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# LAOS HEALTH STRATEGY 2019 - 2023

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# FOREWORD



EMBASSY OF THE  
UNITED STATES OF AMERICA  
VIENTIANE, LAO PDR

AMBASSADOR

## Foreword

The U.S.-Laos bilateral relationship is stronger today than at any time in modern history. Three years ago, the U.S. and the Lao PDR launched a Comprehensive Partnership based on mutual respect, common interests, and a shared desire to address war legacy issues in order to build a foundation for the future. We continue to enhance our bilateral relationship with the recognition that the Lao PDR plays a central role in advancing a free and open Indo-Pacific characterized by the prosperity, security, and sovereignty of our nations.

One of the core principles of our cooperation is a belief that the health, well-being, and productivity of the people of Laos is crucial to achieving the Lao government's development goals and building its capacities as a regional partner. This principle has driven our engagement in the health sector. Over recent years, the U.S. and the Lao PDR have collaborated to establish the Lao-American Nutrition Institute, improve the nutritional status of mothers and children, build sustainable systems to address HIV/AIDS and malaria, and advance the Global Health Security Agenda – all in addition to ongoing efforts to improve opportunities and access to services for persons with disabilities.

Thanks in part to these initiatives, the Lao people have experienced better reproductive, maternal, and child health outcomes. But our work is not finished: Laos still trails regional peers on these and other health and nutrition indicators, and disparities persist between urban and rural populations.

To tackle these challenges and unlock the full potential of the people of the Lao PDR, the U.S. Agency for International Development (USAID) has prepared this Laos Health Strategy. The Strategy is intended to guide USAID's health programming in line with U.S. Mission priorities and the Lao government's Health Sector Development Plan. Developed through a field-based consultative process conducted jointly with the Lao Ministry of Health, the Laos Health Strategy builds on past U.S. programs, complements other development partners' efforts, and aims to leverage the country's burgeoning private sector. Through this coordinated approach, we will contribute to the long-term viability and effectiveness of the Lao PDR's health system – and in turn, to a strong and prosperous Laos at the heart of a free and open Indo-Pacific region.

The future of the U.S.-Laos bilateral relationship is bright, and I am confident that our continued partnership in pursuit of a healthy and productive Lao population will play an important role in that relationship going forward.

A handwritten signature in black ink, appearing to read 'RB' with a stylized flourish.

Rena Bitter

# ACKNOWLEDGEMENTS

USAID extends its thanks to the Government of Laos for its active participation in development of this first USAID Laos Health Strategy. The Laos Ministry of Health officials at the central, provincial, and district levels worked with USAID from an early stage on all aspects of planning, including all site visits and meetings with government health offices, provincial and district hospitals, health clinics, and communities in the provinces of Bokeo, Bolikhamxay, Khammaoune, Houaphanh, Luang Namtha, Oudomxay, Sekong, Xaiyabouly, and Xieng Khouang. We sincerely thank all officials, health service providers, and community members in each of these provinces for their valuable inputs to the development of this strategy. USAID would also like to extend its appreciation to the staff of multilateral and bilateral development agencies working in Laos who generously made themselves available to meet with the team developing this strategy. A list of health offices, facilities, and development partners who were consulted in development of this strategy is in Annex 3.

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# ACRONYMS

AIDS	Acquired immune deficiency syndrome
AMR	Antimicrobial resistance
AOR	Agreement Officer’s Representative
ART	Antiretroviral therapy
ARV	Antiretroviral
ASEAN	Association of Southeast Asian Nations
CDC	United States Centers for Disease Control and Prevention
CEP-NTD	Control and Elimination Program for Neglected Tropical Diseases
CHAS	Center for HIV/AIDS and STIs
CMPE	Center for Malaria, Parasitology, and Entomology
DHIS	District Health Information System
DHO	District Health Office
EHSP	Essential Health Services Program
FSWs	Female sex workers
FY	Fiscal Year
GDP	Gross Domestic Product
GF/GFATM	Global Fund
GHPPro	Global Health Program Cycle Improvement Project
GoL	Government of Laos
HC	Health Center
HIV	Human Immunodeficiency Virus
HSRS	Health Sector Reform Strategy
HSS	Health Systems Strengthening
IMF	International Monetary Fund
LCO	USAID Laos Country Office
LINKAGES	Linkages across the Continuum of HIV Services for Key Populations Affected by HIV
LTFU	Loss to follow up
MCH	Maternal and Child Health
MDG	Millennium Development Goal
MDR-TB	Multi drug-resistant Tuberculosis

MNCH	Maternal, Newborn, and Child Health
MoH	Ministry of Health
MSM	Men who have Sex with Men
NGO	Non-governmental organization
NHI	National Health Insurance scheme
NTD	Neglected Tropical Disease
OOP	Out-of-pocket (spending on health)
PDR	People’s Democratic Republic
PEPFAR	President’s Emergency Plan for AIDS Relief
PHO	Provincial Health Office
PI	Protecting the Investment
PLHIV	People Living with HIV
PMI	U.S. President’s Malaria Initiative
PWID	People who inject drugs
RDMA	USAID Regional Development Mission for Asia
RMNCAH	Reproductive, Maternal, Newborn, Child and Adolescent Health
RMNCH	Reproductive, Maternal, Newborn, and Child Health
SC	Save the Children
SCH	Schistosomiasis
SDG	Sustainable Development Goals
TB	Tuberculosis
TGW	Transgender Women
UHC	Universal Health Coverage
USAID	United States Agency for International Development
USG	United States Government
UXO	Unexploded Ordnance
WASH	Water, Sanitation and Hygiene
WHO	World Health Organization

# EXECUTIVE SUMMARY

Over the past 20 years, Laos has significantly reduced poverty and hunger and improved education and health outcomes. These successes have been driven by strong economic growth. The benefits of growth have, however, not been evenly distributed among the population. Poverty reduction has lagged significantly behind gross domestic product growth and has varied by location, education, ethnicity, sex, disability status, and occupation. Poverty—at 29 percent—is significantly higher in rural areas, compared to 10 percent in urban areas, pointing to a pronounced urban-rural divide. Communities from smaller ethnic populations, particularly in rural and remote areas, more commonly experience higher rates of maternal and infant mortality, stunting, and lower secondary school enrollment. The quality and coverage of health services nationwide remains low. Key challenges are limited access to health facilities in rural and remote areas, under-resourced and insufficient skilled health professionals, and under-funding of the health sector in order to achieve universal health coverage.

Laos' key challenge is to utilize the country's economic success to ensure sustained and equitable development that benefits the entire population. The Government of Laos (GoL) stands at a strategic intersection where it can choose between making sound investments to achieve its Sustainable Development Goals or go into even greater debt by borrowing for infrastructure projects that have limited potential to deliver on key development outcomes of benefit to the whole population.

To date, USAID's health investments in Laos have been sporadic and scattered, and have taken place in the absence of an overarching, cohesive strategy. USAID supports a range of disparate health activities in Laos, many of which are managed outside the country and some of which are not linked to an overall strategic effort. As a result, this first USAID Health Strategy for Laos seeks to provide a cohesive vision for the Agency's bilateral, regional, and central investments in the health sector, through building resilience and sustainable capacity and systems to overcome key barriers to development.

The development hypothesis that underlies this Strategy is that a healthy and well-educated population will foster resilient, equitable, and prosperous human and economic development for Laos.

A key aim of this Strategy is to improve health outcomes among Laos' most vulnerable populations. The most vulnerable populations, as reflected in the health outcome data, are pregnant and lactating women, newborns, children under five years of age, and female adolescents, particularly those living in poverty in rural and remote areas who experience the worst health outcomes. Accordingly, USAID's highest priority for health sector programming will be to support improved health and nutrition outcomes among mothers, newborns, children, and adolescents. This support will include activities to empower women and girls, increase equitable access to and utilization of reproductive, maternal, newborn, child and adolescent health (RMNCAH) and nutrition services and increase adoption of healthy behaviors and sustained optimal home-based practices and community norms related to RMNCAH, including improved Water, Sanitation, and Hygiene.

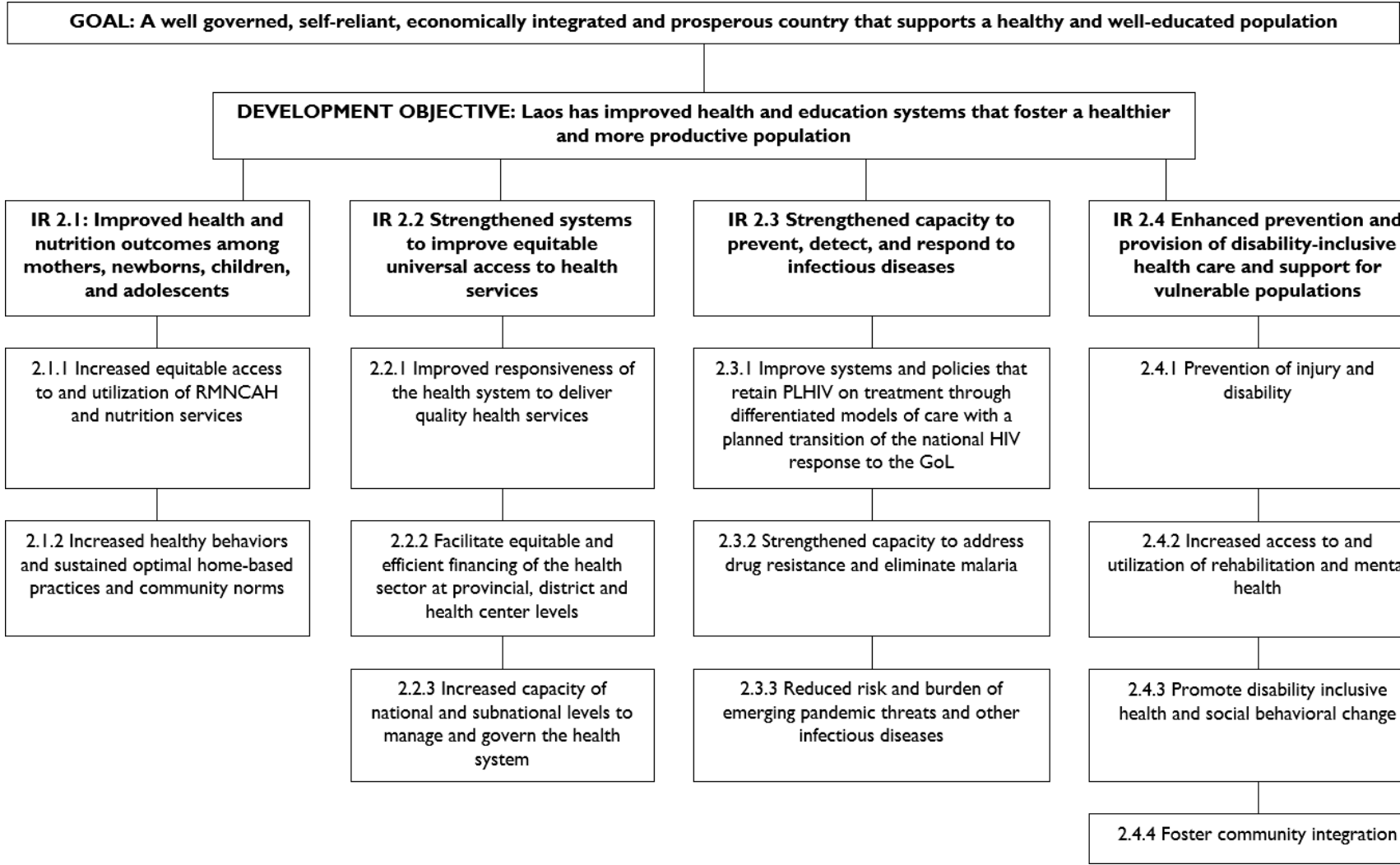
To achieve sustainable outcomes, USAID's health programming will place a particular emphasis on strengthening systems to improve equitable universal access to health services. A key area of support will be enhancing the responsiveness of the health system to deliver quality RMNCAH services. USAID will also provide technical assistance to facilitate equitable and efficient financing of the health sector at all levels and support capacity development for improved management and governance of the health system at all levels.



