Indonesia’s Country Coordinating Mechanism (CCM Indonesia) is currently developing a new Health Systems Strengthening (HSS) proposal for submission to the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM). The grant will have a ceiling of USD 7.8 million and will run for up to 2 ½ years.

In line with Indonesia’s national health policies, which aim to improve the capacity of local communities to meet their health needs, the new HSS proposal will seek to contribute to reduced morbidity and mortality from AIDS, tuberculosis and malaria (ATM) through district level health systems strengthening. The proposal will have a primary focus on two key HSS pillars: Supply Chain Management (SCM) and Health Information Systems (HIS).

The figure below presents the general concept for the grant. The selected PR will be encouraged to establish a small national level management unit to lead the project, and to ensure that the project remains in line with national policies related to HIV, TB and malaria, as well as evolving national strategic plans for health systems strengthening. The national level management unit will also be expected to coordinate closely with ongoing and planned HSS activities that are implemented by development partners.
Several districts will be selected for intensive support to strengthen and integrate SCM and HIS activities and practices in each district. Indeed, the bulk of project funding will be made available for district-level HSS work. At the start of the project, a temporary ‘implementation design team’ will conduct assessments in each selected district, and will develop detailed action plans for implementation during the project period. The ‘implementation design team’ will consist of HSS, HIV, TB and malaria experts with extensive experience in developing and implementing field-level health systems strengthening activities. At the subnational level, small project teams will work at provincial and district health offices to guide day-to-day project implementation, and to serve as HSS “mentors” for local health managers and workers.

GFATM encourages high standards for grant implementers. The following characteristics are considered by GFATM to be minimum requirements for a PR:

- The PR demonstrates effective management structures and planning.
- The PR has the capacity and systems for effective management and oversight of sub-recipients (and relevant sub-sub-recipients).
- The internal control system of the PR is effective to prevent and detect misuse or fraud.
- The financial management system of the PR is effective and accurate.
- If applicable, central warehousing and regional warehouses have capacity, and are aligned with good storage practices to ensure adequate condition, integrity and security of health products.
- If applicable, the PR’s distribution systems and transportation arrangements are efficient to ensure continued and secured supply of health products to end users to avoid treatment/program disruptions.
- Data-collection capacity and tools are in place to monitor program performance.
- A functional routine reporting system with reasonable coverage is in place to report program performance timely and accurately.

CCM Indonesia will adhere to GFATM’s minimum requirements for PR selection, and may choose to apply additional criteria to ensure that the most appropriate PR is selected to implement the grant.

If your organization would like to be considered as a PR for the new HSS grant, please submit an Expression of Interest that demonstrates your organization’s suitability for managing large grants, as well as your organization’s capacity and expertise to meet the minimum requirements listed above. In order to submit an Expression of Interest, your organization must be a legally constituted entity with the capacity to implement external funding according to Indonesian law. Non-governmental organizations or civil society entities are encouraged to submit Expressions of Interest.
Expressions of Interest will be evaluated by CCM Indonesia according to the following criteria:

<table>
<thead>
<tr>
<th>No</th>
<th>Evaluation Criteria</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Programmatic expertise in Health System Strengthening</td>
<td>25</td>
</tr>
<tr>
<td>2.</td>
<td>Capacity of the organization to fulfill the management responsibilities of PR, including financial &amp; administrative control, human resources, asset management &amp; sub recipient management</td>
<td>25</td>
</tr>
<tr>
<td>3.</td>
<td>Demonstrate of sound M&amp;E systems</td>
<td>25</td>
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<tr>
<td>4.</td>
<td>Engagement and understanding of national health program and country priorities related to health information system and supply chain management</td>
<td>25</td>
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</tbody>
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**Submission Guidelines**

The Expression of Interest must be written in English and should not exceed five pages, using font size 12.

The cover page should include the following:

- Organization name, type of organization and address
- Legal registration number
- Contact person and designation

The applicants must attach the following supporting documents:

- CV and qualification of key persons
- Organizational structure
- Legal status
- Finance policy & procedures manual
- Audit report of the past 3 years
- M&E plan showing procedures or systems including samples of data collection tools that will be used to manage flow of data from the sub-recipient level to PR and to the GF Secretariat.

