# **Deloitte.**



Supporting reforms and recovery A comprehensive approach to health system transformation in Ukraine



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#### Author's note

At the end of this report, we reference publicly available USAID Health Reform Supportauthored documents (annual and quarterly performance reports, technical reports, etc.) as well as articles from the published literature we consulted in the writing of this report. For the sake of readability, we do not make attributions to individual USAID Health Reform Support source documents in the body of the document; rather, we have incorporated verbatim, summarized, or paraphrased key passages from the wide array of documents consulted. We have made specific attributions, however, to the source articles from the external published literature when those articles are referenced (quoted directly, paraphrased, or cited otherwise). The structure of the report, the constructs used to organize and capture information from all source documents, certain interpretations, and other assertions are the sole responsibility of the authors and do not necessarily reflect the views of USAID or the United States Government.

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## Executive summary

Ukraine's foreign policy priority is European integration, and its accession to the European Union will depend, in part, on modernizing and transforming its health system (Ukraine Ministry of Health, 2024).

In the past decade, Ukraine has undergone a complex transformation, encountering many internal and external challenges in its pursuit of European integration and European Union (EU) membership, culminated by the Russia-Ukraine war. Over this period, Ukraine has launched comprehensive reforms across multiple sectors, including modernizing and transforming its health system<sup>1</sup>. Numerous government partners—multilateral, bilateral, and nongovernmental—have been engaged in diverse ways, to different degrees, and for varying periods of time in supporting this modernizing endeavor that affects Ukrainian healthcare providers, institutions, and, most importantly, patients.

Deloitte Consulting LLP (hereafter referred to as 'Deloitte') has worked with the Government of Ukraine since the early launch of the health sector reforms in 2016, contributing to the modernization and transformation of Ukraine's health system by pursuing a comprehensive, multi-faceted, and adaptive approach to technical assistance first through USAID HIV Reform in Action (HIVRiA) (2016-2018) and, since 2018, the USAID Health Reform Support (USAID HRS) activities.

From the start of the Russia-Ukraine war in February 2022 caused massive challenges for the health sector and threatened to halt health reform progress as the emphasis shifted from long-horizon development reforms to addressing immediate needs and ensuring access to health care services for people. Deloitte immediately pivoted its approach under USAID HRS, responding to the war in Ukraine's needs and expanded its focus on restoration of services, reconnecting people to health care, and stabilizing the institutions in unprecedented challenges.

Through USAID HRS, Deloitte's assistance approach to reform can be characterized by the following key features: maximizing the scope of its technical assistance, providing assistance at scale, embracing the politics of health sector reform, supporting continuous learning and improvement, collaborating intra- and inter-sectorally, and championing community and civil society engagement. In response to the war, USAID HRS supported the Government of Ukraine (GOU) in health system recovery efforts, building upon the technical assistance approaches pursued in the years prior to the war. Deloitte's assistance approach to restoration comprises four major areas of support: policy and legislative development, recovery coordination, service restoration and reconnection, and system strengthening.

The effects of health reform and restoration result from the collective actions of the GOU, who owns and drives the process, and its health partners contributing in critical ways to bringing about system-wide change. Attributing results to any one actor is unfeasible; however, based on the depth and breadth of Deloitte's technical assistance under USAID HRS, it is reasonable to assume that the activity has made a substantial contribution to documented changes in the health system since 2018. Key effects include improvements in health sector governance, supply of and access to services, provision of services, provider compensation, and appropriate utilization of services.

The war in Ukraine and the consequences on the health sector of the enduring war have raised uncertainties about Ukraine's health system transformation trajectory and the pace of reforms. Less in doubt, however, is the promise of sustaining the gains to date, which have been fostered and carefully cultivated through a series of deliberate actions and measures undertaken since 2018 by the GOU in collaboration with its partners, including USAID HRS. Three measures to help maintain, advance, and sustain the processes and effects of reform and restoration have been institution building, developing resiliency capacity, and localization.

The success of USAID HRS can be credited, in part, to Deloitte's purposeful efforts in team building and activity

<sup>&</sup>lt;sup>1</sup> Ukraine Ministry of Health. "European Integration."

management to increase development effectiveness. Most importantly, the Deloitte team developed a strong relationship with the GOU—one built upon trust and a shared vision for the future. Deloitte also recruited a multidisciplinary, highly qualified technical team; adopted adaptive management techniques; became proficient in a hybrid working environment; formalized and invested in continuous introspection and learning; and pursued synergies across functional teams.

Deloitte's comprehensive technical assistance (TA) approach under USAID HRS (illustrated in figure 1) has contributed to progress in transforming the health system towards a more efficient, equitable, transparent, and patient-centered system better capable of meeting the health needs of the Ukrainian population.

#### Key Features of Deloitte's Assistance Approach for **Reform**:

- Maximizing scope of TA
- Providing TA at scale
- Embracing politics of reform through TA
- Supporting continuous improvement
- Collaborating intra- and inter-sectorally
- Championing community and civil society engagement

USAID HRS has supported the Ukrainian health system, endto-end and top-to-bottom, lending its support to strengthening primary and specialized care, reducing out-ofpocket spending, improving quality of care, reducing corruption, and increasing transparency. USAID HRS also helped the GOU recover and restore its health system from damages caused by the war, which destroyed health sector infrastructure, caused population displacement, and increased demand for war-related health services. Health system reform and restoration challenges and responses are interdependent, and the balancing of technical assistance activities addressing both will persist for some time and become the way forward for continued modernization, strengthening, and transformation of Ukraine's health system.

#### Key Features of Deloitte's Assistance Approach for **Restoration**:

- Supporting policy development and legislation
- Coordinating recovery efforts and assessments
- Restoring services and reconnecting people to care
- Strengthening systems

#### **Effects on the Health System:**

- ✓ Improved Governance and Transparency
- ✓ Improved Supply and Access to Services
  - ✓ Improved Service Provision
  - ✓ Improved Provider Compensation
  - Improved Utilization of Services

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Measu	ires to Build	d Sustainability of	f Effe	cts:
Institution Buildi	ng • Dev	veloping resiliency capacity	•	Localization
Deloitte's	Team and	Management Succ	ess F	actors:
<ul> <li>Supportive relationship with the government</li> </ul>		i-disciplinary nnical team	о С	ollaborating, Learning, and Adapting (CLA) practices

Figure 1, Summary of Deloitte's Comprehensive Approach under the USAID HRS Project, Deloitte

## Introduction

#### "Transforming health systems is a complex, messy business with no quick or simple solutions." Hunter and Bengoa, 2023

One of Ukraine's strategic policy priorities is European integration, and its accession to the European Union will depend, in part, on modernizing and transforming its health system.<sup>2</sup> Ukraine's trajectory towards transformation has been neither linear nor predictable since the initial period of strategic visioning of reform, during which the strategic policy (2014-2016) and legislative framework for national health sector reform (2017) was established and the rollout of a robust health reform agenda began in 2018 (Table 1). The health system has confronted and adapted to numerous unanticipated stressors from within the system and shocks originating from outside. The COVID-19 pandemic and the war in Ukraine since 2022 forced the GOU to balance crisis management, including both health system recovery and restoration, with sustaining and advancing important reforms. More importantly, advancing reforms became critical for the success of crisis management and restoration efforts to help the country to respond and rebuild better.