High levels of vulnerability also exist among populations at greatest risk for infectious diseases, such as HIV, drug-resistant malaria, neglected tropical diseases, and emerging pandemic threats. USAID will continue to build on previous and current investments in these areas to strengthen the capacity of Laos to prevent, detect and respond to infectious diseases.

Persons with disabilities and mental illness are also among Laos' most vulnerable populations due to social marginalization and a lack of social inclusion resulting from stigma and discrimination. This is reflected in the limited nature and availability of appropriate services. USAID health programming will focus on prevention of injury and disability, increased access to and utilization of rehabilitation and mental health services, promotion of disability inclusive health and social behavioral change, as well as fostering community integration.

The outcomes USAID will deliver on are reflected in the Intermediate Results of the Results Framework (see next page).



# I. LAOS CONTEXT AND HEALTH SECTOR OVERVIEW

## A. LAOS SOCIAL AND GEOGRAPHICAL CONTEXT

A defining feature of the Lao People's Democratic Republic (PDR) is the high degree of ethnic diversity among its population of 7.2 million people. The Government of Laos (GoL) officially recognizes 49 ethnic groups. The largest groups are the Laos (53 percent), Khmou (11 percent), and Hmong (9 percent). Other ethnicities include the Phouthay, Tai, Makong, Katong, Lue, and Akha peoples, which each make up between 1.8 to 3.4 percent of the population. A large number of other ethnic groups account for around 12 percent of Laos' total population. While growth in the urban population is occurring at around five percent a year, 65 percent of people live in rural and remote areas. The population is most densely populated in and near the capital, Vientiane, but much of the rural population is scattered in often hard-to-reach communities, isolated by distance, mountainous terrain, and poor or non-existent road infrastructure. The four administrative levels in Laos are the central, provincial, and district governments, and the village.

Agriculture, dominated by rice cultivation, accounts for 20 percent of gross domestic product (GDP) and 61 percent of total employment. Economic growth is primarily driven by the energy, mining, construction, and manufacturing (electronic parts) sectors, which employ only a small percentage of the workforce. Except for agriculture, where 63 percent of women are employed, mostly as self-employed or family workers, women are underrepresented in all these sectors. Occupational sex segregation and wage gaps between women and men result in lower overall income for women and higher poverty rates in female-headed households.

A World Bank gender assessment found that the shift from subsistence-based to market-oriented household economies is particularly difficult for women in non-Laos-Tai ethnic groups who are often unprepared to engage with the market due to cultural roles and limited Laos language and technical skills. On average, male-headed households have larger household labor and productive assets than female-headed households.<sup>1</sup>

Over the past 20 years, Laos has significantly reduced poverty and hunger, and improved education and health outcomes. This has, in part, been driven by strong economic growth, which averaged 7.8 percent as measured by GDP over the last decade. The benefits of growth have, however, not been evenly distributed among the population. Despite a halving in the poverty rate over the last two decades, poverty reduction and consumption growth have lagged significantly behind GDP growth.

Much of Laos' growth is driven by heavy government borrowing, particularly for hydropower development and the Chinese-led high-speed railway construction. According to the International Monetary Fund (IMF), Laos' ratio of public guaranteed debt to GDP in 2017 crept beyond 60 percent and is projected to reach 66 percent in 2019. The IMF's latest debt sustainability analysis in January 2017 warned that the country's external debt distress had risen from "moderate" to "high," as the ratio has continued to climb since breaching the threshold of 40 percent set by the Fund. This debt burden greatly influences the GoL's budget allocations to

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<sup>1</sup> World Bank. 2015. Country Gender Assessment for Laos PDR-Reducing Vulnerability and Increasing Opportunity

all sectors. The GoL stands at a strategic intersection where it can choose between making sound investments to achieve its Sustainable Development Goals or going into even greater debt through borrowing for infrastructure projects that have limited potential to deliver on key development outcomes that equitably benefit the whole population without parallel investments in human development including health and education.

While Laos met its Millennium Development Goal (MDG) target of reducing extreme poverty to below 24 percent by 2015, poverty reduction has varied by location, education, ethnicity, age, sex, and occupation. Poverty—at 29 percent—is significantly higher in rural areas, compared to 10 percent in urban areas. Rural areas accounted for 87 percent of the poor in 2012-2013.<sup>2</sup> Poverty has declined faster in urban areas, resulting in a higher proportion of those in poverty living in rural and remote areas.

For many ethnic groups, language is a significant barrier to accessing health services and receiving quality care. Understanding patients' needs and effectively communicating health information can be problematic when health workers and the patient population they serve come from different ethnic groups, with different languages, cultures, and beliefs.

Laos faces multiple challenges in ensuring food security, quality education, access to social protection, and preventing and dealing with disability from unexploded ordnance (UXO) and other causes. Despite significant gains in monetary income in many regions, populations still lag behind in key outcomes such as secondary school enrollment, maternal and infant mortality, and stunting. The quality and coverage of health services nationwide is still low. Key challenges are limited access to health facilities in rural and remote areas, insufficient and low-skilled health professionals, and underfunding of the health sector to meet the objective of providing universal health coverage (UHC).

## **B. HEALTH SYSTEMS**

### **Organization of the health-care delivery system**

Health care is predominantly delivered by the public system through government-owned and operated health centers (HCs), and district and provincial hospitals. There is increasing private-sector provision with loose regulations and frequent dual practice.

The Ministry of Health (MoH) system comprises three administrative levels: central, provincial, and district. A fourth level under the districts is responsible for providing community health services through HCs, village health volunteers, community health committees, and traditional birth attendants.

At the central level, the MoH directly manages several tertiary care hospitals, a national center for medicine, medical colleges, and universities. Provincial Health Offices (PHOs) are under the control of provincial governments in terms of technical oversight, organizational management, payroll, and operations. PHOs are also under the control of the MoH in relation to technical direction, monitoring, and inspection. There are 18 PHOs (including Vientiane) and 16 provincial hospitals.

District Health Offices (DHOs) supervise district hospitals and HCs. DHOs operate under the district mayor but are also under the control of the PHO for technical direction and supervision. Each district has a district hospital, in one of two categories, depending upon their

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<sup>2</sup> World Bank Country Partnership Framework, 2017

capacity to perform surgery under anesthesia. There are currently 143 districts in Laos with populations ranging from 30,000 to 80,000. The network of HCs is the first level of care. Health centers expand their activities through village health workers and traditional birth attendants. The GoL operates around 1,000 health centers.

Despite remarkable achievements in improved health outcomes, including life expectancy, key indicators such as infant, under five and maternal mortality are still high. These poor outcomes can, in large part, be attributed to health systems challenges on both supply and demand sides. These challenges include:

- Limited government funding.
- A low utilization of health services, particularly in primary health care facilities where few Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCAH) services are actually available, and trust in quality of care and access remain major issues.
- Low quality of services in small HCs with decaying infrastructure, lack of basic equipment, lack of running water and sanitation facilities, and stockouts of some key medications.<sup>3</sup>
- Lack of cultural competency and language skills among healthcare providers serving in diverse ethnic minority areas.
- Shortage of competent managers at all levels. Provincial governments have a relatively high level of autonomy over health service delivery, but variable levels of capacity.
- Shortage in qualified health staff with the necessary skills, despite increases in the number of staff.<sup>4</sup> Training institutions are not equipped to meet the demand for a qualified health workforce. There are also problems with the distribution of health staff, particularly the deployment of staff to remote areas. The GoL Health Personnel Development Strategy includes measures to address human resource management.
- Data quality on health service provision at the health center level is generally poor. Data may be recorded inaccurately by health providers who are constrained by multiple responsibilities, who may not understand the significance of the data, and who may not be empowered to act. Consequently, the use of data for evidence-based planning and decision making is relatively low.
- Weak, fragmented disease surveillance systems and outbreak response, particularly for malaria, HIV, and emerging pandemic threats.
- Weak financial management, with fragmented and inaccurate expenditure monitoring. Key issues are inaccurate costing of program budgets, difficulty in tracking expenses, and a lack of alignment between planning and budgeting.
- A forthcoming reduction in donor financing of key health programs. This will pose a major challenge for the GoL in its efforts to continue improving health outcomes and coverage.

Despite a significant increase in government funding since 2009, the health sector remains underfunded. Total expenditure on health doubled between 2010 – 2011 and 2015 – 2016, driven by both an increase in government expenditures and a parallel increase in out-of-pocket

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<sup>3</sup> Service Availability and Readiness Assessment Survey, 2014

<sup>4</sup> World Bank Workforce Study, 2016

(OOP) spending. In 2016, government expenditures accounted for 31 percent of total health spending, with external funding at 20 percent and OOP at 45 percent.<sup>5</sup> Total health spending has been relatively stable as a percentage of GDP at 2.9 percent, but OOP spending is higher than the national target of 40 percent. Government health expenditure as a percentage of total government spending increased from 4.4 percent in 2010 to 5.9 percent in 2015 – 2016.<sup>6</sup> This is significantly lower than for other countries in the region, such as China, Thailand, and Vietnam, which all spend over 10 percent on health. Frontline facilities such as HCs account for only 6.4 percent of all health expenditure. OOP spending is mostly on curative services, while pharmaceuticals accounted for 45 percent of OOP expenses. In addition, government health budget allocations per capita vary significantly by province.

### **Health sector reform**

In response to these challenges the GoL developed a Health Sector Reform Strategy (HSRS), 2013 – 2025. The Strategy recognizes that delivering high quality health services and responding to growing and changing demands will require health system reforms. The HSRS focuses on five priority areas:

1. Human resources development
2. Health financing
3. Governance, organization, and management
4. Equitable access to quality health services
5. Health information systems and monitoring and evaluation

Currently, and through to 2020, the implementation of the HSRS focuses on delivering essential and quality health services to the population. From 2021–2025, implementation will focus on achieving UHC. To achieve the goal of improving access and quality of health care services, the strategic directions articulated by the MoH include: 1) the introduction of modern medical technology; 2) the revision of existing licensing and accreditation rules and procedures for health care providers and facilities; 3) the creation of an investor-friendly environment in the health sector, opening the door to an expansion of private sector provision; 4) the implementation of the social health protection policy (i.e., the National Health Insurance scheme); and 5) a move toward hospital autonomy.

The HSRS proposes to address key areas for reforms but must be translated into operational plans. Bold decisions, such as provider payment changes, will have to be made, and longer term investments, for example in health workforce development, will be necessary. Moreover, as the country is facing fiscal constraints, there will certainly be competing priorities between sectors. Strong political commitment is needed to ensure that the health sector remains adequately funded to address the needs of the poor and vulnerable.

### **Social Health Protection: The National Health Insurance scheme**

The recent rollout and implementation of the National Health Insurance (NHI) scheme is an essential component of the HSRS that has particular significance for health financing in Laos.

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<sup>5</sup> Laos PDR National Health Accounts reports, November 2017

<sup>6</sup> The government has set a national target of 9 percent using a definition that includes user fee revenue and a share of external donor assistance.

In 2013, the GoL introduced a policy to provide free maternal and child health (MCH) services to ensure financial protection and increase utilization of these services. Other social protection mechanisms in place were the Health Equity Fund, targeting the poor, and the Community Based Health Insurance scheme. In 2016, the GoL integrated these different social protection schemes into the NHI scheme. The NHI scheme aimed to expand its national coverage to 80 percent by 2018.

The National Health Insurance Bureau in the MoH has succeeded in pooling resources by merging the government's domestic transfers, development partners' funds, and co-payments. Capitation or case rates are used to pay providers. Fees for services and benefits derived from the drug revolving funds, used to defray the costs of medicines, at facility level have mostly been abolished. However, due to uncertainties about payments by the NHI or lack of information about the new policies, some facilities still continue to use the revolving drug funds.