Interested organizations should submit a soft copy on a memory stick, as well as one original and four hard copies in a sealed envelope clearly labeled: Expression of Interest to be a Principal Recipient for the Health Systems Strengthening grant.
The deadline for submission is Wednesday, 10 September 2014 at 3pm.
Expressions of interest will be address to the CCM chairperson, and be delivered to:
The Country Coordinating Mechanism Secretariat
Adiyatma Building, 9th Fl
Ministry of Health, Jl HR Rasuna Said, Kuningan Jakarta Selatan

Shortlisted organizations will be expected to make a presentation to the CCM Indonesia.

CCM INDONESIA

Prof. Dr. dr. Sudijanto Kamso, SKM
Acting Chair
Preliminary Concept Notes of Health System Strengthening for New Funding Model

A. Background

Combatting HIV, TB and Malaria is among the main priorities of Indonesia. Supported by donor, development partners, civil society, private sector and others, the Government of Indonesia has made some progress and still faces a lot of challenges. In spite of the national HIV prevalence is still low, the rapid increases of cumulative AIDS cases turns Indonesia as one of countries in Asia with fastest growing epidemic. However, the cases are unevenly distributed across the country. In terms of TB, Indonesia is ranked fifth highest among the 22 high burden countries, with an estimated 450,000 new cases of TB per year that prevalent in all districts. While the focus of malaria program is moving from control to elimination phase, however there are still 40% of the population are at risk distributed in 360 districts. In 2012, no less than 417,819 positive malaria cases were reported.1 The five easternmost provinces of Indonesia – Papua, West Papua, Maluku, North Maluku and East Nusa Tenggara, – contribute 70% of malaria cases.

Among the prerequisites to optimally combat AIDS, TB and Malaria is a strong health system. According to the World Health Organization, health systems consists of six building blocks: 1) service delivery; 2) health workforce; 3) information; 4) medical products, vaccines, and technologies; 5) financing; and 6) leadership and governance.2 Slightly different, Indonesia has formulated national health system (Sistem Kesehatan Nasional) that is composed by 7 pillars including: 1) service delivery, 2) research and development, 3) financing, 4) health workforce, 5) pharmaceutical, medical equipment and food, 6) management, information & regulation and 7) community strengthening.3 Health system strengthening (HSS) has been defined as “improving [the] six health system building blocks and managing their interactions in ways that achieve more equitable and sustained improvements across health services and health outcomes.”

Strengthening national health system is a long term vision of the country guided by the National Long Term Development Plan (2005-2025) that is organized orderly by four consecutive National Mid Term Development Plans. While waiting for the new government, National Development Planning Board (Bappenas) has initiated consultations and meeting with relevant ministries and government bodies to define 12 strategic issues to be included in the next National Mid Term Development Plan (2015-2019) for health.

Efforts to strengthen health system are complex due to several challenges and opportunities. Currently, there are several development partner’s HSS program with each has specific

1 Kementerian Kesehatan RI, Profil Kesehatan Indonesia 2013
3 Peraturan Presiden no 72 tahun 2012 tentang Sistem Kesehatan Nasional
objectives, approaches, building blocks and areas of intervention. Global Fund R 10 HSS has started in 2012 to 2014 aiming to contribute ATM morbidity and mortality reduction in 138 underserved districts by intervening on 2 building blocks: information and pharmaceutical and health products. AIPHSS (Australia Indonesia Partnership on Health System Strengthening) focuses on strengthening health workforce, health financing and service delivery in 8 districts at East Java and Nusa Tenggara Timur. GAVI HSS aims to strengthen immunization services by intervening service delivery and information. Recently, UNDP initiates Access and Service Delivery by Intersectoral Partnership by intervening on governance, pharmaceutical and health products, and health financing.

Health system decentralization present challenges to any HSS intervention. While there is Presidential Decree on National Health System, however no dedicated guideline on Provincial or District Health System is available to allow local government to regulate, allocate resources, manage subsystems interactions and lead the processes by involving relevant actors to achieve sustainable health outcomes of their respected communities. This policy has resulted in some deterioration of program; however some well-governed districts have shown improvement to tackle health problems.

B. Concept Notes Development Process and Issues

According to the Global Fund\(^4\), countries themselves remain the major investors in HSS, however they provide additional support to maximizing the impact of core investment on HIV, TB and malaria program. CCM’s final program split for HSS allocates USD 10 M for HSS. After deduction for 2014 GF R 10 HSS program, USD 7.8 m is available for a new HSS Concept Notes (2015-2016). Technical Working Group (TWG) HSS of CCM has initiated consultations with relevant stakeholders to identify and brainstorm on various HSS for the upcoming grant. This process includes reviewing the performance of current GF HSS, consultation with Minister of Health and discussion with Secretary General concerning the vision on maximizing the contribution of HSS interventions on improving district health system performance.

