

Capacity Enhancement

B R I E F S

SHARING BEST PRACTICES AND LESSONS LEARNED

WBI-CHINA HEALTH SECTOR PARTNERSHIP Fourteen Years and Growing

Chialing Yang, Consultant, WBIHD, Hu Shanlian, Professor, Fudan University, and Abdo S. Yazbeck, Lead Economist, WBIHD

Structural transformation of China's economy in the 1980s and its impact on the health sector created a critical need for skills and research capacity in health economics and financing. In 1989 the Government of China (GOC) enlisted the World Bank Institute (WBI) to work with China's Ministry of Health (MOH) to organize senior policy seminars addressing emerging health issues and to establish a network of institutions to train academic faculty and government officials. In 1991 GOC launched the China Health Economics Network, which in fourteen years has expanded membership from seven to nineteen institutions, offered health sector courses, and led to the training of more than 2,100 executives and trainers. Network research and senior policy seminars have supported critical government policy decisions. Replication of this successful network model is possible in large countries.

The fourteenth annual China Health Economics Network met in Beijing in January 2004. Represented were ministry staff, nineteen Chinese partner training institutions, and staff of bilateral and multilateral donors, including WHO, UNICEF, and the World Bank. They met to plan health sector training, including courses for faculty and policy-makers, senior policy seminars, and dissemination of health economics research and agreed on a work program reflecting China's needs in the health sector and operational priorities of the World Bank and development community. The two-day event highlighted the network's robust training and capacity enhancement program supporting basic needs and emerging policy; a fourteen-year partnership with WBI (until 1999 known as EDI); and the network's strong support from GOC and the development community. This brief summarizes the rationale, the process that WBI pursued, and lessons for replication.

Need for the Network

Structural transformation of the Chinese economy in the 1980s exposed the health system. Market economics began to replace the state planning model, for which service delivery sectors such as health were unprepared. Authorities lacked analytical information and skills to formulate new policies. Implementation suffered from a critical shortage of officials, trainers, and researchers knowledgeable in health economics and financing. Health economics as a discipline was virtually nonexistent in China.

A series of government policy statements and a World Bank health sector study noted the clear need for health economics and financing skills and research capacity. Human resource capacity development was a critical need for developing the sector and sustainable institutional structures were essential to ensure long-term capacity building and knowledge diffusion. One government policy statement specifically mentioned WBI as the agency to help build capacity.



Getting Started

In 1989 WBI agreed to help organize senior policy seminars addressing emerging health issues and establish a network of institutions to train academic faculty and compile training materials to be used by Chinese trainers to train government officials. An initial needs assessment found that:

- 240,000 health executives needed training.
- Most leaders in central and local government were medical doctors with little health economics, management, or policy analysis skills and knowledge.
- Most health finance staff were accountants with limited economics knowledge.
- Only twenty-eight faculty members in the six medical colleges under MOH worked in health economics and financing; many without adequate health economics and finance training.

The China Network for Training and Research in Health Economics and Financing was launched in June 1991. WBI hired consultants to help develop the network's architecture and content and assisted the network and MOH in developing a five-year action plan and a proposal for a World Bank technical assistance grant (\$1.35 million for 1992–95). The government allocated RMB400,000 for the first year, later increasing it to RMB1 million (approx. \$122,000) a year as a matching fund supporting the network's operational activities in China.

Network Growth and Development

The network originally began to build the capacity of seven institutions—management training centers in medical universities throughout China and the national health economic institute—which would in turn:

- Provide in-service training for government officials
- Conduct policy research
- Advise government on policy and reforms
- Maintain a forum for health policy dialogue.

To build momentum, WBI helped organize the first senior policy seminar, featuring world-class experts to discuss China's most urgent health financing issues.

Since 1991 WBI has provided the network with consistent technical assistance and funding in con-

sultation with government ministries and helped formulate the network's annual programs. WBI's support has helped the network become a professional association producing remarkable outcomes (see Box 1) that attracted donor-supported projects and domestic clients, making the network more self-sustaining and creating a natural exit strategy for WBI.

MOH has taken its partnership with the Bank seriously. The minister or vice-minister of health chairs the network's steering committee, which guides annual planning decisions. Planning and Finance authorities contribute to all decisions on important network events. Even after the technical assistance grant was exhausted, GOC continued its financial allocation and committed to providing the matching fund. Ad hoc financial or in-kind support also comes from local governments.