The NHI has achieved significant results in a short period of time: coverage targets have been met and utilization of some services has increased, although more accurate monitoring is needed. Providers, however, complain that the capitation or case rates are too low to cover the real costs of services and there are delays in payments to providers. Health providers at the sub-national level reported a decrease in access to MCH services as the NHI does not cover transportation costs. At provincial and district levels, managerial capacity to successfully perform as insurance carriers needs to be strengthened. In addition, communities and providers need more information about entitlements, rules, and procedures. Work on the Basic Benefit Packages of services is ongoing and could be supported by Health Technology Assessments using the examples of several Association of Southeast Asian Nations (ASEAN) countries that are more advanced in their journey to UHC. Adjustments of provider payment methods and payment rates (pricing), based on true cost estimates, are clearly needed to build a sustainable insurance system and should take place in the short to medium term.

### **C. REPRODUCTIVE, MATERNAL, NEWBORN, CHILD AND ADOLESCENT HEALTH**

Laos has the highest maternal mortality rate (151 per 100,000 births) and under-five child mortality rate (46 per 1,000 live births) of all ASEAN countries. Inequities in coverage of health services are manifested by negative health outcomes amongst the poorest living in rural and remote areas where the majority of the population resides.

While there have been significant improvements in Laos' key reproductive, maternal, and child health indicators, they are still well below national targets and regional averages. 2017 data for key indicators highlight the extent of needs and the presence of wide disparity among various groups of people:

- Sixty-four percent of deliveries were attended by a skilled birth attendant—this was 90 percent in urban areas compared to 34 percent in rural areas without a road.
- Health check following birth while in facility or at home was 67.9 percent in urban areas while only 40.4 percent of newborns were checked in rural areas with a road and less than 25 percent in rural without a road.
- The unmet need for family planning is 75 percent among unmarried women and 14 percent among married women.
- Only 48 percent of children aged 12 – 23 months were fully immunized.

- The under-five mortality rate was 53 deaths per 1,000 live births in rural areas compared to 24 deaths per 1,000 in urban areas.

Gender-based inequalities influence men's and women's access to and use of health services. While cultural norms and beliefs about the roles and decision-making agency of women are diverse in Laos, in general, women face particular gender-based constraints in accessing care, due to mobility limitations, heavy domestic duties and unpaid family labor. In traditional settings, women often rely on their husbands and families in their health-seeking behaviors, with male members deciding whether and where women will seek healthcare. Financial factors are an important constraint to obtaining health advice or treatment.

The adolescent fertility rate in Laos in 2016 was 63 births per 1,000 female adolescents, which is significantly higher than comparable ASEAN countries, such as Vietnam and Myanmar (both countries were 29/1,000). In 2017, population growth was estimated at 1.5 percent annually. The average woman in Laos bears 2.7 children over the course of her life. Demand for family planning remains largely unmet. For example, the unmet need for unmarried women is 75 percent. While education levels for boys and girls have increased markedly over the last decade there is still a high drop-out rate in elementary school, fewer girls are enrolled than boys at all levels in school, and women's literacy rate (73 percent) is significantly lower than men's (87 percent).

Laos has high rates of early marriage and childbearing for girls, although adolescent birth rates vary significantly by population group. Even though the adolescent birth rate declined from 94 to 83 per 1,000 from 2011 to 2017, it remains the highest rate among ASEAN countries. Few studies in Laos have focused specifically on adolescent mothers' access to sexual and reproductive health and maternal health services. One in four girls aged 15 – 19 are married, and within that age group, one in 10 girls have begun childbearing. This contributes to one in five adolescent girls dropping out of school. As a consequence, girls in Laos face challenges which keep them from being able to develop to their full potential. It has been demonstrated that investing in adolescent girls' health, nutrition, and education contributes to reducing early pregnancy, maternal mortality, and child stunting. There has, however, been an absence of substantial and consistent investments in adolescent health programming in Laos or programs that seek to reduce child, early or forced marriages, which result in adolescent childbearing.

Disparities in RMNCAH service coverage and health outcomes are determined by 1) geography and physical access to services, 2) the level of education of mothers (in the case of MCH) or household heads (in the case of water and sanitation facilities), 3) ethno-linguistic groups unable to use health educational materials written only in Lao, 4) cultural and religious norms and beliefs that do not conform with medicalized explanations and treatments for disease and illness, and 5) household wealth. Greater disparities are seen in service coverage for maternal health than for child health. An additional factor in neonatal, infant and child mortality is the age of the mother. Children born to mothers below age 20 or above age 35 have a higher probability of dying before the age of five.

Realizing the importance of addressing the poor health outcomes for many mothers and children, the MoH developed a comprehensive Reproductive, Maternal, Newborn, and Child Health (RMNCH) Strategy and Action Plan (2016 – 2025) to improve reproductive, maternal, newborn and child health. The Strategy and Action Plan is positioned between the Health Sector Development Plan and specific program plans, such as the Family Planning Action Plan 2014 – 2015 (and subsequent years); the Midwifery Improvement Plan 2016 – 2020; the National



Emergency Obstetric Care Five Year Action Plan 2013–2017; the Early Essential Newborn Care Action Plan 2014–2020; and the National Immunization Program Comprehensive Multi-Year Plan 2016 – 2020. This new RMNCH strategy is informed by the GoL’s policy of free MCH services, the Health Sector Reform Framework, and the Five-Year Health Sector Development Plan 2016 – 2020. It also covers the maternal and child nutrition component of the National Nutrition Strategy to 2025 and Plan of Action 2016 – 2020.

While progress has been made under the new RMNCH Strategy and Action Plan, challenges remain. These include: 1) the practicality of the Strategy, which lacks clear priorities and is too broad and difficult to operationalize, 2) a weak and unsystematic RMNCH coordination platform, and 3) weak supportive supervision in many provinces due to lack of strong supervision skills and problem-solving mechanisms beyond the MCH section. Although the training of midwives has increased, sufficient deployment of midwives to HCs has not yet been achieved. This shortage of midwives in HCs is a significant barrier to improving RMNCH care and outcomes. Although adolescent pregnancy is a significant problem, the strategy and action plan do not include programming specific to adolescent health. More broadly, key challenges include weak human resource capacity, dispersed populations in remote and mountainous areas, a lack of demand and trust for services, and overall poor infrastructure.

#### **D. NUTRITION, WATER, SANITATION, AND HYGIENE (WASH)**

Laos did not achieve its MDG target in the area of malnutrition reduction. Nationwide, 33 percent of children under the age of five are moderately or severely stunted; this number reaches as high as 54 percent in some provinces. Twenty-one percent of children are underweight and 9 percent of children under five suffer from wasting or acute malnutrition. Malnutrition is responsible for almost 45 percent of deaths in children under five. In 2017, only 45 percent of mothers practiced exclusive breastfeeding for the first six months, and 40 percent of women and 44 percent of children were anemic. As with other key RMNCAH health outcomes, there is a significant urban-rural divide, with poor people in rural and remote areas having significantly higher rates of poor nutrition-related outcomes.

Factors contributing to stunting and malnutrition include poverty, poor quality diets during pregnancy, inadequate feeding practices for infants and young children, limited access to clean water and good sanitation facilities, poor hygiene behaviors, and limited access to and utilization of quality health services. These factors are influenced by social, gender, and cultural norms and practices which are rarely addressed in health promotion activities or at health facilities.

Nutrition status prior to pregnancy is a determinant of fetal growth and level of risk for preterm delivery, low birth weight, and neonatal mortality. Targeting women and girls once they are pregnant is often too late to prevent poor outcomes and to break the intergenerational cycle of malnutrition. The risk of poor maternal and neonatal outcomes is higher among young pregnant adolescents. Despite the high rate of adolescent pregnancies and although adolescents were included in Laos’ National Nutrition Strategy and Action Plan, adolescent nutrition has not, as yet, been a focus of implementation efforts.

Nationally, 67 percent of HC staff have not received training in nutrition counseling, which has been linked to limited provision of critical health counseling, advice, and support in this area. HCs commonly lack sufficient tools, such as nutrition supplies (e.g., equipment to measure weight and height in children).

Appropriate WASH practices are limited by lack of access to clean water, good sanitation facilities and affordable WASH products, and established community norms and behaviors. While the percentage of people with improved sources of clean drinking water and improved sanitation has grown, an urban-rural divide exists, especially in regard to open defecation. Young children living in households without improved access to water and sanitation are at higher risk of diarrhea, being underweight, and stunting.

To contribute to the reduction of malnutrition in Laos, USAID invests in a nutrition program led by Save the Children (SC) and implemented in partnership with the GoL in two southern provinces in Laos to improve nutrition and WASH practices in 1,000-day households (those with pregnant/lactating women and children under two). The activity helps increase access and use of quality nutrition, health services, and WASH facilities and products, as well as strengthen the enabling environment for improved nutrition and WASH through capacity building activities, multi-sectoral coordination, and planning, particularly at provincial and district levels.

## **E. INFECTIOUS DISEASES**

### **HIV/AIDS**

Laos has a low prevalence of HIV among the general population at 0.3%. However, there has been an increase from 0.16% in 2003. This rising trend may reflect an increase in cross border migration from neighboring countries with high HIV prevalence. Overall, the total number of new HIV infections is estimated to be in the range of 500-600 annually<sup>7</sup>. The estimates also show a rising trend in new infections among key populations (KP) such as men who have sex with men (MSM) and transgender women (TG) women. Numbers of people living with HIV are increasing as are the number of AIDS deaths.

The highest prevalence rates are found in MSM at 1.6%, people who inject drugs at 1.5% and sex workers at 1.4%. Testing rates among KPs are low; 10% among MSM and 38% among female sex workers. Only 57% of the estimated number of people living with HIV has been diagnosed.

Social factors that may contribute to the spread of HIV in Laos include economic disparity, cross-border migration, changing norms and values about sex among young people, gender inequality, and an expanded transport system. A major constraint in epidemic control is limited availability of data on risks and vulnerabilities of HIV infection among female injecting drug users, female sexual partners of male injecting drug users, and TGW. More comprehensive data on MSM and TGW have been generated by the President's Emergency Plan for AIDS Relief- (PEPFAR)-supported programs in three provinces – Vientiane Capital, Champasak, and Savannakhet.

The HIV response in Laos has been led by the Center for HIV/AIDS and [Sexually Transmitted Infections] STIs (CHAS) and has been able to maintain the low HIV prevalence rates among the general population. CHAS has recently endorsed the Test & Start policy to support immediate antiretroviral (ARV) treatment nationwide. Laos is among the few countries in Asia that has included HIV self-testing in its national HIV testing guidelines, using oral fluid-based kits (OraQuick) demonstrated by the USAID Linkages across the Continuum of HIV Services for Key Populations Affected by HIV (LINKAGES) Program.

Until the end of 2018, the goal of the PEPFAR program, implemented by USAID and the United States Centers for Disease Control and Prevention (CDC), had been to catalyze broad,

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<sup>7</sup> AIDS Epidemic Models, 2018, Laos Projection & Estimation Working Group

sustained epidemic control. This work concentrated on demonstrating effective approaches to reach, test, treat, and retain in treatment MSM, TGW, and other key populations in locations with the highest HIV prevalence. USAID collaborated with the civil society and GoL to pilot and evaluate innovative interventions and sustainably scale up effective interventions, supported the establishment of domestic financing mechanisms for non-governmental organizations (NGOs), and worked with the GoL to solidify the important role of NGOs in the health system.

The PEPFAR program focused on programmatic innovations to assist CHAS in increasing access to HIV services among MSM and TGW in the three provinces mentioned above through the implementation of the enhanced peer outreach activities linked to HIV testing, counselling, care, support, and treatment services. The program also supported assisted (or peer-mediated) HIV self-testing. In addition, the PEPFAR program invested in the harmonization of the District Health Information System (DHIS2) to enable better monitoring of the HIV cascade among key populations.

Despite the efforts to address HIV epidemic control, challenges still remain. These include stigma and discrimination that inhibit access to health services and limited access to quality HIV and AIDS services, particularly among key populations and in small provinces. Even in the settings where HIV services are available, high rates of loss to follow up are still an issue. This is associated with the ability to pay for the transportation costs related to treatment services. Currently, Laos' domestic HIV/AIDS budget funds only 13 percent of the national HIV response and treatment is mainly funded by the Global Fund. Given the complex challenges Laos faces, future trade-offs will likely be necessary as the GoL grapples with competing funding priorities in its health sector.

