FROM CATASTROPHE TO CATALYST

Can the World Bank make COVID-19 a turning point for building universal and fair public healthcare systems?

SUMMARY
COVID-19 has exposed the widespread failure to invest in strong and universal public health systems, putting millions of lives at risk and dramatically widening health inequalities. Oxfam analysed the World Bank’s emergency health funding to 71 countries in response to the pandemic. While its response has been rapid and significant, we find the World Bank has missed vital opportunities to strengthen public health systems so they can tackle COVID-19 and deliver health for all in the future. Oxfam’s research finds that 89% of projects do not plan to support any action to remove financial barriers, including user fees, that exclude millions from life-saving care; and two-thirds lack any plans to increase the number of healthcare workers. An urgent course correction is needed to help countries effectively fight the pandemic and build fairer, more resilient universal healthcare systems.

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For further information on the issues raised in this paper please email advocacy@oxfaminternational.org

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Cover photo: Nishi Stephen, a staff nurse at a primary health clinic in Bihar state, eastern India. (2018). Photo: Atul Loke, Panos/Oxfam
SUMMARY

The COVID-19 pandemic has plunged countries around the world into an extreme health and economic crisis. In countries that lack free quality healthcare for all, people in poverty are more likely to go without testing or treatment, and the pandemic could push up to half a billion more people into poverty.¹ The International Monetary Fund (IMF),² World Bank and Organisation for Economic Co-operation and Development (OECD) have all warned that COVID-19 is likely to lead to an increase in inequality in almost every country, in what the World Bank President has called an ‘inequality pandemic’.³

COVID-19 has shown the world how our health is fundamental to our collective security, safety and prosperity. The pandemic has also exposed long-standing and fatal cracks in health systems, especially in low- and middle-income countries, that have seen their public finances hollowed out by decades of austerity policies and a rigged global economic regime.

Today, these nations face vastly increased demand for health services, alongside the brutal financial squeeze of recession,⁴ burgeoning debt,⁵ and further austerity measures.⁶ The pandemic is overwhelming health systems, and reducing access to other life-saving services, especially for people in poverty and women. In Kenya, for example, maternal health resources and workers have been redeployed to tackle the virus,⁷ and globally, reduced perinatal care due to COVID-19 could cause maternal deaths to increase by between 8% and 39% each month.⁸

In response to this crisis, the World Bank has stepped up, and provided rapid and substantial financial support to low- and middle-income countries. In March 2020, it announced $6bn in initial health funding through the COVID-19 Fast Track Facility, part of $160bn in broader pandemic financing across sectors. In April the Bank’s Board of Directors approved a COVID-19 Strategic Preparedness and Response Program (SPRP), providing a framework for recipient-country projects under a Multiphase Programmatic Approach (MPA). This framework underlines the importance of rapid disease response and containment measures as well as broader health system strengthening, and indicates support for investing in prevention, health workers, and removing financial barriers to healthcare.

OUR RESEARCH

In this context, Oxfam reviewed the SPRP MPA programme framework, and the 71 country project documents available as of 30 June 2020,⁹ to analyse whether the first phase of World Bank COVID-19 funding does enough to support key areas of the public health response to the pandemic and to build resilient and fair universal healthcare systems for the future.

Specifically, we assessed the extent of support for water, sanitation and hygiene (WASH) services and public health promotion as key aspects of prevention; action to remove financial barriers to healthcare; expanding the supply of healthcare workers; and the role of the private sector in the public health response.
We found that the World Bank’s COVID-19 health funding was strong in some of the areas we assessed, particularly in disease prevention. However, we found the World Bank has missed vital opportunities to strengthen public health systems so they can tackle COVID-19 and deliver health for all in the future.

A STRONG COMMITMENT TO PREVENTION, WITH ONE MAJOR GAP

Investing in prevention should be a key part of any country’s public health response to the pandemic. Many World Bank projects have an entire component or components focused on prevention activities, including testing, and PPE and training for health workers. Our research looked specifically at WASH, and public health promotion -- such as raising awareness of preventive behaviour, health and hygiene -- as key components of prevention.

Many low- and middle-income countries have a mountain to climb to ensure clean water and handwashing facilities for all. For example, in 2019, one in three people globally were going without safe and reliable water services. This puts lives at risk and exacerbates gender inequality; women and girls spend 200 million hours every day collecting clean water,10 and the pandemic has increased this burden.

Oxfam’s research found a high level of commitment to prevention activities, with widespread support for WASH interventions and public health promotion in World Bank projects and a strong emphasis on handwashing. We found 82% of projects (58 of 71), include some support for the provision of WASH supplies and/or facilities, and 85% (60 of 71) include action on public health promotion. These measures can save countless lives and help stop the spread of the virus.

