whether public or private, in full coordination with these facilities and other concerned parties, within the agreed upon terms and specifications. The Chamber's work can also be supported by using digital applications through which the citizen can enter his health number, specialty, and even send a copy of his medical report and referral, so that the Chamber can provide the required service as quickly as possible, depending on the urgency of the service and its availability.
  - Overcoming administrative difficulties and procedures for the intelligent employment of foreign medical staff in the specialties that require it.
  - Identifying training needs in various specializations within a correct national policy for human resources based on scientific foundations and clear strategic plans at the level of the country, the region, the facility, and the various specializations in general.

#### pharmaceutical

- Obliging the concerned authorities to work with the digital system to manage the supply of medicine, agents and supplies, and take all means to continue its work and overcome obstacles that may arise.
- Ensuring the availability of a package of essential medicines for primary care that is commensurate with the package of services stipulated in the field of primary care work and includes 11 medicines for chronic diseases according to the World Health Organization list.
- Adopting a mechanism that allows private pharmacies to recover the value of medicines from the Health Insurance Fund, provided that this is within the approved local price list or the second list adopted by the Health Insurance Fund, or the price can be refunded.



### Informatics and communication

- Finishing the introduction of the national health number system to work within the referral system and benefiting from purchasing services from the private sector and co-payment when necessary.
- Strengthening the health information system at the level of the six health regions so that the region verifies the system of various records, including patient records and disease records such as tumors, diabetes, high blood pressure, and dialysis, and links them to the triggers and medications required at the regional level.
- Appropriate media communication and marketing of the successes achieved in order to build and enhance confidence in the sector.

### Control and quality

- Ensuring the level of quality of services in health facilities and institutions, whether public or private, by initially limiting dealings to institutions that participate in accreditation programs, which will be gradual in accordance with standards and conditions announced for the private and public sectors.
- Assigning a committee to participate with the various relevant regulatory bodies to study the risks that could arise during the implementation of this program, and to develop proactive plans to address them to ensure good governance of the program and the projects it includes, and to enact binding legislations and mechanisms for good implementation, to prevent the abuse of any of the proposed procedures, and to approve deterrent penalties. .
- Forming a work team to study the factors of administrative weakness and the sources of corruption in the health administrative system, submit a report on that, and include administrative solutions and the appropriate legislation required.
- Establishing a clear mechanism to monitor, follow up and evaluate the portfolio by the committee and other relevant parties.
- Protecting assigned departments from arbitrary oversight and malicious complaints that arise due to the nature of the desired change in developing services and reform in the sector.