## **Malaria**

More than 95 percent of all malaria cases are reported from the five southern provinces of Champasack, Savannakhet, Saravane, Sekong, and Attapeu and 90 percent of those affected are young adult males. Malaria transmission in Laos is predominantly associated with the forest and forest-related occupations. The MoH's Center for Malaria, Parasitology, and Entomology (CMPE) has adopted a targeted approach for the implementation of malaria control measures by focusing on districts with the highest number of case reports. However, the emergence and spread of multi-drug resistance throughout the region, coupled with a highly mobile population that lack adequate access to malaria services, pose significant challenges for malaria elimination in Laos by 2030. The Greater Mekong Sub-region has historically been considered the epicenter for the development and spread of drug resistant malaria, which, if it were to spread to Africa, would undermine global progress to date. Recent evidence suggests that artemisinin resistance is more widespread in Laos than previously thought.

Under the current National Strategic Plan (2016–2020), the MoH, along with technical, implementation, and community partners, aggressively target southern areas with high malaria transmission, central Laos with moderate burden, and malaria elimination in northern Laos. Key strategies include quality diagnosis and treatment services, effective vector control measures, and appropriate social and behavior change communication. As part of general health systems strengthening initiatives led by the MoH, the national disease surveillance system using DHIS2 is being upgraded to facilitate reporting, information-sharing, and rapid response to changing epidemiology of malaria transmission. In focal areas of malaria transmission in northern provinces, elimination activities to interrupt transmission will be deployed and will serve as a model for eventual nationwide elimination. Due to the increasing population movements and the

influx of migrant workers, even areas with relatively low malaria transmission remain at risk for malaria outbreaks and resurgence.

USAID/President's Malaria Initiative (PMI) supports the provision of targeted technical assistance to the national malaria program to improve data quality and reporting into its malaria surveillance system and to strengthen supply chain management systems to monitor and fill future commodity gaps as the need arises. As part of the regional Therapeutic Efficacy Studies network, USAID/PMI will continue to support the implementation of drug efficacy monitoring of first-line antimalarials as well as evaluation of alternative treatment options.

### **Zoonotic diseases**

USAID's support builds upon a strong foundation of engagement with human, animal, and environmental health disciplines in the campaign against highly pathogenic avian influenza. USAID investments in prevention, early detection, preparedness, and response to high consequence zoonotic diseases, including animal-origin influenzas, are strengthening the Laos health sector's capacity to preempt the emergence and mitigate the impact of these zoonoses. A dynamic and rapidly evolving zoonotic disease landscape continues to present a risk to food security, livelihoods, and public health—particularly in Laos, where substantial portions of the population are dependent upon livestock for nutrition and livelihoods and where men and women have very different roles in livestock management, and therefore different risks for infection.

USAID works with the GoL across ministries through a multi-party “One Health” platform, housed within the MoH's Department of Communicable Disease Control. Engagement across human, veterinary, and environmental health sectors, through this platform, is enabling broad based support, aligned to the GoL's emerging infectious diseases five-year strategy, and in support of International Health Regulations and reporting obligations through the World Organization for Animal Health.

### **Other infectious diseases**

**Tuberculosis:** Laos is surrounded by five countries designated as global high burden tuberculosis (TB) countries, four of which are high burden multi-drug resistant TB (MDR-TB) countries. The World Health Organization (WHO) estimates the 2017 TB incidence rate for Laos at 168 per 100,000 people, with 2.5 per 100,000 experiencing MDR-TB. Mortality attributed to TB is 37 per 100,000 population.

Despite the treatment success rate of 86 percent, financial resources and infrastructure to combat TB are limited, including weak laboratory capacity for diagnosis. People living in rural and remote areas have limited access to TB services. This contributes to high estimates of undetected TB cases.

USAID/Regional Development Mission Asia (RDMA) does not currently undertake TB programming in Laos. The GoL is implementing a Global Fund grant (2017–2019, \$7.4 million) to increase case detection, improve treatment outcomes, and integrate TB into existing health care platforms. The GoL will also be one of several recipients on a pending Global Fund award for TB interventions among migrants and mobile populations in the Greater Mekong Sub-region. This grant is designed to address detection, diagnosis, and treatment among the significant number of migrant workers that flow into or through Laos from Vietnam and China. This award is anticipated in early 2019.

**Neglected Tropical Diseases (NTDs):** NTDs cause significant morbidity and mortality worldwide. More than one billion people, one-seventh of the world’s population, suffer from one or more NTDs. These diseases affect the world’s most vulnerable populations with devastating, lifelong disabilities that contribute to ensnaring individuals, families, and entire communities in poverty.

USAID’s NTD Program is a centrally managed portfolio in the Global Health Bureau, Office of Infectious Disease, Neglected Tropical Diseases Division. Since 2006, the global program has supported disease-endemic countries to implement cost-effective public health interventions to control and eliminate seven NTDs: lymphatic filariasis, blinding trachoma, onchocerciasis, schistosomiasis, and three intestinal worms, known as soil-transmitted helminths.

Lymphatic filariasis is endemic in Laos, with approximately 140,000 people at risk. Laos implemented a Mass Drug Administration project against the disease in Attapeu province in early 2017 and subsequently passed transmission assessment surveys. Schistosomiasis (SCH) is endemic in two districts in Champasak Province with more than 112,000 people at risk. USAID has previously provided technical assistance to the Ministries responsible for human health, animal health, and sanitation to finalize a 2016–2020 SCH elimination strategy. WHO, China, and Switzerland will jointly support implementation of this strategy. In July 2017, WHO validated Laos as having eliminated trachoma. USAID provided support to the MoH to prepare the trachoma dossier for validation of elimination.

## **F. DISABILITY AND MENTAL HEALTH**

Persons with disabilities are one of the most marginalized populations in Laos. They face widespread stigma, discrimination, and negative cultural stereotypes. Children with disabilities are much less likely to go to school than children without disabilities, and they are more likely to drop out earlier. While the overall incidence of disability is similar between women and men, particular forms and origins of disability vary significantly by sex, as do the psycho-social and economic impacts of disability. Few data are available on the social and economic situation of Lao women and men with disabilities, and their status within the family, community, and society. Evidence from other countries suggests that boys/men and girls/women with disabilities are at a higher risk of experiencing gender-based violence than are adults without disabilities and that their educational, sexual, and reproductive health rights are not well-recognized. Persons with disabilities, especially women, are less likely to be employed and the majority of who are employed are self-employed.<sup>8</sup>

The main causes of disabilities in Laos include: non-communicable diseases; maternal, neonatal, and nutritional disease; and increasingly road accidents<sup>9</sup>. For child disability, the major causes are: injury; pregnancy and birth outcomes; childhood illnesses; and unexploded ordnances (UXOs)<sup>10</sup>. Given the absence of data on intellectual disabilities in Laos, the major causes of intellectual disabilities are unknown. However, according to the Emerson (2007) there is a strong casual effect between poverty and intellectual disabilities. That being said, further research should be conducted to better understand the major cases of physical and intellectual disabilities with proper aggregation of sex and age and its casual effect with socioeconomic, environment and other related factors.

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<sup>8</sup> Mizunoya S and Mitra S. 2012. Is There a Disability Gap in Employment Rates in Developing Countries? GLADNET Collection. Cornell University ILR School. <http://digitalcommons.ilr.cornell.edu/gladnetcollect>

<sup>9</sup> <http://www.healthdata.org/laos>

<sup>10</sup> <https://www.unicef.org/laos/what-we-do/child-protection/disabilities>

## New infections

Since 1995, the United States Government (USG) has worked closely with the GoL by investing more than \$135 million in UXO risk reduction, support for victims of UXO accidents, and surveying and clearing of UXO.

There is a significant shortage of health professionals trained in rehabilitation medicine and even fewer mental health professionals. While the MoH's National Rehabilitation Strategy 2018–2025 proposes integration of rehabilitation services in central, provincial, and district hospitals and community-based rehabilitation in HCs, very few of these facilities currently have sufficient equipment and qualified staff, and there is an absence of quality control. Five provincial Medical Rehabilitation Sub-Centers currently provide a limited number and type of assistive devices and basic rehabilitation services.

The GoL is currently finalizing a National Strategy and Action Plan for Disability which will take a multi-sectoral approach. Key components of the strategy are improved data collection and use, awareness-raising, access to facilities and services, health services, employment and vocational training, social protection and inclusion, and governance. Similar to other existing strategies and plan of actions, the main concern is how to finance, operationalize, and enforce the implementation of the plans and strategies.

These strategies and action plans provide a foundation for the GoL to more effectively address the needs of persons with disabilities by addressing key barriers, such as a lack of harmonized, systematic cross-sectoral coordination, limited funding for disability programming, the lack of skilled health professionals and quality rehabilitation services, and limited social inclusion of persons with disabilities due to prevailing social stigma.

Mental health does not receive much attention compared to physical health in Laos. It is considered a non-pressing issue compared to other competing health priorities. In Laos, mental health services are integrated into the general health care service delivery system. This includes inpatient and outpatient services at the central level, limited outpatient services in provincial hospitals, and limited community mental health services. The MoH's Mental Health Strategy 2020 was promulgated in 2012, and comprises five pillars: 1) developing human resources, 2) encouraging the development of research culture and capacity, 3) enhancing service delivery at national and local level, 4) mental health promotion and advocacy, and 5) policy and legislation. But due to competing priorities, lack of funding, and a dearth of well trained and qualified mental health professionals, mental health services in Laos remain rudimentary.

USAID's investments in addressing disability include the USAID Okard (Okard means opportunity in Lao) project. The activity aims to improve and sustain the independent living and functional ability of persons with disabilities, regardless of factors such as age, sex, gender expression, ethnic origin, or indigenous status, and their households in Lao PDR. USAID Okard is guided by the philosophy of Disability Inclusive Development and the belief that no one should be left behind. The activity has three main components: 1) Health, 2) Economic Empowerment, and 3) Stakeholder Engagement. In addressing these three components, a two-tiered approach is being utilized to reach USAID Okard's goal. Tier 1 is a systems-centered approach focused on Government of Lao PDR ownership and long-term sustainability, while Tier 2 examines and supports the individual needs of persons with disabilities and the communities that support them.

## **G. CURRENT AND PAST USG HEALTH INVESTMENTS**

USAID began investing in Laos' health sector in 2003. The goal was to improve the health status of the population, enabling the country to better partner with the United States, while strengthening its economy and the overall quality of life of its people. USAID has invested in combating emerging zoonotic diseases, HIV, malaria, NTDs, and has provided support for the Laos Social Indicator Survey, MCH, and a salt iodization program.

To date, USAID's health investments in Laos have been sporadic, scattered, and taken place in the absence of an overarching, cohesive strategy. USAID supports a range of disparate health activities in Laos, all of which are managed outside the country and some of which are not linked to an overall strategic effort. This lack of a comprehensive vision has created a piecemeal approach, strained in-country USAID health staff, and failed to achieve USAID's core mandate of country ownership.

To guide efforts to redress this situation, USAID's Laos Country Office (LCO), supported by USAID/RDMA and USAID's Bureau for Global Health and Asia Bureau, developed this five-year health strategy to guide bilateral and centrally funded and managed investments in Laos' health sector, with the aim of maximizing impact.

Currently, USAID's largest activity, by budget, in the health sector is a bilateral nutrition and WASH project, USAID Nurture, which aims to improve the nutritional status of women and children to reduce child stunting. USAID is also providing organizational and capacity building support to the newly formed Laos National Institute of Nutrition. Other current USAID health activities in Laos are primarily funded and managed by central mechanisms in Washington, D.C., such as support for global health security and development (emerging pandemic threats, avian influenza, human influenza, and Zika surveillance), HIV activities implemented under PEPFAR, Malaria activities implemented under PMI, and NTDs.

USAID's disability support activity, USAID Okard, works across sectors in the areas of health, economic empowerment and stakeholder engagement.