Numerous international partners—multilateral, bilateral, and non-governmental—have been engaged in diverse ways to different degrees and for varying periods of time in supporting this modernizing endeavor that affects Ukrainian patients, providers, national institutions, as well as non-governmental stakeholders. Each partner has its own mandate and approach to assisting the GOU in identifying and implementing the various reforms. The **purpose** of this paper is to examine Deloitte's approach to providing assistance for Ukraine's health reforms and restoration under the USAID HRS activity since 2018 so that stakeholders may better understand key features of successful international development efforts in health system transformation, especially during times of crisis, such as war.

The paper begins with an examination of the principal features of Deloitte's comprehensive, multi-faceted, and adaptive approach to technical assistance in Ukraine for both reform and restoration, followed by selected effects of reform and restoration efforts, to which USAID HRS has made a substantial contribution. The paper also explores how USAID HRS has supported GOU efforts to sustain reform gains through deliberate measures, presents a summary of the project's purposeful efforts in team building and activity management to maximize effectiveness, and concludes with some challenges for future technical assistance.



<sup>&</sup>lt;sup>2</sup> Ukraine Ministry of Health. "European Integration."

Table 1. Milestones in the Evolution of Health Sector Reform in Ukraine (1991-Present)

1991-2013: pre-reform/ precursors to reform	2014-2016: strategic visioning	2017: Legislative and policy framework adoption	
<ul> <li>Centralized, input-based, free-public-medicine-for-all Soviet Semashko health care model implemented</li> <li>System defined by limited universal health coverage, zero incentives to provide high-quality medical care, lack of effective treatment and supplemental services at specialized healthcare facilities, inefficient health network with outdated facilities and equipment, and high informal and out-of-pocket payments</li> <li>Preliminary initiatives introduced into the health sector in selected areas of the country as a proof of concept but lack of national policy and legislative framework (e.g., family medicine introduced into primary care)</li> </ul>	<ul> <li>Willingness to modernize Ukrainian health system publicly declared by political leaders under pressure from civil society and patients' organizations</li> <li>National Strategy on Health Reform drafted with the aim of improving quality of and access to health care and ensuring mitigation of financial risks for population</li> <li>Responsibility for procurement of certain medicines, vaccines, and commodities handed by the GOU to international organizations</li> <li>Ministry of Health (MOH) reform package proposed based on the following pillars:         <ul> <li>Money Follows the Patient</li> <li>Package of Guaranteed Benefits</li> <li>Family Medicine</li> <li>International Standards</li> </ul> </li> <li>Concept of reforming health care financing approved by Cabinet of Ministers</li> <li>Concept of Public Health approved by Cabinet of Ministers</li> </ul>	<ul> <li>Bill amending budget code of Ukraine passed</li> <li>Law on state financial guarantees in health care (Basic Benefit Package) passed, with a principle of "Money Follows the Patient" underpinning health sector reform</li> <li>Legislation increasing provider autonomy passed</li> <li>Bill aimed at providing people in rural areas with access to medical services, including telemedicine, passed</li> <li>Affordable Medicines program established</li> <li>Anti-corruption program to improve transparency in MOH established</li> </ul>	

#### 2018-Present: Establishment of Core Institutions & Implementation of Laws and Policies

#### Core national institutions established (2018)

- National Health Service of Ukraine (NHSU) established, a single national purchasing agency with the power to contract with public and private providers
- Central Procurement agency launched
- eHealth system launched
- Transparent, merit-based process for medical university admissions introduced

#### Provider payment system advanced (2018-2020)

- Program of Medical Guarantees (PMG) implementation started with a phased approach
- Most public health care providers (meeting eligibility requirements) contracted by NHSU
- Capitation payments implemented for primary health care (PHC) centers and case-based payments (among other payment mechanisms) for specialized care introduced
- Remuneration of health professionals increased
- Patients given freedom to choose points of care (PHC doctors and hospitals)
- Medicines reimbursed under NHSU

#### COVID-19 response and public health systems strengthened (2020-2021)

• New services incorporated under PMG, including additional financial support to maintain health care facilities (HCFs)

#### Balancing health system restoration with furthering health reforms (2022-present)

- New Ukraine Health Strategy 2030 advancing universal health coverage drafted and Law on Public Health System passed
- Infrastructural phase of health reform begun through Cabinet of Ministers Resolution on Capable Hospital Network
- Health Recovery Project Office established
- War-related restoration and recovery initiated while health reforms furthered

Sources: WHO Regional Office for Europe and European Observatory on Health Systems and Policy (2021), World Bank (2021), Romaniuk and Semigina (2018), J Twigg (2017), USAID HRS Annual and Quarterly Reports, Ukraine Ministry of Health (2016)

# USAID health reform support's approach to technical assistance

#### Reform (2018 to present)

Since 2018, Deloitte has designed a comprehensive and multidimensional approach of technical assistance under USAID HRS to support the GOU in its pursuit of health system-wide change. This has been delivered through five project objectives designed to: improve health sector governance; support the transformation of the healthcare financing model; strengthen the health workforce; enhance the transparency, accountability, and responsiveness of the health care system; and improve the service delivery system at all levels, which align with five of six of the WHO Health System Building Blocks. This paper characterizes Deloitte's approach to meeting those objectives through the following salient features: (1) maximizing the scope of its technical assistance, (2) providing assistance at scale, (3) understanding the politics of health sector reform, (4) supporting continuous learning and quality, (5) collaborating intra- and inter-sectorally, and (6) championing community and civil society engagement in reforms.

#### Maximizing the scope of technical assistance

The diverse USAID HRS-supported activities intended to help the GOU transform its health system reflect a holistic, systems-thinking approach, targeting multiple functions of the health system simultaneously across administrative levels. This approach acknowledges both the dynamism and interdependence of the distinct functions. Figure 2 depicts the concurrent targeting of USAID's five inter-related objectives for the activity, corresponding with five of the WHO Health System Building Blocks, throughout the period of activity support to the GOU.<sup>3</sup>



<sup>3</sup> A separate USAID-sponsored project, SAFEMed, focuses on strengthening the Ukrainian pharmaceutical system and supply chain.

