August 28, 2015

His Excellency
Axel Kicillof
Minister of Economy and Public Finance
Ministry of Economy and Public Finance
Hipólito Yrigoyen 250
1310 Buenos Aires, Argentina

Re: ARGENTINA: Loan No. 8062-AR (Provincial Public Health Insurance Development Project) - Amendment to the Loan Agreement

Excellency:

We refer to the Loan Agreement between the Argentine Republic (the Borrower) and the International Bank for Reconstruction and Development (the Bank), dated August 6, 2012 (the Loan Agreement) for the above-captioned Project. Please note that capitalized terms used in this letter ("Amendment Letter") and not defined herein have the meaning ascribed to them in the Loan Agreement.

As a result of our recent conversations on the subject, the Bank hereby proposes to amend the Loan Agreement, as follows:

1. Parts B.1 (a) and (b) of Schedule 1 to the Loan Agreement are hereby amended in their entirety to read as follows:

   "1. Improving the management capacity of the MSN and the MSPs by:

   (a) developing integrated information systems, instruments, and capacity to manage the PHIP, including administrative and billing data systems and the promotion of electronic medical records, the preparation and execution of annual performance agreements between MSN and MSPs, and between MSPs and Authorized Providers and new contracts and payment systems;

   (b) carrying out of outreach and service delivery strategies for rural and indigenous peoples (including the promotion of communities’ participation, user rights, and culturally appropriate services for the inclusion of indigenous populations) and strengthening the health workforce skills of health staff in rural areas;"
2. Parts B.1 (e) and (f) of Schedule 1 to the Loan Agreement are hereby amended in their entirety to read as follows:

“(e) carrying out of studies on health system financing and related mechanisms, including mechanisms for integrating other public health programs with insurance/capitation schemes into the PHIP, all aimed at facilitating policy-making decisions of MSN and MSPs related with achieving effective universal health coverage; and

(f) improving MSN’s and MSP’s communication strategies for disseminating information about health plans, changing behavior among health sector staff, and promoting social participation; and”

3. Part B.2 of Schedule 1 to the Loan Agreement is hereby amended in its entirety to read as follows:

“2. Supporting management, monitoring and evaluation capacities of the PCU, UFI-S and PHIUs, through the provision of technical assistance (including the financing of Operating Costs and Training), and the carrying out of monitoring and evaluation, and financial and technical audits under the Project.”

4. The table in Section IV.A.2 of Schedule 2 to the Loan Agreement is hereby amended to read in its entirety as set forth in Attachment I to this Amendment Letter.

5. Section IV.B.2 of Schedule 2 to the Loan Agreement is hereby amended to read in its entirety as follows:

“The Closing Date is September 30, 2017.”

All other provisions of the Loan Agreement, except as amended herein, shall remain in full force and effect.
Please confirm your agreement with the foregoing, on behalf of the Borrower, by signing and dating two originals of this Amendment Letter and returning one fully signed original to us. The amendment set forth in this Amendment Letter will become effective as of July 1, 2015, upon receipt by the Bank of one fully executed original of this Amendment Letter.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By Jesko Hentschel
Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region

AGREED AND CONFIRMED:
ARGENTINE REPUBLIC

By: __________________________
(Authorized Representative)
Name: _________________________
Title: __________________________
Date: 30 OCT 2015

Dr. Axel Kicillof
Minister for Economy, Finance, Production Policies

ACUERDO MEyFP N° 130/15
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>50,000,000</td>
<td>85%</td>
</tr>
<tr>
<td>(2) Consultants’ services (including technical audits), Non-consultant Services and Training</td>
<td>53,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Capitation Payments under Part A.1(a) of the Project</td>
<td>275,000,000</td>
<td>Under <em>Nomenclador Unico–A</em>:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100% until December 31, 2012; 85% until December 31, 2013; 65% until December 31, 2014; 60% until June 30, 2015 and 70% thereafter</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Under <em>Nomenclador Unico–B</em>, starting on January 1, 2013 (as per Section B.1.(c) below):</td>
</tr>
<tr>
<td></td>
<td></td>
<td>85% until December 31, 2013; 65% until December 31, 2014; 60% until June 30, 2015 and 70% thereafter</td>
</tr>
<tr>
<td>(4) Capitation Payments under Part A.1(b) of the Project</td>
<td>15,000,000</td>
<td>60% as per Section B.1 (d) below</td>
</tr>
<tr>
<td>(5) Operating Costs</td>
<td>6,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(6) Front-end Fee</td>
<td>1,000,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(7) Interest Rate Cap or Interest Rate Collar premium</td>
<td>0</td>
<td>Amount due pursuant to Section 2.07(c) of this Agreement</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>400,000,000</td>
<td></td>
</tr>
</tbody>
</table>
cc: Mr. Alejandro Foxley, Executive Director for Argentina, the World Bank
Mr. Daniel Kostzer, Alternate Executive Director for Argentina, the World Bank
Mr. Daniel Gollan, Minister of Health, Ministry of Health of Argentina
Mr. Federico Kaski Fullone, Ministry of Health of Argentina
Mr. Nicolas Kreplac, Ministry of Health of Argentina
Mr. Martin Sabignoso, Project Coordinator, Plan Sumar
Mr. Jose Priegue, General Coordinator, Ministry of Health of Argentina