Current USAID Laos programming in other areas include activities to improve literacy in primary school students; reduce vulnerability to human trafficking; enhance legal aid support to promote the rule of law and transparent delivery of justice to all; boost the organizational capacity of non-profit associations and their ability to influence, create, and implement development solutions; strengthen the competitiveness of agricultural microenterprises; and promote Laos' further integration into the global economy through sound, transparent, and inclusive economic policies and regulations.

USAID development assistance to the Laos health sector occurs within the context of other development assistance programming by other USG agencies:

- **CDC:** Strengthening the national health management information system to more effectively improve the quality of HIV services and planning at all levels, strengthening influenza respiratory diseases surveillance systems, strengthening of health laboratory and epidemiological systems for surveillance and prevention of emerging infectious diseases, enhancement of zoonotic disease outbreak detection capacity, strengthening capacity to respond to arthropod borne diseases, and field epidemiology training.
- **US Department of Agriculture:** School feeding assistance to improve nutrition and literacy outcomes.

- **US Department of Defense:** Construction of the Laos-American Nutrition Institute, and assistance in the construction and renovation of HCs, latrines, and hand washing stations in USAID Nurture districts.
- **Defense Threat Reduction Agency:** Strengthening health laboratory systems and epidemiological systems for surveillance and prevention of emerging infectious diseases, providing a training program for public and district animal health professionals in epidemiology to respond to disease outbreaks and enable more rapid reporting, and supporting Infectious Diseases Surveillance System and detection of zoonotic disease outbreak.

In addition to USG development activities, there is a wide range of multilateral and bilateral development partners providing assistance to the Laos health sector. These include the European Union, WHO, United Nations Children’s Fund, United Nations Population Fund, Joint United Nations Programme on HIV and AIDS, the Global Fund to Fight AIDS, Tuberculosis and Malaria, the GAVI Vaccine Alliance, UN Office for Project Services, World Bank, Asian Development Bank, European Union, German Society for International Cooperation, Australian Aid/Department of Foreign Affairs and Trade, the Japan International Cooperation Agency, Luxembourg Cooperation, and the Swiss Red Cross. Programming supported by multilateral and bilateral development partners includes a range of health systems strengthening support initiatives at all levels, including health governance, and projects in the areas of RMNCAH, nutrition and WASH, vaccination, HIV and AIDS, TB, Malaria, NTDs, emerging infectious diseases, and global health security.

As the world’s largest bilateral development agency, USAID has developed considerable global technical expertise in health programming, including health systems strengthening, RMNCAH, infectious diseases, public health threats and global health security, promoting gender equality, reducing gender-based violence, and empowering women and girls. USAID’s long history of involvement in the Indo-Pacific has enabled the Agency to amass considerable regional and national expertise and develop close partnerships with governments, health professionals, civil society, and the private sector. USAID has the capacity to make sizeable, medium-, and long-term investments in health in the forms of technical assistance and funds for service delivery. A strong comparative advantage for USAID is that its investments are designed to build resilience by working with local, regional, and international partners to develop sustainable capacity and systems to overcome key impediments to development.



## 2. USAID LAOS HEALTH STRATEGY

### A. GUIDING PRINCIPLES

The following principles will guide how USAID implements health programming in Laos:

1. Based on the historical relationship between the USG and the GoL, all activities proposed under the Laos Health Strategy must incorporate a political, diplomatic, and cultural lens, which will be defined by US Embassy Vientiane.
2. Alignment with country-led strategies, policies and processes, with an emphasis on close partnerships with national, provincial, and district counterparts, civil society and the private sector.
3. Promotion of equity and inclusion, with broad-based benefits shared across all socio-economic levels, ensuring that our programs promote gender equality and female empowerment, listening to vulnerable and marginalized populations, and ensuring programs reach the extreme poor.
4. Promotion of community empowerment, enabling populations to take control of their health and demand health services which are respectful, culturally appropriate and meet community needs.
5. Support for programs and policy actions that promote the resilience of individuals, households, communities and the country in reducing vulnerability and facilitating inclusive and sustainable growth.

### B. PROGRAMMATIC APPROACHES

Key programmatic approaches that will be adopted by USAID health activities in Laos are:

1. Adoption of evidence-based, quality programming, with a focus on continuous learning, dissemination, and adaptation to local conditions.
2. Generation and documentation of new evidence of effective programmatic approaches, particularly in primary health care.
3. Promotion of sustainability through capacity development, health systems strengthening, and cost-effective approaches, including an essential service package, which can be replicated with local resources.
4. Alignment of this Strategy and related project activities to support USAID's Journey to Self-Reliance policy framework (i.e., building Laos' commitment and capacity to plan, finance, and implement solutions to address its development challenges).
5. Promotion of coordinated multi-sectoral interventions to address the cross-sectoral causes of poor health outcomes.
6. Support for increased engagement between the public and private sectors to leverage private sector expertise and resources and expand the range of development partners.
7. Partner with other USG agencies and multilateral and bilateral donors to ensure coordinated efforts and maximize use of expertise and resources.

USAID's health programming in Laos will seek to promote synergies and complementarity with the development assistance initiatives provided by other USG agencies and multilateral and bilateral donors. Future programming will be designed to explicitly address gender-based

disparities that influence the different needs and constraints of both men and women to seeking services; address pervasive gender-based violence that has significant impacts on reproductive, sexual, maternal, and neonatal health; and empower women and girls to increase their decision-making about all RMNCAH care and treatment services.

A key overall approach to be adopted by USAID in implementing this strategy is to think politically about the importance of understanding the formal and informal institutional contexts within which change and development occurs, tailoring and adapting development assistance to national and sub-national conditions. USAID will work diplomatically so that programming will be “politically smart development aid,” recognizing that developmental change at every step and at every level is an inherently political process and has barriers, along with second and third order complications, beyond demand side delivery of development.

### **C. PROGRAMMING PRIORITIES**

In determining programmatic and geographic priorities for health investments in Laos, USAID will:

1. Focus on the major health needs of the most vulnerable populations, particularly rural and remote areas which are GoL priorities, and where the majority of most vulnerable populations reside.
2. Invest in geographic areas where there are existing USAID and USG development assistance projects, particularly health projects and areas of high UXO contamination, to maximize cross-project and multisectoral synergies and complementarity (with the exception of Luang Prabang Province, which has a relatively large number of development assistance projects).
3. Avoid programmatic and geographic duplication with other development partner assistance activities, while identifying opportunities to maximize programmatic synergies and complementarity.
4. Invest sizeable funds in medium- to long-term programming (three to five years or more) to maximize the achievement of outcomes and impact.
5. Investments will be aligned with the USG’s and USAID’s highest priorities, including the Indo-Pacific Strategy and USAID Transformation, which includes the Journey to Self-Reliance, Private Sector Engagement, and Procurement Reform.

A key aim of this Strategy is to improve health outcomes among Laos’ most vulnerable populations. The most vulnerable populations, as reflected in the health outcome data, are pregnant and lactating women, newborns, children under five, and adolescents, particularly those living in poverty in rural and remote areas.

Consistent with the five prioritization criteria listed above, and taking account of the program areas where USAID has a strong comparative advantage, USAID has decided that its priority areas for investing in Laos’ health sector over the next five years will be RMNCAH and related nutrition and WASH activities, selected infectious diseases, disability, and health system strengthening. Ongoing USAID-supported activities in these areas will provide the opportunity to build on the achievements of previous programming and contribute to greater sustainability. Further information on the rationale for prioritization of each of these program areas is provided below.

To achieve sustainable change, USAID’s health programming will place a particular emphasis on strengthening systems to improve equitable universal access to health services. A key area of support will be enhancing the responsiveness of the health system to deliver quality RMNCAH services. USAID will also support capacity development for improved management and governance of the health system at all levels, as well as promoting equitable and efficient financing of the health sector at all levels.

High levels of vulnerability also exist among populations at greatest risk for infectious diseases, such as HIV, malaria, NTDs, and emerging pandemic threats. USAID will continue to build on previous and current investments to strengthen the capacity of Laos to prevent, detect, and respond to infectious diseases.

Persons with disabilities and mental illness are also among Laos’ most vulnerable populations due to social marginalization and a lack of social inclusion. This is reflected in the limited nature and availability of appropriate services. USAID health programming will align with USAID’s existing disability activity, USAID Okard, with a focus on prevention of injury and disability, increased access to and utilization of rehabilitation and mental health services, promotion of disability-inclusive health and social and behavior change, and fostering community integration.

USAID has made strategic choices in the areas of health programming that will not receive support in Laos. The following factors have influenced decisions in the areas of programming that will not be supported by USAID: 1) lack of alignment with the USG’s Integrated Country Strategy for Laos and/or lack of alignment with the criteria set out above for determining health programming priorities, 2) political sensitivities, and 3) no anticipated funding source. Examples of programming areas that USAID will likely not invest in in Laos over the next five years are non-communicable diseases, health insurance schemes, and national health identification card schemes.

### **Prioritization criteria for global health centrally managed mechanisms**

USAID health programming in Laos has been a mixture of limited bilateral programming and a reasonably broad range of centrally funded and managed mechanisms in global health security and other public health areas. A number of the central mechanisms have demonstrated impressive results without the need for a substantial level of effort by the LCO. However, the number of concurrent central mechanisms has created a management burden for the LCO. In the future, there will be a greater emphasis on bilateral health programming in Laos, with required complementarity of centrally funded and managed mechanisms. In considering which centrally funded and managed mechanisms will be implemented in Laos, USAID will consider the following factors:

1. The contribution of the central mechanism to USAID’s overall strategic health effort in Laos.
2. The relative priority of the central mechanism and timeline in relation to global health security and development and public health threats in Laos.
3. The contribution of the central mechanism to USAID’s core mandate of country ownership, including alignment with GoL priorities.
4. The contribution of the central mechanism to building the capacity of local partners.
5. Sufficient capacity in the LCO to manage and coordinate central mechanism inputs.

6. Synergies between the central mechanism and the work of other development partners in Laos, while avoiding duplication of effort.
7. The inputs of the central mechanism are of sufficient quantity and duration to achieve desired long term, higher outputs and outcomes.

#### **D. CONTEXTUAL AND PROGRAMMATIC ASSUMPTIONS**

The following contextual assumptions have been made in the development of this Strategy:

- Laos continues its commitment to work with development partners toward specific goals, such as graduation from Least Developed Country status, and to pursue an “anti-corruption, good governance agenda, emphasizing regional and global integration.”
- Laos continues to see the value of investment in higher education.
- Laos continues its commitment to reduce stunting and improve RMNCAH.
- Customs, borders, and regulations are enforced in a standardized manner that permits and facilitates the free flow of goods and resources across borders, within the law.
- Intellectual property rights, contracts and agreements are respected and enforceable in a predictable manner.
- Laos continues its commitment to the implementation of its laws and policies that ensure the equality of all its citizens and existing space in which civil society can reasonably operate does not close.
- The donor community and the USG continue to invest in surveillance and clearance of UXO.