#### Figure 2

Targeting multiple functions of the health system simultaneously. Note: adapted from HRS Project Year 3 Report

	Year 1	Year 2	Year 3	Year 4	Years 5/6			
	Establish institutions and implement PHC reform	Launch specialized care reforms and implement PMG	Support implementation of Reform and system stability amidst COVID-19 pandemic	Expand reforms and increase sustainability	Drive Reform, Recovery, and Reconnecting People to Care			
Leadership & Governance	<ul> <li>Establish the NHSU, branches, and processes</li> <li>Communicate reforms</li> </ul>	<ul> <li>Strengthen basic functions of MOH and NHSU</li> <li>Communicate PHC reform</li> </ul>	<ul> <li>Outreach to HCFs to implement PMG</li> <li>Provide legal support on health reform amendments</li> </ul>	<ul> <li>Champion supervisory boards</li> <li>Improve local authority oversight capacity</li> </ul>	<ul> <li>Deliver policy support on hospital planning and clusterization to efficiently rebuild the health network</li> <li>Raise patients' awareness of health reform</li> </ul>			
Financing	<ul> <li>Implement financial model for PHC reform and develop benefits package</li> <li>Support PHC providers with financial management</li> </ul>	<ul> <li>Launch PHC capitation model and institutionalize benefits package</li> <li>Develop performance and health financing models</li> </ul>	<ul> <li>Develop/distribute financial tools to HCFs</li> <li>Develop performance-based financing mechanism</li> <li>Support costing/tariffsetting</li> </ul>	<ul> <li>Drive sustainability of performance-based financing</li> <li>Support local authorities and boards in improved financial management</li> <li>Engage private sector</li> </ul>	<ul> <li>Support workforce planning for priority regions to optimize staffing and resources</li> <li>Support national stakeholders to reduce out-of-pocket payments</li> </ul>			
Length Le	<ul> <li>Develop National Workforce Strategy</li> <li>Support MOH to reform graduate education standards</li> </ul>	<ul> <li>Finalize National Workforce Strategy</li> <li>Streamline workforce regulatory framework</li> </ul>	<ul> <li>Develop workforce optimization plans</li> <li>Develop transparency procedures in human resources</li> </ul>	<ul> <li>Support workforce optimization plans</li> <li>Train human resource representatives</li> </ul>	<ul> <li>Support multidisciplinary teams to serve vulnerable groups</li> <li>Prevent burnout through peer groups of medical providers</li> </ul>			
Information (eHealth)	<ul> <li>Provide technical and legal support to establish the eHealth system, including assessing users' capacity to operate eHealth</li> </ul>	<ul> <li>Strengthen civil society oversight of reforms and empower patients</li> <li>Support eHealth system development</li> </ul>	<ul> <li>Design cybersecurity controls for national health information systems</li> <li>Enhance data security at HCFs</li> </ul>	<ul> <li>Assess medical information system interoperability</li> <li>Develop cyber roadmap</li> </ul>	<ul> <li>Improve healthcare worker digital literacy</li> <li>Protect eHealth system data by promoting improved cybersecurity practices</li> </ul>			
Service Delivery	<ul> <li>Develop PHC strategic framework</li> <li>Build PHC Centers of Excellence</li> </ul>	<ul> <li>Enable contracting with private PHC providers</li> <li>Support PHC and specialized care reform</li> </ul>	<ul> <li>Develop roadmap for quality management</li> <li>Support hospital reorganizations</li> </ul>	<ul> <li>Develop Hospitals of Best Quality</li> <li>Develop hospital and care center network models</li> </ul>	<ul> <li>Enhance PHC through patient centered approaches</li> <li>Help oblast authorities design their capable HCF network</li> </ul>			
	Capacity building activities delivered at national, regional, and facility levels							
Pivoting amidst the war								

Comprehensive reach within individual health system functions has been another aspect of the project's approach to maximizing the scope of its assistance. In the case of service delivery, USAID HRS has promoted and supported GOU efforts to integrate care for high priority health services by helping health care departments in selected oblasts develop patient pathways for perinatal care, strokes, and heart attacks. These pathways underscore the interdependence among PHC outpatient facilities and specialized referral hospitals.

Maximizing scope has also featured inclusive, far-reaching interventions, such as end-to-end policy development and implementation assistance, a multi-staged approach that USAID HRS has adopted and applied widely in Ukraine. The different stages of assistance have included (1) building political will through strategy development, informed by evidence generated by USAID HRS-sponsored surveys, studies, and assessments; (2) supporting the development of draft legislation; (3) fostering the creation of organizational and managerial processes to support policy implementation; (4) advising the counterparts on mobilizing and distributing resources and financial mechanisms for policy implementation; and (5) supporting implementation, which has encompassed helping local authorities, communities, health care facilities, and health workers to first understand and adapt to new legislation, followed by support for operations. Supporting the reconfiguration and reform of PHC is one illustrative example of how Deloitte applied this multi-stage approach (Box 1).



#### Providing technical assistance at scale

Deloitte's efforts to achieve sufficient scale with its technical assistance have manifested itself both geographically and administratively.

#### Geographically

Most USAID HRS technical assistance activities have targeted all regions and national institutions in promoting adoption of mutually reinforcing and sustainable reforms across the country. For example, USAID HRS has supported nationwide implementation of PHC reform and hospital network transformation. In parallel, USAID HRS has worked in a varying number of focal regions for in-depth on-the-ground support and pilots. For example, by providing hands-on support, USAID HRS helped local partners analyze healthcare facility (HCF) level supply and demand data to optimize their hospital networks. This will ultimately help improve patient pathways, acute care hospitals' capacities, and accessibility of priority services across 22 regions.

#### Administratively

USAID HRS has promoted and supported top-to-bottom engagement of all administrative levels of the health system (central, regional, health facility, and community/patient) in the implementation of complex interventions. For example, to reduce the financial burden of health care on Ukrainian households, USAID HRS addressed multi-level corruption risks within the health care system. This included support to reduce informal payments, which accounts for around half of the population's medical expenses, despite all healthcare being provided under the government-funded PMG, which covers more than 70% of Ukraine's population.<sup>4</sup> The GOU and USAID HRS also promoted accountability across multiple entities (including the MOH, NHSU, and regional and local authorities) to provide the greatest opportunity of reducing corruption, fraud, and financial mismanagement within health care facilities. USAID HRS also engaged civil society and patients' rights organizations at grassroot levels to empower patients to reduce informal payments and increase their voice in health care decisions.

# PHC Reform: an end-to-end approach

Reconfiguration of PHC began with capitation studies conducted by Deloitte under the USAID HIV Reform in Action project (2013-2018), followed by USAID HRS comprehensive support for policy development, implementation of new payment mechanism and transformation of PHC services. USAID HRS supported in drafting key legislation for comprehensive reform and regulations necessary for PHC reform, most notably enabling patients to choose a PHC provider and introducing a capitation payment for PHC services. With the support of costing studies and technical assistance, the GOU efficiently allocated scarce financial services and introduced Performance-Based-Financing (PBF) to improve vaccination for children up to 6 years old. USAID HRS then assisted PHC providers and the public to adapt to the new laws through financial management training of providers, the development and use of tools, the draft of a code of ethics, and public communication campaigns to inform the public of their rights to choose a PHC provider and to receive free medical services.