We conducted dialogue with HIV, TB and malaria programs to identify prioritized building blocks to be intervened that brings benefit to more than one disease. Disease programs have incorporated a comprehensive approach to combat the disease including surveillance, prevention, care, support, treatment, rehabilitation and mitigation of social and economic impact. However, without the support of strong logistic and supply chain management systems, effective treatment with high quality drugs could be potentially at risk. Several district health offices that benefiting from the supply chain management exercises have benefited with better coordination and integration between ATM and pharmacy program to implement One Gate Drug policy at district level. Ensuring effective treatment of ATM diseases also needs a strengthened system to control

\(^4\) Global Fund's investment in Health System Strengthening: Information Note
drug quality. While Indonesia has started a voluntary mechanism to report drug adverse event for a while, however no systemic pharmacovigilance system HIV, TB and malaria drugs is available. Another subtheme of supply chain management was also ensuring the availability of logistics for diagnostic laboratory and mechanism to ensure integrated network of laboratories with high skilled examiners and supported by appropriate standard protocols.

With high demanding program to monitor the progress and evaluate achievement of the program, each disease currently operates specific recording and reporting mechanism. All systems were originally designed by the central level mostly aimed to meet the need of the national level. TB program with SITT (Sistem Informasi Tuberkulosis Terpadu) is having the most advanced feature with a web-based platform that allow centralized and real time data entry directly to the server at the Ministry of Health. HIV program with SIHA (Sistem Informasi HIV AIDS) also adopts a web-based platform, still many problems occurs with less than 70% of the users routinely utilize the system. Malaria program currently is still working with manual Excel based mode but aiming to have better system in collaboration with Center for Health Data. With those fragmented systems, there is a need to harmonize the fragmented system to prevent duplication of works by staff at health facility levels dealing with different system. There is also a need to strengthen the capacity of people at the district level to optimally use data that has been collected to support better local level action and plans. Using data for local needs approach is also important to support the scale up the implementation of current SRS (sample registration system) at district level.

Among the issues that have been discussed were also to use bottom up approach that allow more involvement and participation of people in the district level to design interventions that fit to their needs and respected district situation. Due to the limited budget for this upcoming grant, discussions were then focused on how to maximize the impact of the grant by implementing in a small number of districts. There are several options for selecting the districts, for example:

1. The main criteria will be the districts that are affected by HIV, TB and Malaria. A map of current GF grant by districts resulted in 50 district that receive either HIV, TB and Malaria grant.
2. The following criteria will be collaboration with ongoing HSS grant. Combination with other HSS grant will potentially maximize the impact of GF HSS grant by intervening more number of building blocks.
3. District that have standardized drug warehouse could also be another criteria for intervention. Supply chain management intervention could be conducted at districts that do not meet the standard.
4. Districts that experiencing whole district health information system. Increasing number of districts have known for implementing computer-based district health information systems that connect all primary health center.
5. Commitment and leadership from the local government.

C. Goal of HSS

Based on the above consideration and consistent with health systems decentralization policy aiming to improve health systems that meet the needs of the local level, the upcoming HSS Concept Notes seeks to: contribute to reduced morbidity and mortality of ATM diseases by strengthening district level health systems, with a focus on Supply Chain Management and Health Information Systems.

D. Approach

This bottom up approach of health system strengthening can be depicted in the following figure. A national level management unit is needed to lead the program and ensure that this HSS intervention is in line with national policy, HIV, TB and Malaria action plan and relevant building blocks program. Coordination with ongoing HSS by other development partners should be constructed in this position. Before starting the program at district level, an implementation design team should be developed to formulate the detailed assessment to prepare the districts. This team will consist of HSS, HIV, TB and Malaria experts to design the program and mechanism to monitor and evaluation. At subnational level, there will be team in the province and district with different roles. Those teams will work closely with HIV, TB, Malaria and relevant building block programs. If the district selected is one that is part of ongoing HSS by other partner, sharing mechanism will be developed to ensure optimal resource sharing.
E. Closing

This preliminary draft is for consultative sharing and dialogue to obtain inputs and feedback for improvement. CCM is expected to submit the final Concept Notes on October 2014.