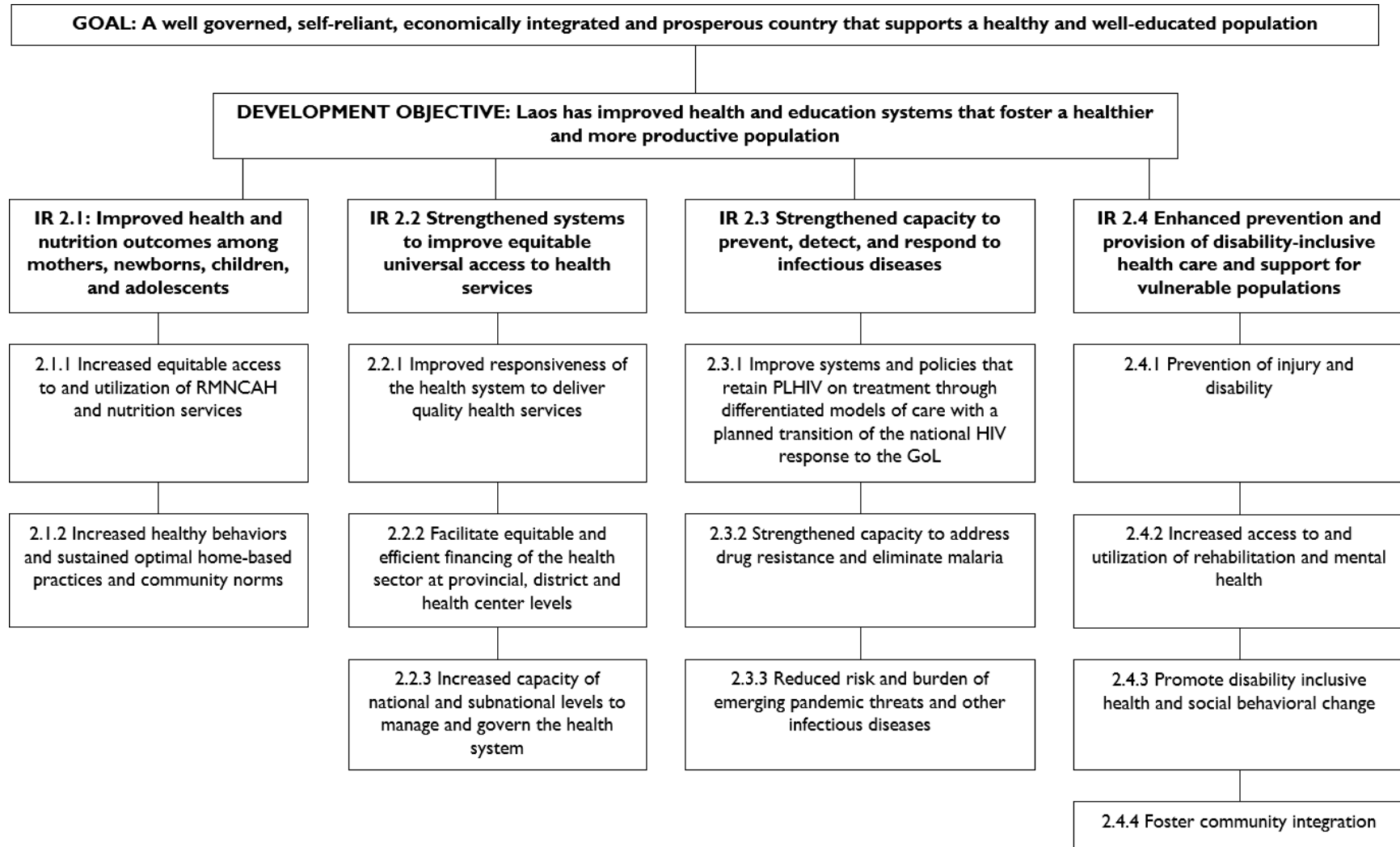
The contextual assumptions are complemented by the following programmatic assumptions:

- Laos is increasingly interested in and supportive of USAID assistance.
- USAID’s LCO continues to be adequately staffed to manage its level of resources.
- USAID’s LCO continues to receive adequate funding.

#### **E. RESULTS FRAMEWORK**

The development hypothesis that underlies this strategy is that a healthy and well-educated population will foster resilient, inclusive, and prosperous human and economic development in Laos.

**Figure 1. Results Framework – USAID Laos Health Strategy 2019–2023**



## **IR 2.1: Improved health and nutrition outcomes among mothers, newborns, children, and adolescents**

Priority populations for USAID health programming in Laos are vulnerable women, newborns, children, and adolescents. Those most vulnerable include the poor and underserved who primarily live in rural and remote areas, including diverse ethnic populations.

### ***2.1.1 Increased equitable access to and utilization of RMNCAH and nutrition services***

**Reproductive, Maternal, Newborn, Child, and Adolescent Health:** USAID will support activities to increase coverage of high quality RMNCAH services and community demand for and equitable access to those services. Priority will be accorded to improving access and utilization by underserved populations with the worst RMNCAH outcomes, which primarily occur among poor people living in rural and remote areas. Key access barriers include distance from HCs, lack of transport, understaffed and resourced HCs, limited outreach activities to remote communities, and limited options for adopting healthy behaviors (such as lack of access to services due to physical barriers, lack of decision-making power by adolescents and women to use or access health services). Targeted approaches involving the health and other sectors will be deployed. While the primary focus of USAID's RMNCAH programming will be in rural and remote areas, this will be supplemented by work in urban areas, with a focus on the poor, who generally have significantly worse health outcomes.

A particular focus will be placed on building trust and encouraging use of services by diverse ethnic communities, tailoring and implementing youth-friendly approaches, and fostering gender equality by addressing specific gender related gaps (which may vary between different ethno-linguistic communities and will be identified through activity-level gender analyses) and empowering women and girls to act on their health choices and decisions. USAID will support provision of culturally sensitive and multilingual care to ensure ethno-linguistic communities are able to communicate their needs and concerns and receive appropriate care. Special emphasis will be placed on identifying and mitigating barriers to adolescent health services. Improving providers' ability to effectively identify and respond to female adolescent needs will improve adolescents' confidence to seek services. The overall objective will be to empower vulnerable populations to demand and use quality health care services, to promote dignity and equity, and bolster the health and resilience of communities through sustained utilization of RMNCAH services.

**Nutrition:** USAID will support increased access to quality nutrition services. There is a need to ensure that HC staff are skilled in nutrition counseling and are drawn from a diversity of major ethnic populations to reduce language barriers. To improve the quality of services delivered, USAID will continue to build the nutrition counseling skills of HC staff and promote incorporation of nutrition counseling into HC supervision visits. Where applicable, USAID will also coordinate and leverage resources with other development partners to support the GoL to effectively implement both nutrition-sensitive and nutrition-specific interventions.

### ***2.1.2 Increased healthy behaviors and sustained optimal home-based practices and community norms***

**Reproductive, Maternal, Newborn, Child, and Adolescent Health:** Given the high adolescent birth rates, adolescents are a priority population. Proven approaches to reduce child marriage and childbearing that might be included are to: 1) support group-based safe-space programs to provide girls and boys with resources, life-skills, livelihood support, financial literacy, and increased self-confidence; 2) ensure married girls can access needed information

and services, such as sexual and reproductive health information and contraception; and 3) work with girls' parents, guardians, teachers, communities, and religious and cultural leaders to raise awareness of child marriage, discuss alternatives, and change how girls are seen and valued in their communities. To change the social norms that perpetuate the practice of child marriage and early childbearing, it is essential to engage families and communities in a range of activities, including community dialogues, mobilization of religious and community leaders, formation of child-protection committees, and information education and communication strategies.

**Nutrition:** Priority behaviors for nutrition will focus on the first 1,000 days from pregnancy until the child's second birthday. USAID will focus on improving maternal nutrition, optimal breastfeeding practices, and dietary diversity in complementary feeding of children. Given the importance of enhancing the nutritional status of adolescent girls prior to pregnancy, this will also be a priority area for USAID-supported nutritional activities.

**WASH:** The consistent and sustained practice by individuals, households, and communities of a wide range of high impact WASH behaviors is vital to improve RMNCAH outcomes. This includes consumption of clean drinking water, handwashing with soap, improved sanitation practices, clean play areas for young children, treating diarrhea with oral rehydration solution and zinc, and knowing the danger signs for when to seek care. USAID will support households' adoption of WASH behaviors by determining how best to create demand for and uptake of selected WASH products in target villages and identifying drivers that encourage long-term, sustainable behavioral change. Community mobilization around WASH will also be used to change social norms and individual behaviors.

**Enabling environment:** The consistent and sustained practice by individuals, households, and communities of a wide range of high impact healthy behaviors is vital to improve RMNCAH outcomes. USAID support will work to break down barriers to healthy behaviors, increase motivation to practice these behaviors, and improve access to reliable, culturally sensitive, linguistically appropriate health information among vulnerable population groups.

Social norms that support and enable healthy behaviors encourage people to adopt these behaviors and continue practicing them. USAID will support increased community engagement and mobilization around RMNCAH with the aim of making healthy practices the norm at home and in the community. Community empowerment approaches will strengthen community systems, such as the healthy villages model; engage with mass organizations, such as the Women's and Youth Unions; and deploy community health promoters and mothers groups. Community mobilization and social and behavior change approaches will aim to engage men to support RMNCAH service utilization, through specifically targeted health promotion activities.

All of the above-mentioned healthy behaviors require support beyond individuals, families, and the immediate community to enable sustained behavior change. Supportive policies need to be enacted and enforced. Also, engagement with the private sector can encourage the adoption of healthy behaviors and influence social norms. USAID will work with the GoL to create and maintain enabling environments for each health focus area.

A positive enabling environment is especially important for nutrition and WASH. Both of these areas require multi-sectoral coordination and a multi-sectoral approach. Close coordination and collaboration with relevant sectors will amplify USAID health-related nutrition and WASH activities.

## **IR 2.2 Strengthened systems to improve equitable universal access to health services**

USAID will work with the GoL in fostering a responsive health system that is people-centered, respectful of client needs and, accountable. This will include the development of transparent accountability mechanisms, including at service delivery points, to ensure responsiveness to community needs and to ensure that information about benefits, services, and costs is accessible and disseminated.

### ***2.2.1 Improved responsiveness of the health system to deliver quality health services***

The focus of USAID's activities under this sub-IR will be in the areas of RMNCAH. USAID will support improvements to the coverage, scope, and quality of RMNCAH service provided at all levels of the health system. Strengthening health systems at all levels is critical to enhancing the responsiveness of health care to the needs of the people, to fostering trust and confidence in the system, and to achieving improved health outcomes among mothers, newborns, children and adolescents.

Increased technical capacity of health providers through pre-service and in-service education, supportive supervision and mentoring, and greater accountability will contribute to improved compliance with standards of quality care and to enhanced readiness of health facilities and outreach services to provide quality care. USAID will support development of clearly defined packages of RMNCAH services, appropriate to different levels of health facilities and staffing levels. USAID RMNCAH programming will place a particular emphasis on support for improving the quality of primary health care services, including outreach services, in rural and remote areas, with links to higher level services where referral is needed. Support for service readiness to provide a quality package of RMNCAH services will address staffing deployment, equipment and commodities, referral systems, infrastructure, and information systems. Maternal and newborn health activities will focus on increasing antenatal care visits, deliveries by a skilled birth attendant in health facilities, essential newborn care, and postnatal care for mothers and newborns. Infant and child activities will focus on increasing early initiation and exclusive breastfeeding, appropriate complementary feeding, and vaccination. USAID will look to partner with the private sector to leverage U.S. business efforts in Laos towards achieving positive RMNCAH health outcomes.

USAID will collaboratively work with central MoH to strengthen leadership and management of provincial and district health offices to conduct data-based RMNCAH planning, decision-making and monitoring. There is a particular need to improve data quality, as well as its dissemination and use, at the community level and in HCs where outreach services and primary health care are provided.

### ***2.2.2 Facilitate equitable and efficient financing of the health sector at provincial, district, and health center levels***

In the absence of sufficient funding for a separate, mainstream Health Systems Strengthening (HSS) activity, USAID HSS support in relation to sub-IRs 2.2.2 and 2.2.3 will, most likely, be integrated into a larger RMNCAH bilateral activity. The HSS support to be provided by USAID in the areas of health financing, management, and governance, while being highly relevant to improving RMNCAH outcomes, will also benefit other key health outcomes. Where an opportunity presents itself, USAID will encourage and work in collaboration with other development partners to support the key areas, including budgeting and planning, public financial management capacity at all levels, and provider payment mechanisms. In the absence of separate



HSS activity funding, this sub-IR will unlikely to be prioritized over the life of this Strategy. Details for potential investments under this sub-IR can be found in Annex 2.

### **2.2.3 Increased capacity of national and subnational levels to manage and govern the health system**

**Human Resources for Health:** USAID will support the GoL in implementing the National Human Resource Development Plan with a focus on the development of human resources plans in selected provinces and the strengthening of provincial health personnel management information systems. This area of work will be informed by the priorities for donor assistance identified by the Laos MoH. USAID will work in close coordination with WHO at the country and regional levels to help implement the National Human Resource Development Plan.