USAID HRS also assisted with improving the quality of PHC services through a range of patient-centered innovations, including the centers of excellence in focal regions to test and disseminate best practices, such as establishing quality management systems (QMS), engaging patients through routine service feedback surveys and training to improve communications and interactions between health staff and patients; and delivering care through multidisciplinary integrated care teams composed of medical staff (family doctors and nurses), psychologists, and social workers that could also refer patients with timely, appropriate care. Responding to war-time challenges, USAID HRS developed a "Vulnerable Populations Manual," a guide for how PHC Centers can become integrated, comprehensive, patient-centered facilities during wartime.

Box 1

 $<sup>^{\</sup>rm 4}$  World Bank Group, WHO. "Health Financing Reform in Ukraine Progress and Future Directions."

### Understanding the politics of health sector reform through technical assistance

Health sector reform is a profoundly political process (Roberts et al., 2008) and most, if not all, of the changes that countries pursue as part of health system transformation are to some extent politically sensitive.

In the spirit of its top-to-bottom approach, USAID HRS has worked closely with political actors at every level of the Ukrainian health system, from engaging national decisionmakers in the development of new laws and policies to introducing, negotiating, and managing the roll out of these policies with implementers at regional, sub-regional, and local levels. Two particularly sensitive reforms for the GOU for which USAID HRS has provided support have been efforts to transform the hospital network and to optimize the health workforce.

#### **Hospital network transformation**

The downsizing and consolidation of hospitals can entail unpopular decisions. To support local authorities to responsibly transform hospital networks to increase the efficient use of limited resources, USAID HRS developed Hospital District Network Models. Although the modelling was relatively straightforward, gaining acceptance of the results and implementing solutions based on these results posed challenges on multiple levels. The lack of hospital sector analytical capacity at both the national and regional level was one such challenge. USAID HRS introduced the data-driven modelling process and shared the results of the analysis and the network transformation recommendations with stakeholders to increase their understanding and their expertise to inform hospital district planning decisions. Additionally, the project launched an educational course titled 'Healthcare System Planning and Development within Hospital Districts' that has reached 12 regional teams. By 2023, local stakeholders across 19 regions used the methodology to create their own Hospital District Development Plans. The approved plans guide the reorganization of hospital networks across these regions, supporting a more strategic distribution of services aligned with patients' individual and geographic needs.

#### Health workforce optimization

Competing interests among multiple stakeholders combined with conflicting perceptions of perceived costs and benefits when allocating limited resources was at the core of tensions associated with optimizing the health workforce. Health care facilities and local authorities had to first decide which services were needed and then identify what cadre of health personnel and how many were required to safely deliver these essential services. Workloads for different service lines were also determined. USAID HRS's approach to help the GOU manage optimization included workforce planning across facilities, educating facilities and local authorities, and advocacy for voluntary adoption of HRS' recommendations in focal regions. USAID HRS also worked closely with the MOH to produce non-binding recommendations on workload for particular service lines, thereby gaining Ministry support without it having to mandate a one-size-fits-all approach.

#### Supporting continuous learning and improvement

Capacity-building was a hallmark of USAID HRS support to the GOU in the reforming and modernizing its health care system. USAID HRS sponsored more than 60 learning events, including trainings and educational courses, both online and in-person, on diverse topics and targeting professionals from a range of entities across sectors (including government counterparts, health care facility managers and administrators, health care providers, media and communication staff, civil activists, social workers, academics, and independent consultants). USAID HRS estimates that more than 8,000 participants attended these training events.<sup>5</sup> This broad targeting underscored USAID HRS's commitment to building capacity at all levels of the health system and across all relevant occupations and sectors, thereby ensuring that professionals were equipped with the knowledge and skills necessary to perform all the jobs critical to the optimal functioning of the health system. Participants have reported that these capacitybuilding events increased their understanding of the importance of reform and enhanced their skills to implement a diverse array of reform activities. Many of these trainees have become agents of change operating at all levels of the health system.

<sup>&</sup>lt;sup>5</sup> This number represents the total number of participants attending training events, not the total number of individual participants trained, as some attended more than one training.

Continuous improvement relies upon continuous experimentation, reflection, feedback, and learning to develop best practices and inform future decision-making. To support this with the service delivery system, USAID HRS developed a Health Care Quality Roadmap and a guide with recommendations that health care facilities have used to build quality management systems (QMS). The guide prompts which elements of a quality system are priorities to help health facility teams implement a locally appropriate model of continuous improvement. USAID HRS piloted QMS at 14 PHC Centers of Excellence, which fostered political support for improving quality at the national level. Beyond piloting QMS, USAID HRS provided grants to health care facilities to support them in identifying and providing incentives to retain existing employees and to improve quality of care.

#### Collaborating intra- and inter-sectorally

In addition to its close collaboration with GOU officials at all levels of the health system, USAID HRS collaborated with a wide range of stakeholders in the formulation, implementation, and evaluation of Ukrainian health sector reforms. Collaborators included international donors (e.g., WHO, UNICEF, UK Aid, the Swiss and German Agencies for Development, etc.), local organizations (e.g., Patients of Ukraine), and other USAID Implementing Partners and programs (e.g. USAID Governance and Local Accountability Activity, USAID Support TB Control Efforts in Ukraine Activity). The areas of collaboration have been far-ranging: financing, COVID-19 vaccinations, mental health, assessment of patient barriers to care, human resources for health, hospital network planning, medical equipment procurement, and cybersecurity. Responding to the need to effectively coordinate resources during the war, USAID HRS developed the "Partner Activity Database and Dashboards" that have helped the MOH better understand the range and character of donor-supported activities being undertaken in Ukraine, which has led to better coordination among health partners and allocation of donor resources during wartime.

### Championing community and civil society engagement

Since the onset of the reforms, USAID HRS has been supporting GOU efforts to inform and educate communities and civil society about the benefits of health sector reform and patient rights. For example, USAID HRS assisted NHSU in organizing a series of in-person events promoting health reform across the regions and providing key reform updates to community authorities, the news media, and patients' rights organizations. Collaboration with patients' rights organizations has helped them understand their role as health

consumer watchdogs and patient advocates, encouraging patients to access care without fear of having to provide informal payments. USAID HRS also partnered with NGOs to increase patients' awareness of the free services available under the PMG. The meetings, educational materials, social media postings, and other communications encouraged patients to access services while also allaying their fears about having to make informal payments to providers. USAID HRS supported the GOU's "Harantovano!" public awareness campaign, which targeted vulnerable and hard-to-reach groups, and used creative approaches, such as engagement of local religious leaders and fashion-style promotional videos featured on traditional media and on the country's railways. Campaign materials received more than 70 million views, enabling these populations to become more savvy, responsible health care consumers.

