**Presentation 3: Country case study from Egypt**

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Introduction and background: The promulgation ofthe new Universal Health Insurance UHI Law stimulates major progress towards achieving Universal Health Coverage UHC. By the full implementation, it is envisaged that all Egyptians will be covered with quality health services while ensuring adequate level of financial protection. This country study aimed to inform the implementation process of the UHI by anticipating the strengths and possible challenges as well as developing options to support the establishment of an aligned mixed provider payment system.

Methods: A mixed methods approach was applied, including document review, in particular of legal provisions relating to the previous health financing system and the new architecture, as well as interviews and discussions with key stakeholders.

Results: Even though the Law and the Bylaw do not specify the payment methods for UHI covered curative health services, there seems to be an implicit understanding of using case payment for inpatient care combined with fee for services, and capitation payment for the primary level.

The curative health services are covered by the UHI and will be paid through output-based payment methods (fee for service payment or preferably case payment), whilst preventive and promotive health services will be funded (and paid) through input oriented, line item budgets from the Ministry of Health and Population. In view of the incentives set by these payment methods, health facilities (and staff), both public and private, may very likely find the former more attractive There is a hence risk that this leads to undesirable provider behavior, namely resource shifting to the curative care provision (staff time, attention, medical supplies, etc.), leading to resources shortages (staff time hence longer waiting time, lack of supplies etc.) for preventive care.

Conclusions: The assessment points to the importance of aligning the funding streams for preventive & promotive care (line-item budgeting) and curative care (UHI payment methods) in order to avoid distortions in provider behaviour. If moving away from a budgeting approach based on line items for preventive and promotive care is not feasible within short time, an alternative is to add a pay for performance component to give incentives to health workers to put more emphasis on preventive & promotive health services. Introducing financial incentives for care coordination may be an additional option.