**Supply chain management for pharmaceuticals and medical equipment:** Improved logistics systems for the uninterrupted supply of essential commodities and equipment are critical to a responsive health system. USAID support may include a review of existing supply chain management mechanisms for pharmaceuticals and medical equipment, including maintenance mechanisms. Given the weight of pharmaceuticals in total health expenditures and their high share in OOP spending, USAID will support the MoH to realize efficiency gains through a revision of procurement mechanisms, storage, distribution, price setting, expenditure tracking mechanisms, and rationalization of prescriptions. To complement the work carried out with the Essential Health Services Program (EHSP),<sup>11</sup> this will include assistance in defining a basket of essential medicines for UHC and development of mechanisms to make essential medicines affordable, to ensure the quality and safety of medicines and to promote quality use of medicine.

**Health Management Information Systems and performance monitoring:** USAID will assist the MoH in promoting the collection, availability, and use of evidence-based information to improve service effectiveness (coverage of priority services per population and utilization), efficiency, and equity (i.e., number or proportion of poor benefiting from services), as well as allocation of resources across programs at national and subnational levels. More broadly, USAID will provide assistance to improve and expand the use of digital technology and upgrade the compatibility of existing health information systems and the accuracy of data to guide decision-making.

**Program planning and management:** USAID will assist the MoH in documenting the impact of health reforms on utilization of key preventive and curative services with a sufficient level of disaggregation to capture differences in gender, economic status, geographic location, and ethnicity. The results of this work will assist the MoH, and particularly key program areas such as RMNCAH, in their key role in guiding the roll-out of national strategies and action plans. USAID will also support the development of capacity by the MoH and provincial and district health departments to achieve more effective implementation of national strategies and action plans. This work will be focused in key areas of programmatic support, particularly RMNCAH.

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<sup>11</sup> The Lancet Commissions, Essential Medicines for UHC. November 2016

## **IR 2.3 Strengthened capacity to prevent, detect, and respond to infectious diseases**

### **2.3.1 Improve systems and policies that retain People Living with HIV (PLHIV) on treatment through differentiated models of care with a planned transition of the national HIV response to the government of Laos**

As part of a newly formed PEPFAR Asia Regional Platform consisting of 11 countries, Laos will join a subset of five other countries (Indonesia, Kazakhstan, Kyrgyz Republic, Papua New Guinea, and Tajikistan) to focus on activities that support those who are HIV positive and currently on treatment. This new emphasis, known as “Protecting the Investment” (PI), will concentrate efforts in low HIV epidemic countries on those patients who are already enrolled into care.

From 2020, PEPFAR will institute a phased transition in these PI countries. This will enable countries to put in place domestic financial and programmatic investments needed as external or international donors reduce resources for HIV. In order to maintain PEPFAR’s 90-90-90 investments, the PEPFAR program in Laos, as in other PI countries, will provide above-site technical assistance to strengthen policies and systems (Health Management Information System, Financing, and Laboratory) and institutions to improve treatment retention and adherence among PLHIV.

Specifically, PEPFAR in Laos will focus on the following:

1. Strengthen the systems and policies that support PLHIV on treatment to achieve viral load suppression, including best practices in treatment, retention, and adherence that are aligned with acceptable ethical standards.
2. Continue to provide technical support for CHAS to scale up self-testing.
3. Support transition of the national HIV response to domestic financing.
4. Strengthen collaboration with other multilateral agencies and donors, including the Global Fund, and the AIDS Healthcare and Clinton Foundations.
5. Expand service provision among partners of PLHIV, including index testing and self-testing as core strategies.
6. Implement a phased withdrawal of prevention and case finding activities.

### **2.3.2 Strengthened capacity to address drug resistance and eliminate malaria**

Multi-drug resistance to antimalarials is a global public health concern. With clinical therapeutic efficacy study data confirming that artemisinin resistance is present in Champasak and Sekong Provinces and further evidence of molecular resistance, malaria control and surveillance efforts must be intensified, particularly among highly mobile populations along the borders with Cambodia, Vietnam, and Thailand. PMI will continue to strengthen the capacity of the MoH to monitor closely the therapeutic efficacy status of first line anti-malarial drugs in selected sites and to test new treatment alternatives. PMI will strengthen malaria surveillance systems to detect and respond to malaria cases in support of the regional elimination of *Plasmodium falciparum*, as this is the best and most sustainable approach to addressing multi-drug resistance.

PMI programming in Laos will continue to focus on: 1) providing technical assistance to strengthen the national malaria program’s surveillance system to generate and use strategic information for the detection, reporting, and response to each malaria case; 2) monitoring treatment outcomes of antimalarial drugs; 3) updating national treatment policies; 4) improving national program capacity for supply chain management and quality laboratory diagnosis; and 5)

improving access to anti-malarial drugs and other malaria services for all patients, including vulnerable populations, such as migrant workers and ethnic communities.

USAID will accord priority to improving access to and utilization of quality-assured malaria services for vulnerable populations in endemic areas, particularly for ethnic communities and mobile populations in border areas. Priority vulnerable populations are those at greatest risk in high prevalence and drug-resistant areas.

Social and behavior change activities will be focused on improving treatment-seeking behaviors, drug compliance, and prevention of malaria through the use of long-lasting insecticidal nets among vulnerable populations in endemic areas, particularly among ethnic communities and mobile populations in border areas.

### **2.3.3 Reduced risk and burden of emerging pandemic threats and other infectious diseases**

**Emerging pandemic threats:** USAID's new framework to support zoonotic influenza surveillance adopts targeted longitudinal sampling of highest risk poultry populations at critical points for cross-border trade. The aim is to enhance early detection and control, while reducing expense and minimizing burden on the limited number of field and laboratory staff.

Through USAID's global Emerging Pandemic Threats program, synchronized surveillance across wildlife, livestock, and at-risk human populations has been conducted in Champasak. Samples screened for high impact viral zoonoses at GoL laboratories enabled better understanding of viral sharing across species towards early detection of viral spillover that could threaten the health of communities in Laos and abroad.

Through 2019, USAID will continue support, in partnership with the MoH, provincial health authorities, and WHO, for surveillance of Zika, Dengue, and Chikungunya in Xayabouli, Sekong, and Khammouane provinces. Data will be used to inform Laos health authorities on the burden of vaccine preventable and arboviral disease and control and risk mitigation strategies.

In the context of rising rates of anti-microbial resistance in the region, technical assistance in operationalizing surveillance and diagnostics to better understand the burden of antimicrobial resistance (AMR) in Laos will continue. This is complemented by USG and external resources in supporting GoL participation in regional AMR policy and legislation fora.

Additional opportunities will be sought to strengthen the pre-service and in-service cadre of health professionals across disciplines in Laos, and to engage with private sector and industry in leveraging their positioning and influence in mitigating emerging disease and AMR risk associated with animal production across value chains.

**Neglected tropical diseases:** USAID's current central mechanism, the Control and Elimination Program for Neglected Tropical Diseases (CEP-NTD), ends in September 2019. For the remainder of 2019, it will build on previous USAID investments to support Laos in their advancement towards global elimination goals, and to effectively access and leverage drug donations needed to control NTDs that cannot be eliminated with current strategies.

The next generation of USAID's neglected tropical disease programming puts the emphasis on action with the project named "Act to End NTDs." The Act to End NTDs West program is working in 11 West and Central African countries. The Act to End NTDs East program, which will support Laos, is working in 13 countries in Southeast Asia, East Africa, and elsewhere. Act

to End NTDs East will assist the MoH in developing its pre-dossier for lymphatic filariasis, a WHO requirement and precursor to documenting and validating elimination of the disease.

## **IR 2.4 Enhanced prevention of disabling conditions, promotion of disability-inclusive health and rehabilitation, and support for vulnerable populations**

### ***2.4.1 Prevention of health condition that leads to disability***

The USG will continue its scaled-up efforts in assisting the GoL to prevent injury from UXO by educating people about how to minimize the danger of UXO, complemented by the surveying and clearance of UXO. More broadly, USAID may provide support for increased awareness and knowledge of prevention of disability from injury and other causes among citizens, policy-makers and the private sector.

### ***2.4.2 Increased access to and utilization of rehabilitation and mental health services***

USAID will support the MoH's implementation of the National Rehabilitation Strategy 2018–2025 in the key areas of broadening the integration of rehabilitation into the health sector, development of a multidisciplinary rehabilitation workforce, and expansion of rehabilitation services.

USAID will continue to train health and rehabilitation service providers, support HCs to provide assistive products at the local level, and promote rehabilitation as a standard component of health care treatment. USAID will also strengthen Mental Health & Psychosocial Support through training of healthcare and rehabilitation professionals, curriculum development, and community support and peer-counseling.

Potential areas of future USAID rehabilitation support will be aligned with the strategic objectives of the MoH's National Rehabilitation Strategy: 1) strengthened capacity of the MoH to scale up and manage rehabilitation services; 2) inclusion of rehabilitation in the universal health care package, 3) broadening the integration of rehabilitation medicine into the health system, 4) development of a capable multidisciplinary rehabilitation workforce, and 5) strengthening and expanding rehabilitation services. Illustrative activities may include an assessment of workforce needs for rehabilitation health professionals and the development of referral networks between all levels of rehabilitation care.

USAID will strengthen the capacity of disability organizations to work with the GoL to advance the rights of persons with disabilities, mobilize grassroots networks, and engage persons with disabilities in policy design and implementation. These activities will assist persons with disabilities to demand equitable access to rehabilitation and mental health services and encourage utilization. However, the demand for rehabilitation and mental health services will only be met if there is a significant scaling up of services.

Regarding mental health, future USAID support may include: 1) strengthening mental health professions; 2) encouraging the development of research culture and capacity; 3) enhancing and strengthening service delivery at national and local level; 4) creating awareness on mental health promotion; and 5) strengthening and implementing advocacy, and policy and legislation.

### ***2.4.3 Promote disability inclusive health and social and behavior change***

People with disabilities have the same general needs as people without disabilities. Yet people with disabilities are vastly underserved when it comes to access to healthcare, education, livelihood opportunities, and social inclusion. To promote disabilities-inclusive health, USAID support is aimed at three key components, including:

1. **Accessibility:** A characteristic that all environments, products or services must have to be able to meet the needs of all persons, including people with disabilities. For example, providing clinics with ramps, sign language interpreters, and Braille materials increases the level of accessibility of health services.
2. **Participation:** The meaningful engagement of women and men, boys and girls living with different disabilities in the design, implementation, monitoring, evaluation of all programs, and policies affecting their lives.
3. **Equality and nondiscrimination:** Specific and systematic action to challenge all factors (attitudes, actions, policies, etc.) which discriminate against people on the grounds of disability, gender, age, or any other criteria.

USAID will foster inclusivity of persons with disabilities and mental illness through social and behavior change activities. Social marketing, a social engagement approach that aims at influencing a target audience to change their social behavior, will be utilized to change perceptions, social attitudes, and behaviors towards persons with disabilities and mental illness. This will incorporate a rights-based approach to promote the autonomy and dignity of persons with disabilities and mental illness and address stigma and discrimination at both the community and service delivery levels. This campaign on health, disability, and mental health issues and social participation will use compelling messages delivered through a range of media in powerful and culturally acceptable ways, which is respectful of persons with disabilities and mental illness and their families. Support provided under this sub-IR will also contribute towards fostering community integration (see sub-IR 2.4.4).

#### **2.4.4 Foster community integration**

USAID will work across sectors to enhance the independence and functional ability of persons with disabilities. Activities under sub-IR 2.4.2 that promote increased access to rehabilitation services will contribute towards this aim. In addition, USAID will partner with the GoL and civil society to develop and implement disability-inclusive policies that ensure optimal participation, including access to affordable and appropriate rehabilitation services. Equal access to health and social services will foster integration of persons with disabilities and mental illness in their communities and allow them to contribute more effectively to society.

In complementary work beyond the health sector, USAID will promote economic empowerment of persons with disabilities through their integration into the workforce and market-based livelihood opportunities.