USAID HRS also collaborated closely with the GOU in its outreach to communities and civil society in promoting accountable collective governance. For example, in 2022, following support and advocacy from USAID HRS, Ukrainian Law 2347 and Cabinet of Ministers' Resolution 1221 mandated the establishment of Supervisory Boards at HCFs and paved the way for their formation and implementation, respectively. These Boards, comprising citizens and patient advocates, are a governing mechanism intended to introduce stronger citizen ownership and oversight of local health care facilities and represent a stark break with past operations when chief medical doctors exercised complete autonomy over clinical, financial, and other decisions affecting the care patients and communities received. These operations often resulted in corrupt practices in resource and staffing allocations. Boards at HCFs aim to increase public oversight of public spending, improve transparent decision-making, and increase civil society involvement in HCF management. Numerous localization efforts (see Sustainability section) have also engaged civil society at the grassroots level.

#### **Restoration and recovery (2022 to present)**

"During the conference (PHC), HRS was able to seamlessly transition to a shelter during an air raid, providing lunch to participants and continuing presentations as scheduled." HRS Quarterly Report, 2024

The observation above is emblematic of how the GOU, with the assistance of USAID HRS, is absorbing and adapting to the substantial damage being inflicted on its health infrastructure, and the health care delivery system overall. As of May 2024, more than 1,600 health care buildings have been damaged; more than 10 million Ukrainians have been displaced, many lacking access to health care; and the health system is now struggling to provide quality integrated care because of the departure of more than 2,000 health care professionals from Ukraine and 94 attacks injuring health care workers during the war,<sup>6</sup> as well as the emergence of financing challenges for many health facilities. Health worker burnout, low morale, and major staffing gaps at critical GOU agencies, such as the MOH and NHSU, have been major consequences of the war. One estimate of what it will take to restore the health care system over the next ten years has been set at \$14.2 billion.<sup>7</sup> The GOU has capitalized on lessons learned from pre-war reforms as well as the resilience capacities developed during this period to confront and adapt to a new reality. Deloitte's efforts to help the GOU recover its health system through USAID HRS have been prompt and robust and have built upon technical assistance approaches pursued in the years prior to the war. Restoration comprises four major areas of support: policy development, coordination, services restoration, and continued strengthening of the system.

#### Supporting policy development and legislation

USAID HRS has assisted the GOU in adopting new policies and legislation uniquely responsive to war-related needs, such as recommending key provisions of the Health Sector Recovery Plan and the Cabinet of Ministers of Ukraine (CMU) resolution on the organization of the capable health care facility network.

#### Coordinating recovery efforts and assessment

USAID HRS has helped the GOU establish a Health Recovery Project Office (RPO) in the MOH to fill the staffing gaps in addressing war-related challenges and to coordinate restoration efforts. The RPO assists the MOH in assessing the needs and operational and financial sustainability of health care facilities; monitoring infrastructure damages and estimating losses; coordinating replacement equipment needs, including power supplies; providing legal and communication support; and coordinating international partners by mapping activities and results. Activities also included analyzing data to inform and prioritize efforts to restore the health infrastructure; HCF needs assessments; and financial analyses in the focal regions to identify needs and service delivery gaps. This support along with donor and partner coordination enabled the efficient and timely distribution of resources to the regions and facilities with the highest need.





<sup>7</sup> UN. "Ukraine Third Rapid Damage and Needs Assessment (RDNA3)".

 $<sup>^{\</sup>rm 6}$  IOM, UN. "Ukraine and Neighbouring Countries 2022-2024: 2 Years of Response."

### Restoring services and reconnecting people to care

Deloitte created and managed a grants program under USAID HRS that assists communities and health care facilities in improving and expanding services and reconnecting people to care. USAID HRS also championed and supported multidisciplinary care teams of doctors, nurses, psychiatrists, and social workers to address the physical, emotional, and social needs of displaced and vulnerable populations (e.g., the elderly, people with disabilities and chronic diseases, those suffering from psychological trauma, displaced Ukrainians, and others) in select oblasts and communities. USAID HRS also coordinated the supply of generators to health care facilities, monitored the distribution of medical equipment, and helped winterize the health infrastructure. USAID HRS' public communication encouraged Ukrainians to access care and to counter mis- dis- and mal-information. To assist communities at scale, the USAID HRS launched the "Reconnecting People to Care Program," which aims to restore and build local health system capacity through local organizations/grantees' implementation of activities tailored

to specific local needs, building on HRS approaches and pilots. The program helps local authorities, HCFs, and other partners in adapting to the circumstances of war and designing tailored interventions to reach the most vulnerable communities and people.

#### Strengthening systems

During 2022-2023, USAID HRS helped the GOU face the dual challenge of stabilizing and restoring a health system under duress while sustaining progress on developmental reforms. This included continuing capacity strengthening of MOH and NHSU staff, updating the PMG with accurate tariffs for warrelated services, and implementing a Cyber Operations Center and a Cyber Security Incident Response Team to bolster cyber defense and disaster recovery – important during increased cyber threats during the war.

For the GOU and USAID HRS, restoration and recovery from the war represent a second pivot in the last four years (adapting to COVID-19 being the first) from a primary focus on development reforms towards balancing development reforms with crisis management.



# Selected effects of health reform and restoration

The effects of health reform and restoration result from the collective actions of the GOU, which owns and drives the reforms, and all its health partners contributing in critical ways to bringing about system-wide change. Attributing results to any one actor is unfeasible; however, based on the depth and breadth of USAID HRS's technical assistance described in the previous section, it is reasonable to assume that Deloitte and USAID have made a substantial contribution to documented changes in the health system since 2018. This includes improvements in health sector governance and transparency, supply and access to services, provision of services, and financial stability of health facilities and workers.

#### Improved governance and transparency

USAID HRS support at all levels aimed to address Ukraine's historically high levels of corruption and weak institutions to promote transparency and accountability of the health system. Strengthening the national health information systems and facility-level data for decision-making are just two examples.

#### **Electronic health information systems**

The primary changes to financial reform were implemented and monitored through the eHealth system. Its central component, owned and operated by the NHSU, is integrated with multiple private medical information systems (MISs) used by health care providers, and the whole system is supported and maintained by the State-owned enterprise eZdorovya. By June 2024, the eHealth system connected 14,000 health care facilities and over 3 billion electronic medical records.<sup>8</sup> USAID HRS support to NHSU, eZorovya, health care facilities, and medical information systems increased the security of these records. USAID HRS also helped implement an Enterprise Resource Planning system of the NHSU, which enabled them to manage 23,968 contracts for medical services as of April 2024, further increasing the transparency, accountability, and efficiency of Ukraine's health information systems.

#### Data for decision-making

In line with fostering an accountable health system, USAID HRS supported health care facilities with tools to implement reform and drive evidence-based decisions. At the local and facility level, USAID HRS developed InSight – a tool for costing paid services – and Pay&Care – a tool for local authorities to conduct financial and program analyses of HCFs. Now all health care facilities and local authorities across Ukraine can access these easy-to-use, spreadsheet-based tools on the MOH website to generate financial plans, analyze their financial stability, and better manage the existing health network based on the PMG.