However, it is concerning that so few projects support WASH interventions in public places and community spaces, as recommended by the WHO.11 The majority of projects only support action in health facilities, and just two specify interventions that will benefit the wider community. The World Bank must therefore urgently review this gap in its support by identifying countries where the need exists and responding where there are no other relevant WASH operations.

FREE HEALTHCARE: A FATAL BLIND SPOT

Health user fees and other out-of-pocket health expenditure put the lives of the poorest at greatest risk.12 Every year, user fees prevent one billion people from accessing healthcare,13 and countries with higher levels of out-of-pocket spending on health have a higher rate of premature deaths.14 Women and girls are at greatest risk; they are more likely than men to lack the means to access fee-charging medical services.15

The extreme and widespread health risks of COVID-19 make it all the more urgent that all financial barriers to accessing healthcare are removed, as the World Health Organization (WHO) highlighted in its June 2020 guidance.16 It warned that fees not only block access to healthcare but can cause avoidable deaths and increased transmission.
Figure 1: Out-of-pocket expenditure as percentage of current health expenditure, compared to WHO suggested maximum threshold

For 70 of the 71 countries analysed; no data available for Kosovo

Source: Oxfam graph using data from WHO Global Health Observatory (retrieved Sept 2020). Countries receiving support from the World Bank to reduce financial barriers are highlighted in green.
However, we found that just 8 of the 71 World Bank COVID-19 health projects include any plans to remove financial barriers to accessing health services, and that even these have significant shortcomings. For example, none of the 8 specify that fee waivers will cover all health services as the WHO recommends, and the two that commit to covering health insurance contributions, indicate that this will only be a short-term measure.

As many as 56 of the 70 project countries for which data is available, have out-of-pocket spending on health above the WHO’s ‘safe’ threshold (see Figure 1). This demonstrates a substantial and pressing need that the World Bank effort has not addressed. In fact, 25 projects specifically identify high out-of-pocket payments for health as a major issue but fail to take any action to tackle them.

These findings reveal a significant failure of the World Bank to support countries to remove healthcare user fees. It was the World Bank which pioneered the introduction of user fees under structural adjustment programmes in the 1980s and 1990s. This has caused huge and avoidable suffering in many countries. Yet despite moving away from this approach and acknowledging that user fees are ‘unjust and unnecessary,’ it has taken insufficient action to support their removal at country level, an issue which was also raised in the most recent Independent Evaluation Group report on health financing. The COVID-19 pandemic should be a pivotal moment for the World Bank to change course and drive the removal of these deadly charges in countries across the world.

FALLING SHORT ON VITAL ADDITIONAL HEALTH WORKERS

Nurses, doctors, community health workers, and other crucial personnel like cleaners and porters, are the backbone of any public health system. They are essential to achieving quality universal healthcare, and to tackling the COVID-19 pandemic. COVID-19 has shown the world how reliant we are on these frontline health heroes. Seventy percent of health workers are women. As of September 2020, at least 7,000 health workers have paid the ultimate price and have given their lives in the fight against this disease. Health worker shortages put lives at risk, and exacerbate gender inequality, as even more unpaid care work falls to women and girls when adequate healthcare is unavailable.

Almost half the projects (34 of 71) include some level of commitment to either mobilizing additional health workers or providing pay to health workers. However, it is a very significant concern that the remainder do not. It is hard to imagine effectively supporting a country’s health system response to COVID-19 without providing any support to recruit additional health workers or fund decent pay to retain them, yet over half the projects did not.

Even before COVID-19 hit, there was a shortage of 17.4 million health workers worldwide, mostly in low- and lower-middle income countries. In 70% of the project countries for which data is available, the number of nurses is below the WHO’s minimum recommended level of 27.4 per 10,000 people. Thirty-four countries are not even halfway to meeting this minimum. In the context of such substantial health worker shortages, compounded by an unprecedented global pandemic, more investment is urgently needed. It is therefore particularly
disappointing that two-thirds of country projects do not include any plans to increase the number of health workers, and that the 25 projects which do, have substantial shortcomings. For example, in a number of cases extra health workers are only being supported temporarily, and no project specifies a large number of additional workers.

COVID-19 represents a huge opportunity to start to address these health worker shortages and the World Bank must now act rapidly to remedy this critical gap in its support.

ARE PRIVATE ACTORS SERVING THE PUBLIC INTEREST?

Achieving equitable healthcare for all in low- and middle-income countries relies on investment in strong and accountable universal public health systems. While the private sector can play an important role in tackling the COVID-19 crisis, especially where it has the lion’s share of intensive care facilities and large numbers of trained health workers, it also brings with it significant challenges and risks, not least that profit is often put before patients’ needs and rights.

