

# Governance for strategic purchasing

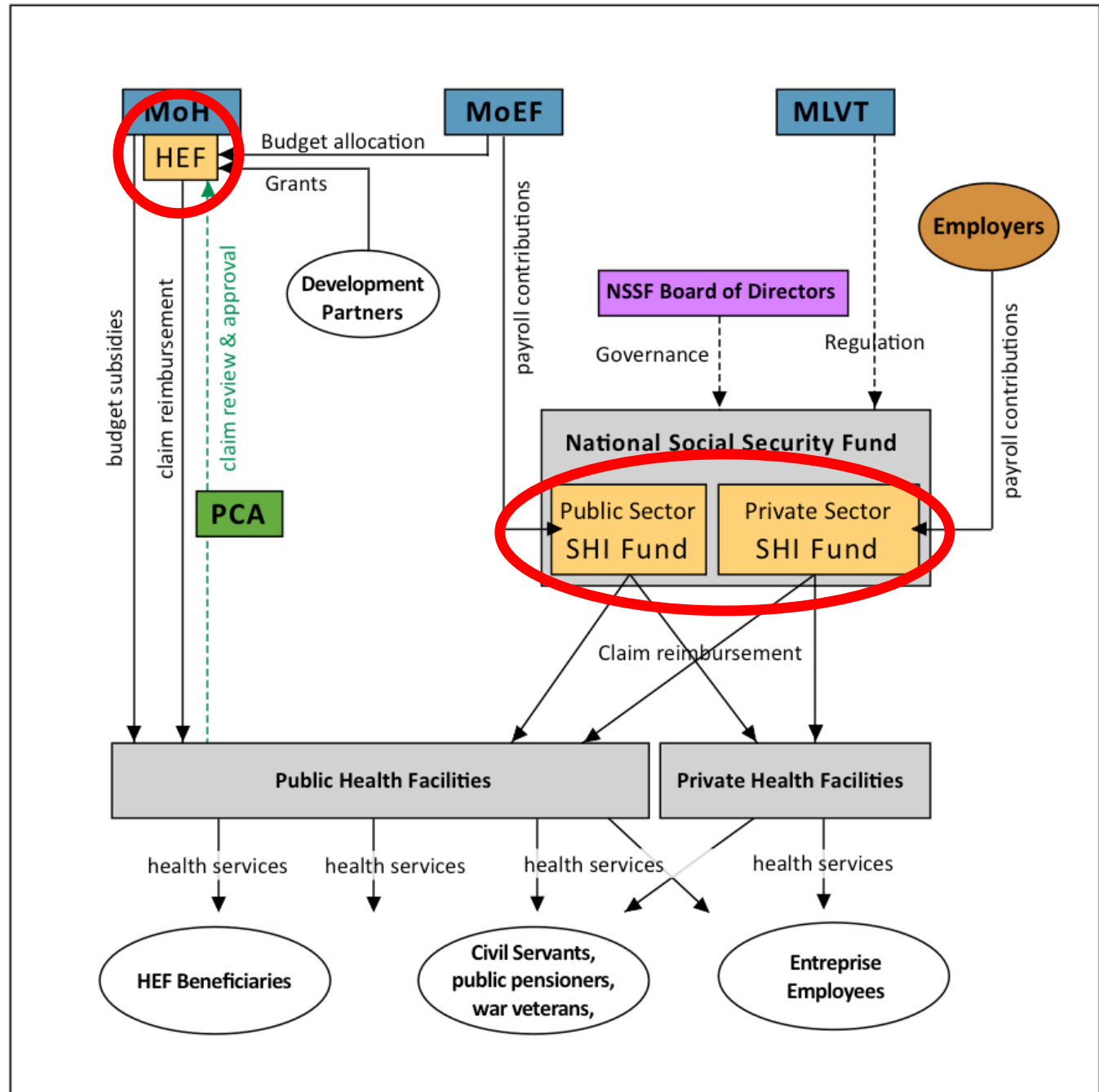
Transitioning between paradigms:  
the example of Cambodia