<sup>&</sup>lt;sup>8</sup> Ministry of Health of Ukraine. "Primary medical institutions will receive 887 laptops for work." (2024).

#### Improved supply and access

USAID HRS, in collaboration with partners, has helped the government expand access to a range of services, including PHC, specialized, COVID-19, and war-related services.

#### **PHC services**

Starting in 2018, when the GOU began making capitation payments to facilities contracted under the state-funded PMG, access to PHC services began to rapidly expand. By 2023, 2,100 providers were registered, including 24,000 physicians and 40,000 nurses.<sup>9</sup> The increase in PHC providers contracted with the NHSU under the PMG enables more patients with access to GOU-funded PHC services.

#### **Specialized care services**

Over time, the PMG expanded its focus from PHC services to encompass specialized and emergency health care services. In 2020, the PMG comprised 31 benefit packages; it expanded to 44 packages in 2024.<sup>10</sup> New packages include services to address war related needs, such as mental health, burn care, and physical rehabilitation among others, demonstrating increased responsiveness in improving the supply of services patients can now access. Additionally, the GOU adopted plans for a capable HCF network, including regional Hospital District Development Plans that USAID HRS supported to develop. These plans triangulated data around the specialized care workforce to forecast hospital needs, which will lead to more accessible care.

#### **COVID-19 related services**

In May 2020, the GOU began reimbursing health facilities for providing pandemic-related services. Initially, the GOU contracted 237 hospitals to expand their services to provide COVID-19 care, 127 mobile brigades to test patients at home, and 25 emergency centers to transport COVID-19 patients. By the end of 2020, the number of contracted providers increased to 507 hospitals and 950 mobile brigades.<sup>11</sup> USAID HRS supported the GOU with costing studies that have shaped data-driven iterations of the PMG and an Emergency Medical Care Reform Concept to increase budget allocations to emergency care. A 2023 study by the World Health Organization, examining 250 primary health care facilities, found that 90% maintained their full range and volume of services throughout the pandemic.<sup>12</sup>

#### War-related services

The NHSU made improvements to the PMG, including new packages for mental health and rehabilitation services to respond to war-induced access problems.<sup>13</sup> The WHO's 2023 Health needs assessment of Ukraine's adult population found that "regions that experienced active hostilities in the past have now regained access to medical care and no longer differ significantly from the regions that have not experienced direct active hostilities."<sup>14</sup> The same survey found that about 95% of respondents knew the location of their local PHC facility, 85% were able to access their PHC physician in person and 80% by phone, and only 6% reported having no access.<sup>15</sup> In 2022 and 2023, USAID HRS assessments of health service delivery gaps, needs, and priorities in three oblasts-Kyiv, Chernihiv, and Zhytomyr—found that after more than 9 months of de-occupation, PHC and specialized health care facilities in these oblasts had sufficient personnel and points of care. However, some facilities could not support highly advanced care. The aforementioned "Reconnecting People to Health Care Program," which emerged from the results of the assessment, aims to reach over 1.3 million patients with expanded services (chronic disease, rehabilitation, and mental health services) through different modalities for patients.

15 Ibid.

<sup>&</sup>lt;sup>9</sup> Ministry of Health of Ukraine (2018)

<sup>&</sup>lt;sup>10</sup> Vox Ukraine. "Public Health Fakes: Doctors will not receive their salary due to the lack of external financial assistance. Issue #87."

<sup>&</sup>lt;sup>11</sup> World Bank Group, WHO. "Health Financing Reform in Ukraine Progress and Future Directions."

 $<sup>^{12}</sup>$  WHO. "Continuity of Essential Health Services in Ukraine during the COVID-19 Pandemic."

 $<sup>^{\</sup>rm 13}$  WHO. "Ukraine's national health system maintains financing and service provision during times of war."

 $<sup>^{\</sup>rm 14}$  WHO. "Health needs assessment of the adult population in Ukraine: survey report."

#### Improved service provision

#### Health workforce planning

USAID HRS has supported oblasts through tailored workforce analyses and recommendations. For example, the analysis carried out in Ivano-Frankivsk oblast facilities identified a surplus of doctors and a shortage of nurses across most services, which resulted in an imbalance of workloads. Hospital district and regional state administrators were receptive to recommended changes to nine service lines and developed improvement plans. Though not solely attributable to donor/partner assistance, since the war, USAID health partners report that PHC facilities have experienced a total average re-balancing of the workforce, with 84% of nursing positions and 79% of medical doctor positions now filled across more than 20 oblasts. This re-balancing promotes optimized workloads and more transparent roles for health care workers, ultimately resulting in better worker satisfaction and improved care for patients.

#### **Patient-centered care**

To support the WHO-recommended threshold of PHC facilities covering 80% of the population's lifetime health needs, USAID HRS supported PHC centers in Kyiv, Zhytomyr, and Chernihiv oblasts in strengthening their QMS and expanding services by introducing a patient-centered approach to care. In partnership with the Academy of Family Medicine of Ukraine, USAID HRS also provided tailored technical support and training on various issues, including the introduction of new services, with a focus on disease prevention, mental health, palliative care, and diagnostic services. Through this partnership and direct grants to healthcare facilities, over 300,000 patients have received expanded services in mental health, TB, HIV, and physical rehabilitation, among others, and 1,300 health care professionals have improved their skills, ultimately preparing them to provide improved care to approximately 610,000 patients (representing 32% of the total population of the three oblasts). USAID HRS estimates that through USAID health program support, including USAID HRS and other IP activities, 376 facilities across 21 regions have expanded mental health, TB, HIV, physical rehabilitation, telemedicine, and other essential health services. As of September 2023, USAID health program activities have trained 4,000 health workers to provide specific health services related to recovery efforts, more than 2,000 patients

have received mental health services, and more than 16,000 have received non-communicable disease screening.

#### **Quality of care**

The aforementioned program aimed at strengthening the quality management systems of 14 PHC Centers of Excellence in the focal regions has produced tangible results. Recent data for all centers indicate (1) significant improvement in seven quality management areas and (2) improved service delivery to approximately 600,000 patients. To expand and scale these results, USAID HRS supported experience exchange events during which the 14 PHC centers shared best practices and approaches to implementing QMS with 79 other HCFs, serving 700,000 people across Ukraine. HRS also collaborated with the NHSU and select PHC facilities to pilot performancebased financing for PHC (focusing on MMRV vaccination). Informed by the pilot, NHSU has introduced a modified performance-based financing mechanism in the PMG and contracts with PHC facilities, thus marking an important shift for value-based care in Ukraine health care system.

