Policy brief 3: Where do we find the money to scale-up investment in the health and care workforce? Improving efficiency of spending and raising revenues through domestic and international financing mechanisms?

Introduction

Health system recovery from the COVID-19 pandemic will be dependent on strengthening the health and care workforce to overcome long-standing challenges related to shortages, mal-distribution and insufficient skill mix. Doing so will require greater and more strategic investment. Countries must therefore be able to mobilize innovative domestic and, where needed, international sources of financing. At the same time, it must be ensured that this money is invested smartly in measures that improve technical and allocative efficiency.

The expected economic fall-out from the pandemic is, however, raising fears that many governments will not be able to mobilize sufficient resources for much needed investment. A prevailing narrative that health is an unproductive sector also raises concerns that investment in the health and care workforce will not be politically prioritised. For many countries, in particular low and middle income countries, these challenges are compounded by limitations in international sources of financing. For example, some international donors have rules that restrict funding of recurrent health workforce costs or that are not aligned with national strategic priorities. Concerted efforts and commitments are therefore needed to raise more money for the global health and care workforce and to ensure any investment is used strategically to best meet health system goals and priorities.

This policy brief has two primary aims: 1) to lever out more money for investment in the health workforce; 2) to show where ‘smart’ investments in the health workforce can be made by improving efficiency of spending - this will link to strategies explored in briefs 1 and 2, such as improving skill mix, rationalising health workforce planning and investing in digital skills. To meet these aims, the policy brief will:

1. Provide the facts and figures for a changing narrative on investment in the health workforce. At present there is often little concerted discussion between connected ministries around financing for human resources for health and the ‘negotiating’ space is limited. Health is often seen as an unproductive sector. However, a robust and growing body of evidence highlights this is not the case. Moreover, as shown by the UN High level Commission on Health Employment and Economic Growth, investment in the health workforce specifically can promote employment, especially for women and young people, and ultimately promote inclusive economic growth. Ministries of Health and other health sector stakeholders can use this evidence to make the economic case for increased and targeted investment in the health workforce to Ministries of Finance and other national and international funders.
2. Provide a better understanding of how ministries understand the flow of funds to the health workforce to determine how investments are tracked and linked to strategies
3. Present policy options on how to improve the efficiency of spending on the health workforce
4. Present policy options on how Governments can domestically generate the capital and operational investments for the health workforce; and
5. Map available international sources of financing health workforce investment be it from international agencies, donor countries or donor organizations.

The brief will demonstrate that numerous financing options are available to secure funding to build a sustainable health workforce globally to continue progress towards universal health coverage, for priority areas (including primary and long term care), and for essential public health functions - including emergency preparedness and response- even in countries with limited fiscal space.

Research question

The policy brief will answer four primary research questions:

- What are the economic benefits of investing in the health workforce?
- How do governments justify, strategize and count their investments in the health workforce and do these include all the domains relevant to the Health workforce 2030 agenda?
- What strategies and interventions can be used to invest more smartly and improve efficiency?
- What domestic and international financing mechanisms are available to help scale-up investment in the health workforce?

Secondary questions will also be explored:

- Do current financing options from international financing institutions and multilateral development banks align with strategic priorities of countries?
- How can international financing institutions, multilateral development banks and other partners come together to form Partnerships for Public Purpose for investment in the health workforce?
- How can financial flows and investment in the health and care workforce best be monitored?

Methods

Evidence on the economic case for investing in the health workforce will be drawn from existing peer-reviewed and relevant grey literature. Evidence from existing literature will also be used to explore existing international and national financing mechanisms to fund investment in the health workforce. This evidence will be supplemented by country case studies to capture global best practice on innovative solutions to raise domestic and international finance; case study countries will be selected from each of the six WHO regions.

Policy option examples

Various policy options to improve efficiency and invest smartly will be considered, including, but not limited to:

1. rationalising health workforce planning and management
2. improving skill mix
3. redistributing workers
Various policy options to raise domestic finance will then be considered, including, but not limited to:

4. taxation, including raising government revenues or improving tax collection and administration;
5. earmarking funds through indirect taxes or social insurance contributions;
6. borrowing from domestic lenders;
7. monetary expansion;
8. public-private partnerships
9. reprioritizing existing expenditure

The brief will emphasize that not all options will be possible in all countries; their use will depend on political context as they require the collaboration of many stakeholders with their own interests and objectives.

The brief will then map international support tools, either provided by international agencies, official development aid or other donors. The tools will be presented in a table which crosses the process of change with the thematic focus of the tools.¹

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The advantage of this table is to provide an overview on the tools available that correspond with the stage of the change process and the particular investment needs of a country. Issues around aid fungibility and aid effectiveness will also be considered.

Conclusion

The policy brief will conclude by assessing the strength and limitations of available sources of domestic and international financing and the extent to which they can help generate needed investments in the health workforce. Their applicability in different country contexts will be considered. It will emphasize the need for global commitments to improve and increase available funding sources for targeted investment in the health workforce. The findings will be linked to those of policy brief 1 and 2.

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¹ This table could be developed in analogy of an already tested model on different EU tools along the process of change