## **F. NEXT STEPS AND RECOMMENDATIONS**

### **New RMNCAH bilateral activity**

Based on the priorities set out in section 2.3 above and given the very poor maternal, newborn, child and female adolescent health status among vulnerable populations in Laos and USAID's comparative advantages in RMNCAH programming, USAID should invest in a flagship bilateral activity in this area. The activity should complement existing USAID MCH, nutrition, and WASH programming in Laos. As the flagship bilateral, RMNCAH activity is likely to have a larger geographic coverage than USAID Nurture, the design should consider inclusion of nutrition and WASH programming.

**Recommendation:** USAID/RDMA and the LCO, in collaboration with the Bureau for Global Health and the Asia Bureau, and in close coordination with GoL counterparts, should proceed to design a flagship bilateral RMNCAH activity in Laos.

### **Disability**

A priority for USAID is to leverage the increased commitment of the GoL in development initiatives that are inclusive of persons with disabilities and mental illness. In the health sector, a high priority is the scale up of quality rehabilitation and mental health services. This work will be linked to USAID Okard's community empowerment work with persons with disabilities to demand equitable access to services. This work is also linked to activities to promote social inclusion using social and behavior change techniques, which in turn will provide an enabling environment for the scale up and utilization of rehabilitation services.

**Recommendation:** USAID health sector programming in Laos, particularly in the area of HSS, should align closely with current USAID programs to maximize synergies in improving the responsiveness of the health system to deliver quality rehabilitation and mental health services. This work should be linked to health and disability sector programming to increase equitable access to and utilization of disability services.

### **USAID management of health activities in Laos**

Over the years, the capacity of USAID's LCO has developed, enabling a greater leadership role in shaping USAID's investments. However, to date, USAID's health activities in Laos have been primarily managed by RDMA or through central mechanisms based in Washington, D.C., supplemented by Activity Managers in the LCO. It is anticipated that as the capacity and staffing of the LCO further develops, it will take on a greater role in leadership and management of USAID's portfolio of health activities in Laos.

The following transitions in management arrangements are anticipated:

- Management of malaria mechanisms, currently supported through RDMA's regional PMI programming, may transition to an Activity Manager in the LCO.
- By the end of 2019, PEPFAR operating units in the Asia region will be realigned to a regional platform. The management of PEPFAR activities will gradually transit to the LCO.
- As follow-on activities are developed for the current Emerging Pandemic Threats 2 Program, in Fiscal Year 2019–2020, an evaluation of the level of support needed from RDMA to assist with management of new and legacy activities will be undertaken. Recommendations will be made for how RDMA can best assist the LCO with assuming full management of activities.
- While central mechanisms will continue to be managed from Washington D.C., Activity Managers based in the LCO will take on a greater role, as needed, in local level management and partner coordination for these activities.

RDMA will continue to provide the LCO with management and technical support across its health portfolio, as needed.

**Recommendation:** USAID/RDMA and the LCO should jointly refine the roles, responsibilities and relationships between USAID/Washington, RDMA, and the LCO in managing health programming in Laos. This should include development of a plan and timetable for the transition

of activity management responsibilities to the LCO. The plan should identify steps for developing the capacity of health staff in the LCO, including an assessment of staffing levels to fulfill the LCO's roles and responsibilities.

# ANNEX I. METHODOLOGY FOR DEVELOPMENT OF THE LAOS HEALTH STRATEGY

This strategy was developed by a team of 11 USAID professional staff and two external consultants with the support and guidance of management in the USAID Laos Country Office (LCO) and the USAID/Regional Development Mission Asia (RDMA). The team consisted of a range of experts in reproductive, maternal, newborn, child and adolescent health (RMNCAH), health systems, public health threats, and disabilities and rehabilitation, drawn from USAID's Bureau for Global Health, Bureau for Asia, RDMA, and the LCO.

The key components of the methodology used to develop this strategy were:

1. A broad-ranging review of available literature and documents.
2. Consultations with the Laos Ministries of Health and Finance.
3. Consultations with provincial and district health departments and healthcare providers at provincial, district, and local levels, including site visits to a range of different health facilities, across 10 provinces. These consultations were conducted by four sub-teams which were accompanied by officials from the Laos Ministry of Health. The provinces visited were: Luang Namtha, Bokeo, Xieng Khouang, Houaphanh, Oudomxay, Xaiyabouly, Bolikhamxay, Khammaoune, and Sekong.
4. Consultations with multilateral and bilateral development partners and implementing agencies in Laos.
5. Following the provincial and district consultations, the team convened to share their findings and develop conclusions on the Laos health system's strengths, weaknesses, opportunities, and key challenges. The strategy development team then worked together to identify the main axes of programmatic intervention which are reflected in this Strategy.



# ANNEX 2. DETAILED IR2.2.2 FACILITATE EQUITABLE AND EFFICIENT FINANCING OF THE HEALTH SECTOR AT PROVINCIAL, DISTRICT, AND HEALTH CENTER LEVELS

**Budget planning:** The National Health Accounts indicate that current levels of financing for health vary greatly between provinces. They appear to be based primarily on historical allocations rather than need. USAID will provide technical assistance to: 1) support rationalization of financial allocations to provinces and districts; 2) build the capacity of provincial and district staff to prepare realistic, needs-based budgets; and 3) improve the alignment of funding requests with allocations from the central government, provinces, and revenues provided through the National Health Insurance (NHI) scheme. Work in this area may include the development of rolling three-year planning and expenditure frameworks. Assistance may extend to development of expenditure tracking systems to measure the flow of funds from all sources and utilization of funds.

**Public financial management capacity at all levels:** To complement the work of the development banks in the development of financial management tools, USAID will engage in financial management capacity building activities at provincial, district, and health center levels. In addition, USAID will support the MoH's intent of developing hospital autonomy through an assessment of their capacity to manage financial resource and undertake other managerial functions.

**Provider payment mechanisms:** USAID will provide assistance to the health sector to leverage the power of payment mechanisms to influence provider behaviors. Two main mechanisms are currently in place in areas covered by the National Health Insurance scheme: capitation for outpatient services and case-based payments for inpatients. Co-payments are also in place and vary with the level of services (in- and out-patients) and by facilities (health centers and district, regional, and central hospitals). USAID will assist the health sector in aligning the amount of NHI payments to providers with the real costs of providing services. This may include updating of costing information for high demand in and outpatient services and analyzing cost and efficiency differences per service at different facility levels. Assistance could also be provided to design and test different payment mechanisms to improve provider performance, taking into account quality as well as the volume of services delivered.

USAID will provide technical assistance on the development of incentives to reward performance of frontline workers. This may include design and testing of output-based payment mechanisms to incentivize provision. A broad approach will be taken, beyond financial and non-financial incentives, such as promotion and access to training. This will include providing more autonomy and flexibility at facility level regarding staff management and the ability to use funds for maintenance and infrastructure improvements, as these factors are key to enhancing performance and motivation.

**National Health Insurance scheme:** As the NHI scheme expands, USAID will support development of key functions at central and provincial levels: enrollment and management of

beneficiaries, management and possibly contracting of approved providers, financial management, payment monitoring, and information management. USAID support may include a capacity building needs assessment of some Provincial Health Insurance Bureaus and support for strengthening management and staff capacity and improvement of IT support systems.

USAID will support the implementation of the essential package of services (Essential Health Services Program—EHSP) by providing assistance to link the EHSP to the mobilization of resources, payment, the ability to provide the services, performance measurement, and accountability.<sup>12</sup> This may include cost-effectiveness studies and of use of health technology assessment tools to adjust policies regarding EHSP priorities in the NHI scheme.

USAID will also prioritize the inclusion of HIV as a core component of an Essential Package of Services, treatment for People Living with HIV and adherence support as well as rehabilitation services for persons with disabilities in GoL health insurance schemes.

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<sup>12</sup> Glassman A and al, What's In, What's Out, Designing Benefits for UHC. Center for Global Development, 2017

# ANNEX 3. CONSULTATIONS CONDUCTED IN DEVELOPING THE STRATEGY

The team that developed this strategy conducted a wide range of consultations with officials from the Laos Ministry of Health at the central level and with Provincial and District Health Offices and Health Centers. The team also visited a number of villages and consulted with local community members. In addition, a series of meetings were held with multilateral and bilateral development agencies and their implementing partners working in Laos. This annex provides details of the consultations held.

## ***MOH Central level***

Dr. Anonh Serdvongsa, Director of Maternal and Child Health Center (MCHC), Vientiane, Lao PDR

Dr. Pranome Sayamoungkhoun, Deputy Director of MCHC, Vientiane, Lao PDR

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Dr. Chanthavong Savathjirang, Deputy Head, VPD Unit, EPI Manager, MCHC, Vientiane, Lao PDR

Dr. Chansay Pathammavong, Deputy Head of National Immunization Program, MCHC, Vientiane, Lao PDR

Dr. Latsamy Thammavong, Deputy Director MCH Division, MCHC, Vientiane, Lao PDR  
Dr. Phengjoy Panyalath, Technical Officer, Maternal Health Unit, MCHC, Vientiane, Lao PDR

Dr. Konesnoux Singphuangphet, Technical Officer, Foreign Relations Unit, MCHC, Vientiane, Lao PDR

Mr. Anousack Xeuatvongsa, Desk Officer, Data Information Unit, MCHC, Vientiane, Lao PDR

Mr. Sisouvet Norasingh, Technical Officer, Monitoring & E Unit, MCHC, Vientiane, Lao PDR

Dr. Chanthavong Savathjirang, Deputy Head, VPD Unit, EPI Manager, MCHC, Vientiane, Lao PDR

Dr. Souksavan Sysamay, Technical officer, Planning Unit, MCHC, Vientiane, Lao PDR

## ***Provincial, District and village level consultations***

### **Luangnamtha Province**

- Luangnamtha Province Provincial Health Office
- Luangnamtha Provincial Health Insurance Bureau
- Nalae District Health Office
- Nalae District Hospital
- Chalansouk Health Center

- Mohk-Jord Health Center
- Pangsalao Health Center
- Namngou Special Health Center
- Meung District Governor
- Mueng District Health Office
- Meung District Hospital
- Meung District Village

#### **Bokeo Province**

- Bokeo Provincial Health Office
- Bokeo Provincial Hospital

#### **Oudomxay Province**

- Oudomxay Provincial Health Office
- Namor District Hospital
- Namngeun Health Center
- Namngeun Village
- Nga District Hospital
- Nakhok Health Center
- Nakhok Village

#### **Xayabouly Province**

- Xayabouly Provincial Health Office
- Phieng District Hospital
- Pongyang Health Center
- Huahan Village
- Parklay District Health Office
- Parklay District Hospital
- Palai Health Center
- Ponkham Village
- Parkleng Health Center
- Parkleng Village

#### **Xiengkhouang Province**

- Xiengkhouang Provincial Office
- Xieng Khouang Provincial Hospital
- Khoun District Health Office
- Namphan Health Center
- Smaphanxai Health Center

- Nonged District Health Office
- Khungphanian Health Center
- Baan Pha Luang village

#### **Houaphanh Province**

- Houaphanh Provincial Office
- Houaphanh District Hospital
- Namterb Health Center
- Namterb village
- Houaphanh Health Center

#### **Khammouan Province**

- Khammouan Provincial Health Office
- Nongphin Health Center
- Boualapha District Health Office
- Mahaxay District Governor
- Mahaxay District Health Office
- Vern Village (USAID Nuture site visit)
- Duck Bue Village

#### **Bolikhamsay Province**

- Bolikhamsay Provincial Health Office
- Bolikhamsay District Hospital
- Bolikhamsay-Phaneuang Health Center

#### **Sekong Province**

- Sekong Provincial Health Office
- Duck Cheung District Hospital
- Duck Bue village

#### ***Development partners***

The team that developed this strategy consulted with representatives of the following development partners working in Laos: the World Health Organization, United Nations Children’s Fund, United Nations Population Fund, UN Office for Project Services, World Bank, Asian Development Bank, European Union, German Society for International Cooperation, Australian Aid/Department of Foreign Affairs and Trade, the Japan International Cooperation Agency, Save the Children, Care International, Plan Laos, Population Services International, Pasteur Institute, the Laos-American Nutrition Institute, and the Laos-Oxford-Mahosot Hospital-Wellcome Trust Research Unit.

## **ANNEX 4. BIBLIOGRAPHY**

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