#### Improved provider compensation

Contracting through the NHSU has helped PHC centers increase their average monthly revenue by nearly 30%, from \$67,500 in 2018 to \$93,300 in 2020, driving improvements to provider salaries and incentives. USAID HRS routinely provided expert support to healthcare managers in implementing compensation and incentives strategies. A 2022 WHO report found that health workers' salaries increased by 75% between 2018 and 2022,<sup>16</sup> a finding confirmed by a subsequent USAID HRS study. Possible explanations for this increase include: (1) top-up requirements introduced by the GOU in 2020 to compensate health workers for their efforts in combatting COVID-19; and (2) a GOU endorsement of recommended minimum guarantees for doctors and nurses, which led to an adjustment in providers' wages (20k UAH for doctors and 13.5k UAH for nurses), for which HRS support was provided to healthcare managers to implement these requirements.

 $<sup>^{\</sup>rm 16}$  Bredenkamp, "Ukraine Health Financing Reform: Progress and Future Directions."

#### Improved utilization of services

USAID HRS, in collaboration with the NHSU, has supported several large-scale communication campaigns to increase public awareness and utilization of guaranteed free services, both primary and specialized. As of February 2024, over 70% of the Ukrainian population (27 million people) had signed a declaration of care, a document that allows patients to choose a family doctor without having to re-register annually.<sup>17</sup> Also, by 2021, reductions were observed in the percentage of patients who reported making at least one informal payment for PHC services within the past year, decreasing from 61.9% in 2018 to 21.4% in 2021.<sup>18</sup> Because of improved financial protection, patients were less likely to refuse medical care

due to lack of financial resources, which decreased from 27.6% in 2015 to 17% in 2020. Similarly, in specialized care, between 2020 and 2023, among four priority services (childbirth, neonatal care, acute stroke, myocardial infarction), informal payments fell in frequency by 7-14% and in amount by 21-47%<sup>19</sup>. Despite these encouraging improvements, informal payments remain widespread, and reductions in the prevalence and number of informal payments vary widely depending on the particular service. For example, 70% of patients experiencing childbirth and 63% of stroke patients paid informal payments, per USAID HRS's 2023 follow-up study on informal payments for specialized services, covering the period from June 1, 2022, to May 31, 2023.



 <sup>&</sup>lt;sup>17</sup> National Health Service of Ukraine <u>Dashboards</u>.
 <sup>18</sup> HRS Annual Reports.

# Contributions to building sustainability

The enduring war and its consequences raise challenges and uncertainties about Ukraine's health system transformation trajectory and the pace of reforms. What is less in doubt, however, is the promise of sustaining the gains to date, fostered and carefully cultivated since 2018 through a series of deliberate actions and measures undertaken by the GOU in collaboration with USAID HRS. Three measures likely to help maintain, advance, and sustain the processes and effects of modernization and transformation are (1) institution building, (2) developing resiliency capacity, and (3) localization.

#### Institution building

Institutions—structures (*organizations*); rules (*legislation* and *policies*); informal norms and expectations of behavior and social interactions (*cultures*)—all shape, and in some cases, constrain, the behavior of the numerous entities and actors in a health system.<sup>20</sup> The intention of USAID HRS's significant investment in institution building has been to help the GOU in maintaining the sustainability of the reform and the restoration processes and gains it has achieved to date.

Deloitte, through HIVRiA and USAID HRS, has helped stand up organizations that never existed and that have proven to be consequential for the successful implementation of a myriad of reform and restoration efforts. USAID HRS offered guidance to the GOU in the creation of the NHSU, a strategic purchaser and key player in health financing reform. Deloitte also helped the GOU establish and stand up the Ukraine Center for Public Health under the HIVRiA project. Further, USAID HRS built capacity of the eHealth State Owned Enterprise, the Central Procurement Agency, and the aforementioned RPO in response to the war in Ukraine. USAID HRS also backed the work of a Cyber Operations Center and helped reconfigure, revamp, and/or strengthen existing entities, such as the MOH, PHC and specialized health care facilities, NGOs, and patients' rights groups.

USAID HRS played a vital role in helping to advance most of the key *legislation and policies* enabling the implementation of reforms: the law on state financial guarantees in health care; the law affording provider autonomy; and regulations for legal restructuring of health care facilities. These resulted in the launch of the PMG and introduction of new payment mechanisms through the eHealth system, transforming the system of health care facility governance and optimizing the HCF network. USAID HRS technical assistance relating to policies and legislation has been comprehensive and coherent: from supporting studies to informing legislation to helping regional and sub-regional authorities understand the implications of new legislation and supporting them in operationalizing them.

 $<sup>^{\</sup>rm 20}$  Grief A, "Cognitive rules, institutions, and economic growth: Douglass North and beyond."

USAID HRS also promoted a robust *culture* of individual and organizational learning in its assistance to the GOU, comprising a range of different learning modalities.<sup>21</sup> This includes systematic problem solving, experimentation (pilot projects of Centers of Excellence and financial management tools for health care facilities), learning from others (mobile tools to gain citizenry input on reform design and feedback on performance), and knowledge transfer (via reporting, site visits, and professional education and training programs).

The adoption of new behaviors by providers, facilities, and patients has not only helped reduce the acceptance and practice of informal payments for essential health services, but also has contributed to the creation of new *norms* about what patients can and should expect from their health care system.

#### **Developing resilience capacity**

Deloitte, in tandem with other development collaborators, has helped Ukraine forge a resilient health system. Like other countries that have developed resiliency, it can be argued that Ukraine has demonstrated an ability to "collectively mitigate, prepare, respond and recover from disruptive events with public health implications, while maintaining the provision of essential functions and services and using experiences to adapt and transform the system for improvement." <sup>22,23</sup> The GOU has adapted to and recovered from a range of serial acute stressors and chronic shocks that threatened progress in transforming the health system and providing high-quality services to the population. USAID HRS and other health sector partners have also demonstrated adaptive capacity and have supported Ukrainian organizations to learn and change in response to new stimuli, which continues to drive a more resilient system.24, 25, 26

In collaboration with USAID HRS, the GOU developed problem-solving capacities that have stabilized the system during the conflict and allowed for the maintenance and restoration of services and reconnecting people to care without losing sight of the need to advance and sustain reforms. To build this resiliency, USAID HRS supported the GOU to adopt an agile and flexible posture; mobilize and coordinate resources to effectively manage risks and threats, including local and international partners; make informed decisions based on evidence and heuristics; and demonstrate the ability to continuously learn from past experiences to adequately prepare actors at all levels of the system for improved responses to the next unanticipated event. Resiliency is enabling the GOU to continue to meet its current needs without compromising its ability to meet the future needs of the health system and the Ukrainian people, thereby contributing to the sustainability of the reform agenda and continued progress towards transformation.

#### Localization

USAID has defined localization as the "set of internal reforms, actions, and behavior changes USAID is undertaking to ensure our work puts local actors in the lead, strengthens local systems, and is responsive to local communities." To implement USAID HRS, Deloitte regularly consulted with local non-governmental organizations to obtain opinions and insights about what should be included in the reform agenda and how to better shape programming. USAID HRS partnered with regional and local government stakeholders and health care facility owners and managers to shape reform and restoration initiatives. USAID HRS also boosted grants and subcontracts to enable the execution of reform activities at local level while simultaneously building capacity and promoting local ownership. Many of the grantees have become change agents in the health care sector, often leading the charge on policy implementation. They have been at the forefront of applying evidence-based approaches in health care management and service provision and have played a key role in advocating for reform among healthcare providers.