Box 1: The Network's Product Line

- *Training of trainers (TOT).* Training existing faculty builds knowledge of health economics and financing and practical skills for training government officials. WBI has also financed network faculty to join its annual courses overseas, leading to training opportunities by other donors and institutes.
- *Training of new trainers.* Expansion of network membership has increased demand for training new faculty members. Mostly senior faculty teach annual courses for new trainers.
- *Training of government executives.* Courses for high- and intermediate-level government policymakers and executives are adapted from TOT courses, linked with prioritized policy issues, and usually replicated in several regions in China.
- *Senior policy seminar.* In consultation with Health, Planning, Finance, Labor and other Ministries, policy seminars focus on the most urgent policy issues facing the country in the health sector.
- *Policy research and advisory services.* A short- and long-term policy research program provides consultants to central and local government offices for research and advice on policy decisions. Network faculty members are major contributors to China's public health and health economics journals.

Outputs, Outcomes, and Impact

Consistent and long-term investment has increased network membership from the original seven institutions to nineteen (see Box 2), brought to forty-eight the number of health sector courses offered since 1991, and led to the training of more



than 1,400 executives from various ministries and provinces and more than 700 academics and trainers. These specific outputs have led to significant outcomes:

- About thirty network-trained researchers have become recognized senior advisors to central and local governments on policy decisions in China.
- Attraction of China's policy and academic community to network courses has led to exploration of technology (China's internal video conferencing system) to expand reach to more policymakers with good content (given the size and needs of the country).
- Translation of network training materials for use in network courses has led to their adaptation for use in regular graduate and undergraduate courses by training centers and universities.
- Researchers in health economics and finance have used the network's annual meeting to exchange findings and ideas and to build teams for seeking research grants.
- The international development community, including the World Bank, WHO, and UNICEF, increasingly rely on network researchers to conduct policy research in the health sector and assist them in their operations in China.

Box 2: Network-Affiliated Institutions, 2003

China Health Economics Institute, Beijing
Medical School of Beijing University
Harbin Medical University
Shandong University
Tongji Medical College
Xi'an Jiaotong University
Huaxi Medical University
Fudan University
Dalian Medical University
Xiangya Medical School
Beijing University of Traditional Chinese Medicine
Weifang Medical College
Anhui Medical University
Jiangxi Medical College
Jiangsu Medical Information Institute
China Health Economics Journal
China Academy of Preventive Medicine, Beijing
Medical College of Wuhan University
Zhongshan Medical University

The most visible impact of the network on China's health system is the recent introduction of reforms by policymakers assisted by network research and senior policy seminars: Research funded by UNICEF and other agencies on the failures of the current system and the impoverishing effect of health spending on rural populations led to GOC's announcement in October 2002 of its policy on rural health. In the early 1990s a senior policy seminar on rationalizing the roles of government and markets in health helped the government navigate critical policy decisions during rapid privatization in the economy. While the evidence of outcomes and outputs is impressive and the vignettes about impact are convincing at some level, it should be noted that a full impact evaluation of the network has never been conducted and will be needed to help the network in the future.

Lessons and Potential for Replication

Understanding the network's success can determine the potential for its replication elsewhere. The most obvious factor has been GOC's *commitment* to network investment and *strong leadership of particular individuals*. Also important have been continual assistance from WBI and Bank operations, the blessing of the development community, *and solid needs analysis* leading to shared understanding of objectives among partners and strong commitment to a long-term investment. These factors led to *financial support* from GOC and both WBI and Bank operations, which attracted *technical expertise and competence* used by WBI and the network to staff policy seminars and develop *state-of-the art content*. To coordinate among the different local and international partners and ensure that activities met China's health needs, *open and transparent meetings on annual network planning* attracted all players and interested parties in China and the donor community. These meetings provided a *forum for interdepartmental and interministerial exchanges*, reflecting the complex and intersectoral nature of health sector reform and development in China.

Replication of the China network model would require certain prerequisites, *realistic expectations*, and *patience* to achieve returns and a mature quality of work. Prerequisites include a large country (e.g., India, Brazil, Russia, and Nigeria) or regional group of countries (e.g., Central Asian nations of

the former Soviet Union) with social, cultural, political, and structural similarities with a clear need and demand for capacity building and existing structures, such as academic and training institutions, on which to build. Commitment of resources and staff time by the government(s) concerned and both WBI and Bank operations is also key. Early stages are the most critical, most expensive, and least productive in terms of outputs and outcomes, so these types of investments take time before they begin to produce results; they should be seen as medium-term investments. Network building is a tricky business, so early and good

technical assistance is necessary for designing institutions and governance structures. Time and patience is also important in ensuring strong foundations for the investment, avoiding unrealistic expectations, and creating an environment for creativity and learning.

Peer Reviewers: *Elizabeth Lule, Population/Reproductive Health Adviser, HDNHE and Fadia Saadeh, Sector Manager, EASHD*

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WBI Contacts:

David Potten, Lead Specialist, Country Programs
Tel: 202-458-7873, Email: dpotten@worldbank.org

Imtiazuddin Ahmad, Sr. Operations Officer
Tel: 202-458-1878, E-mail: iahmad2@worldbank.org

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