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# Structure of purchasing in Cambodia today



## Key indicators about Cambodia

Population	16,500,000
Coverage under civil servant and private sector schemes	2,200,000
Coverage under Health Equity Fund	2,400,000
Number of public facilities	1,457
Number of private facilities	12,785
Private sector scheme started	2016
Civil servant scheme started	2018
Health Equity Fund started	2000

# Institutional arrangements

## Current situation

Health Equity Fund – managed by Ministry of Health; no contracts; verification by quasi-third party entity (Payment Certification Agency)

Civil servant scheme – managed by National Social Security Fund (under Governing Board); contracts with providers; internal claims processing and grievance management

Private employee/worker scheme – managed by National Social Security Fund (under Governing Board); contracts with providers; internal claims processing and grievance management

Public budget – negotiation between MoH and Ministry of Finance

## Vision for the future

According to National Social Protection Policy Framework (NSPPF):

All schemes (Health Equity Fund, civil servant scheme, private sector scheme, any new scheme) to be managed by a “single payer”

Single payer may be at National Social Security Fund, or a new entity

Proportion of funding to flow through single payer versus public budget to be discussed

## **Current situation**

Health Equity Fund – non-contributory; line item within the public budget, including funding from donor basket fund

Civil servant scheme – in law, 50% contribution by employers and employees, at 1.5% of basic salary; currently full contribution for civil servants by government

Private employee/worker scheme – in law, 50% contribution by employers and employees, at 2.6% each of assumed wage

Public budget – general taxation

## **Vision for the future**

Health Equity Fund to continue to be funded from the public budget

Civil servant schemes and private employee/worker scheme at 1.5% each from employers and employees of salary; subject to regular actuarial review

Coverage of the “missing middle” either through existing schemes, or a new scheme; contributory or not for discussion

Funding from public budget for service delivery in public sector will continue at least until such time as all citizens are covered by a scheme

# Provider payment

## Current situation

Health Equity Fund – case-based payments; based on one-time costing study; rates set by Ministry of Health

Civil servant scheme – case-based and fee-for-service; based on actuarial analysis; private paid at 150% of public; rates set by pricing committee

Private employee/worker scheme – case-based and fee-for-service; based on actuarial analysis; rates set by pricing committee

Public budget – line-item, allocated to provinces according to population size

## Vision for the future

Health Equity Fund – service costing to become a routine activity to inform rate-setting

Civil servant scheme – as before

Private employee/worker scheme – as before

Public budget – update the resource allocation formula to take into account additional factors; reform budget format to programme-based

Notes: (i) civil servant scheme and private sector scheme rates not required to be aligned; (ii) public facilities can charge user fees

# Providers

## Current situation

Health Equity Fund – public health facilities; all levels; ~ 1450 health facilities

Civil servant scheme – public and private health facilities; currently contracting with around 50 private facilities

Private employee/worker scheme – public and private health facilities; currently contracting with around 50 private facilities

Public budget – public health facilities; all levels; ~ 1450 health facilities

## Vision for the future

Health Equity Fund – under single payer, for discussion whether private facilities will be empanelled

Civil servant scheme – likely expansion of private facility empanelment

Private employee/worker scheme – likely expansion of private facility empanelment

Public budget – under single payer, for discussion whether public budget will continue to fund service delivery in public sector

# Benefit package

## **Current situation**

Health Equity Fund – package for all levels

Civil servant scheme – same package for civil servants and for private sector

Private employee/worker scheme – same package for civil servants and for private sector

Public budget – Minimum Package of Activities, Complementary Packages of Activities

## **Vision for the future**

Guaranteed benefit package common to all schemes, developed according to health technology assessment principles

Supplementary package to be provided by private sector and civil servant schemes according to needs



# Future institutional arrangements according to NSPPF