<sup>&</sup>lt;sup>21</sup> Naimoli JF, "Realizing their potential to become learning organizations to foster health system resilience: opportunities and challenges for health ministries in low- and middle-income countries."

<sup>&</sup>lt;sup>22</sup> WHO Regional Office for Europe and European Observatory on Health Systems and Policies, "Health Systems in Action"

<sup>&</sup>lt;sup>23</sup> WHO. "Health systems resilience toolkit: a WHO global public health good to support building and strengthening of sustainable health systems resilience in countries with various contexts."

<sup>&</sup>lt;sup>24</sup> Truppa C,r D, "Health systems resilience in fragile and conflict-affected settings: a systematic scoping review."

<sup>&</sup>lt;sup>25</sup> Grimm PY, "What makes health systems resilient? A qualitative analysis of the perspectives of Swiss NGOs."

<sup>&</sup>lt;sup>26</sup> Blanchet et al. "Governance and capacity to manage resilience of health systems: towards a new conceptual framework."

A significant part of Deloitte activities focused on generating evidence for decision-making and capacity-building of health care providers and other key players of the reform. USAID HRS partnered with Ukrainian research and academic organizations in implementing these tasks, helping them to increase their expertise and experience through these interventions and build trust between government stakeholders and partners. In 2021, USAID HRS launched two feedback tools to further engage local actors and obtain local input. The "Premise data collection tool" used a mobile application to survey "citizen contributors" from around the country. The "AI/ML social media sensing tools." analyzed data from social media users to gather real-time feedback from health care consumers. The data these tools collected helped USAID HRS check assumptions and triangulate information gathered from local stakeholders to identify gaps, share information with the GOU, and confirm that reform activities are grounded in the local context.

According to Barakat and Milton, these kinds of efforts are necessary but may not be sufficient for localization to fulfill its potential unless a shift of resources to local actors is matched by a sustainable, steadfast approach to nurturing existing local capacities and community assets.<sup>27</sup> Understanding local political dynamics and supporting local ownership will help promote the success of all localization efforts.<sup>28</sup> Decentralization of management and transitions to more locally owned decision-making at the oblast and facility level has presented challenges for both the GOU and for USAID HRS efforts to support the government. These challenges are not unique to Ukraine. They include a fluid political environment and unstable conditions at the local level when leadership changes in government agencies and following elections; resistance to reform among key actors at local levels (e.g., HCF managers); and public criticisms of reform.

"When USAID empowers local actors—and our efforts are responsive to local priorities, draw upon local capacities, diverse networks, and resources, and are accountable to local communities we expect that results are more likely to be sustained by local organizations and institutions."

Samantha Power, USAID Administrator



 $<sup>^{\</sup>rm 27}$  Barakat S, "Localisation across the humanitarian-development-peace nexus."

# Team and management success factors

USAID HRS supported the GOU's journey to modernize its health system in the face of fraught circumstances in an evertransitioning landscape. The critical success factors included a long and collaborative relationship with the GOU—one built upon trust, mutuality, and a shared vision for the future and purposeful team and management efforts to optimize project effectiveness.

Deloitte's multi-disciplinary technical team, composed of economists, doctors, lawyers, clinicians, health workforce specialists, marketing and public relations specialists, program managers, operations advisors, cybersecurity and IT specialists, and others, embraced and applied adaptive management techniques that allowed the team to respond to unanticipated challenges in its support of the GOU's reform and restoration agenda. These skills, techniques, and processes helped the USAID HRS team respond efficiently and effectively to the GOU's requests for assistance, including during the COVID-19 pandemic and the war in Ukraine.

Deloitte embraced and invested in the Collaborating, Learning, and Adapting Framework, a set of practices that helped the project continuously reflect upon and learn from its technical assistance activities. USAID HRS put into place processes and adapted tools that fostered internal collaboration, complementarity, and the pursuit of synergies across project workstreams and teams to help achieve crosscutting benefits for the health system. Figure 2 illustrates the activity's overall approach to supporting health system modernization and transformation in Ukraine.

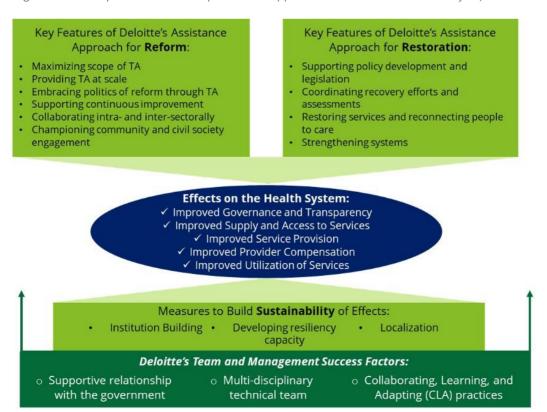


Figure 1 Summary of Deloitte's Comprehensive Approach under the USAID HRS Project, Deloitte

# Conclusion

Deloitte's multi-faceted technical assistance approach under USAID HRS contributed to progress in transforming the health system towards a more efficient, equitable, transparent, and patient-centered system better capable of meeting the health needs of the Ukrainian population. Since 2018, USAID HRS has supported the Ukrainian health system, end-to-end and topto-bottom, lending its support to strengthening primary and specialized care, reducing out-of-pocket spending, improving quality of care, reducing corruption, increasing transparency and accountability, and helping the GOU recover from and restore its health system from damages and disruptions stemming from the war in Ukraine.

For the GOU, USAID HRS, and other development partners, the dynamic nature of the Ukraine war is creating challenges, both immediate and far-reaching, for continued progress toward health system transformation and modernization. New and complex physical and psycho-social needs of the Ukrainian people require urgent attention, as do measures for ensuring the safe return of displaced citizens and health professionals. The war in Ukraine and the resulting challenges put on the energy and health infrastructure are disrupting service provision, creating financing challenges for PHC and specialized health care facilities, and interfering with the smooth functioning of the health system. Prompt and strategic responses to security challenges that threaten the health and well-being of the Ukrainian people and all those responsible for ensuring the public's health will remain paramount for the foreseeable future.

USAID HRS has been supporting the MOH, NHSU, and all levels of care from regional to individual health care facilities to patients in order to address GOU priorities for the restoration and recovery of the health care sector for 2024. Those priorities include restoring health service provision in liberated territories; enhancing the quality and accessibility of hospital-based services; reducing financial barriers to health care, primarily by expanding the PMG; and rehabilitating war victims through the expansion of rehabilitation and mental health services to address new needs of veterans and civilians. Health system restoration/recovery and reform challenges and responses are interdependent, and the balancing of ongoing and new technical assistance activities addressing both will likely persist for some time and become the way forward for continuing to modernize, strengthen, and transform Ukraine's health system.

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