The WHO has recommended that governments engage the private sector and civil society to provide surge capacity, and maintain public sector oversight of supplies, financing, and public and private health workers. Any publicly funded assistance for private sector involvement should be in support of a government-led public health response, and in the public interest.

Oxfam’s research found that 23% of projects (16 of 71) indicate the possibility of support to the private sector to engage in health service provision. In 7 cases this specifically includes for-profit private actors, and in numerous others the role of non-state actors is described in such vague terms that it cannot be discounted. This level of project support for private sector engagement appears to go beyond that envisaged in the agreed framework guiding the World Bank’s COVID-19 health response.

Of significant concern, given known and well-evidenced risks of engaging private health actors, is that project documents do not provide enough clarity or detail on planned support to the private sector to allow for proper scrutiny. This is particularly worrying where planned support is significant, as is the case for Ghana and Mali. There is also a lack of commitment to ensuring that private sector facilities and services supported by the projects will be made available free of charge to all patients, in line with WHO guidance. Finally, it is a major shortcoming that the World Bank does not stipulate safeguards or minimum standards to ensure the private sector’s role is transparent and accountable; works in the public interest; and does not undermine public health system strengthening.

TIME FOR AN URGENT COURSE CORRECTION

There is a need for an urgent and significant course correction in the World Bank COVID-19 response to help countries effectively fight the pandemic and build the foundations for fairer, more resilient universal healthcare systems. The pandemic should mark a turning point for the World Bank’s health policies, with unequivocal and vocal support for quality healthcare for all, free at the point of use, built on a strong foundation of a paid and fully protected health workforce and universal
comprehensive primary healthcare. The World Bank has not yet seized this opportunity, but it can and must still do so -- never has the case been stronger. It must take decisive action now to ensure the COVID-19 catastrophe becomes a catalyst for fulfilling the right to health for all.

RECOMMENDATIONS

The World Bank should:

• Send a strong, clear and public message that all countries should make healthcare free by removing user fees and other direct payments for all essential healthcare for the duration of the pandemic and for the long-term and that it will provide financial support to countries to achieve this.
• Urgently redress the gaps in World Bank support for additional health workers and for their decent work, pay and protection.
• Maintain strong and consistent support for public health promotion and the improvement of WASH in health facilities. Review and where needed scale up support for improving access to WASH services for wider communities.
• Introduce minimum standards and safeguards for any financial support provided to the private sector for the COVID-19 emergency response.
• Cancel all debt payments owed to the Bank for the duration of the pandemic, to ensure that countries can devote their limited resources to responding to the crisis and building resilient public health systems. Provide current and ongoing emergency financing to low-income countries as grants, and to middle-income countries as concessional loans. Avoid diverting funds for the COVID-19 response from existing essential public services, and strive to make pandemic response funding additional to existing resource flows.
• Ensure full inclusion of civil society stakeholders at the local and national levels in the design and implementation of COVID-19 projects, including women’s rights organizations and those representing disadvantaged or vulnerable groups.

Donor governments should:

• Urgently scale up aid to health, both for the emergency pandemic response and for building universal public health systems with services free at the point of use. Make fair-share contributions to the World Bank’s International Development Association (IDA) COVID-19 funding request, while ensuring that the Bank provides debt relief to countries in addition to its pandemic assistance.
• Use their Board representation at the IMF to ensure it is not encouraging or requiring governments to adopt austerity measures during or after the COVID-19 pandemic that could limit governments’ fiscal space to support health services and public healthcare workers.

All governments should:

• Urgently scale up investments in resilient and fair universal healthcare systems, including by removing fees for healthcare, hiring the additional health workers needed and their pay and protection, and ensuring access to clean water for all.
• Improve domestic revenue mobilization focused on building fair and progressive tax systems to increase financing available for health and other essential public services.


9. As of 30 June, there were 73 countries on the World Bank’s list of ‘countries benefiting from the dedicated COVID-19 Fast-Track Facility’. However, two of them (Somalia and Iran) are not under the auspices of the MPA, and therefore were not included in our analysis.


17. WHO. (2020, April). Guidance note on the role of Cash and Voucher Assistance to reduce financial barriers in
the response to the COVID-19 pandemic. https://www.who.int/health-cluster/about/work/task-teams/Guidance-note-CVA-COVID.pdf?ua=1


The WHO suggests that out-of-pocket expenditure should remain below 15-20% of current health expenditure, to ensure ‘financial catastrophe and impoverishment falls to negligible levels’.

Kosovo is the one project country where data is not available.


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